

INTREXON CORP  
Form DEF 14A  
April 27, 2018  
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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549**

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934  
(Amendment No. )**

Filed by the Registrant    Filed by a party other than the Registrant o  
Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**INTREXON CORPORATION**  
**(Name of Registrant as Specified In Its Charter)**

**(Name of Person(s) Filing Proxy Statement, if Other Than The Registrant)**

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.
  - (1) Title of each class of securities to which transaction applies:
  - (2) Aggregate number of securities to which transaction applies:
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  - (4) Proposed maximum aggregate value of transaction:
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**INTREXON CORPORATION**  
**20374 Seneca Meadows Parkway**  
**Germantown, Maryland 20876**

**NOTICE OF 2018 ANNUAL MEETING OF SHAREHOLDERS**  
**To Be Held On June 7, 2018**

To Our Shareholders:

You are cordially invited to attend the Annual Meeting of Shareholders (the Annual Meeting ) of Intrexon Corporation (the Company ) to be held at 9:00 a.m., Eastern Time, Thursday, June 7, 2018, at the Esperante Conference Center, 222 Lakeview Avenue, West Palm Beach, Florida 33401, for the following purposes:

1. To elect the nine nominees named in the accompanying Proxy Statement to the Board of Directors, each to serve a one-year term expiring at the earlier of the next Annual Meeting or until his or her successor is duly elected and qualified;
2. To ratify the appointment by the Audit Committee of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2018;
3. To approve a non-binding advisory resolution approving the compensation of the named executive officers;  
To approve an amendment to the Amended and Restated Intrexon Corporation 2013 Omnibus Incentive
4. Plan (the 2013 Plan ), which would provide for the availability of an additional two million shares of common stock under the 2013 Plan; and
5. To transact any other business that may properly be brought before the Annual Meeting or any adjournments or postponements thereof.

As of the date of this notice, the Company has received no notice of any matters, other than those set forth above, that may properly be presented at the Annual Meeting. If any other matters are properly presented for consideration at the meeting, the persons named as proxies on the proxy card, or their duly constituted substitutes, will be deemed authorized to receive notice on behalf of and to vote the shares represented by proxy or otherwise act on those matters in accordance with their business judgment.

The Board of Directors has fixed the close of business on April 16, 2018, as the record date for determining those shareholders entitled to notice of and to vote at the Annual Meeting. As permitted by rules adopted by the Securities and Exchange Commission, we are furnishing our Proxy Statement, 2017 Annual Report to Shareholders and proxy card over the Internet to our shareholders. This means that our shareholders will receive only a notice containing instructions on how to access the proxy materials over the Internet. If you would like to receive a paper copy of the proxy materials, the notice contains instructions on how you can request copies of these documents.

**Your vote is very important to us.** Please read the Proxy Statement and then, regardless of whether you plan to attend the Annual Meeting, vote your shares as promptly as possible. Please see page 3 for information about voting by internet, telephone, mail or in person at the Annual Meeting. Please note that in the absence of specific instructions as to how to vote, brokers may not vote your shares on the election of directors, the non-binding proposal regarding the compensation of the named executive officers or the proposal to approve the amendment to the 2013 Plan. You may revoke your proxy at any time before the vote is taken by delivering to the company's Corporate Secretary a written revocation, submitting a proxy with a later date or by voting your shares in person at the Annual Meeting, in which case your prior proxy will be disregarded. Please note that voting in advance in any of the ways described will not prevent you from attending the Annual Meeting should you choose to do so. I hope that you will attend the Annual Meeting, but even if you cannot, please vote your shares as promptly as possible.

By Order of the Board of Directors,  
DONALD P. LEHR  
*Corporate Secretary*

Germantown, Maryland  
April 27, 2018

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**IMPORTANT NOTICE REGARDING THE AVAILABILITY OF PROXY MATERIALS FOR THE ANNUAL MEETING OF SHAREHOLDERS TO BE HELD ON JUNE 7, 2018**

This Proxy Statement, including the accompanying notice and form of proxy, and our Annual Report are available online at <https://www.proxyvote.com>. To obtain directions to the Esperante Conference Center to attend the annual meeting in person, please visit the Investors section of our website at [www.dna.com](http://www.dna.com) or contact Investor Relations in writing at 20374 Seneca Meadows Parkway, Germantown, Maryland 20876.

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**INTREXON CORPORATION**  
**20374 Seneca Meadows Parkway**  
**Germantown, Maryland 20876**

### **PROXY STATEMENT** **2018 Annual Meeting of Shareholders**

This Proxy Statement and the accompanying proxy card are being furnished to you by the Board of Directors (the Board ) of Intrexon Corporation to solicit your proxy to vote your shares at our 2018 Annual Meeting of Shareholders (the Annual Meeting ), or at any adjournments or postponements thereof. The Board has designated the Esperante Conference Center, 222 Lakeview Avenue, West Palm Beach, Florida 33401 as the place of the Annual Meeting. The Annual Meeting will be called to order at 9:00 a.m., Eastern Time, on Thursday, June 7, 2018. To obtain directions to the Esperante Conference Center to attend the Annual Meeting in person, please visit the Investors section of our website at [www.dna.com](http://www.dna.com) or contact Investor Relations in writing at 20374 Seneca Meadows Parkway, Germantown, Maryland 20876. Unless the context otherwise indicates, reference to Intrexon, we, us, our or the Company mean Intrexon Corporation.

On or about April 27, 2018, we will mail a notice to shareholders containing instructions on how to access the Proxy Statement, including the accompanying notice and form of proxy, and 2017 Annual Report and how to vote. These materials will be made available to you on the internet, however, we will promptly deliver printed versions of these materials to you by mail upon your request.

### **QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING**

#### **1. Who is asking for my vote and why am I receiving this document?**

The Board asks that you vote on the matters listed in the Notice of 2018 Annual Meeting of Shareholders, which are more fully described in this Proxy Statement. We are providing this Proxy Statement and related proxy card to our shareholders in connection with the solicitation by the Board of proxies to be voted at the Annual Meeting. A proxy, if duly executed and not revoked, will be voted and, if it contains any specific instructions, will be voted in accordance with those instructions.

#### **2. Who is entitled to vote?**

Only holders of record of outstanding shares of our common stock at the close of business on April 16, 2018, are entitled to notice of and to vote at the Annual Meeting. At the close of business on April 16, 2018, there were 129,242,304 outstanding shares of common stock. Each share of common stock is entitled to one vote on each matter properly brought before the Annual Meeting.

#### **3. What is a proxy?**

A proxy is your legal designation of another person to vote the stock you own. If you designate someone as your proxy or proxy holder in a written document, that document is called a proxy or a proxy card. Mr. Randal J. Kirk, Mr. Donald P. Lehr and Mr. Rick L. Sterling have been designated as proxies or proxy holders for the Annual Meeting. A proxy properly executed and received by our Corporate Secretary prior to the Annual Meeting and not revoked will be voted in accordance with the terms thereof.

#### **4. What is a voting instruction?**

A voting instruction is the instruction form you receive from your bank, broker or its nominee if you hold your shares of common stock in street name. The instruction form instructs you how to direct your bank, broker or its nominee, as



record holder, to vote your shares of common stock.

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**5. What am I voting on?**

Shareholders are being asked to vote on each of the following items of business:

- The election of the nine nominees named in this Proxy Statement to the Board, each to serve a one-year term expiring at the earlier of the next Annual Meeting or until his or her successor is duly elected and qualified;
- The ratification of the appointment by the Audit Committee of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2018;
- The approval of a non-binding advisory resolution approving the compensation of the named executive officers; and
  - The approval of an amendment to the Amended and Restated Intrexon Corporation 2013 Omnibus Incentive Plan (the 2013 Plan ), which would provide for the availability of an additional two million shares of common stock under the 2013 Plan.

In addition, any other matters that properly come before the Annual Meeting or any adjournment or postponement thereof will be considered. Management is presently aware of no other business to come before the Annual Meeting.

**6. How many votes must be present to hold the Annual Meeting?**

A majority of the outstanding shares of common stock entitled to be cast as of the record date must be present in person or represented by proxy at the Annual Meeting. This is referred to as a quorum. Abstentions, withheld votes and shares of record held by a broker or its nominee ( broker shares ) that are voted on any matter are included in determining the existence of a quorum. Broker shares that are not voted on any matter ( broker non-votes ) will not be included in determining whether a quorum is present.

**7. What are the voting requirements to elect directors and approve the other proposals described in the Proxy Statement?**

The vote required to elect directors and approve each of the matters scheduled for a vote at the annual meeting is set forth below:

<b>Proposal</b>	<b>Vote Required</b>
1. Election of directors	Majority of votes cast
2. Ratification of appointment of PricewaterhouseCoopers LLP	Majority of votes cast
3. Advisory vote on executive compensation	Majority of votes cast
4. Amendment to 2013 Plan to increase the number of shares available under the 2013 Plan	Majority of votes cast

Votes may be cast by proxy or in person. A majority of votes cast means that more votes were cast for the proposal than against. Abstentions and broker non-votes (described in Question 13 below) are not considered as votes cast and will have no effect on the vote outcome for these matters. As it relates to the election of our directors, our Corporate Governance Guidelines provide that any nominee for director in an uncontested election who receives a greater number of shareholder votes cast against his or her election than votes for his or her election must promptly tender his or her resignation to the Board for consideration. For more details regarding the director resignation policy, please see Election of Directors on page 15.

**8. What are the voting recommendations of the Board?**

For the reasons set forth in more detail later in this Proxy Statement, **THE BOARD UNANIMOUSLY RECOMMENDS THAT YOU VOTE:**

- FOR** THE PROPOSED NOMINEES TO THE BOARD NAMED IN THIS PROXY STATEMENT;
- FOR** THE RATIFICATION OF THE APPOINTMENT OF PRICEWATERHOUSECOOPERS LLP;
- FOR** THE APPROVAL OF THE NON-BINDING ADVISORY RESOLUTION REGARDING APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS; and
- FOR** THE APPROVAL OF AN AMENDMENT TO THE 2013 PLAN.



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**9. How do I vote?**

Registered shareholders (shareholders who hold common stock in certificated form or book entry form on the records of our transfer agent as opposed to through a bank, broker or other nominee) may vote in person at the Annual Meeting or by proxy. There are three ways for registered shareholders to vote by proxy:

By Internet: Connect to the internet at [www.proxyvote.com](http://www.proxyvote.com) and follow the instructions included on the proxy card or voting instruction. Your proxy will be voted according to your instructions. If you vote by internet, you do not need to mail in a proxy card or voting instruction.

By Telephone: Call 1-800-690-6903 and follow the instructions included on the proxy card or voting instruction. If you vote by telephone, you do not need to mail in a proxy card or voting instruction.

By Mail: If you received your proxy materials by mail, complete, properly sign, date and mail the enclosed proxy card or voting instruction.

Registered shareholders are urged to deliver proxies or voting instructions by using the internet, calling the toll-free telephone number or by completing and mailing the proxy card or voting instruction. The internet and telephone voting procedures are designed to authenticate shareholders' identities, to allow shareholders to give their proxies or voting instructions and to confirm that such instructions have been recorded properly. Instructions for voting over the internet or by telephone are included on the enclosed proxy card or voting instruction. If you received your proxy materials via mail, registered shareholders may send their proxies or voting instructions by completing, signing and dating the enclosed proxy card or voting instruction and returning it as promptly as possible in the enclosed prepaid envelope.

Shareholders who hold common stock through banks, brokers or other nominees (street name shareholders) who wish to vote at the Annual Meeting should receive voting instructions from the institution that holds their shares. Please contact the institution that holds your shares if you have not received voting instructions. Street name shareholders may also be eligible to vote their shares electronically by following the voting instructions provided by the bank, broker or other nominee that holds the shares, using either the toll-free telephone number or the internet address provided on the voting instruction; or by completing, dating and signing the voting instruction and returning it promptly in the enclosed prepaid envelope.

The deadline for voting via the internet or telephone is 11:59 p.m., Eastern Time, on June 6, 2018.

**10. Can I attend the Annual Meeting?**

Yes. The Annual Meeting is open to all holders of our common stock as of the record date, April 16, 2018. You may attend the Annual Meeting and vote in person. However, even if you plan to attend the Annual Meeting, we encourage you to vote your shares by proxy.

All shareholders must present a form of personal photo identification in order to be admitted to the meeting. In addition, if you are a street name shareholder and your shares are held in the name of a broker, bank or other nominee, please bring with you a proxy, letter or account statement from your broker, bank or nominee confirming your ownership of Company common stock so that you can be admitted to the Annual Meeting. Cameras, recording devices and other electronic devices are not permitted at the Annual Meeting.

**11. How will my shares be voted if I sign, date and return my proxy or voting instruction, but do not provide complete voting instructions with respect to each proposal?**

Shareholders should specify their vote for each matter on the proxy or voting instruction. The proxies solicited by this Proxy Statement vest in the proxy holders voting rights with respect to the election of directors (unless the shareholder marks the proxy to withhold that authority) and on all other matters voted upon at the Annual Meeting.

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Unless otherwise directed in the enclosed proxy card, the persons named as proxies therein will vote all properly executed, returned and not-revoked proxy cards or voting instruction cards (1) **FOR** the election of the nine director nominees listed thereon; (2) **FOR** the proposal to ratify the appointment by the Audit Committee of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2018; (3) **FOR** the non-binding proposal regarding approval of the

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compensation of the company's named executive officers; and (4) **FOR** the approval of an amendment to the 2013 Plan. As to any other business that may properly come before the Annual Meeting, the persons named in the enclosed proxy card or voting instruction will vote the shares of common stock represented by the proxy in the manner as the Board may recommend, or otherwise at the proxy holders' discretion. The Board does not presently know of any other such business.

### **12. How will my shares be voted if I do not return my proxy or my voting instruction?**

It will depend on how your ownership of shares of common stock is registered. If you own your shares as a registered holder, which means that your shares of common stock are registered in your name, your unvoted shares will not be represented at the Annual Meeting and will not count toward the quorum requirement, as explained under *6. How many votes must be present to hold the Annual Meeting?* on page 2, unless you attend the Annual Meeting to vote them in person.

If you are a street name shareholder and your shares are registered in the name of your bank, broker or its nominee, your shares may be voted even if you do not provide your bank, broker or other nominee with voting instructions. Under the rules of the New York Stock Exchange (the "NYSE") your bank, broker or other nominee may vote your shares in its discretion on routine matters. However, NYSE rules do not permit your bank, broker or other nominee to vote your shares on proposals that are not considered routine. When a proposal is not a routine matter and your bank, broker or other nominee has not received your voting instructions with respect to such proposal, your bank, broker or other nominee cannot vote your shares on that proposal. When a bank, broker or other nominee does not cast a vote for a routine or a non-routine matter, it is called a "broker non-vote."

Therefore, please note that in the absence of your specific instructions as to how to vote, your bank, broker or other nominee may not vote your shares with respect to the election of directors, the non-binding proposal regarding the compensation of the named executive officers or the proposal to approve the amendment to the 2013 Plan. Under NYSE rules, these matters are not considered routine matters. However, the ratification of the appointment by the Audit Committee of PricewaterhouseCoopers LLP is a routine matter under NYSE rules for which brokerage firms may vote on behalf of their clients if no voting instructions are provided. Therefore, if you are a street name shareholder whose shares of common stock are held with a bank, broker or other nominee and you do not return your voting instructions, your bank, broker or other nominee may vote your shares **FOR** the ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm. **Please return your proxy so your vote can be counted.**

### **13. How are abstentions and broker non-votes counted?**

Only votes cast for or against are included in determining the votes cast with respect to any matter presented for consideration at the Annual Meeting. As described above, when brokers do not have discretion to vote or do not exercise such discretion, the inability or failure to vote is referred to as a "broker non-vote." Proxies marked as abstaining, and any proxies returned by brokers as "non-votes" on behalf of shares held in street name because beneficial owners' discretion has been withheld as to one or more matters to be acted upon at the Annual Meeting, will be treated as present for purposes of determining whether a quorum is present at the Annual Meeting. Broker non-votes and abstentions will not be included in the vote total for the proposal to elect the nominees for director and will not affect the outcome of the vote for the proposal. In addition, under Virginia corporate law, abstentions are not counted as votes cast on a proposal. Therefore, abstentions and broker non-votes will not count either in favor of or against (i) the election of directors, (ii) the ratification of the appointment of PricewaterhouseCoopers LLP or (iii) the non-binding proposal regarding the compensation of the named executive officers. Broker non-votes will not count either for or against the proposal to approve the amendment to the 2013 Plan. Abstentions, however, will be considered as votes cast under the rules of the NYSE and will have the effect of a vote against the proposal to approve the amendment to the 2013 Plan.

**14. What if I change my mind after I vote?**

Whether you vote by internet, telephone or by mail, you may later change or revoke your proxy at any time before it is voted by (i) submitting a properly signed proxy with a later date, (ii) voting by telephone or the internet at a later time, or (iii) voting in person at the Annual Meeting. See the proxy card for instructions. Attendance at the Annual Meeting alone without voting will not revoke a previously granted proxy.

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If you are a street name shareholder whose stock is held with a bank, broker or other nominee, you must follow the instructions found on the voting instruction card provided by the bank, broker or other nominee, or contact your bank, broker or other nominee to change or revoke your previously given proxy.

**15. Who pays the cost of proxy solicitation?**

Intrexon will pay all expenses of soliciting proxies, including clerical work, printing and postage. Our officers and other employees may personally solicit proxies or solicit proxies by internet, telephone, mail or facsimile, but we will not provide any compensation for such solicitations. We will also reimburse banks, brokers and other persons holding shares in their names or in the names of nominees for expenses incurred sending material to beneficial owners and obtaining proxies from beneficial owners.

**16. Could other matters be decided in the Annual Meeting?**

The Board does not know of any other business that may be brought before the Annual Meeting. However, if any other matters should properly come before the Annual Meeting or at any adjournment or postponement thereof, it is the intention of the persons named in the accompanying proxy to vote on such matters as they, in their discretion, may determine.

**17. How do I make a shareholder proposal for the 2019 Annual Meeting of Shareholders?**

We must receive proposals from shareholders intended to be presented at the 2019 Annual Meeting of Shareholders, on or before December 28, 2018, to be considered for inclusion in our Proxy Statement and form of proxy/voting instruction card for that meeting pursuant to Rule 14a-8 under the Securities Exchange Act of 1934, as amended ( Exchange Act ), and for consideration at that meeting. Shareholders submitting such proposals are required to be the beneficial owners of shares of the common stock amounting to at least \$2,000 in market value and to have held such shares for at least one year prior to the date of submission.

Our Amended and Restated Bylaws (the Bylaws ) also set forth the procedures a shareholder must follow to nominate directors or to bring other business before shareholder meetings. For a shareholder to nominate a candidate for director or bring other matters from the floor at the 2019 Annual Meeting of Shareholders, we must receive notice of the nomination no later than March 9, 2019 and no earlier than February 7, 2019. For the nomination of a candidate for director, the notice must describe various matters regarding the nominee, including name, address, occupation and shares held. For bringing other matters from the floor at the 2019 Annual Meeting of Shareholders, the notice must include a description of the proposed business, the reasons therefor and other matters specified in our Bylaws. In each case, the notice must be timely given to our Corporate Secretary in writing, whose address is 20374 Seneca Meadows Parkway, Germantown, Maryland 20876. A printed copy of the Bylaws is available free of charge to any shareholder who requests it by contacting the Corporate Secretary in writing at Intrexon Corporation, 20374 Seneca Meadows Parkway, Germantown, Maryland 20876.



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### **CORPORATE GOVERNANCE**

#### **General**

Our business and affairs are managed under the direction of the Board in accordance with the Virginia Stock Corporation Act and our Amended and Restated Articles of Incorporation and Bylaws. Our Bylaws provide that the number of directors shall be fixed from time to time by the Board, but shall not be more than ten. The Board is currently comprised of the following individuals: Randal Kirk, Cesar Alvarez, Steven Frank, Vinita Gupta, Fred Hassan, Jeffrey Kindler, Dean Mitchell, Robert Shapiro and James Turley. For more information regarding the members of our Board, please see **NOMINEES FOR ELECTION AS DIRECTORS** beginning on page 16.

Members of the Board are kept informed of our business through discussions with the Chairman and Chief Executive Officer and other officers, by reviewing materials provided to them and by participating in meetings of the Board and its committees. The corporate governance practices we follow are summarized below.

#### **Corporate Governance Guidelines**

The Board has adopted corporate governance guidelines (the **Corporate Governance Guidelines**) that set forth the practices of the Board with respect to the qualification, selection and election of directors, director orientation and continuing education, director responsibilities, Board composition and performance, director access to management and independent advisors, director compensation guidelines, management evaluation and succession, policies regarding the Lead Independent Director, meetings of the non-management directors, the policy on communicating with the non-management directors and various other issues. A copy of our Corporate Governance Guidelines is available on our website at <http://investors.dna.com> under the caption **Corporate Governance**. A printed copy is available free of charge to any shareholder who requests it by contacting the Corporate Secretary in writing at Intrexon Corporation, 20374 Seneca Meadows Parkway, Germantown, Maryland 20876.

#### **Board Standards of Independence**

The Board sets our independence standards in our Corporate Governance Guidelines. The director independence standards provide that a majority of the Board must be independent under the independence standards established by the Corporate Governance Guidelines, the NYSE and the Securities and Exchange Commission (the **SEC**) as in effect from time to time. For a Board member or candidate for election to the Board to qualify as independent, the Board must determine that the person and his or her immediate family members do not have a material relationship with us (either directly or as a partner, shareholder or officer of an organization that has a relationship with us) or any of our affiliates. Under the categorical standards adopted by the Board, a member of the Board is not independent if:

- The director is, or has been within the last three years, our employee, or an immediate family member is, or has been within the last three years, an executive officer of the Company;
- The director has received, or has an immediate family member who has received, during any twelve-month period within the last three years, more than \$120,000 in direct compensation from us, other than director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);
- (i) The director is a current partner or employee of a firm that is our internal or external auditor; (ii) the director has an immediate family member who is a current partner of such a firm; (iii) the director has an immediate family member who is a current employee of such a firm and personally works on our audit; or (iv) the director or an immediate family member was within the last three years a partner or employee of such a firm and personally worked on our audit within that time;
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The director or an immediate family member is, or has been within the last three years, employed as an executive officer of another company where any of our present executive officers at the same time serves or served on that company's compensation committee; or

The director is a current employee, or an immediate family member is a current executive officer, of a company that has made payments to, or received payments from, us for property or services in an amount which, in any of the last three fiscal years, exceeds the greater of \$1 million, or two percent, of such other company's consolidated gross revenues.

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The Board will also consider a director's charitable relationships. Contributions to tax-exempt organizations are not considered payments for purposes of the test in the final bullet point above, provided that we are required to disclose in our annual Proxy Statement any such contributions made by us to any tax-exempt organization in which any independent director serves as an executive officer if, within the preceding three years, contributions in any single fiscal year from us to the organization exceeded the greater of \$1 million, or two percent, of such tax-exempt organization's consolidated gross revenues.

For purposes of the above independence standards, an immediate family member includes a person's spouse, parents, children, siblings, mothers- and fathers-in-law, sons- and daughters-in-law, brothers- and sisters-in-law and anyone (other than domestic employees) who shares such person's home. When applying the look-back provisions set forth above, the Board need not consider individuals who are no longer immediate family members as a result of legal separation or divorce, or those who have died or become incapacitated.

With the exception of Mr. Kirk, our Chairman of the Board and Chief Executive Officer, the Board has affirmatively determined that each member of the Board is independent in accordance with the above standards.

In determining that Mr. Alvarez is independent, the Board considered that Mr. Alvarez is the Senior Chairman of Greenberg Traurig, LLP (Greenberg Traurig). As discussed under CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS, Greenberg Traurig provides legal services to us from time to time for which it has received, and may continue to receive, customary fees. During 2017, we paid Greenberg Traurig approximately \$1.5 million for legal services, constituting less than 2 percent of Greenberg Traurig's annual gross revenues. As the Senior Chairman, Mr. Alvarez does not participate in the provision of such services, and does not materially benefit from the engagement and his compensation from Greenberg Traurig is not based on such services provided to us. The Board has determined that this relationship is not material and that it does not impair Mr. Alvarez's independence.

In determining that Mr. Turley is independent, the Board considered that Mr. Turley is the former Chairman and Chief Executive Officer of Ernst & Young LLP. From time to time, Ernst & Young provides valuation and technical accounting services to us, for which it receives customary fees. As Mr. Turley retired from Ernst & Young in June 2013, Mr. Turley does not participate in such services and does not materially benefit from the engagement. The Board has determined that this relationship is not material and that it does not impair Mr. Turley's independence.

### **Board Meetings and Attendance at Annual Meeting of Shareholders**

During fiscal year 2017, there were eleven meetings of the Board held either in-person or by teleconference. Each director attended more than 75 percent of the combined meetings of the Board and the committees on which he or she served during the year.

Our Corporate Governance Guidelines provide that all directors are strongly encouraged to attend the Annual Meeting each year. All members of our Board at the time of the 2017 Annual Meeting attended the Annual Meeting, except for one director.

### **Board Leadership Structure**

As provided in the Corporate Governance Guidelines, the Board does not have a policy on whether the role of the Chief Executive Officer and Chairman of the Board should be separate or, if it is to be separate, whether the Chairman should be selected from the non-employee directors or be an employee. We currently operate with one individual, Mr. Kirk, serving as Chairman of the Board and Chief Executive Officer. The Board appointed Mr. Kirk as Chairman of the Board in February 2008 and Chief Executive Officer in April 2009. The Board believes that because Mr. Kirk owns a majority of our common stock and has unique and extensive experience and understanding of our business, he

is well-situated to lead and execute strategy and business plans to maximize shareholder value. The Board believes that combining the Chairman of the Board and Chief Executive Officer positions is the right corporate governance structure for us at this time because it most effectively utilizes Mr. Kirk's extensive experience and knowledge regarding the Company, including by allowing him to lead Board discussions regarding our business and strategy and provides us with unified leadership.

To ensure that the independent directors play a leading role in our current leadership structure, the Board established the position of Lead Independent Director in the Corporate Governance Guidelines. Mr. Shapiro currently serves as our Lead Independent Director. The Company currently maintains a significant majority of

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independent directors (Mr. Kirk is the only non-independent director) and independent Board committees. In his role as Lead Independent Director, Mr. Shapiro is in frequent contact with the Chairman of the Board and Chief Executive Officer and is regularly consulted on material matters. The Lead Independent Director is elected by the independent directors and ensures that the Board operates independently of management and directors and shareholders have an independent leadership contact.

The responsibilities of the Lead Independent Director of the Board include the following:

• preside over meetings of the non-management and independent Board members and, as appropriate, provide prompt feedback to the Chief Executive Officer and Chairman;

- together with the Chief Executive Officer and Chairman, and with input from the non-management and independent Board members, prepare the Board's agenda;

• serve as a point of contact between non-management and independent Board members and the Chief Executive Officer and Chairman to report or raise matters;

• call executive sessions of the Board or of the non-management and independent Board members;

• serve as a sounding board and mentor to the Chief Executive Officer and Chairman;

• take the lead in assuring that the Board carries out its responsibilities in circumstances where the Chief Executive Officer and Chairman is incapacitated or otherwise unable to act;

• consult with the Chairman of the Compensation Committee to provide performance feedback and compensation information to the Chief Executive Officer and Chairman; and

• perform such other duties and responsibilities as may be delegated to the Lead Independent Director by the Board from time to time.

The Board has three standing committees: the Audit Committee, the Compensation Committee and the Nominating and Governance Committee. Each committee has a separate chairperson and each committee is composed solely of independent directors.

Given our current circumstances and operating strategies, we believe having a combined Chairman of the Board and Chief Executive Officer, as well as having a Lead Independent Director and independent standing Board committees, is the most appropriate structure for our shareholders and the Company. We believe this structure demonstrates clear leadership to our employees, shareholders and other interested parties and eliminates the potential for redundancies and confusion. The Lead Independent Director protects the role of the independent directors by providing leadership to the independent directors and working closely with the Chairman of the Board and Chief Executive Officer.

As part of the Board's annual assessment process, the Board evaluates our Board leadership structure to ensure that it remains appropriate. The Board recognizes that there may be circumstances in the future that would lead it to separate the roles of Chief Executive Officer and Chairman of the Board, but believes that the absence of a policy requiring either the separation or combination of the roles of Chairman and Chief Executive Officer provides the Board with the flexibility to determine the best leadership structure.

### **The Board's Role in Risk Oversight**

The Board is responsible for our risk oversight, and each committee of the Board is responsible for risk oversight within such committee's area of responsibility and regularly reports to the Board. Management is responsible for our risk management, including providing oversight and monitoring to ensure our policies are carried out and processes are executed in accordance with our performance goals and risk tolerance. On a regular basis, our management team identifies, discusses and assesses financial risk from current macro-economic, industry and company perspectives and provides regular reports to the Board and its committees on areas of material risk to the Company, including operational, financial, legal and regulatory as well as strategic and reputational risks.

The Audit Committee charter provides that the Audit Committee is responsible for discussing with management our major financial risk exposures and the steps and processes management has taken to monitor and control such exposures, including our risk assessment and risk management policies. As part of its regular reporting process, management reports and reviews with the Audit Committee our material risks, including, but

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not limited to, proposed risk factors and other public disclosures, mitigation strategies and our internal controls over financial reporting. The Audit Committee also engages in regular periodic discussions with the Chief Financial Officer and other members of management regarding risks as appropriate.

The Compensation Committee considers human resources risks and risks that may result from our executive compensation programs. The Nominating and Governance Committee considers succession planning and corporate governance risks. Each committee regularly reports to the Board. Moreover, the Board reviews and oversees our various financial policies, financing programs, capital and operating plans, benefit plan management and certain risk management policies.

We believe the current leadership structure of the Board supports the risk oversight functions described above by providing independent leadership at the committee level, with ultimate oversight by the full Board as led by the Chairman of the Board and Chief Executive Officer and the Lead Independent Director.

### **Board Committees**

The Board has three standing committees: the Audit Committee, the Compensation Committee and the Nominating and Governance Committee. Each committee operates under a written charter that has been approved by our Board. A current copy of each committee's charter is available on our website at <http://investors.dna.com> under the caption Corporate Governance. Alternatively, you can request a printed copy of any of these documents free of charge by writing to the Corporate Secretary at Intrexon Corporation, 20374 Seneca Meadows Parkway, Germantown, Maryland 20876.

### ***Audit Committee***

The members of our Audit Committee are Messrs. Kindler, Mitchell and Shapiro. Mr. Kindler is the chair of the Audit Committee. The Board has determined that each member of the Audit Committee is independent within the meaning of the enhanced independence standards for audit committee members in the Exchange Act, and the rules thereunder, as incorporated into the listing standards of the NYSE, and the independence standards of our Corporate Governance Guidelines as discussed above under CORPORATE GOVERNANCE— Board Standards of Independence on page 6. The Board has further determined that each of the members of the Audit Committee is financially literate and that, as required by the NYSE listing standards, at least one member of the Committee has accounting or related financial management expertise, as such terms are interpreted by the Board in its business judgment. Our Board has further determined that Mr. Kindler qualifies as an audit committee financial expert within the meaning of SEC regulations and NYSE rules. In making this determination, our Board considered the formal education and nature and scope of his previous experience, coupled with past and present service on various audit committees.

Our Audit Committee assists our Board in its oversight of our accounting and financial reporting process and the audits of our consolidated financial statements. Our Audit Committee's responsibilities include, among other things, overseeing:

- our accounting and financial reporting processes;
  - the integrity of our consolidated financial statements;
- our compliance with laws and regulations;
- our independent registered public accounting firms qualifications and independence; and
- the performance of our internal audit functions and independent registered public accounting firm.

The Audit Committee met twelve times during fiscal year 2017 for the purpose of overseeing management's responsibilities for accounting, internal control over financial reporting and financial reporting. The Audit Committee

selects, appoints, compensates and oversees the performance of our independent registered public accounting firm for each fiscal year and approves the audit and non-audit fees we pay to such firm. The Audit Committee reviews the scope and the results of the work of the independent registered public accounting firm and internal auditors and reviews the adequacy of internal control over financial reporting. The functions and responsibilities of the Audit Committee are described in the Audit Committee Report on page 26.

The Audit Committee has adopted a written policy for the provision of audit services and permitted non-audit services by our independent registered public accounting firm. Our Chief Financial Officer has primary



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responsibility to the Audit Committee for administration and enforcement of this policy and for reporting non-compliance. Under the policy, our Audit Committee receives a presentation of an annual budget and plan for audit services and for any proposed audit-related, tax or other non-audit services to be performed by the independent registered public accounting firm, but management may, from time to time, seek approval of certain additional audit or non-audit services not provided for in the budget.

*Compensation Committee*

The members of our Compensation Committee are Messrs. Hassan, Kindler and Turley. Mr. Turley is the chair of the Compensation Committee. The Compensation Committee met seven times during fiscal year 2017 for the purpose of assisting our Board in the discharge of its responsibilities relating to the compensation of our executive officers. The Compensation Committee's responsibilities include, among other things:

- developing and maintaining an executive compensation policy and monitoring the results of that policy;
- considering the impact of our compensation policy and practices on our risk profile;
- recommending to the Board for approval compensation and benefit plans;
- reviewing and approving annually corporate and personal goals and objectives to serve as the basis for the Chief Executive Officer's compensation, evaluating the Chief Executive Officer's performance in light of those goals and objectives and determining the Chief Executive Officer's compensation based on that evaluation;
- determining and approving the annual compensation for other executive officers;
- approving any grants of stock options, restricted stock, performance shares, stock appreciation rights, and other equity-based incentives to the extent provided under the our equity compensation plans;
- reviewing and making recommendations to the Board regarding the compensation of non-employee directors;
- reviewing and discussing with management the Compensation Discussion and Analysis to the extent required by SEC rules;
- preparing the Compensation Committee report when required by SEC rules;
- reviewing and recommending to the Board for approval our approach with respect to the advisory vote on executive compensation, or say-on-pay, and the frequency of the say-on-pay advisory vote; and
- considering the application of Section 162(m) of the Internal Revenue Code to our compensation practices and developing a related policy.

The Board has determined that the members of the Compensation Committee are non-employee directors (within the meaning of Rule 16b-3 of the Exchange Act) and independent directors (as defined under the applicable NYSE listing standards and our Corporate Governance Guidelines as discussed above under CORPORATE GOVERNANCE — Board Standards of Independence on page 6).

While the Compensation Committee charter does not specify qualifications required for members, the members of the Compensation Committee have been members of other public company boards of directors, are current or former executive officers of public companies or have comparable positions.

The Compensation Committee is authorized to retain experts, consultants and other advisors to aid in the discharge of its duties. In 2017, the Compensation Committee retained F. Daniel Siciliano as its outside compensation consultant. Mr. Siciliano is the co-founder of the Arthur and Toni Rembe Rock Center for Corporate Governance at Stanford Law School, the immediate past Faculty Director and Professor of the Practice at the Center and currently the co-director of Stanford's Directors' College. Mr. Siciliano is a noted authority on matters related to executive compensation and corporate governance. Mr. Siciliano was retained to (1) review the company's historical compensation practices, (2) advise the Compensation Committee on compensation standards and trends, (3) assist in the implementation of policies and programs, and (4) review recommendations from management on compensation matters. In retaining Mr. Siciliano, the Compensation Committee separately considered the six factors set forth in Section 10C-1(b)(4)(i) through (vi) of the Exchange Act and, based on such consideration, determined that the work of Mr. Siciliano did not

raise any conflict of interest.

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### *Compensation Committee Interlocks and Insider Participation*

None of our executive officers serve, or in the past has served, as a member of the board of directors or compensation committee, or other committee serving an equivalent function, of any entity that has one or more executive officers who serve as members of our Board or our Compensation Committee. None of the members of our Compensation Committee is an officer or employee of our Company, nor have any of them ever been an officer or employee of our Company.

### *Nominating and Governance Committee*

The members of our Nominating and Governance Committee are Mr. Alvarez, Ms. Gupta and Mr. Shapiro. Mr. Alvarez is the chair of the Nominating and Governance Committee. The Nominating and Governance Committee met four times during fiscal year 2017. The Nominating and Governance Committee's responsibilities include, among other things:

- considering and reviewing periodically the desired composition of the Board and ensuring that the Board is composed so as to satisfy SEC listing requirements and NYSE rules, including the independence of directors and the financial and accounting experience of directors;
- establishing any qualifications and standards for individual directors;
- identifying, nominating and evaluating candidates for election to the Board;
- making recommendations to the Board regarding the size of the Board, the tenure and classifications of directors, and the composition of the Board's committees;
- reviewing and evaluating our various governance policies and guidelines;
- considering chief executive officer succession planning;
- reviewing committee structure and effectiveness; and
- considering other corporate governance and related matters as requested by the Board.

The Board has determined that all members of the Nominating and Governance Committee are independent within the meaning of the listing standards of the NYSE and the independence standards set by the Board as discussed in the section entitled **CORPORATE GOVERNANCE — Board Standards of Independence** on page 6 of this Proxy Statement.

*Director Candidate Recommendations and Nominations by Shareholders.* The Nominating and Governance Committee's charter provides that the Nominating and Governance Committee will consider director candidate recommendations by shareholders. Shareholder recommendations for candidates to be nominees will be evaluated under the same standards as potential nominees recommended by management or the non-management members of the Board. Shareholders should submit any such director recommendations to the Nominating and Governance Committee through the method described in **QUESTIONS AND ANSWERS ABOUT THE ANNUAL MEETING — 17. How do I make a shareholder proposal for the 2019 Annual Meeting of Shareholders?** on page 5. The Nominating and Governance Committee did not receive any recommendations from any shareholders in connection with the Annual Meeting.

*Nominating and Governance Committee Process for Identifying and Evaluating Director Candidates.* The Nominating and Governance Committee identifies and evaluates all director candidates in accordance with the director qualification standards described in the Corporate Governance Guidelines. The Nominating and Governance Committee evaluates a candidate's qualifications to serve as a member of the Board based on the background and expertise of individual Board members as well as the background and expertise of the Board as a whole. Nominees will be required to bring the skills, talents, knowledge and expertise to ensure that the composition, structure and operation of the Board serve the best interests of our shareholders. In addition, the Nominating and Governance Committee will evaluate a candidate's independence and his or her background and expertise in the context of the Board's needs.

We have no formal policy regarding Board diversity. Our priority in selection of Board members is identification of members who will further the interests of our shareholders through their established records of professional accomplishment, the ability to contribute positively to the collaborative culture among Board members, knowledge of our business and understanding of the competitive landscape of the industries in which

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we operate. We will consider, in identifying first-time candidates, nominees for director, or evaluating individuals recommended by shareholders, the current composition of the Board in light of the diverse communities and geographies we serve and the interplay of the candidate's or nominee's diverse individual experience, education, skills, background and other qualities and attributes with those of the other Board members. The Nominating and Governance Committee and Board monitor its effectiveness through the Board's self-evaluation process. As described under **NOMINEES FOR ELECTION AS DIRECTORS** beginning on page 16, the Nominating and Governance Committee and the Board believe that the current composition of the Board reflects a group of highly talented individuals with diverse backgrounds, skills, professional and industry experience, and other personal qualities and attributes best suited to perform oversight responsibilities for the Company and its shareholders.

### **Code of Business Conduct and Ethics**

We have adopted a written code of business conduct and ethics that applies to our directors, officers and employees, including our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. The code covers a broad range of professional conduct, including employment policies, conflicts of interest, intellectual property and the protection of confidential information, as well as adherence to all laws and regulations applicable to the conduct of our business. A copy of the code is available on our website at <http://investors.dna.com> under the caption **Corporate Governance**. If we make any substantive amendments to, or grant any waivers from, the code of business conduct and ethics for any officer or director, we intend to satisfy the disclosure requirement under Item 5.05 of Form 8-K by disclosing the nature of such amendment or waiver on our website or in a current report on Form 8-K.

### **Political Contributions**

In general, it is not our practice to make financial or in-kind political contributions with corporate assets, even when permitted by applicable law. We comply with all applicable state and federal laws related to the disclosure of lobbying activities.

### **Communications with the Board**

Shareholders wishing to communicate with our Board of Directors may do so by writing to the Board, the Chairman, the Lead Independent Director, or the non-employee members of the Board as a group, at: Intrexon Corporation, 20374 Seneca Meadows Parkway, Germantown, Maryland 20876; Attn: Corporate Secretary.

The communication must prominently display the legend **BOARD COMMUNICATION** in order to indicate to the Secretary that it is a communication for the Board. Upon receiving such a communication, the Secretary will promptly forward the communication to the relevant individual or group to which it is addressed. The Board has requested that certain items that are unrelated to the Board's duties and responsibilities be excluded, such as spam, junk mail and mass mailings, resumes and other forms of job inquiries, surveys and business solicitations or advertisements.

The Secretary will not forward any communication determined in his or her good faith belief to be frivolous, unduly hostile, threatening, illegal or similarly unsuitable. Each communication subject to this policy that was not forwarded because it was determined by the Secretary to be frivolous is retained for a reasonable period of time in the Company's files and made available at the request of any member of the Board to whom such communication was addressed.

TABLE OF CONTENTS**BENEFICIAL OWNERSHIP OF COMMON STOCK**

The following table sets forth information regarding beneficial ownership of our share capital as of March 31, 2018 by (1) each of our directors, (2) each of our named executive officers, (3) all of our directors and executive officers as a group and (4) each person, or group of affiliated persons, known by us to beneficially own more than five percent of our shares of common stock.

The percentage ownership information is based on an aggregate 129,239,376 shares of common stock outstanding as of March 31, 2018.

Except as otherwise noted below, the address for each person or entity listed in the table is c/o Intrexon Corporation, 20374 Seneca Meadows Parkway, Germantown, Maryland 20876.

Name of Beneficial Owner	Outstanding Shares Beneficially Owned <sup>(1)</sup>	Right to Acquire Beneficial Ownership <sup>(2)</sup>	Total Shares Beneficially Owned	Percentage of Shares Beneficially Owned
<b>Directors/director nominees</b>				
Cesar Alvarez	114,489	99,229	213,718	*
Steven Frank	192,257	99,229	291,486	*
Vinita Gupta	9,414 <sup>(3)</sup>	39,246	48,660	*
Fred Hassan	13,281	54,346	67,627	*
Jeffrey Kindler	76,129	105,172	181,301	*
Dean Mitchell	21,678	105,167	126,845	*
Robert Shapiro	130,110 <sup>(4)</sup>	105,172	235,282	*
James Turley	13,550	117,052	130,602	*
<b>Named executive officers</b>				
Randal Kirk <sup>(5)</sup>	59,132,705	—	59,132,705	45.8 %
Rick Sterling	74,621	260,722	335,343	*
Donald Lehr	28,249	311,614	339,863	*
Jeffrey Perez	12,537	207,019	219,556	*
Robert Walsh	—	278,948	278,948	*
Executive officers and directors as a group (18 persons)	60,422,669 <sup>(6)</sup>	3,712,334	64,135,003	48.2 %

\* Represents beneficial ownership of less than 1 percent of our outstanding shares of common stock

Beneficial ownership is determined in accordance with the rules and regulations of the SEC and includes sole or shared voting or investment power with respect to shares of our common stock. The information set forth in the table above is not necessarily indicative of beneficial ownership for any other purpose, and the inclusion of any (1) shares deemed beneficially owned in this table does not constitute an admission of beneficial ownership of those shares. Except as otherwise noted, to our knowledge, the persons and entities named in the table above have sole -voting and investment power with respect to all of the shares of common stock beneficially owned by them, subject to community property laws, where applicable.

(2) Consists of shares of common stock subject to stock options exercisable as of, or within 60 days of March 31, 2018. Shares of common stock subject to stock options that are exercisable as of or within 60 days of March 31, 2018 are deemed to be outstanding and beneficially owned by the person holding the option for the purpose of

calculating the percentage ownership of that person, but are not deemed outstanding for the purpose of calculating the percentage ownership of any other person.

- (3) Includes 3,000 shares held in the Sharma-Gupta Marital Property Trust, an affiliate of Vinita Gupta.
- (4) Includes 82,966 shares held in the Robert B. Shapiro Revocable Trust, an affiliate of Robert Shapiro.  
Includes shares held by the following entities over which Mr. Kirk (or an entity over which he exercises exclusive control) exercises exclusive control: 213,805 shares held by ADC 2010, LLC, 139,052 shares held by JPK 2008, LLC, 720,562 shares held by JPK 2009, LLC, 843,044 shares held by JPK 2012, LLC, 7,782,622 shares held by Kapital Joe, LLC, 135,033 shares held by Kellie L. Banks (2009) Long Term Trust, 1,403 shares held by Lotus Capital (2000) Company Inc., 5,483,957 shares held by Mascara Kaboom, LLC, 140,007 shares held by MGK 2008, LLC, 850,355 shares held by MGK 2009, LLC, 940,426 shares held by MGK 2011, LLC, 13,340,645 shares held by NRM VI Holdings I, LLC, 243,001 shares held by NRM VII Holdings I, LLC, 14,777,995 shares held by R.J. Kirk Declaration of Trust, 678,323 shares held by Third Security Incentive 2010 LLC, 19,711 shares held by Third Security Incentive 2006 LLC, 59,133 shares held by Third Security Staff 2006 LLC, 118,266 shares held by Third Security Senior Staff 2006 LLC, 1,356,648 shares held by Third Security Senior Staff 2008 LLC, 58,800 shares held by Third Security Senior Staff LLC, 311,287 shares held by Third Security Staff 2001 LLC, 1,356,648 shares held by Third Security Staff 2010 LLC, 1,047,117 shares held by Third Security, LLC, 8,325,000 shares held by TSCP V LLC, 114,181 shares held by ZSK 2008 LLC, and 75,684 shares held by ZSK 2009 LLC.
- (6) As of March 31, 2018, this amount includes 73,929 shares pledged by an executive as collateral for a loan obligation.

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**Section 16(a) Beneficial Ownership Reporting Compliance**

Section 16(a) of the Exchange Act requires our executive officers, directors and persons who beneficially own more than 10 percent of our equity securities, to file reports of ownership and changes in ownership with the SEC and provide us with copies of such reports.

Based solely on a review of the copies of these reports furnished to us, we believe that all filing requirements applicable to such officers and directors and greater than 10 percent shareholders were complied with during fiscal year 2017.



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**PROPOSAL 1  
ELECTION OF DIRECTORS**

**ITEM 1 ON PROXY CARD**

**Background**

Our Board currently consists of nine directors, all of whom were elected as directors by our shareholders at our 2017 Annual Meeting. Our directors hold office until their successors have been elected and qualified or until the earlier of their resignation or removal. The Board, upon unanimous recommendation of the Nominating and Governance Committee, unanimously approved the nine persons named below as nominees for election to the Board at the Annual Meeting. Each of the nominees: (i) is currently a member of the Board, (ii) has been nominated for election at the Annual Meeting to hold office until the next Annual Meeting or, if earlier, the election of his or her respective successor and (iii) has consented to being named as such and to serve as such if elected.

Our Bylaws provide that, in uncontested director elections (i.e., an election where the number of nominees is not greater than the number of directors to be elected), a nominee for director will be elected to the Board if the votes cast for such nominee's election exceed the votes cast against such nominee's election. However, directors will be elected by a plurality of the votes cast at any meeting of the shareholders for which (i) the Secretary receives a notice that a shareholder has nominated a person for election to the Board in compliance with the advance notice requirements for shareholder nominees for director set forth in the Bylaws, and (ii) such nomination has not been withdrawn by such shareholder on or prior to the 10<sup>th</sup> day preceding the date we first mail the notice of meeting for such meeting to the shareholders (i.e., if there is a contested director election). If directors are to be elected by a plurality of the votes cast, the shareholders may withhold votes, but will not be permitted to vote against a nominee.

Our Corporate Governance Guidelines provide that any nominee for director in an uncontested election who receives a greater number of shareholder votes cast against his or her election than votes for his or her election must promptly tender his or her resignation to the Board for consideration. The Nominating and Governance Committee will then evaluate the best interests of the Company and will recommend to the Board whether to accept or reject the tendered resignation. Following the Board's receipt of this recommendation and determination as to whether to accept the resignation, we will disclose the Board's decision and an explanation of how the decision was reached.

There were no nominee recommendations from shareholders or from any group of shareholders submitted in accordance with our Bylaws. Proxies solicited by the Board will be voted in favor of the nominees listed below unless otherwise specified in the proxy. We know of no reason why the nominees would not be available for election or, if elected, would be unable to serve. While we do not anticipate that any of the nominees will be unable to serve, if any should be unable to serve, the proxy holders reserve the right to substitute another person designated by the Board.

**Vote Required and Board Recommendation**

Each director nominee must receive the affirmative vote of a majority of the votes cast in order to be elected. As this proposal is not considered a routine item, your bank, broker or other nominee cannot vote your shares without receiving your voting instructions. Abstentions and broker non-votes will not count for or against the election of any nominee.

**THE BOARD UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE FOR ALL OF THE PROPOSED DIRECTOR NOMINEES LISTED.**

TABLE OF CONTENTS**Nominees for election as directors**

Set forth below is information for each nominee concerning the individual's age, principal occupation, employment and directorships during the past five years, positions with the Company, the year in which he or she first became a director of the Company and his or her term of office as a director. Also set forth below is a brief discussion of the specific experience, qualifications, attributes or skills that led to the Board's conclusion that, in light of our business and structure, each nominee should serve as a director as of the date of this Proxy Statement.

<b>Name</b>	
<b>Period Served as Director</b>	
<b>Age</b>	<b>Business Experience During Past Five Years and Other Affiliations</b>
Randal J. Kirk Director since 2008 Age 64	<p><b>Randal J. Kirk, Chief Executive Officer and Chairman of the Board.</b> Mr. Kirk has served as our Chairman of the Board since February 2008 and as our Chief Executive Officer since April of 2009. Mr. Kirk provides a wealth of strategic, operational and management experience. Mr. Kirk currently serves as the Senior Managing Director and Chief Executive Officer of Third Security, LLC, an investment management firm founded by Mr. Kirk in March 1999. Additionally, Mr. Kirk founded and became Chairman of the Board of New River Pharmaceuticals Inc. (a biopharmaceutical company previously traded on NASDAQ prior to its acquisition by Shire plc in 2007) in 1996, and was President and Chief Executive Officer between October 2001 and April 2007. Mr. Kirk currently serves in a number of additional capacities including as a member of the board of directors of Halozyme Therapeutics, Inc. (NASDAQ: HALO), a clinical stage biotechnology company, since May 2007, as a member of the board of directors of ZIOPHARM Oncology, Inc. (NASDAQ: ZIOP), a biotechnology company, since January 2011 and as a member of the board of directors of the Edward Via College of Osteopathic Medicine since May 2015. Previously, Mr. Kirk served as a member of the board of directors of Scios, Inc. (previously traded on NASDAQ prior to its acquisition by Johnson &amp; Johnson) between February 2000 and May 2002, and as a member of the board of directors of Clinical Data, Inc. (previously traded on NASDAQ prior to its acquisition by Forest Laboratories, Inc. in April 2011) from September 2002 to April 2011, and was Chairman of the board of directors from December 2004 to April 2011. Mr. Kirk served on the board of visitors of Radford University from July 2003 to June 2009, was Rector of the board of directors from September 2006 to September 2008, and served on the board of directors of the Radford University Foundation, Inc. from September 1998 to May 2011. He served on the board of visitors of the University of Virginia and Affiliated Schools from July 2009 to October 2012, on the Virginia Advisory Council on Revenue Estimates from July 2006 to October 2012 and on the Governor's Economic Development and Jobs Creation Commission from April 2010 to October 2012. Mr. Kirk received a B.A. in Business from Radford University and a J.D. from the University of Virginia. We believe that Mr. Kirk's business experience, including his extensive business experience as chief executive officer of multiple companies, his experience as an investor, his service on committees of academic institutions and other public company boards, combined with his business acumen and judgment, provide our board of directors with valuable strategic and operational expertise and leadership skills.</p>
Cesar L. Alvarez Director since 2008	<p><b>Cesar L. Alvarez.</b> Mr. Alvarez has served as a Board member since 2008. Mr. Alvarez is the Senior Chairman of the international law firm of Greenberg Traurig, LLP. He previously served as the law firm's Executive Chairman for more than three years, beginning in 2012, and as its Chief Executive Officer from 1997 until his election as Executive Chairman. During his 15 year tenure as Chief Executive Officer, Mr. Alvarez led the firm to become one of the top ten law firms</p>

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**Name**  
**Period**  
**Served as**  
**Director**  
**Age**

**Business Experience During Past Five Years and Other Affiliations**

in the United States by leading its growth from 325 lawyers in eight offices to approximately 1,850 attorneys in more than 36 locations in the United States, Europe, Asia and Latin America. Mr. Alvarez also serves as: Chairman of the board of directors of Mednax, Inc. (NYSE: MD), a provider of physician services, including newborn, maternal-fetal, pediatric subspecialties, anesthesia care; Vice Chairman of the board of directors of Watsco, Inc. (NYSE: WSO), a distributor of air conditioning, heating and refrigeration equipment and related parts and supplies; and director of Fairholme Funds, Inc. (FAIRX), a family of publicly traded focused investment funds; and The St. Joe Company (NYSE: JOE), a real estate development company.

Mr. Alvarez holds a Bachelor of Science, a Masters of Business Administration, and a Juris Doctor from the University of Florida. Mr. Alvarez's qualifications to serve on the board of directors, include his experience as Chief Executive Officer, Executive Chairman, and Senior Chairman of one of the nation's largest law firms with approximately \$1.4 billion in revenues with professionals providing services in 38 locations across the country and abroad, as well as his many years of corporate experience, both advising clients in the fields of corporate and securities and serving on the boards of directors of publicly traded and private companies.

Steven R. **Steven R. Frank.** Mr. Frank has served as a Board member since February 2008. Mr. Frank joined J.P. Frank Morgan Securities LLC, an investment bank, in June 2008 and currently serves as Chairman of Global Director Healthcare Investment Banking. Mr. Frank had previously been the head of Bear Stearns' Worldwide since 2008 Health Care Investment Banking group in New York for sixteen years and has provided general Age 58 investment banking services to all types of health care companies. Specifically, Mr. Frank has led or played major roles in hundreds of mergers and acquisitions and financing transactions across the spectrum of deal structures. He has specialized in transactions involving pharmaceutical, medical device and biotechnology companies. Prior to joining Bear Stearns in 1993, Mr. Frank served over ten years as an institutional investor, primarily at State Farm Insurance Company, where he focused on a multi-billion dollar life-sciences portfolio. Mr. Frank holds a B.S. from Illinois State University and an M.B.A. from the University of Chicago. We believe Mr. Frank's extensive knowledge of our industry and of finance and capital structure strengthen the Board's collective qualifications, skills and experience.

Vinita D. **Vinita D. Gupta.** Ms. Gupta has served as a Board member since April 2017. Since September 2012, Ms. Gupta has served as the chief executive officer of Lupin Limited ( Lupin ). Lupin, headquartered in Director Mumbai, India, is an innovation led global pharmaceutical company developing and delivering a wide since 2017 range of branded and generic formulations, biotechnology products and APIs. Ms. Gupta has served as a Age 50 director of Lupin since 2001 and serves on its Risk Management Committee. In addition, Ms. Gupta has served as the chief executive officer and chairperson of its U.S. subsidiary Lupin Pharmaceuticals, Inc., the U.S. wholly owned subsidiary of Lupin, since 2003 and as director on the board of Lupin's Japanese subsidiary Kyowa Pharmaceuticals since 2007. Ms. Gupta has held various positions at Lupin since joining the company in 1993.

Ms. Gupta was named 2015 Ernst & Young Entrepreneur of the Year and won the 2016 Forbes India

Leadership Awards — Entrepreneur of the Year. Ms. Gupta is regularly named in Forbes Asia Top 50 Power Business women listings for Asia Pacific. Ms. Gupta graduated from the University of Mumbai with a degree in