

BIOMARIN PHARMACEUTICAL INC  
Form DEF 14A  
April 23, 2015

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

## SCHEDULE 14A INFORMATION

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

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 under §240.14a-12

**BioMarin Pharmaceutical Inc.**

(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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(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

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(1) Amount previously paid:

(2) Form, Schedule or Registration Statement No.:

(3) Filing Party:

(4) Date Filed:

**BIOMARIN PHARMACEUTICAL INC.**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**

**TO BE HELD ON JUNE 9, 2015**

Dear Stockholder:

You are cordially invited to attend the Annual Meeting of the Stockholders (the Annual Meeting) of BioMarin Pharmaceutical Inc., a Delaware corporation (we, us, BioMarin or the Company). The Annual Meeting will be held on Tuesday, June 9, 2015 at 9:00 a.m. (Pacific Daylight Time), at Le Méridien Hotel, 333 Battery Street, San Francisco, CA 94111 for the following purposes:

1. To elect the ten nominees for director to serve until the next annual meeting and until their successors are duly elected and qualified;
2. To approve an amendment to the Company's Amended and Restated 2006 Share Incentive Plan, as amended (the 2006 Share Incentive Plan), to, among other things, (i) increase the aggregate number of shares of common stock authorized for issuance under the 2006 Share Incentive Plan from 31,000,000 to 41,500,000, (ii) implement various additional features such as providing for a minimum vesting period of one-year for awards, removing liberal share counting on stock options and limiting the ability to accelerate the vesting of awards, and (iii) update and enhance the plan's provisions addressing compliance with Section 409A of the Internal Revenue Code of 1986, as amended.
3. To approve, on an advisory basis, the compensation of the Company's Named Executive Officers (as defined below) as disclosed in the proxy statement accompanying this Notice of Annual Meeting of Stockholders (the Proxy Statement);
4. To ratify the selection of KPMG LLP as the independent registered public accounting firm for BioMarin for the fiscal year ending December 31, 2015;
5. To consider and vote upon a stockholder proposal relating to sustainability reporting, if properly presented at the meeting; and
6. To conduct any other business properly brought before the Annual Meeting.

These items of business are more fully described in the Proxy Statement.

The record date for the Annual Meeting is Friday, April 10, 2015 (the Record Date). Only stockholders of record at the close of business on the Record Date may vote at the Annual Meeting or any adjournment thereof. A complete list of such stockholders will be available for examination by any stockholder for any purpose germane to the Annual Meeting during ordinary business hours at the Company's principal executive offices at 770 Lindero Street, San Rafael, CA 94901 for a period of 10 days before the Annual Meeting.

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting to be held on**

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June 9, 2015 at 9:00 am

at Le Méridien Hotel, 333 Battery Street, San Francisco, CA 94111

The Proxy Statement and annual report to stockholders are available at: [www.proxyvote.com](http://www.proxyvote.com).

If you have any questions or need assistance in voting your shares, please call the following firm, which is assisting the Company in the solicitation of proxies:

Morrow & Co., LLC

470 West Avenue

Stamford, CT 06902

1-800-607-0088

By Order of the Board of Directors

G. Eric Davis

Senior Vice President, General Counsel and Secretary

San Rafael, California

April 24, 2015

**ALL STOCKHOLDERS ARE CORDIALLY INVITED TO ATTEND THE ANNUAL MEETING IN PERSON. WHETHER OR NOT YOU EXPECT TO ATTEND THE ANNUAL MEETING, PLEASE COMPLETE, DATE, SIGN AND RETURN THE ENCLOSED PROXY CARD MAILED TO YOU, OR VOTE OVER THE TELEPHONE OR INTERNET AS INSTRUCTED IN THESE MATERIALS, AS PROMPTLY AS POSSIBLE IN ORDER TO ENSURE YOUR REPRESENTATION AT THE ANNUAL MEETING. EVEN IF YOU HAVE VOTED BY PROXY, YOU MAY STILL VOTE IN PERSON IF YOU ATTEND THE ANNUAL MEETING. PLEASE NOTE, HOWEVER, THAT IF YOUR SHARES ARE HELD OF RECORD BY A BROKER, BANK OR OTHER NOMINEE AND YOU WISH TO VOTE AT THE ANNUAL MEETING, YOU MUST OBTAIN A PROXY ISSUED IN YOUR NAME FROM THAT RECORD HOLDER IN ORDER TO BE ENTITLED TO VOTE IN PERSON AT THE ANNUAL MEETING.**

**BioMarin Pharmaceutical Inc.**

**770 Lindero Street**

**San Rafael, CA 94901**

**PROXY STATEMENT**

**FOR THE 2015 ANNUAL MEETING OF STOCKHOLDERS**

**QUESTIONS AND ANSWERS ABOUT THESE PROXY MATERIALS AND VOTING**

**Why did I receive a one-page notice in the mail regarding the Internet availability of proxy materials instead of a full set of proxy materials?**

Pursuant to rules adopted by the Securities and Exchange Commission (the SEC), we have elected to provide access to our proxy materials over the Internet. Accordingly, we are sending an Important Notice Regarding the Availability of Proxy Materials (the Proxy Availability Notice) to our stockholders of record. All stockholders will have the ability to access the proxy materials on the website referred to in the Proxy Availability Notice free of charge or request to receive a printed set of the proxy materials for the Annual Meeting. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Proxy Availability Notice.

We intend to mail the Proxy Availability Notice on or about April 24, 2015 to all stockholders of record entitled to vote at the Annual Meeting. We expect that this Proxy Statement and the other proxy materials will be available to stockholders on or about April 24, 2015.

**What does it mean if I receive more than one Proxy Availability Notice?**

If you receive more than one Proxy Availability Notice, your shares may be registered in more than one name or in different accounts. Please follow the voting instructions on each Proxy Availability Notice to ensure that all of your shares are voted.

**Will I receive any other proxy materials by mail?**

We may send you a proxy card, along with a second Proxy Availability Notice, on or after May 5, 2015.

**How do I attend the Annual Meeting?**

The Annual Meeting will be held on Tuesday, June 9, 2015 at 9:00 a.m. (Pacific Daylight Time) at Le Méridien Hotel, 333 Battery Street, San Francisco, CA 94111. You may contact Investor Relations at IR@bmrn.com to obtain directions to the Annual Meeting. Information on how to vote in person at the Annual Meeting is discussed below. If you plan to attend the Annual Meeting, please note that attendance will be limited to stockholders as of the Record Date. Each stockholder may be asked to present valid photo identification, such as a driver's license or passport. Stockholders holding stock in brokerage accounts or by a bank or other nominee may be required to show a brokerage statement or account statement reflecting stock ownership as of the Record Date. Cameras, recording devices, and other electronic devices will not be permitted at the Annual Meeting.

**Who can vote at the Annual Meeting?**

Only stockholders of record at the close of business on April 10, 2015, the Record Date, will be entitled to vote at the Annual Meeting. On the Record Date, there were 160,308,751 shares of common stock outstanding and entitled to vote.



*Stockholder of Record: Shares Registered in Your Name*

If on April 10, 2015 your shares were registered directly in your name with BioMarin's transfer agent, Computershare Inc., then you are a stockholder of record. As a stockholder of record, you may vote in person at the Annual Meeting or vote by proxy. Whether or not you plan to attend the Annual Meeting, we urge you to vote by proxy over the telephone or on the Internet as instructed below or complete, date, sign and return the proxy card mailed to you to ensure your vote is counted.

*Beneficial Owner: Shares Registered in the Name of a Broker, Bank or Other Nominee*

If on April 10, 2015 your shares were held, not in your name, but rather in an account at a brokerage firm, bank, dealer or other similar organization, then you are the beneficial owner of shares held in street name and the Proxy Availability Notice is being forwarded to you by that organization. The organization holding your account is considered to be the stockholder of record for purposes of voting at the Annual Meeting. As a beneficial owner, you have the right to direct your broker, bank or other nominee regarding how to vote the shares in your account. You are also invited to attend the Annual Meeting. However, since you are not the stockholder of record, you may not vote your shares in person at the Annual Meeting unless you request and obtain a valid proxy from your broker, bank or other nominee.

**What am I voting on?**

There are five matters scheduled for a vote:

Election of ten directors;

Approval of an amendment to the Company's Amended and Restated 2006 Share Incentive Plan, as amended (the 2006 Share Incentive Plan), to, among other things, (i) increase the aggregate number of shares of common stock authorized for issuance under the 2006 Share Incentive Plan from 31,000,000 to 41,500,000, (ii) implement various additional features such as providing for a minimum vesting period of one-year for awards, removing liberal share counting on stock options and limiting the ability to accelerate the vesting of awards, and (iii) update and enhance the plan's provisions addressing compliance with Section 409A of the Internal Revenue Code of 1986, as amended;

Advisory approval of the compensation of the Company's Named Executive Officers, as disclosed in this Proxy Statement in accordance with SEC rules;

Ratification of the selection by the Board of Directors of the Company (the Board) of KPMG LLP (KPMG) as the Company's independent registered public accounting firm for its fiscal year ending December 31, 2015; and

A shareholder proposal relating to sustainability reporting, if properly presented at the meeting.

**What if another matter is properly brought before the Annual Meeting?**

The Board knows of no other matters that will be presented for consideration at the Annual Meeting. If any other matters are properly brought before the Annual Meeting, the persons named in the accompanying proxy will vote on those matters in accordance with their best judgment.

**What is the Board's voting recommendation?**

The Board recommends that you vote your shares:

For the election of all ten nominees for director;

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For the approval of the amendment to the 2006 Share Incentive Plan;

For the approval, on an advisory basis, of the compensation of the Company's Named Executive Officers, as disclosed in this Proxy Statement in accordance with SEC rules;



For the ratification of the selection by the Board of KPMG as the Company's independent registered public accounting firm for its fiscal year ending December 31, 2015; and

Against the shareholder proposal relating to sustainability reporting.

**How do I vote?**

With regard to the election of directors, you may either vote For all the nominees to the Board or you may Withhold your vote for any nominee you specify. For each of the other matters to be voted on, you may vote For or Against or abstain from voting.

The procedures for voting depend on whether your shares are registered in your name or are held by a bank, broker or other nominee:

*Stockholder of Record: Shares Registered in Your Name*

If you are a stockholder of record, you may vote in person at the Annual Meeting, vote by proxy over the telephone, vote by proxy through the Internet, or vote by proxy using a proxy card that you may request or that we may elect to deliver at a later time. Whether or not you plan to attend the Annual Meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the Annual Meeting and vote in person even if you have already voted by proxy.

To vote over the telephone, dial toll-free 1-800-690-6903 using a touch-tone phone and follow the recorded instructions. You will be asked to provide the company number and control number from the Proxy Availability Notice. Your vote must be received by 11:59 p.m., Eastern Daylight Time on June 8, 2015 to be counted.

To vote through the Internet, go to <http://www.proxyvote.com> to complete an electronic proxy card. You will be asked to provide the company number and control number from the Proxy Availability Notice. Your vote must be received by 11:59 p.m., Eastern Daylight Time, on June 8, 2015 to be counted.

To vote using the proxy card, simply complete, sign and date the proxy card that may be delivered to you and return it promptly in the envelope provided. If you return your signed proxy card to us and we receive it before the Annual Meeting, we will vote your shares as you direct.

To vote in person, come to the Annual Meeting and we will give you a ballot when you arrive.

*Beneficial Owner: Shares Registered in the Name of Broker, Bank or Other Nominee*

If you are a beneficial owner of shares registered in the name of your broker, bank, or other nominee, you should have received a Proxy Availability Notice containing voting instructions from that organization rather than from BioMarin. Simply follow the voting instructions in the Proxy Availability Notice to ensure that your vote is counted. To vote in person at the Annual Meeting, you must obtain a valid proxy from your broker, bank or other nominee. Follow the instructions from your broker, bank or other nominee included with these proxy materials, or contact your broker, bank or other nominee to request a proxy form.

**Internet proxy voting may be provided to allow you to vote your shares online, with procedures designed to ensure the authenticity and correctness of your proxy vote instructions. However, please be aware that you must bear any costs associated with your Internet access, such as usage charges from Internet access providers and telephone companies.**

**How many votes do I have?**

On each matter to be voted upon, you have one vote for each share of common stock you own as of April 10, 2015, the Record Date.



**What if I return a proxy card or otherwise vote but do not make specific choices?**

If you return a signed and dated proxy card or otherwise vote without marking voting selections, your shares will be voted, as applicable, For the election of all ten nominees for director, For the approval of the amendment to the 2006 Share Incentive Plan, For the advisory approval of executive compensation of the Named Executive Officers, For the ratification of KPMG as the Company's independent registered public accounting firm and Against the shareholder proposal relating to sustainability reporting. If any other matter is properly presented at the Annual Meeting, your proxy holder (one of the individuals named on your proxy card) will vote your shares using his or her best judgment.

**Will my vote be kept confidential?**

Proxies, ballots and voting tabulations are handled on a confidential basis to protect your voting privacy. This information will not be disclosed, except as required by law.

**Who is paying for this proxy solicitation?**

The accompanying proxy is solicited on behalf of the Board for use at the Annual Meeting. Accordingly, the Company will pay for the entire cost of soliciting proxies. In addition to these proxy materials, our directors and employees and Morrow & Co., LLC may also solicit proxies in person, by telephone, or by other means of communication. Directors and employees of the Company will not be paid any additional compensation for soliciting proxies, but Morrow & Co., LLC will be paid its customary fee of approximately \$7,500 plus out-of-pocket expenses if it solicits proxies. We may also reimburse brokerage firms, banks and other nominees for the cost of forwarding proxy materials to beneficial owners.

**Can I change my vote after submitting my proxy?**

Yes. You can revoke your proxy at any time before the final vote at the Annual Meeting. If you are the record holder of your shares, you may revoke your proxy in any one of the following ways:

You may submit another properly completed proxy card with a later date.

You may grant a subsequent proxy by telephone or through the Internet.

You may send a timely written notice that you are revoking your proxy to BioMarin Pharmaceutical Inc.'s Secretary at 105 Digital Drive, Novato, CA 94949.

You may attend the Annual Meeting and vote in person. Simply attending the Annual Meeting will not, by itself, revoke your proxy. Your most current proxy card or telephone or Internet proxy is the one that is counted, so long as it is provided within the applicable deadline. If your shares are held by your broker, banker or other nominee, you should follow the instructions provided by your broker, bank or other nominee.

**When are stockholder proposals for inclusion in our proxy statement for next year's annual meeting due?**

Stockholders wishing to present proposals for inclusion in our proxy statement for the 2016 Annual Meeting pursuant to Rule 14a-8 of the Securities Exchange Act of 1934, as amended (the Exchange Act), must submit their proposals so that they are received by us at our principal executive offices no later than December 26, 2015. Proposals should be sent to our Secretary at 105 Digital Drive, Novato, CA 94949.

**When are other proposals and stockholder nominations for next year's annual meeting due?**

With respect to proposals and nominations not to be included in our proxy statement pursuant to Rule 14a-8 of the Exchange Act, our Bylaws provide that stockholders who wish to nominate a director or propose other business to be brought before the stockholders at the Annual Meeting must notify our Secretary by a written notice, which notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the anniversary date of the immediately preceding year's annual meeting of stockholders.



For the 2016 Annual Meeting, stockholders wishing to present nominations for director or proposals for consideration under these provisions of our Bylaws must submit their nominations or proposals so that they are received at our principal executive offices not earlier than February 10, 2016 and not later than March 11, 2016 in order to be considered. In the event that the 2016 Annual Meeting is to be held on a date that is not within 25 days before or 60 days after June 9, 2016, then a stockholder's notice must be received by the Secretary no later than the close of business on the 10th day following the day on which notice of the date of the 2016 Annual Meeting was mailed or the day we make a public announcement of the date of the 2016 Annual Meeting, whichever first occurs.

In addition, with respect to nominations for directors, if the number of directors to be elected at the 2016 Annual Meeting is increased effective at the 2016 Annual Meeting and there is no public announcement by us for the additional directorships at least 100 days prior to June 9, 2016, a stockholder's notice will also be considered timely, but only with respect to nominees for the additional directorships, if it is delivered to our Secretary at our principal executive offices not later than the close of business on the 10th day following the day on which such public announcement is first made by us.

Nominations or proposals should be sent in writing to our Secretary at 105 Digital Drive, Novato, CA 94949. A stockholder's notice to nominate a director or bring any other business before the Annual Meeting or the 2016 Annual Meeting must set forth certain information, which is specified in our Bylaws. A complete copy of our Bylaws may be found in the Corporate Governance section of the Investors section of our website at [www.bmrn.com](http://www.bmrn.com).

#### **How are votes counted?**

Votes will be counted by the inspector of election appointed for the Annual Meeting, who will separately count, For, Withhold and broker non-votes for the proposal to elect directors, and with respect to other proposals, votes For, Against, Abstain and broker non-votes.

#### **What are broker non-votes ?**

Broker non-votes occur when a beneficial owner of shares held in street name does not give instructions to the broker, bank or other nominee holding the shares as to how to vote. Generally, if shares are held in street name, the beneficial owner of the shares is entitled to give voting instructions to the broker, bank or other nominee holding the shares. If the beneficial owner does not provide voting instructions, the broker, bank or other nominee can still vote the shares with respect to matters that are considered to be routine, but cannot vote the shares with respect to non-routine matters. Under the rules and interpretations of the New York Stock Exchange (the NYSE), which generally apply to all brokers, bank or other nominees, on voting matters characterized by the NYSE as routine, NYSE member firms have the discretionary authority to vote shares for which their customers do not provide voting instructions. On non-routine proposals, such as uninstructed shares, may not be voted by member firms. Only the proposal to ratify the selection of our independent registered public accounting firm is considered a routine matter for this purpose and brokers, banks or other nominees generally have discretionary voting power with respect to such proposal. Broker non-votes will be counted for the purpose of determining whether a quorum is present at the Annual Meeting.

#### **What is the effect of abstentions and broker non-votes?**

*Abstentions:* Under Delaware law (under which BioMarin is incorporated), abstentions are counted as shares present and entitled to vote at the Annual Meeting, but they are not counted as shares cast. Our Amended and Restated Bylaws provide that a stockholder action (other than the election of directors) shall be decided by the vote of the holders of a majority of the total number of votes of the Company's capital stock cast on the matter. Therefore, abstentions will have no effect on Proposal No. 2 Amendment to the 2006 Share Incentive Plan, Proposal No. 3 Advisory Vote on Executive Compensation, Proposal No. 4 Ratification of Independent Registered Public Accounting Firm or Proposal No. 5 Shareholder Proposal Relating to Sustainability Reporting.

*Broker Non-Votes:* A broker non-vote occurs when a broker, bank or other nominee holding your shares in street name does not vote on a particular matter because you did not provide the broker, bank or other nominee voting instructions and the broker, bank or other nominee lacks discretionary voting authority to vote the shares because the matter is considered non-routine under the NYSE rules. The non-routine matters on the agenda for the Annual Meeting include Proposal No. 1 Election of Directors, Proposal No. 2 Amendment to the 2006 Share Incentive Plan, Proposal No. 3 Advisory Vote on Executive Compensation and Proposal No. 5 Shareholder Proposal Relating to Sustainability Reporting.

Broker non-votes will be counted for the purpose of determining whether a quorum is present at the Annual Meeting. However, because broker non-votes are not considered under Delaware law to be entitled to vote at the Annual Meeting, they will have no effect on the outcome of the vote on: Proposal No. 1 Election of Directors, Proposal No. 2 Amendment to the 2006 Share Incentive Plan, Proposal No. 3 Advisory Vote on Executive Compensation or Proposal No. 5 Shareholder Proposal Relating to Sustainability Reporting. As a result, if you hold your shares in street name and you do not instruct your broker, bank or other nominee how to vote your shares in the election of directors or the advisory vote related to the approval of our executive compensation program, no votes will be cast on your behalf on these proposals. **Therefore, it is critical that you indicate your vote on these proposals if you want your vote to be counted.** The proposal to ratify the selection of KPMG as our independent registered public accounting firm for the fiscal year ending December 31, 2015 should be considered a routine matter. Therefore, your broker, bank or other nominee will be able to vote on Proposal No. 4 Ratification of Independent Registered Public Accounting Firm even if it does not receive instructions from you, so long as it holds your shares in its name.

**How many votes are needed to approve each proposal?**

<b>Proposal</b>	<b>Vote Required</b>	<b>Discretionary Voting Allowed?</b>
No. 1. Election of Directors	Plurality	No
No. 2. Amendment to the 2006 Share Incentive Plan	Majority Cast	No
No. 3. Advisory Vote on Executive Compensation	Majority Cast	No
No. 4. Ratification of Independent Registered Public Accounting Firm	Majority Cast	Yes
No. 5. Shareholder Proposal Relating to Sustainability Reporting	Majority Cast	No

A Plurality, with regard to the election of directors, means that the ten nominees who receive the most For votes cast by the holders of shares either present in person or represented by proxy will be elected to our board of directors. A Majority Cast, with regard to the amendment to the 2006 Share Incentive Plan, the advisory vote on executive compensation, the ratification of our independent registered public accounting firm and the shareholder proposal relating to sustainability reporting, means that a majority of the votes cast on the proposal are voted For the proposal.

Accordingly:

Proposal No. 1: For the election of directors, the ten nominees receiving the most For votes from the holders of shares present in person or represented by proxy and entitled to vote on Proposal No. 1 will be elected. Only votes For or Withheld will affect the outcome. Broker non-votes will have no effect. Pursuant to our Corporate Governance Principles, any nominee for director who receives a greater number of votes withheld from his or her election than votes for his or her election in an uncontested election at a stockholders meeting should promptly tender his or her resignation to the Chairman of the Board following certification of the stockholder vote.

Proposal No. 2: To be approved, a majority of the total votes cast on Proposal No. 2 must be voted For the proposed amendment to the 2006 Share Incentive Plan. Abstentions and broker non-votes will not be considered votes cast on Proposal No 2.

Proposal No. 3: To be approved, a majority of the total votes cast on Proposal No. 3 must be voted For the approval of the compensation of the Company's Named Executive Officers. Abstentions and broker non-votes will not be considered votes cast on Proposal No. 3.

Proposal No. 4: To be approved, a majority of the total votes cast on Proposal No. 4 must be voted For the ratification of the selection of KPMG as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2015. Abstentions and broker non-votes will not be considered votes cast on Proposal No. 4; however, the ratification of KPMG is a matter on which a broker, bank or other nominee has discretionary voting authority, and thus, we do not expect any broker non-votes with respect to Proposal No. 4.

Proposal No. 5: To be approved, a majority of the total votes cast on Proposal No. 5 must be voted For the shareholder proposal relating to sustainability reporting. Abstentions and broker non-votes will not be considered votes cast on Proposal No. 5.

**What is the quorum requirement?**

A quorum of stockholders is necessary to hold a valid stockholder meeting. A quorum will be present if stockholders holding at least a majority of the outstanding shares entitled to vote are present in person or represented by proxy at the Annual Meeting. On the Record Date, there were 160,308,751 shares outstanding and entitled to vote. Thus, the holders of at least 80,154,376 shares must be present in person or represented by proxy at the Annual Meeting to have a quorum.

Your shares will be counted towards the quorum only if you submit a valid proxy by mail, over the phone or through the Internet (or one is submitted on your behalf by your broker, bank or other nominee) or if you vote in person at the Annual Meeting. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, then either the chair of the Annual Meeting or the holders of a majority of shares present at the Annual Meeting in person or represented by proxy may adjourn the meeting to another date. At any adjourned Annual Meeting at which a quorum is present, any business may be transacted that might have been transacted at the Annual Meeting as originally notified. If the adjournment is for more than 30 days, or if after that adjournment a new record date is fixed for the adjourned Annual Meeting, a notice of the adjourned Annual Meeting shall be given to each stockholder of record entitled to vote at the adjourned Annual Meeting.

**How can I find out the results of the voting at the Annual Meeting?**

Preliminary voting results will be announced at the Annual Meeting. In addition, final voting results will be published in a current report on Form 8-K that we expect to file with the SEC within four business days after the Annual Meeting. If final voting results are not available to us in time to file a Form 8-K with the SEC within four business days after the Annual Meeting, we intend to file a Form 8-K to publish the preliminary results within four business days after the Annual Meeting and file an additional Form 8-K to publish the final results within four business days after the final results are known to us.

**If you have any questions or need assistance in voting your shares, please call the following firm, which is assisting the Company in the solicitation of proxies:**

**Morrow & Co., LLC**

**470 West Avenue**

**Stamford, CT 06902**

**1-800-607-0088**

**PROPOSAL NO. ONE: ELECTION OF DIRECTORS**

The Board currently consists of ten directors. There are ten nominees for election to the Board this year. Each director to be elected and qualified will hold office until the next annual meeting of stockholders and until his or her successor is duly elected and qualified, or, if sooner, until the director's death, resignation or removal. Each of the nominees listed below is currently a director of the Company. Each of the director nominees was previously elected by the stockholders. Directors are elected by a plurality of the votes of the holders of shares present in person or represented by proxy and entitled to vote on the election of directors. The ten nominees receiving the highest number of affirmative votes will be elected; provided, that, pursuant to our Corporate Governance Principles (which are available in the Corporate Governance section of the Investors section of our website at [www.bmrn.com](http://www.bmrn.com)), any nominee for director who receives a greater number of votes withheld from his or her election than votes for his or her election in an uncontested election at a stockholder's meeting should promptly tender his or her resignation to the Chairman of the Board following certification of the stockholder vote.

**Nominees for Director**

The names and ages of the nominees, occupation(s), length of service with the Company and Board Committee memberships are set forth in the table below. A brief biography of each nominee is also set forth below, which includes information, as of the date of this Proxy Statement, regarding specific and particular experience, qualifications, attributes or skills of each nominee that led the Corporate Governance & Nominating Committee (the CGN Committee) to believe that the nominee should continue to serve on the Board:

Name	Age	Director Since	Occupation	Independent	Committee memberships			
					AC	CC	CGN	S&T
Jean-Jacques Bienaimé <sup>(1)</sup>	61	May 2005	Director, Chief Executive Officer of BioMarin	No				
Kenneth M. Bate	64	September 2010	Former biotechnology executive	Yes	M	C		
Michael Grey	62	December 2005	CEO & Chairman, Reneo Pharmaceuticals, Inc.	Yes	M			M
Elaine J. Heron, Ph.D.	67	July 2002	Chair, Amplyx Pharmaceuticals, Inc.	Yes			M	M
Pierre Lapalme	74	January 2004	Former pharmaceutical executive	Yes				
V. Bryan Lawlis, Ph.D.	63	June 2007	CEO, Itero Biopharmaceuticals, LLC	Yes	M			M
Alan J. Lewis, Ph.D.	69	June 2005	CEO, DiaVacs, Inc.	Yes		M		C
Richard A. Meier <sup>(2)</sup>	55	December 2006	Executive Vice President & CFO, Owens & Minor, Inc.	Yes	C,F		M	
Dennis J. Slamon, M.D., Ph.D.	66	March 2014	Director, Clinical/Translational Research, and Director, Revlon/UCLA Women's Cancer Research Program at UCLA's Jonsson Comprehensive Cancer Center	Yes				
William D. Young	70	September 2010	General Partner, Clarus Ventures	Yes		M	C	

AC Audit Committee

C Chair

CC Compensation Committee

M Member

CGN Corporate Governance &amp; Nominating Committee

F Financial Expert

S&amp;T Science &amp; Technology Committee



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- (1) Chair of the Board (effective after the Annual Meeting).
- (2) Lead Independent Director (effective after the Annual Meeting).

**Jean-Jacques Bienaimé** joined our Board in May 2005, the same time that he became our Chief Executive Officer. From November 2002 to April 2005, Mr. Bienaimé served as Chairman, Chief Executive Officer, and President of Genencor, a biotechnology company focused on industrial bioproducts and targeted cancer biotherapeutics. From 1998 to late 2002, Mr. Bienaimé served as Chairman, Chief Executive Officer and President of Sangstat Medical Corporation, an immunology-focused biotechnology company, becoming President in 1998 and Chief Executive Officer in 1999. From 1992 to 1998, Mr. Bienaimé held several senior management positions at Rhône-Poulenc Rorer Pharmaceuticals (now Sanofi-Aventis), culminating in the position of Senior Vice President of Worldwide Marketing and Business Development. Earlier in his career, Mr. Bienaimé worked at Genentech, Inc. where he was involved in the launch of tissue plasminogen activator (t-PA) for the treatment of heart attacks. Mr. Bienaimé currently serves on the boards of Incyte Corporation, a public pharmaceutical company, Vital Therapies, Inc., a public biotechnology company, and The Biotech Industry Organization. Mr. Bienaimé received an M.B.A. from the Wharton School at the University of Pennsylvania and a degree in economics from the École Supérieure de Commerce de Paris.

The Board has nominated Mr. Bienaimé for his intimate knowledge of our business and extensive experience in the management of biotechnology organizations, business development, and sales and marketing of both biotechnology and pharmaceutical products.

**Kenneth M. Bate** joined our Board in September 2010 and serves as the Chair of the Compensation Committee. Mr. Bate is currently an independent consultant. From May 2009 to January 2012, Mr. Bate served as President and Chief Executive Officer of Archemix, Inc., a privately-held biotechnology company engaged in discovering and developing aptamer therapeutics to treat chronic and acute diseases. Mr. Bate served as Non-Executive Chairman of Cubist Pharmaceuticals, Inc., a biopharmaceutical company, from March 2011 until it was acquired by Merck & Company in January 2015. From 2006 to April 2009, Mr. Bate served in various positions at NitroMed, Inc., a pharmaceutical company, most recently as President and Chief Executive Officer. From 2002 to 2005, Mr. Bate served as Chief Financial Officer of Millennium Pharmaceuticals where he headed the commercial organization. Prior to joining Millennium Pharmaceuticals, Mr. Bate co-founded JSB Partners, LLC, a banking and advisory services firm for biopharmaceutical and life sciences companies. From 1990 to 1996, he was with Biogen, a biotechnology company, first as their Chief Financial Officer and then as head of the commercial organization responsible for launching its multiple sclerosis business. Mr. Bate received his B.A. in Chemistry from Williams College and his M.B.A. from the Wharton School at the University of Pennsylvania. He is currently serving on the boards of three public companies, AVEO Pharmaceuticals, Inc., Genoea Biosciences, Inc. and Epizyme, Inc., and two private companies, Catabasis Pharmaceuticals, Inc., a biotechnology company, and TransMedics, Inc., a medical device company.

The Board has nominated Mr. Bate for his extensive experience in finance and managing biotechnology companies and financial, business development and commercial organizations.

**Michael Grey** joined our Board in December 2005. Mr. Grey currently serves as Chief Executive Officer and Chairman of Reneo Pharmaceuticals, Inc. He served as President and Chief Executive Officer of Lumena Pharmaceuticals, Inc., a privately-held biotechnology company, from February 2011 until it was acquired by Shire plc in May 2014. He is also serving as Venture Partner with Pappas Ventures, a life sciences venture capital firm, since January 2010. Between January and September 2009, he served as President and Chief Executive Officer of Auspex Pharmaceuticals, Inc., a private biotechnology company. From January 2005 until its acquisition in August 2008, Mr. Grey was President and Chief Executive Officer of SGX Pharmaceuticals, Inc., a public biotechnology company, where he previously served as President from June 2003 to January 2005 and as Chief Business Officer from April 2001 until June 2003. Prior to joining SGX Pharmaceuticals, Inc., Mr. Grey acted as President, Chief Executive Officer and Board member of Trega Biosciences, Inc., a biotechnology company. From November 1994 to August 1998, Mr. Grey was the President of BioChem Therapeutic, Inc., the pharmaceutical operating division of BioChem Pharma, Inc. During 1994, Mr. Grey served as President and Chief Operating Officer for Ansan, Inc., a pharmaceutical company. From 1974 to 1993, he served in various roles with Glaxo, Inc. and Glaxo Holdings, plc, culminating in the position of Vice President, Corporate

Development. Mr. Grey is currently a director of Horizon Pharma, plc, a public pharmaceutical company, Mirati Therapeutics, a public biopharmaceutical company, and three private healthcare companies: Balance Therapeutics, Inc., Selventa, Inc. and Ziarco Group Ltd. Mr. Grey previously served on the board of directors of two public companies during the past five years: IDM Pharma, Inc. (from 1999 to 2009) and Achillion Pharmaceuticals, Inc. (from 2001 to 2010). He received a B.Sc. in chemistry from the University of Nottingham, United Kingdom.

The Board has nominated Mr. Grey for his extensive experience in managing biotechnology and pharmaceutical organizations, business development, compensation matters and finance and accounting.

**Elaine J. Heron, Ph.D.**, joined our Board in July 2002. Dr. Heron served as Chair and Chief Executive Officer of Amplyx Pharmaceuticals, Inc., a private early stage drug development company, from February 2009 to July 2012 and continues to serve as Chair of that company. She is also currently serves on the board of Zephyrus Biosciences, Inc., an early stage company which supplies discovery tools for life science companies. From July 2001 to October 2008, Dr. Heron was Chair and Chief Executive Officer of Labcyte Inc., a private biotechnology company. Before joining Labcyte Inc., she spent six years in increasingly responsible positions at the Applied Biosystems Group of Applera Corporation, a biotechnology company, including the position of General Manager and Vice President of Sales and Marketing. Dr. Heron earned a B.S. in chemistry with highest distinction and a Ph.D. in analytical biochemistry from Purdue University and an M.B.A. from Pepperdine University.

The Board has nominated Dr. Heron for her extensive experience in life science sales and marketing, finance and accounting, corporate governance matters and research and development.

**Pierre Lapalme** joined our Board in January 2004 and was named Chair of the Board in August 2004. From 1995 until his retirement in 2003, he served as the President and Chief Executive Officer of North America Ethypharm, Inc., a drug delivery company. Throughout his career, Mr. Lapalme held numerous senior management positions in the pharmaceutical industry, including Chief Executive Officer and Chairman of the Board of Rhône-Poulenc Pharmaceuticals, Inc. in Canada, and Senior Vice President and General Manager of North America Ethicals, a division of Rhône-Poulenc Rorer, Inc. (now known as Sanofi-Aventis), where he oversaw the development of the ethical pharmaceutical business in the United States, Canada, Mexico, and Central America. Mr. Lapalme served on the board of the National Pharmaceutical Council and was a board member of the Pharmaceutical Manufacturers Association of Canada, where he played a leading role in reinstating patent protection for pharmaceuticals. Mr. Lapalme previously served on the board of directors of one public company during the past five years, Bioxel Pharma (from 2004 to 2009). He also serves on the board of two private biotech companies. Mr. Lapalme was appointed to the board of Aeterna Zentaris, a biopharmaceutical company, in December 2009, was appointed to the board of Insys Therapeutics, Inc., in May 2013 and was appointed Chairman of the Board of Pediapharm Inc. in January 2014. Mr. Lapalme studied at the University of Western Ontario and INSEAD France.

The Board has nominated Mr. Lapalme for his extensive experience in managing biotechnology and pharmaceutical organizations, and sales and marketing of pharmaceutical products.

**V. Bryan Lawlis, Ph.D.**, joined our Board in June 2007. Since August 2011 he has served as the President and Chief Executive Officer of Itero Biopharmaceuticals, LLC, a privately held limited liability holding company which has held the assets of Itero Biopharmaceuticals, Inc. since August 2011. Dr. Lawlis co-founded and served as President and Chief Executive Officer of Itero Biopharmaceuticals, Inc. from 2006 until it discontinued operations in August 2011. Dr. Lawlis served as President and Chief Executive Officer of Aradigm Corporation, a pharmaceutical company from August 2004, and served on its board of directors from February 2005, continuing in both capacities until August 2006. Dr. Lawlis served as Aradigm Corporation's President and Chief Operating Officer from June 2003 to August 2004 and its Chief Operating Officer from November 2001 to June 2003. Previously, Dr. Lawlis co-founded Covance Biotechnology Services, a contract biopharmaceutical

manufacturing operation, served as its President and Chief Executive Officer from 1996 to 1999, and served as Chairman from 1999 to 2001, when it was sold to Diosynth RTP, Inc., a division of Akzo Nobel, NV. From 1981 to 1996, Dr. Lawlis was employed at Genencor, Inc., a biotechnology company, and Genentech, Inc. His last position at Genentech, Inc. was Vice President of Process Sciences. Dr. Lawlis holds a B.A. in microbiology from the University of Texas at Austin, and a Ph.D. in Biochemistry from Washington State University. In addition to BioMarin, Dr. Lawlis holds board positions on four privately held companies, Itero Biopharmaceuticals, LLC, Coherus Biosciences, Inc., Reform Biologics LLC, and Sutro Biopharma, Inc. Dr. Lawlis was appointed to the board of Geron Corporation, a public biopharmaceutical company, in March 2012, and served on the board of KaloBios Pharmaceuticals, Inc., a public biopharmaceutical company, from August 2013 until September 2014. Dr. Lawlis has acted as the chairman of the scientific advisory board for Coherus Biosciences, Inc., a privately held biotechnology company since November 2012.

The Board has nominated Dr. Lawlis for his extensive experience in manufacturing biotechnology and other pharmaceutical products, research and development of drug products and managing and conducting clinical trials and drug regulatory processes.

**Alan J. Lewis, Ph.D.**, joined our Board in June 2005 and serves as the Chair of the Science and Technology Committee. Since March 2015, Dr. Lewis has served as Chief Executive Officer of DiaVacs, Inc., a private biotechnology company, where he also serves as director. From October 2012 to March 2014, Dr. Lewis served as Chief Executive Officer and Director of Medistem, Inc., a public biotechnology company. From July 2010 to November 2011, Dr. Lewis served as President, Chief Executive Officer and Director of Ambit Biosciences, a private biotechnology company. From January 2009 to June 2010, Dr. Lewis served as President and Chief Executive Officer of The Juvenile Diabetes Research Foundation. From February 2006 until December 2008, Dr. Lewis was the President and Chief Executive Officer of Novocell, Inc., a privately held regenerative disease biotechnology company focused on stem cell therapy. Prior to joining Novocell Inc., starting in 2000, he was President of Celgene Signal Research, a wholly-owned subsidiary of the Celgene Corporation, a pharmaceutical company. From February 1994 to August 2000, he was the President and Chief Executive Officer of Signal Pharmaceuticals, Inc., where he guided the company to its successful acquisition by Celgene Corporation. From 1979 to 1994, Dr. Lewis held a number of positions at Wyeth-Ayerst Research and its predecessor, Wyeth Laboratories, Inc., including Vice President of Research at Wyeth-Ayerst Research. Dr. Lewis has published over 120 full manuscripts and has written and edited seven books. Dr. Lewis was a Research Associate at Yale University from 1972 to 1973. Dr. Lewis received a B.Sc. in physiology and biochemistry from Southampton University, Southampton, Hampshire, United Kingdom, and a Ph.D. in pharmacology from the University of Wales, Cardiff, United Kingdom. Dr. Lewis currently serves as Chairman of the Board of Cellastra Inc., a private biotechnology company, and director of four other private biotechnology companies, Batu Biologics, Capella Therapeutics, Habit DX and Targzyme, Inc.

The Board has nominated Dr. Lewis for his extensive experience in managing biotechnology and pharmaceutical organizations, research and development, finance, compensation and corporate governance matters.

**Richard A. Meier** joined our Board in December 2006 and serves as the Chair of the Audit Committee. Mr. Meier currently provides management and financial advisory services to medical device and biopharmaceutical companies, and private equity and venture capital firms. Since March 2013, Mr. Meier has served as the Executive Vice President and Chief Financial Officer of Owens & Minor, Inc., a global healthcare services company. From January 2010 through March 2012, Mr. Meier was an Executive Vice President and Chief Financial Officer at TeleFlex, Incorporated, a global medical device company. From November 2007 to May 2009, Mr. Meier served as President and Chief Operating Officer of Advanced Medical Optics, a global ophthalmic medical device company that was acquired by Abbott in February 2009. Between April 2002 and November 2007, Mr. Meier served continuously as Advanced Medical Optics Chief Financial Officer, while serving in a variety of additional senior operating roles. Prior to joining Advanced Medical Optics, Mr. Meier was the Executive Vice President and Chief Financial Officer of Valeant Pharmaceuticals, Inc., from October

1999, and Senior Vice President & Treasurer from May 1998 to October 1999. Before joining Valeant Pharmaceuticals, Mr. Meier was an executive with the investment banking firm of Schroder & Co. Inc. in New York, from 1996. Prior to Mr. Meier's experience at Schroder & Co., he held various financial and banking positions at Salomon Smith Barney, Manufacturers Hanover Corporation, Australian Capital Equity, and Greyhound Lines, Inc. Mr. Meier is also a Director of Staar Surgical Inc., an ophthalmic medical device company, since 2009, where he currently serves on both the Compensation and Audit Committees.

The Board has nominated Mr. Meier for his extensive experience in finance and accounting, capital markets, managing large organizations in the healthcare field and information technology.

**Dennis J. Slamon, M.D., Ph.D.**, joined our Board in March 2014. Dr. Slamon currently serves as director of Clinical/Translational Research, and as director of the Revlon/UCLA Women's Cancer Research Program, at UCLA's Jonsson Comprehensive Cancer Center. Dr. Slamon is a professor of medicine and chief of the Division of Hematology/Oncology at, and executive vice chair for research for, UCLA's Department of Medicine and also serves as director of the medical advisory board for the National Colorectal Cancer Research Alliance, a fund-raising organization that promotes advances in colorectal cancer. A 1970 B.A. honors graduate in biology from Washington & Jefferson College and a 1975 graduate of the University of Chicago's Pritzker School of Medicine, Dr. Slamon earned his Ph.D. in cell biology that same year. He completed his internship and residency at the University of Chicago Hospitals and Clinics, becoming chief resident in 1978. One year later, he became a fellow in the Division of Hematology/Oncology at UCLA where he now serves on the faculty of medicine.

The Board has nominated Dr. Slamon for his extensive experience in clinical trial research, personalized medicine, oncology, research and development and translating discovery into medicines.

**William D. Young** joined our Board in September 2010 and serves as the Chair of the CGN Committee. Mr. Young is a partner with Clarus Ventures, a life science venture capital firm that he joined in March 2010. Mr. Young began serving as a Director of IDEC Pharmaceuticals in 1997 and served as Chairman of the Board of Biogen Idec from January 2010 to June 2014. From 1999 to October 2009, Mr. Young was Chairman and Chief Executive Officer of Monogram Biosciences, Inc., a life sciences company engaged in the development of molecular diagnostic products, until its acquisition by LABCorp, Inc. in October 2009. From 1997 to 1999, Mr. Young served as Chief Operating Officer of Genentech, Inc. Mr. Young joined Genentech, Inc. in 1980 as Director of Manufacturing and Process Sciences and became Vice President in 1983. He was promoted to various positions and, in 1997, became Chief Operating Officer, taking on responsibility for all development, operations and sales and marketing activities. Prior to joining Genentech, Inc., Mr. Young was with Eli Lilly & Co. for 14 years. Mr. Young holds a B.S. in Chemical Engineering and an Honorary Doctorate in Engineering from Purdue University and an M.B.A. from Indiana University. Mr. Young serves as a Director of Theravance Biopharma, a biopharmaceutical company, Executive Chairman of NanoString Technologies, a provider of life science tools for translational research and development of molecular diagnostic products, a Director of Vertex Pharmaceuticals, a pharmaceutical company and a Director of Annexon, a private Clarus portfolio company. Mr. Young was elected to the National Academy of Engineering in 1993 for his contributions to biotechnology.

The Board has nominated Mr. Young for his extensive experience in senior positions managing life science companies engaged in the development, manufacture, and commercialization of biotech drugs and molecular diagnostics.

**THE BOARD OF DIRECTORS RECOMMENDS**

**A VOTE IN FAVOR OF EACH NAMED NOMINEE.**

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**INFORMATION REGARDING THE BOARD OF DIRECTORS AND CORPORATE GOVERNANCE**

This section describes key corporate governance guidelines and practices that we have adopted. Complete copies of our Corporate Governance Guidelines, the charters of the committees of the Board and our Global Code of Conduct and Business Ethics described below may be found in the Corporate Governance section of the Investors section of our website at [www.bmrn.com](http://www.bmrn.com). Alternatively, you can request a copy of any of these documents free of charge by writing to: G. Eric Davis, Senior Vice President, General Counsel and Secretary, c/o BioMarin Pharmaceutical Inc., 105 Digital Drive, Novato, CA 94949. Information on our website is not incorporated by reference in this Proxy Statement.

**INDEPENDENCE OF THE BOARD OF DIRECTORS**

The Board has affirmatively determined that all of the nominees other than Mr. Bienaimé are independent directors within the meaning of the applicable NASDAQ listing standards and relevant securities and other laws, rules and regulations regarding the definition of independent (the Independent Directors). There are no family relationships between any director and any of our executive officers.

**BOARD LEADERSHIP STRUCTURE**

The Board believes that it is important to retain the flexibility to allocate the responsibilities of the offices of Chairman of the Board (Chair) and Chief Executive Officer in any manner that it determines to be in the best interests of the Company. Accordingly, our Corporate Governance Principles specifically reserve for the Board the right to vest the responsibilities of Chair and Chief Executive Officer in the same individual.

The Board reviews its leadership structure periodically as part of its annual self-assessment process. In addition, the Board continues to monitor developments in corporate governance as well as the approaches our peers undertake. Beginning in August 2004 the Board determined to separate the roles of Chair and Chief Executive Officer and appointed Pierre Lapalme, an Independent Director, as Chair. On January 7, 2015, BioMarin announced that Mr. Lapalme had elected to step down as Chair following the Annual Meeting.

Following Mr. Lapalme's decision, the Board conducted a careful review of its leadership structure in light of the composition of the Board, the Company's size, the nature of the Company's business, the regulatory framework under which the Company operates, and other relevant factors, and elected to revise the organizational structure of the Board and the Company. To better align the operational leadership of the Company, the Board determined that recombining the Chair and Chief Executive Officer positions under the leadership of Jean-Jacques Bienaimé would be in the best interests of the Company and its stockholders. This determination was based on the Board's strong belief that, as the individual with primary responsibility for managing the Company's day-to-day operations and with extensive knowledge and understanding of the Company, combining the roles of Chair and Chief Executive Officer in Mr. Bienaimé creates a clear line of authority that promotes decisive and effective leadership, both within and outside the Company. In making this judgment, the Board took into account its evaluation of Mr. Bienaimé's performance as Chief Executive Officer and as a current member of the Board, his positive relationship with the other directors, his vast expertise in the biopharmaceutical industry and proven track record of successful leadership, and the strategic perspective he would bring to the role of Chair. Mr. Bienaimé will assume the role of Chair effective on Mr. Lapalme stepping down as Chair after the Annual Meeting.

The Board recognizes the importance of having a Board structure that will continue to promote the appropriate exercise of independent judgment by the Board. In connection with the decision to recombine the roles of Chair and Chief Executive Officer under Mr. Bienaimé, the Board also created the position of Lead Independent Director to serve as a liaison between the Chief Executive Officer and the Independent Directors, and to facilitate discussions and deliberation among the Independent Directors in fulfilling their oversight responsibilities for the Company.

The Lead Independent Director will have the following responsibilities, as set forth in the Lead Independent Director Charter (which can be found in the Corporate Governance section of the Investors section of our website at [www.bmrn.com](http://www.bmrn.com)):

presiding at all meetings of the Board at which the Chair is not present, including executive sessions of the Independent Directors;

servicing as the principal liaison between the Chair and the Independent Directors;

approving meeting agendas for the Board;

approving the frequency of Board meetings and meeting schedules, assuring there is sufficient time for discussion of all agenda items;

working in collaboration with the CGN Committee and the Chair to recommend selection for the membership and chairman position for each Board committee;

interviewing, along with the chair of the CGN Committee, all director candidates and making recommendations to the CGN Committee;

being available, when appropriate, for consultation and direct communication with stockholders; and

on an annual basis, in consultation with the Independent Directors, reviewing the Lead Independent Director Charter and recommending to the Board for approval any modifications or changes.

The Lead Independent Director Charter also grants the Lead Independent Director the authority to:

call meetings of the Independent Directors or meetings of the Board;

retain outside advisors and consultants who report directly to the Board on Board-wide issues; and

select, retain and consult with outside counsel and other advisors as the Lead Independent Director deems appropriate, at the Company's sole expense.

The Lead Independent Director will be elected annually by a majority vote of the Independent Directors. The Independent Directors have determined that Richard A. Meier will serve as the initial Lead Independent Director effective on Mr. Lapalme stepping down as Chair after the Annual Meeting.

The Board, including each of its committees, also has complete and open access to any member of the Company's management and the authority to retain independent advisors as the Board or such committee deems appropriate. In addition, all members of the Audit Committee, the CGN Committee and the Compensation Committee are Independent Directors, and the committee chairs have authority to hold executive sessions without management and non-Independent Directors present.

#### **ROLE OF THE BOARD IN RISK OVERSIGHT**

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The Board is actively involved in the oversight of risks that could affect us. This oversight is conducted primarily through committees of the Board, particularly the Audit Committee and the CGN Committee, but the full Board has retained responsibility for general oversight of risks. The Board satisfies this responsibility through full reports by each committee chair regarding the committee's considerations and actions, as well as through regular reports directly from officers responsible for oversight of particular risks.

### **MEETINGS OF THE BOARD OF DIRECTORS**

The Board oversees our business. It establishes overall policies and standards and reviews the performance of management. During the fiscal year ended December 31, 2014, the Board held 11 meetings and took action by unanimous written consent on four occasions. Each Board member attended 75% or more of the aggregate meetings of the Board and of the committees, on which he or she served, held during the period for which he or she was a director or committee member. Applicable NASDAQ listing standards require that the Independent



Directors meet from time to time in executive session. In fiscal 2014, our Independent Directors met in regularly scheduled executive sessions at which only Independent Directors were present. It is our policy to request that all Board members attend the annual meeting of stockholders. However, we also recognize that personal attendance by all directors is not always possible. Nine of the ten directors serving at the time of the 2014 Annual Meeting of Stockholders attended such meeting.

#### **INFORMATION REGARDING COMMITTEES OF THE BOARD OF DIRECTORS**

The Board has a number of committees that perform certain functions for the Board. The current committees of the Board are the Audit Committee, the Compensation Committee, the CGN Committee and the Science and Technology Committee. Below is a description of each committee of the Board. Each of the committees has authority to engage legal counsel or other experts or consultants, as it deems appropriate to carry out its responsibilities. The Board has determined that each member of each committee meets the applicable NASDAQ listing standards and relevant securities and other laws, rules and regulations regarding independence and that each member is free of any relationship that would impair his or her individual exercise of independent judgment with regard to our Company.

#### **Audit Committee**

The Board has a separately designated standing Audit Committee established in accordance with Section 3(a)(58) of the Exchange Act. The Audit Committee was established by the Board to oversee our corporate accounting and financial reporting processes, systems of internal control over financial reporting and the quality and integrity of our financial statements and reports. In addition, the Audit Committee oversees the qualification, independence and performance of our independent registered public accounting firm and recommends to the Board the appointment of our independent registered public accounting firm.

The Audit Committee is currently composed of four directors: Mr. Meier, Chair, Mr. Bate, Mr. Grey and Dr. Lawlis. In 2014, the Audit Committee met ten times. The Audit Committee is governed by a written charter adopted by the Board, which was last amended in March 2015. The Audit Committee charter can be found in the Corporate Governance section of the Investors section of our website at [www.bmrn.com](http://www.bmrn.com). Information on our website is not incorporated by reference in this Proxy Statement. The charter of the Audit Committee grants the Audit Committee full access to all of our books, records, facilities and personnel, as well as authority to obtain, at our expense, advice and assistance from internal and external legal, accounting or other advisors and consultants and other external resources that the Audit Committee considers necessary or appropriate in the performance of its duties.

As required by its charter, the Audit Committee conducts a self-evaluation at least annually. The Audit Committee also periodically reviews and assesses the adequacy of its charter, including the Audit Committee's role and responsibilities, and recommends any proposed changes to the Board for its consideration.

The Board annually reviews the NASDAQ listing standards' definition of independence for Audit Committee members and has determined that all members of our Audit Committee are independent (as independence is currently defined in NASDAQ Listing Rules 5605(c)(2)(A)(i) and (ii)). The Board has determined that Mr. Meier qualifies as an audit committee financial expert, as defined in applicable SEC rules. The Board made a qualitative assessment of Mr. Meier's level of knowledge and experience based on a number of factors, including his experience as the Chief Financial Officer of several public companies and his finance and investment banking experiences. In making that determination, the Board relied on the past business experience of Mr. Meier. Please see the description of the business experience for Mr. Meier under the heading *Nominees for Director*.

#### **Report of the Audit Committee of the Board of Directors<sup>(1)</sup>**

The Audit Committee reviews the Company's financial reporting process on behalf of the Board. Management has the primary responsibility for the preparation and integrity of the consolidated financial

statements and the reporting process, including establishing and monitoring the system of internal financial controls. In this context, during fiscal year 2014, the Audit Committee met and held discussions with management and KPMG LLP, the Company's independent registered public accounting firm (KPMG). Management has represented to the Audit Committee that the Company's consolidated financial statements for the fiscal year ended December 31, 2014 were prepared in accordance with accounting principles generally accepted in the United States of America, and the Audit Committee has reviewed and discussed the audited financial statements of the Company with management of the Company and with KPMG. In addition, the Audit Committee has discussed with KPMG the matters required to be discussed by Auditing Standard No. 16, *Communications with Audit Committees*, as adopted by the Public Company Accounting Oversight Board (PCAOB). The Audit Committee has received from KPMG the written disclosures and the letter required by applicable requirements of the PCAOB regarding KPMG's communications with the Audit Committee concerning independence and has discussed with KPMG the independence of KPMG from the Company and its management. The Audit Committee has also concluded that the provision of the non-audit services to the Company in fiscal year 2014 was compatible with KPMG's independence. Based on the foregoing, the Audit Committee has recommended to the Board, and the Board has approved, that the audited financial statements be included in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2014 for filing with the SEC. The Audit Committee and the Board also have recommended the selection of KPMG as the Company's independent registered public accounting firm for the year ending December 31, 2015.

Respectfully submitted on March 3, 2015 by the members of the Audit Committee of the Board of Directors:

Richard A. Meier, Chair

Kenneth Bate

Michael Grey

V. Bryan Lawlis, Ph.D.

- (1) The material in this report is not deemed soliciting material, is not deemed filed with the SEC, is not subject to Regulation 14A or 14C or to the liabilities of Section 18 of the Exchange Act, and is not to be incorporated by reference into any filing of BioMarin under the Securities Act of 1933, as amended (the Securities Act), or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

#### **Compensation Committee**

The Compensation Committee acts on behalf of the Board to review, adopt and oversee our compensation strategy, policies, plans and programs. Among other things, the Compensation Committee:

reviews and recommends to the Board for approval, the compensation (*i.e.*, salary, bonus, and equity-based compensation awards) and other terms of employment or service of our Chief Executive Officer and Independent Directors;

reviews and approves compensation and other terms of employment or service of our other executive officers and other officers reporting to our Chief Executive Officer;

reviews with management our Compensation Discussion and Analysis and considers whether to recommend that it be included in proxy statements and other SEC filings;

approves the goals and performance requirements, thresholds, and maximum funding for our annual bonus program; and

administers our 2006 Share Incentive Plan, our Non-Qualified Deferred Compensation Plan (the Deferred Compensation Plan), our Amended and Restated 2006 Employee Stock Purchase Plan (the 2006 ESPP) and our 2014 Inducement Plan (the 2014 Inducement Plan).



The Compensation Committee is currently composed of three directors: Mr. Bate, Chair, Dr. Lewis and Mr. Young. The Board has determined that all members of our Compensation Committee are independent (as independence is currently defined in NASDAQ Listing Rule 5605(a)(2)). During 2014, the Compensation Committee met seven times.

The Compensation Committee has adopted a written charter, which was last amended in March 2014. The Compensation Committee charter can be found in the Corporate Governance section of the Investors section of our website at [www.bmrn.com](http://www.bmrn.com). Information on our website is not incorporated by reference in this Proxy Statement. The charter of the Compensation Committee grants the Compensation Committee full access to all of our books, records, facilities and personnel, as well as authority to obtain, at our expense, advice and assistance from internal and external legal, accounting or other advisors and consultants and other external resources that the Compensation Committee considers necessary or appropriate in the performance of its duties. In particular, the Compensation Committee has the sole authority to retain compensation consultants to assist in its evaluation of executive and director compensation, including the authority to approve the consultant's reasonable fees and other retention terms. Information regarding consultants engaged by the Compensation Committee is provided in the *Compensation Discussion and Analysis* section of this Proxy Statement.

Under the Compensation Committee charter, the Compensation Committee may, in its discretion, delegate its duties to a subcommittee or to the Chair of the Compensation Committee.

As required by its charter, the Compensation Committee conducts a self-evaluation at least annually. The Compensation Committee also periodically reviews and assesses the adequacy of its charter, including the Compensation Committee's role and responsibilities, and recommends any proposed changes to the Board for its consideration.

The performance and compensation process and specific determinations of the Compensation Committee with respect to executive compensation for 2014 and certain elements of compensation for 2014 are described in greater detail in the *Compensation Discussion and Analysis* section of this Proxy Statement.

#### *Compensation Committee Processes and Procedures*

The implementation of our compensation philosophy is carried out under the supervision of the Compensation Committee. The Compensation Committee charter requires that the Compensation Committee meet at least twice per year. The agenda for each meeting is usually developed by the Chair of the Compensation Committee, in consultation with our Chief Executive Officer, the head of Human Resources, our General Counsel and the Compensation Committee's independent advisor, Towers Watson. The Compensation Committee meets regularly in executive session. However, Mr. Bienaimé, our Chief Executive Officer, Mr. Davis, our Senior Vice President, General Counsel and Secretary, and Mr. Richard Ranieri, our Senior Vice President, Human Resources and Corporate Affairs, in addition to Towers Watson, regularly attend portions of the Compensation Committee meetings for the purpose of providing analysis and information to assist management with their recommendations on various human resources and compensation matters. These officers generally do not participate in the executive sessions of the Compensation Committee.

Throughout 2013 and continuing through February 2014, the Compensation Committee engaged Radford, an Aon Hewitt Company, as an independent adviser to the Compensation Committee (the Compensation Consultant). Starting in February 2014 the Compensation Committee engaged Towers Watson as Compensation Consultant. During the time each Compensation Consultant was engaged by the Compensation Committee, the Compensation Consultant conducted analysis and provided advice on, among other things, the appropriate peer group, executive compensation for our Chief Executive Officer and other executive officers, equity compensation, and compensation trends in the biotechnology industry. The Compensation Consultant reports directly to the Compensation Committee, which retains sole authority to direct the work of and engage the Compensation Consultant. As part of its analysis, the Compensation Consultant collects and analyzes compensation information from a comparative group of biotechnology companies or peer group approved by

the Compensation Committee. The Compensation Committee evaluates the criteria used in establishing the peer group at least annually, to ensure that it appropriately represents the companies competing with us to attract and retain talent. The Compensation Committee seeks input from management in addition to the Compensation Consultant to ensure the peer group is consistent with our current business model. The peer group used for 2014 is discussed in the *Compensation Discussion and Analysis* section of this Proxy Statement.

In March 2015, Towers Watson affirmed to the Compensation Committee that it provided no other services to BioMarin during fiscal and calendar year 2014, that the total fees paid to it by BioMarin represents an insignificant percentage of Towers Watson's revenue, that it had policies and procedures in place to prevent conflicts of interest from arising, that it had no knowledge of any business or personal relationships between the members of the Towers Watson executive compensation team serving BioMarin and any member of the Compensation Committee, that no regular members of the Towers Watson executive compensation team serving BioMarin owns any stock of BioMarin (other than investments in funds that are managed without the member's input), and that it had no knowledge of any business or personal relationships between Towers Watson, or the regular members of the Towers Watson executive compensation team serving BioMarin, and any of the Company's named executive officers (NEOs).

#### **Compensation Committee Interlocks and Insider Participation**

No member of our Compensation Committee has ever been an executive officer or employee of us or any of our subsidiaries. None of our executive officers currently serves, or has served during the last completed fiscal year, on the compensation committee or board of directors of any other entity that has one or more executive officers serving as a member of the Board or Compensation Committee. During 2014, no members of our Compensation Committee had any relationships requiring disclosure by us under the SEC's rules requiring disclosure of certain relationships and related party transactions.

#### **Compensation Committee Report<sup>(2)</sup>**

The Compensation Committee is responsible for setting general compensation goals and operational guidelines for BioMarin personnel, for recommending the chief executive officer's and directors' compensation for consideration by the full Board, for setting all elements of the compensation of the other executive officers of BioMarin, and for approving grants of stock options for executive officers of BioMarin. The Compensation Committee has reviewed and discussed the *Compensation Discussion and Analysis* with management, and based on such review and discussions, the Compensation Committee has recommended to the Board that the *Compensation Discussion and Analysis* be included in this Proxy Statement.

Respectfully submitted on April 16, 2015 by the members of the Compensation Committee of the Board of Directors:

Kenneth M. Bate, Chair

Alan Lewis

William Young

- (2) The material in this report is not deemed soliciting material, is not deemed filed with the SEC, is not subject to Regulation 14A or 14C or to the liabilities of Section 18 of the Exchange Act, and is not to be incorporated by reference into any filing of BioMarin under the Securities Act or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

#### **Corporate Governance and Nominating Committee**

The CGN Committee is responsible for overseeing the selection of qualified candidates to serve as members of the Board and guiding our corporate governance philosophy and practices. To that end, the CGN Committee is responsible for identifying individuals to fill vacancies on the Board, recommending nominees for director to be voted upon at the annual meeting of stockholders, recommending to the Board appointees to serve on committees

of the Board, and overseeing the development and implementation of our corporate governance policies and our Global Code of Conduct and Business Ethics. A detailed discussion of the CGN Committee's procedures for recommending candidates for election as a director appears below under the caption *Procedures of the Corporate Governance and Nominating Committee*.

The CGN Committee is also responsible for, without limitation, the following relating to the oversight of our corporate governance policies:

adopting corporate governance guidelines;

establishing written charters for each Board committee and recommending changes to those charters from time to time when it deems appropriate;

reviewing and approving related party transactions with our directors, executive officers and 5% stockholders;

maintaining independence standards for each independent Board member;

requiring executive sessions of Board meetings without management present;

mandating execution of a standard of business ethics for every employee and Board member;

recommending guidelines to the Board for corporate succession planning as it relates to our Chief Executive Officer;

implementing, in conjunction with the Audit Committee, the independent audit function; and

establishing a toll-free telephone number for employees to anonymously report complaints relating to financial fraud, environmental hazards, illegal or unfair employment practices, and unethical behavior.

The CGN Committee is composed of three directors, each of whom is independent under the listing standards of NASDAQ. The members of the CGN Committee are Mr. Young, Chair, Dr. Heron and Mr. Meier. The CGN Committee met five times during 2014.

The CGN Committee has adopted a written charter, which was last amended in October 2014. The CGN Committee Charter can be found in the Corporate Governance section of the Investors section of our website at [www.bmrn.com](http://www.bmrn.com). The CGN Committee charter complies with the guidelines established by NASDAQ. Our Corporate Governance Guidelines can also be found in the Corporate Governance section of the Investors section of our website at [www.bmrn.com](http://www.bmrn.com). Information on our website is not incorporated by reference in this Proxy Statement. The charter of the CGN Committee grants the CGN Committee full access to all of our books, records, facilities and personnel, as well as authority to obtain, at our expense, advice and assistance from internal and external legal, accounting or other advisors and consultants and other external resources that the CGN Committee considers necessary or appropriate in the performance of its duties.

As required by its charter, the CGN Committee conducts a self-evaluation at least annually. The CGN Committee also periodically reviews and assesses the adequacy of its charter, including the CGN Committee's role and responsibilities, and recommends any proposed changes to the Board for its consideration.

#### *Procedures of the Corporate Governance and Nominating Committee*

In connection with nominating directors for election at the annual meeting and periodically throughout the year, the CGN Committee considers the composition of the Board and each committee of the Board to evaluate its effectiveness and whether or not changes should be considered to either the Board or any of the committees. In support of this process, the Board has determined that the Board as a whole must have the right

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diversity, mix of characteristics and skills for the optimal functioning of the Board in its oversight of our Company. The Board believes that it should be comprised of persons with skills in areas such as:

leadership of large complex organizations, particularly in related industries;

sales and marketing of biotechnology and pharmaceutical products;

manufacturing of biotech and small molecule drug products;

managing and conducting clinical trials and drug regulatory process;

medicine;

finance and accounting;

capital markets;

business development;

legal and intellectual property;

research and development of drug products; and

information technology.

As part of its periodic self-assessment process, the CGN Committee has implemented a process that requires the entire Board to annually determine the diversity of specific skills and characteristics necessary for the optimal functioning of the Board in its oversight of our Company over both the short- and longer-term. Although we do not have a formal diversity policy, when considering diversity in evaluating director nominees, the CGN Committee considers the skill areas currently represented on the Board, as well as recommendations of directors regarding skills that could improve the overall quality and ability of the Board to carry out its functions in determining director nominations and whether to consider adding new directors.

Once the CGN Committee and the Board determine that it is appropriate to add a new director, either as a replacement or as a new position, the CGN Committee uses a flexible set of procedures in selecting individual director candidates. It utilizes general guidelines that allow it to adjust the process to best satisfy the objectives it is attempting to accomplish in any director search. The first step in the general process is to identify the type of candidate the CGN Committee may desire for a particular opening, including establishing the specific target skill areas, experiences and backgrounds that are to be the focus of a director search. Once identified, the CGN Committee looks to, in the CGN Committee's judgment, the best method of finding a candidate who satisfies the specified criteria. The CGN Committee may consider candidates recommended by management, by other members of the CGN Committee, by the Board, by stockholders, or it may engage a third party to conduct a search for possible candidates. In considering candidates submitted by stockholders, the CGN Committee will take into consideration the needs of the Board and the qualifications of the candidate.

In order for a stockholder to have a candidate considered by the CGN Committee, a stockholder should submit a written recommendation that includes: (i) the name and record address of the stockholder (and beneficial owner, if any, on whose behalf the nomination is made) and evidence of the stockholder's and beneficial owner's ownership of our stock, including the number of shares owned and the length of time of ownership; (ii) a description of any agreement, arrangement or understanding with respect to the nomination between or among such stockholder and/or such beneficial owner and affiliates or others acting together; (iii) a description of any agreement, arrangement or understanding (including any derivative or short positions, profit interests, options, warrants, convertible securities, stock appreciation or similar rights, hedging transactions, and borrowed or loaned shares) that has been entered into as of the date of the stockholder's notice by, or on behalf of, such stockholder and/or such beneficial owners; (iv) a representation that the stockholder and/or any beneficial owner intends to appear in person or by proxy at the meeting to nominate the persons named in its notice; (v) whether the stockholder or any beneficial owner intends or is part of a group that intends to deliver a proxy statement and/or form of proxy to holders of at least the percentage of our outstanding capital stock required to elect the nominee and/or otherwise to solicit proxies from stockholders in support of such nomination; and (vi) any other information relating to such stockholder that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitation of proxies for election of directors pursuant to Section 14 of the Exchange Act. With respect to each person whom the stockholder proposes to nominate for election as a director, the stockholder must include (1) the name, age, business address and residence address of the director candidate, (2) the candidate's resume or a listing of his or her qualifications





to be a director (including principal occupation or employment), (3) the class or series and number of shares of stock which are owned beneficially or of record by the candidate, and (4) any other information relating to the candidate that would be required to be disclosed in a proxy statement or other filings required to be made in connection with solicitation of proxies for election of directors pursuant to Section 14 of the Exchange Act. The notice must also be accompanied by a written consent of each proposed nominee to being named as a nominee if selected by the CGN Committee and nominated by the Board. Stockholder recommendations should be addressed to the CGN Committee in care of our Secretary at the address set forth under the heading *Stockholder Communications with the Board of Directors*.

Once candidates are identified, the CGN Committee conducts an evaluation of qualified candidates. The evaluation generally includes interviews and background and reference checks. There is no difference in the evaluation process of a candidate recommended by a stockholder as compared to the evaluation process of a candidate identified by any of the other means described above. While the CGN Committee has not established minimum criteria for a candidate, it has established important factors to consider in evaluating a candidate. These factors include: strength of character, mature judgment, business understanding, experience with the pharmaceutical and/or biotechnology industries, availability and level of interest, capacity to devote time to Board activities, career specialization, relevant technical skills, diversity, and the extent to which the candidate would fill a present need on the Board.

If the CGN Committee determines that a candidate should be nominated as a candidate for election to the Board, the candidate's nomination is then recommended to the Board, and the directors may in turn conduct their own review to the extent they deem appropriate. When the Board has agreed upon a candidate, such candidate is recommended to the stockholders for election at an annual meeting of stockholders or appointed as a director by a vote of the Board as appropriate.

All of the current directors have been recommended by the CGN Committee to the Board for re-election as our directors at the Annual Meeting, and the Board has approved such recommendations.

#### **Science and Technology Committee**

The Science and Technology Committee assists the Board in monitoring the overall strategy, direction and effectiveness of our research and development organization, including the review of matters relating to our scientific technology, intellectual property portfolio and strategy and the review and consideration of management's decisions regarding our scientific assets and acquisition or divestiture of scientific technology or other investments in research and development program. The Science and Technology Committee is currently composed of four directors: Dr. Lewis, Chair, Mr. Grey, Dr. Heron and Dr. Lawlis. In 2014, the Science and Technology Committee met three times. The Science and Technology Committee is governed by a written charter, which was adopted by the Board in December 2012. The Science and Technology Committee charter can be found in the Corporate Governance section of the Investors section of our website at [www.bmrn.com](http://www.bmrn.com). Information on our website is not incorporated by reference in this Proxy Statement.

#### **CHAIR OF THE BOARD**

In 2014, the independent Board members re-appointed Mr. Lapalme as Chair. As previously discussed, Mr. Lapalme has elected to step down as Chair of the Board following the Annual Meeting. Mr. Bienaimé will assume the role of Chair effective on Mr. Lapalme stepping down as Chair and Mr. Meier will assume the role of Lead Independent Director.

The Chair is responsible for:

approving Board meeting schedules and meeting agendas;

approving Board meeting materials;

leading executive sessions of the independent Board members;

setting meetings of independent Board members; and

being available for consultation with major stockholders.

#### **STOCKHOLDER COMMUNICATIONS WITH THE BOARD OF DIRECTORS**

Our relationship with our stockholders is an important part of our corporate governance program. Engaging with our stockholders helps us to understand how they view us, to set goals and expectations for our performance, and to identify emerging issues that may affect our strategies, corporate governance, compensation practices or other aspects of our operations. Our stockholder and investor outreach includes investor road shows, analyst meetings, and investor conferences and meetings. Last year we hosted an investor day which stockholders were able to listen to via our website. We also communicate with stockholders and other stakeholders through various media, including our annual report and SEC filings, proxy statement, news releases, and our website. Our conference calls for quarterly earnings releases are open to all. These calls are available in real time and as archived webcasts on our website for a period of time. We also seek stockholder views on governance and other matters throughout the year, concentrating our efforts on our largest stockholders.

In 2014, we made a concerted effort to engage constructively with stockholders. In February 2014, management reached out to eleven non-affiliated institutional shareholders (including all of our top ten stockholders) and had discussions with eight of them. We found our outreach to be enlightening and extremely informative.

The Board has adopted a process for stockholders and others to send communications to the Board or any director. All such communications should be sent by mail addressed to the Board or any particular director at 105 Digital Drive, Novato, CA 94949, c/o G. Eric Davis, Senior Vice President, General Counsel and Secretary. All communications received by Mr. Davis will be sent directly to the Board or any particular director.

#### **GLOBAL CODE OF CONDUCT AND BUSINESS ETHICS**

The Board has adopted our Global Code of Conduct and Business Ethics which is applicable to all employees and directors, including our Chief Executive Officer, Chief Financial Officer, other executive officers and senior financial personnel. A copy of our Global Code of Conduct and Business Ethics is available in the Corporate Governance section of the Investors section of our website at [www.bmrn.com](http://www.bmrn.com). Information on our website is not incorporated by reference in this Proxy Statement. If we make any substantive amendments to our Global Code of Conduct and Business Ethics or grant any waiver from a provision of our Global Code of Conduct and Business Ethics to any executive officer or director, we will promptly disclose the nature of the amendment or waiver on our website in accordance with the requirements of Item 5.05 of Form 8-K.

#### **DIRECTOR AND OFFICER STOCK OWNERSHIP GUIDELINES**

The Compensation Committee has approved stock ownership guidelines for our directors, Chief Executive Officer and Executive or Senior Vice Presidents, who have been approved by the Board. Under these guidelines, executives are expected to use the shares of common stock obtained on the exercise of stock options or the shares of restricted stock received to establish significant level of direct ownership in BioMarin. Newly elected directors and newly appointed or hired officers will have three years to comply with their specific stock ownership guidelines.

The following table summarizes the guidelines:

<b>Name</b>	<b>Stock Ownership Guidelines</b>
<b>Non-Executive Directors</b>	Lesser of 10,000 shares and unvested RSUs or value of shares and unvested RSUs equal to 3 times cash retainer amount ( 3x )
Kenneth M. Bate	
Michael Grey	
Elaine Heron, Ph.D.	
Pierre Lapalme	
V. Bryan Lawlis, Ph.D.	
Alan J. Lewis, Ph.D.	
Richard A. Meier	
Dennis J. Slamon, M.D., Ph.D.	
William D. Young	
<b>CEO</b>	Value of shares and unvested RSUs equal to 3 times base salary ( 3x )
Jean-Jacques Bienaimé	
<b>Executive Vice Presidents and Senior Vice Presidents</b>	Value of shares and unvested RSUs equal to 2 times base salary ( 2x )
Jeff Ajer	
Robert A. Baffi, Ph.D.	
Henry J. Fuchs, M.D.	
Daniel Spiegelman	

The following chart summarizes our directors and NEOs compliance with the guidelines as of December 31, 2014:

Compliance with our stock ownership guidelines is based on shares and unvested RSUs held by a director or officer as of December 31, 2014 and does not include vested or unvested options. The value of stock owned is calculated using the closing price of our common stock on December 31, 2014 (\$90.40). All of our directors and NEOs were in compliance with our stock ownership guidelines as of December 31, 2014.

The Compensation Committee believes these stock ownership guidelines are an important tool in aligning the interests of our executives with the long-term interests of our stockholders. Although the guidelines are not mandatory, the Compensation Committee will consider compliance with the guidelines in setting an officer's compensation and the CGN Committee will consider compliance with the guidelines when making decisions on nominating directors for re-election. Please see *Compensation Discussion and Analysis* for more information regarding these guidelines.

#### ANTI-HEDGING AND ANTI-PLEDGING POLICY

The Board has approved an anti-hedging policy for our directors and executive officers. Under this policy, all of our executive officers and directors are prohibited from engaging in short-sales, transactions in put or call options, hedging transactions or other inherently speculative transactions in BioMarin stock or engaging in excessive margin and other pledging activities.

#### DIRECTOR COMPENSATION

Our directors play a critical role in guiding our strategic direction and overseeing the management of BioMarin. The many responsibilities and risks and the substantial time commitment of being a director require that we provide adequate compensation commensurate with our directors workload and opportunity costs. Independent Directors receive a combination of annual cash retainers, restricted stock grants and stock option grants in amounts that correlate to their responsibilities and levels of Board participation, including service on Board committees. Our only employee director, Mr. Bienaimé, receives no separate compensation for his service as a director.

The following table is a summary of the annual cash compensation paid to the Independent Directors in 2014. Each applicable line item is an additional element of compensation.

Director Position	Annual Cash Compensation <sup>(1)</sup>
All Independent Directors	\$ 55,000
Chair of the Board	\$ 65,000
Audit Committee Chair	\$ 25,000
Audit Committee (Non-Chair)	\$ 12,000
Compensation Committee Chair	\$ 20,000
Compensation Committee (Non-Chair)	\$ 10,000
Corporate Governance and Nominating Committee Chair	\$ 15,000
Corporate Governance and Nominating Committee (Non-Chair)	\$ 7,500
Science and Technology Committee Chair	\$ 15,000
Science and Technology Committee (Non-Chair)	\$ 7,500
Liaison to Scientific Advisory Board	\$ 8,000

- (1) The annual cash compensation that the Company pays to its Board members, other than Mr. Bienaimé, is based on their positions on the Board or the committees of the Board, and the Company does not compensate the Board members on a per meeting basis. The amounts reflected in the table above were approved by the Board in June 2014 and include the following changes from 2013 compensation: (i) the additional retainer for the Chair of the Board increased from \$50,000 to \$65,000; (ii) the additional retainer for the CGN Committee Chair and the Science and Technology Committee Chair increased from \$12,500 to \$15,000; and (iii) the additional retainer for non-Chair members of the CGN Committee and the Science and Technology Committee increased from \$6,250 to \$7,500.

Each Independent Director is automatically granted an initial grant of 4,000 restricted stock units (RSUs) and options to purchase 10,000 shares of our common stock on the date that such person first becomes an Independent Director. The shares of common stock subject to the initial option grant vest quarterly over three years and the initial RSU grant vests annually over three years. On the date of our annual meeting of stockholders, each re-elected director is granted an additional grant of 2,100 RSUs and options to purchase 6,600 shares of common stock. These amounts were approved by the Board in June 2014 and include the following changes from 2013 compensation: (i) the additional annual option grant decreased from 8,500 shares of common stock to 6,600 shares of common stock; and (ii) the additional annual RSU grant decreased from 3,400 RSUs to 2,100 RSUs. The shares of common stock subject to the additional annual option grant vest quarterly over one year and the additional annual RSUs vest in full on the one-year anniversary of the grant date. The additional option grant or RSU grant for a director who has served for less than a year is prorated to the nearest quarter. These options and RSUs continue to vest only while the director serves on the Board. The exercise price per share of each of these options is 100% of the fair market value of a share of our common stock on the date of the grant of the option. These options have a term of 10 years.

In fiscal year 2014, 21,325 RSUs and options to purchase, in the aggregate, 64,450 shares of common stock were awarded to the Independent Directors under the 2006 Share Incentive Plan. The following table lists actual compensation paid to each of the directors during 2014 other than Mr. Bienaimé, who is also an NEO.

Our Board members are eligible to enroll in the Deferred Compensation Plan under which participants may elect to defer all or a portion of their fees and RSU awards otherwise payable to them, and thereby defer taxation of these deferred amounts until actual payment of the deferral amounts in future years.

#### Director Compensation in 2014

Name	Fees Earned or Paid in Cash (\$) <sup>(1)</sup>	Stock Awards (\$) <sup>(2)</sup>	Option Awards (\$) <sup>(3)</sup>	Total (\$)
Kenneth M. Bate	\$ 87,000	\$ 132,510	\$ 202,752	\$ 422,262
Michael Grey	\$ 74,500	\$ 132,510	\$ 202,752	\$ 409,762
Elaine J. Heron, Ph.D.	\$ 70,000	\$ 132,510	\$ 202,752	\$ 405,262
Pierre Lapalme	\$ 120,000	\$ 132,510	\$ 202,752	\$ 455,262
V. Bryan Lawlis, Ph.D.	\$ 74,500	\$ 132,510	\$ 202,752	\$ 409,762
Alan J. Lewis, Ph.D.	\$ 80,000	\$ 132,510	\$ 202,752	\$ 415,262
Richard A. Meier	\$ 87,500	\$ 132,510	\$ 202,752	\$ 422,762
Dennis J. Slamon, M.D., Ph.D.	\$ 55,000	\$ 351,928 <sup>(4)</sup>	\$ 434,488 <sup>(5)</sup>	\$ 841,416
William D. Young	\$ 80,000	\$ 132,510	\$ 202,752	\$ 415,262

- (1) Director fees are generally paid quarterly in arrears within four weeks after the close of a quarter.
- (2) The amounts in this column reflect the aggregate grant date fair market value computed in accordance with the Financial Accounting Standards Board's Accounting Standards Codification (FASB ASC) Topic 718. The grant date fair market value of the annual RSU grant was \$63.10 per share. For assumptions used in determining the grant date fair market value, see Note 17 to the consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, as filed with the SEC on March 2, 2015.
- (3) The amounts in this column reflect the aggregate grant date fair market value computed in accordance with FASB ASC Topic 718. The grant date fair market value of the annual option grant was \$30.72 per share. For assumptions used in determining the grant date fair market value, see Note 17 to the consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2014 as filed with the SEC on March 2, 2015.

- (4) Amount of RSU awards granted to Dr. Slamon in 2014 includes the initial grant on March 19, 2014 of 4,000 RSUs and a prorated annual grant on June 4, 2014 of 525 RSUs. The grant date fair market value of the initial RSU grant was \$79.70 per share and the grant date fair market value of the annual RSU grant was \$63.10 per share.
- (5) Amount of option awards granted to Dr. Slamon in 2014 includes the initial grant on March 19, 2014 of options to purchase 10,000 shares of our common stock and a prorated annual grant on June 4, 2014 to purchase 1,650 shares of our common stock. The grant date fair market value of the initial option grant was \$38.38 per share and the grant date fair market value of the annual option grant was \$30.72 per share.

### Equity Compensation Plan Information

The following table provides certain information with respect to all of BioMarin's equity compensation plans as of December 31, 2014.

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a))
Equity compensation plans approved by stockholders <sup>(1)</sup>	11,177,699	\$ 37.70	3,279,155
Equity compensation plans not approved by stockholders <sup>(2)</sup>	299,465	\$ 53.34	1,700,000
Total <sup>(3)</sup>	11,477,164	\$ 38.11	4,979,155

- (1) Amount does not include any shares of common stock issuable under the 2006 ESPP. The Company issues shares under the 2006 ESPP once every six months based on employee elections in the preceding six months. Pursuant to the terms of the 2006 ESPP, the number of shares to be issued and the price per share is not determined until immediately before the date of issuance. Also, amount does not include 1,479,284 service-based RSUs with a grant date weighted average fair value of \$59.77 and 760,000 performance and market-based RSUs with a weighted average grant date fair market value of \$33.17 that were outstanding at December 31, 2014.
- (2) The BioMarin Pharmaceutical Inc. 2012 Inducement Plan (the 2012 Inducement Plan) and the 2014 Inducement Plan were not approved by the Company's stockholders in reliance on Nasdaq Marketplace Rule 5635(c)(4). Amount does not include 61,419 service-based RSUs with a grant date weighted average fair value of \$52.26 and 100,000 performance and market-based RSUs with a weighted average grant date fair market value of \$39.06 issued under the 2012 Inducement Plan that were outstanding at December 31, 2014. No awards were issued under the 2014 Inducement Plan in 2014. The 2012 Inducement Plan expired on May 31, 2013 and the 2014 Inducement Plan will expire on the date of the Annual Meeting (June 9, 2015).
- (3) As of December 31, 2014, the weighted average remaining term of the 11,477,164 options outstanding was 6.19 years.



**PROPOSAL NO. TWO: APPROVAL OF AMENDMENT TO THE BIOMARIN PHARMACEUTICAL INC.**

**AMENDED AND RESTATED 2006 SHARE INCENTIVE PLAN**

**Background and Purpose of Proposal**

The BioMarin Pharmaceutical Inc. 2006 Share Incentive Plan (the Initial Plan) was adopted by the Board in May 2006 and approved by our stockholders at the 2006 Annual Meeting of Stockholders. The Board approved a technical amendment to the Initial Plan in January 2009 to comply with changes to Section 409A of the Internal Revenue Code of 1986, as amended (the Code). In March 2010, the Board approved an amendment and restatement of the Initial Plan, as amended, to increase the number of shares of common stock available for issuance under the Initial Plan and to make certain other changes to enhance the interests of our stockholders (the Restated Plan). The Restated Plan was approved by our stockholders at the 2010 Annual Meeting of Stockholders and went into effect on May 12, 2010. In March 2013, the Board approved amendments to the Restated Plan to increase the number of shares of common stock available for issuance under the Restated Plan and to make certain other changes to enhance the interests of our stockholders. Our stockholders approved the amendments to the Restated Plan at the 2013 Annual Meeting of Stockholders and the Restated Plan, as amended (the 2006 Share Incentive Plan), went into effect on May 15, 2013.

Pursuant to Section 16(a) of the 2006 Share Incentive Plan, the Board has the authority to amend the 2006 Share Incentive Plan. On April 16 2015, the Compensation Committee unanimously approved and adopted, subject to the approval of our stockholders at the Annual Meeting, an amendment to the 2006 Share Incentive Plan (the Proposed Amendment). The Proposed Amendment, if approved, will, among others:

increase the aggregate number of shares of common stock authorized for issuance under the 2006 Share Incentive Plan by 10,500,000 shares (representing less than 7% of the 159,833,964 shares of our common stock outstanding as of March 20, 2015), from 31,000,000 shares to 41,500,000 shares;

implement various additional features to enhance the interests of our stockholders such as providing for a minimum vesting period of one-year for Awards (as defined below), removing liberal share counting on stock options and limiting the ability to accelerate the vesting of Awards; and

update and enhance the plan's provisions addressing compliance with Section 409A of the Code.

If the Proposed Amendment is approved by our stockholders, the 2006 Share Incentive Plan, as amended and restated by the Proposed Amendment (the Proposed Amended Plan), will become effective on the day of the Annual Meeting.

The 2006 Share Incentive Plan is designed to provide an incentive to eligible employees, consultants, Directors and advisors of the Company and its affiliates, to encourage proprietary interest in the Company by such persons, to encourage such persons to remain in the service of the Company and its affiliates and to attract new employees and Directors with outstanding qualifications.

As our Company has grown, so have the share requirements of the 2006 Share Incentive Plan. The table below shows our utilization of the 2006 Share Incentive Plan as of March 20, 2015.

**Equity Plan Utilization as of March 20, 2015**

Shares of common stock authorized for issuance under the 2006 Share Incentive Plan	31,000,000
Shares of common stock subject to previously issued awards under all plans	14,511,227 <sup>(1)</sup>
Shares of common stock subject to outstanding options issued under all plans	11,161,761 <sup>(2)</sup>
Unvested restricted stock awards issued under all plans	3,349,466 <sup>(1)</sup>
Shares of common stock available for future issuance under the 2006 Share Incentive Plan	1,038,272

(1) Each share of common stock issued or transferred pursuant to an award other than an option reduces the aggregate number of shares available under the 2006 Share Incentive Plan by: (i) one share of common



stock for each share of common stock that is subject to an award granted prior to May 12, 2010; (ii) 1.62 shares of common stock for each share of common stock that is subject to an award granted on or after May 12, 2010 but prior to May 15, 2013; and (iv) 1.92 shares of common stock for each share of common stock that is subject to an award granted on or after May 15, 2013. Based on the mix of the restricted stock awards from (i) and (iv) above included in the 3,349,466 amount, these awards reduce the shares available under the 2006 Share Incentive Plan by 5,049,861.

(2) As of March 20, 2015, outstanding options have a weighted average exercise price of \$43.32 and a weighted average term of 6.28 years. As of March 20, 2015, the Company also had 1,562,510 shares of common stock reserved for issuance pursuant to the Company's 2014 Inducement Plan, which expires and will be terminated on the date of the Annual Meeting. The Company will not issue more than 150,000 additional shares from the 2014 Inducement Plan prior to termination upon the Annual Meeting date. Upon the expiration of the 2014 Inducement Plan on the date of the Annual Meeting, no further shares will be available for issuance under the 2014 Inducement Plan.

The Board adopted the Proposed Amendment in order to continue to grant stock incentive awards to employees, consultants, directors and advisors as part of their compensation to provide appropriate incentives. The Board believes that the purpose of the Proposed Amendment is to continue to encourage ownership in the Company by its employees, directors, consultants and advisors whose long-term employment by or involvement with the Company is considered essential to the Company's continued progress and, thereby, align the interests of the award recipients and stockholders and permit the award recipients to share in the Company's success. We estimate that, with an increase of 10,500,000 shares, we will have a sufficient number of shares of common stock to cover Awards under the 2006 Share Incentive Plan for approximately two to three years, depending primarily on our growth and share price.

If our stockholders do not approve the Proposed Amendment, we will not have sufficient authorized shares under the 2006 Share Incentive Plan to continue to make competitive equity awards. Without a competitive equity component in our offers, we may not be able to attract the best talent, and we will need to substantially increase other components of compensation.

If our stockholders approve the Proposed Amendment at the Annual Meeting or any adjournment thereof, the Proposed Amended Plan will become effective on the day of the Annual Meeting. We intend to file a registration statement on Form S-8 under the Securities Act in order to register the sale of the shares of common stock that will be authorized under the Proposed Amendment. Other than the (i) increase in the aggregate number of shares of common stock authorized for issuance under the 2006 Share Incentive Plan from 31,000,000 to 41,500,000, (ii) implementation various additional features to enhance the interests of our stockholders such as providing for a minimum vesting period of one-year for awards, removing liberal share counting on stock options and limiting the ability to accelerate the vesting of awards outside of a change in control, (iii) updates and enhancements to the plan's provisions addressing compliance with Section 409A of the Code, and (iv) certain minor clarifying changes, no amendments have been proposed to be made to the 2006 Share Incentive Plan and all other terms of the 2006 Share Incentive Plan will remain the same.

The Board believes that it is in the Company's best interests and in the best interests of the Company's stockholders to approve the Proposed Amendment to allow the Company to continue to grant equity awards under the 2006 Share Incentive Plan.

The Company's Named Executive Officers have an interest in this proposal as they are eligible to receive awards under the Proposed Amended Plan.

### Significant Changes in the Proposed Amended Plan

We are requesting that stockholders approve the Proposed Amended Plan to include the following significant changes:

*Increase to Share Reserve.* The Proposed Amended Plan sets forth a maximum number of shares authorized for issuance under the Proposed Amended Plan. The Board of Directors is requesting that stockholders approve the addition of 10,500,000 shares of common stock (representing less than 7% of the 159,833,964 shares of our common stock outstanding as of March 20, 2015) to the share reserve for the 2006 Share Incentive Plan. Shares available for issuance under the Proposed Amended Plan may be used to issue any time of award permitted under the plan. The Proposed Amended Plan contains a fungible share reserve feature. Under this feature, a distinction is made between the number of shares attributable to stock options and awards (other than stock options). Option awards count as one share against the share reserve whereas restricted share units and all other full value awards count as 1.92 shares.

*No Liberal Share Counting on Stock Options.* Under the Proposed Amended Plan, shares repurchased by the Company using option exercise proceeds may not be used again for new grants.

*Minimum Vesting Requirement.* The Proposed Amended Plan stipulates that, other than in the event of a change of control, no portion of any Award may vest earlier than one year from the date of grant.

*Limitation on Accelerated Vesting.* The Proposed Amended Plan prohibits the plan administrator from accelerating vesting of an award, except in the case of a change in control or the Participant's death, or disability.

*No Repricing of Underwater Stock Options Without Stockholder Approval.* The Proposed Amended Plan prohibits the repricing or cash buyout of underwater options without stockholder approval, except in the case of certain corporate transactions.

*Tolling for Blackout Periods.* Under the Proposed Amended Plan, if there is a blackout period that prohibits the buying or selling of the Company's shares during any part of the ten (10) day period before the expiration of any option based on the termination of a participant's continuous service, the period for exercising the option will be extended until ten (10) days beyond when such blackout period ends; provided, that no option will ever be exercisable after the expiration date of its original term.

*No Reverse Vesting.* The Proposed Amended Plan removes the provision in the 2006 Share Incentive Plan for reverse vesting, which granted the Committee authority to allow a Participant to exercise unvested non-ISO options and receive restricted shares having analogous vesting restrictions to the unvested non-ISO options.

*Compliance with Section 402 of the Sarbanes-Oxley Act.* The Proposed Amended Plan makes explicit that payments for awards by our directors and executive officers must be made in compliance with Section 402 of the Sarbanes-Oxley Act of 2002 (codified as Section 13(k) of the Exchange Act), which is consistent with our past practice.

*Compliance with Section 409A of the Internal Revenue Code.* The Proposed Amended Plan includes clarifying provisions intended to reinforce the Proposed Amended Plan's compliance with Section 409A of the Code. Among others, under the Proposed Amended Plan, under certain circumstances, any payment on account of termination of an executive's employment which is deemed to be deferred compensation under Code Section 409A will be delayed for six months after the termination, except in the case of such executive's death.

### Why the Board of Directors Believes You Should Vote for the Proposed Amendment

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*Attracting and retaining talent.* A talented, motivated and effective management team and workforce are essential to the Company's continued progress. Equity compensation has been an important

component of total compensation at the Company for many years because it is effective at getting managers and employees to think and act like owners. Between January 2014 and January 2015, our employee headcount increased by more than 25%. As our employee head count increases, so too will the demands on our 2006 Share Incentive Plan. In fiscal year 2014 we granted 1,185,376 options and 884,612 RSUs to our employees pursuant to the 2006 Share Incentive Plan. If the increase in the number of shares reserved under the 2006 Share Incentive Plan is approved, our ability to offer competitive compensation packages to attract new talent and to retain our best performers will continue.

*Avoiding disruption in compensation programs.* The Board estimates that by adopting the Proposed Amendment we will have a sufficient number of shares of common stock to cover awards under the 2006 Share Incentive Plan for approximately two to three years, depending primarily on our growth and share price. Prior to the effectiveness of the Proposed Amendment, as of March 20, 2015, an aggregate of 14,511,227 shares of common stock were subject to previously issued grants under all of our equity plans and only 1,038,272 of the 31,000,000 shares of common stock authorized under the 2006 Share Incentive Plan remained available for future issuance. In most of the countries where we operate, all employees below vice president level are receiving RSUs only, and each share of common stock subject to an RSU award counts as 1.92 shares against the reserve for the 2006 Share Incentive Plan. The Board believes that the Company's employees are our most valuable assets and that the awards permitted under the 2006 Share Incentive Plan are vital to our ability to attract and retain outstanding and highly skilled individuals in the competitive labor markets in which we compete. If the Proposed Amendment is approved, we will not have to restructure existing compensation programs throughout the Company for reasons not directly related to the achievement of our business objectives. To remain competitive without an increase in the number of shares reserved for issuance under the 2006 Share Incentive Plan, it will likely create a barrier to hiring the best talent as our offers will not be as competitive and it will be necessary to replace components of compensation previously awarded in equity with cash, or with other instruments that may not necessarily align employee interests with those of stockholders as well as equity awards would have. Additionally, replacing equity with cash will increase cash compensation expense and be a drain on cash flow that would be better utilized if reinvested in our core products.

*The Company has demonstrated commitment to sound equity compensation practices.* We recognize that equity compensation awards dilute stockholder equity and must be used judiciously. Our equity compensation practices are designed to be in line with industry norms, and we believe our historical share usage has been responsible and mindful of stockholder interests. Our average burn rate (total shares used for equity compensation awards each year divided by weighted average outstanding shares for the year) for the last three years (fiscal years 2012-2014) was 2.55%, which was well below the Institutional Shareholder Services industry cap for companies in Global Industry Classification Standard (GICS) 3520 (Pharmaceuticals, Biotechnology & Life Sciences) in the Russell 3000 of 6.70%. The Company's dilution level or overhang (shares subject to equity compensation awards outstanding at fiscal year-end or available to be used for equity compensation, divided by fully diluted shares outstanding) at the end of fiscal year 2013 was 14.9%. All of our previously granted option awards are in the money. The Company believes that our employees and other plan participants holding of these options is positive for our stockholders as it represents a long term interest of our employees and other plan participants in the value of our common stock.

*The Company is continuing to rapidly grow in response to its pipeline products and previous acquisitions.* We anticipate the need to hire new employees and also to incentivize existing employees and other plan participants to properly commercialize our pipeline products and enhance the commercialization of our existing products. We believe that our stockholders' long-term interests are best served by equity compensation awards designed to achieve these goals.

*Plan features designed to protect stockholder interests.* The 2006 Share Incentive Plan ensures that the reserve increased pursuant to the Proposed Amendment is not utilized on specific individuals only and

allows us to implement the intent that benefits paid in respect of performance awards should only be received upon the achievement of performance targets.

#### **Summary of the Proposed Amended Plan**

The following is a brief summary of the principal provisions of the 2006 Share Incentive Plan, as amended by the Proposed Amendment (the Proposed Amended Plan), and its operation. A copy of the Proposed Amended Plan is set forth in full in *Appendix A* to this Proxy Statement, and the following description of the Proposed Amended Plan does not purport to be complete and is qualified in its entirety by reference to *Appendix A*. Except as described above under *Significant Changes in the Proposed Amended Plan*, the material features of the Proposed Amended Plan are identical to the features of the 2006 Share Incentive Plan. Capitalized terms used in this summary and not otherwise defined will have the meanings ascribed to such terms in the Proposed Amended Plan.

*Purpose of the Proposed Amended Plan.* The purpose of the Proposed Amended Plan is to encourage ownership in the Company by employees, directors, consultants and advisors of the Company and its affiliates whose long-term employment by or involvement with the Company is considered essential to the Company's continued progress and, thereby, aligning the interests of the award recipients and stockholders and permitting the award recipients to share in the Company's success. The Proposed Amended Plan provides an essential component of the total compensation package offered to the Company's employees and other plan participants. It reflects the importance placed by the Company on motivating employees and other plan participants to achieve superior results over the long-term and paying employees and other plan participants based on that kind of achievement. The Company strongly believes that its equity compensation programs and emphasis on employee and non-employee director stock ownership have been integral to the Company's progress and that a continuation of and emphasis on those programs is necessary for the Company to achieve superior performance in the future. All of the approximately 1,800 employees and directors of the Company and its affiliates are eligible to participate in the Proposed Amended Plan.

*Shares Subject to the Proposed Amended Plan.* No more than 41,500,000 shares of common stock may be issued pursuant to Awards under the Proposed Amended Plan. The number of shares available for Awards, as well as the terms of outstanding Awards, are subject to adjustment as provided in the Proposed Amended Plan for stock splits, stock dividends, recapitalizations and other similar events. The Proposed Amended Plan imposes a cap of 500,000 on the aggregate number of shares that may be subject to Options granted to any one participant within a single calendar year.

Each share of common stock subject to an Option granted pursuant to the Proposed Amended Plan will reduce the aggregate number of shares available under the Proposed Amended Plan by one share of common stock. Each share of common stock issued or transferred pursuant to an Award other than an Option will reduce the aggregate number of shares available under the Proposed Amended Plan by: (i) one share of common stock for each share of common stock that is subject to an Award granted prior to May 12, 2010; (ii) 1.62 shares of common stock for each share of common stock that is subject to an Award granted on or after May 12, 2010 but prior to May 15, 2013; and (iv) 1.92 shares of common stock for each share of common stock that is subject to an Award granted on or after May 15, 2013. Any shares of common stock that again become available for issuance under the Proposed Amended Plan due to a forfeiture, expiration or cancellation of an Award (or if the Award otherwise becomes unexercisable) will generally be added back to the aggregate plan limit in this same manner and such shares will again be available for subsequent Awards, except as prohibited by law. Shares that the Company refrains from delivering pursuant to an Award as payment of either the exercise price of an Award, or to satisfy applicable withholding and employment taxes, or because the Award settled in cash (in whole or in part), and Shares repurchased by the Company with Option proceeds will be considered exercised for purposes of calculating the shares of common stock available under the Proposed Amended Plan and will not be available for subsequent Awards.

*Administration.* The Proposed Amended Plan will be administered by one or more committees or subcommittees of the Board appointed by the Board (the Committee); provided that the Board may act in lieu of the Committee on any matter. Unless otherwise provided by the Board, the Compensation Committee will serve as the Committee. The Board may at any time appoint additional members to the Committee, remove and replace members of the Committee with or without cause, and fill vacancies on the Committee. To the extent permitted by law, the Committee may authorize one or more members of the Board (or members of the board of directors of an affiliate) to make Awards to Eligible Persons who are not reporting persons for purposes of Rule 16a-3 under the Exchange Act. With respect to decisions involving an Award intended to satisfy the requirements of Section 162(m) of the Code, the Committee is to consist of two or more directors who are outside directors within the meaning of that Code section. The Committee may delegate administrative functions to individuals who are reporting persons for purposes of Rule 16a-3 under the Exchange Act, officers or employees of the Company or its affiliates.

Subject to the terms of the Proposed Amended Plan, the Committee has express authority to determine the Eligible Persons who will receive Awards, the number of shares of common stock or units to be covered by each Award, and the terms and conditions of Awards. The Committee has broad discretion to prescribe, amend and rescind rules relating to the Proposed Amended Plan and its administration, to interpret and construe the Proposed Amended Plan and the terms of all Award agreements, and to take all actions necessary or advisable to administer the Proposed Amended Plan or to effectuate its purposes. Within the limits of the Proposed Amended Plan, the Committee may accelerate the vesting of any Award, allow the exercise of unvested Awards, and may modify, replace, cancel or renew any Award.

The Company and its affiliates will indemnify members of the Committee and their delegates against any claims, liabilities and costs arising from the good faith performance of their duties under the Proposed Amended Plan. The Proposed Amended Plan releases these individuals from liability for good faith actions associated with the Proposed Amended Plan's administration.

*Eligibility.* The Committee may grant options that are intended to qualify as incentive stock options (ISOs) only to employees of the Company or an affiliate that is a parent corporation or subsidiary corporation within the meaning of Section 424 of the Code, and may grant all other Awards to any Eligible Person. The Proposed Amended Plan and the discussion below use the term Participant to refer to the holder of an Award, or the shares of common stock issuable or issued upon exercise of an Award, under the Proposed Amended Plan.

*Options.* Options granted under the Proposed Amended Plan provide Participants with the right to purchase shares of common stock at a predetermined exercise price. The Committee may grant options that are intended to qualify as ISOs or options that are not intended to so qualify (Non-ISOs). The Proposed Amended Plan also provides that ISO treatment may not be available for options designated as ISOs that become first exercisable by a Participant in any calendar year to the extent the value of the shares of common stock that are subject to the Participant's ISOs (including ISOs granted under any other plan of the Company or an affiliate) that first become exercisable in such calendar year exceed \$100,000 (based upon the fair market value of the shares of common stock on the option grant date).

*Exercise Price for Options.* The exercise price of ISOs granted to Participants who own more than ten percent of the common stock of the Company or an affiliate on the grant date of the ISO) may not be less than 110% of the fair market value of the shares of common stock subject to the ISO on the grant date. The exercise price of all other options may not be less than 100% of the fair market value of the shares of common stock subject to the option on the grant date.

*Exercise of Options.* To the extent exercisable in accordance with the applicable Award agreement, each option may be exercised in whole or in part, and from time to time during its term, subject to earlier termination relating to a Participant's termination of continuous service. With respect to options, the Committee has the discretion to accept payment of the exercise price by any of the following methods (or any combination of them): cash or check in U.S. dollars, certain shares of common stock and cashless exercise under a program approved by



the Committee. Unless otherwise set forth in the Award agreement, options granted under the Proposed Amended Plan are required to be exercised within (i) 90 days of termination of the Participant's continuous service other than as a result of Participant's death, disability, retirement after ten (10) or more years of continuous service, or termination for Cause, (ii) one year of termination of the Participant's continuous service as a result of his or her death or disability and (iii) six months of termination of the Participant's continuous service as a result of his or her retirement after ten (10) or more years of continuous service; provided the Participant was entitled to exercise such options at the date of such termination. The term over which Participants may exercise options may not exceed ten years from the date of grant (five years in the case of ISOs granted to employees who, at the time of grant, own more than 10% of the Company's outstanding shares of common stock).

*Prohibition on Repricing.* Except in connection with certain adjustment events, the Company may not, without stockholder approval (i) reduce the exercise price of outstanding option rights; or (ii) replace outstanding option rights with lower-priced awards. In addition, in the case of option Awards that are surrendered or cancelled in exchange for a replacement Award, except in the case of certain corporate transactions, no such replacement Award may have a lesser price per share than the surrendered or cancelled option Awards without approval of a majority of the Company's stockholders.

*Minimum Vesting; Accelerated Vesting Limitations.* Notwithstanding anything contained in the Proposed Amended Plan to the contrary, (i) no Award may become vested or exercisable earlier than the first anniversary of the grant date of the Award (subject to acceleration as permitted by clause (ii)), and (ii) the vesting of an Award may not be accelerated for any reason other than a change in control or the Participant's death or disability.

*Restricted Shares, Restricted Share Units, Unrestricted Shares and Deferred Share Units.* The Committee may grant (i) restricted shares that are forfeitable until certain vesting requirements are met, (ii) restricted share units which represent the right to receive shares of common stock after certain vesting requirements are met, and (iii) unrestricted shares as to which the Participant's interest is immediately vested. The Committee has discretion to determine the terms and conditions under which a Participant's interests in restricted shares and restricted share units become vested and non-forfeitable. The Proposed Amended Plan also provides for grants of deferred share units (representing a future right to receive shares of common stock) in order to permit certain directors, consultants or select members of management to defer their receipt of compensation payable in cash or shares of common stock (including shares that would otherwise be issued upon the vesting of restricted shares and restricted share units). Whenever shares of common stock are released upon vesting pursuant to these Awards, the Participant will also receive additional shares of common stock that reflect any stock or cash dividends that the Company's stockholders received between the date of the Award and the date of such release.

*Performance Awards.* The Proposed Amended Plan authorizes the Committee to grant performance-based awards in the form of Performance Units. The Committee may choose to designate these Awards as Performance Compensation Awards that are intended to be exempt from Code Section 162(m) limitations. Performance Compensation Awards vest and become payable based upon the achievement, within the specified period of time (known as the Performance Period), of performance objectives applicable to the Company or any affiliate or business unit. The Committee decides the length of Performance Periods, which shall not be less than one fiscal year of the Company. The Proposed Amended Plan specifies that, to the extent an award of performance shares or performance units denominated in shares entitles a Participant to receive dividends or dividend equivalents during the Performance Period, such dividends or dividend equivalents shall be paid at the time the underlying shares subject to the Award are issued to the Participant, and no dividends or dividend equivalents will be paid if the performance criteria set forth in the Award are not met.

With respect to Performance Compensation Awards, the Proposed Amended Plan requires that the Committee specify in writing the Performance Period to which the Award relates, and an objective formula by which to measure whether and the extent to which the Award is earned on the basis of the level of performance achieved with respect to one or more performance measures.

The possible performance measures for Performance Compensation Awards under the Proposed Amended Plan include basic, diluted, or adjusted earnings per share; sales or revenue; earnings before interest, taxes, and other adjustments (in total or on a per share basis); basic or adjusted net income; returns on equity, assets, capital, revenue or similar measure; economic value added; working capital; total stockholder return; and product development, product market share, research, licensing, litigation, human resources, information services, mergers, acquisitions, and sales of assets of affiliates or business units. Each measure will be, to the extent applicable, determined in accordance with generally accepted accounting principles as consistently applied by the Company (or such other standard applied by the Committee) and, if so determined by the Committee, and in the case of a Performance Compensation Award, to the extent permitted under Code Section 162(m), adjusted to omit the effects of extraordinary items, gain or loss on the disposal of a business segment, unusual or infrequently occurring events and transactions and cumulative effects of changes in accounting principles. Performance measures may vary from Performance Period to Performance Period and from Participant to Participant, and may be established on a stand-alone basis, in tandem or in the alternative.

*Income Tax Withholding.* As a condition for the issuance of shares of common stock pursuant to Awards, the Proposed Amended Plan requires the Participant to make arrangements as the Company may require for satisfaction of any applicable federal, state, local or foreign withholding tax obligations that may arise in connection with the Award or the issuance of shares of common stock.

*Transferability.* Awards may not be sold, pledged, assigned, hypothecated, transferred or disposed of other than by will or the laws of descent and distribution, or in the case of a non-ISO option Award, pursuant to a domestic relations order as defined under Rule 16a-12 under the Exchange Act; provided, however, that the Committee may in its discretion permit lifetime transfers to charitable institutions, certain family members or related trusts for Awards relating to non-ISOs, Restricted Shares, or Performance Shares.

*Certain Corporate Transactions.* The Committee will equitably adjust the number of shares of common stock covered by each outstanding Award, and the number of shares of common stock that have been authorized for issuance under the Proposed Amended Plan but as to which no Awards have yet been granted or that have been returned to the Proposed Amended Plan upon cancellation, forfeiture or expiration of an Award, as well as the price per share covered by each such outstanding Award, to reflect any increase or decrease in the number of issued shares of common stock resulting from a stock split, reverse stock split, stock dividend, combination, recapitalization or reclassification of the shares of common stock, or any other increase or decrease in the number of issued shares effected without receipt of consideration by the Company. In the event of any such transaction or event, the Committee may provide in substitution for any or all outstanding options under the Proposed Amended Plan such alternative consideration (including securities of any surviving entity) as it may in good faith determine to be equitable under the circumstances and may require in connection therewith the surrender of all options so replaced. In any case, such substitution of securities will not require the consent of any person who is granted options pursuant to the Proposed Amended Plan.

In the event of the dissolution or liquidation of the Company other than as part of a change of control, each Award will terminate immediately prior to the consummation of such action, subject to the ability of the Committee to exercise any discretion authorized in the case of a change in control

In addition, in the event of a change in control, the Committee may at any time in its sole and absolute discretion and authority, without obtaining the approval or consent of the Company's stockholders or any Participant with respect to his or her outstanding Awards, take one or more of the following actions: (a) arrange for or otherwise provide that each outstanding Award will be assumed or substituted with a substantially equivalent award by a successor corporation or a parent or subsidiary of such successor corporation; (b) accelerate the vesting of Awards so that Awards will vest (and, to the extent applicable, become exercisable) as to the shares of common stock that otherwise would have been unvested and provide that repurchase rights of the Company with respect to shares of common stock issued upon exercise of an Award shall lapse as to the shares of common stock subject to such repurchase right; (c) arrange or otherwise provide for payment of cash or other consideration to Participants in exchange for the satisfaction and cancellation of outstanding Awards;

(d) terminate any outstanding Award upon the consummation of the transaction, provided that the Committee may in its sole discretion provide for vesting of all or some outstanding Awards in full as of a date immediately prior to consummation of the change in control. To the extent that an Award is not exercised prior to consummation of a transaction in which the Award is not being assumed or substituted, such Award shall terminate upon such consummation; or (e) make such other modifications, adjustments or amendments to outstanding Awards or the Proposed Amended Plan as the Committee deems necessary or appropriate, subject to limitations on the modification of awards under the Proposed Amended Plan.

Notwithstanding the above, in the event a Participant holding an Award assumed or substituted by the successor corporation in a change in control is involuntarily terminated by the successor corporation in connection with, or within 12 months following consummation of, the change in control, then any assumed or substituted Award held by the terminated Participant at the time of termination will accelerate and become fully vested (and exercisable in full in the case of options), and any repurchase right applicable to any shares of common stock will lapse in full (subject to any more restrictive terms in an Award agreement). The acceleration of vesting and lapse of repurchase rights provided for in the previous sentence will occur immediately prior to the effective date of the Participant's termination, unless an Award agreement provides otherwise.

In the event of any distribution to the Company's stockholders of securities of any other entity or other assets (other than dividends payable in cash or stock of the Company) without receipt of consideration by the Company, the Committee may, in its discretion, appropriately adjust the price per share covered by each outstanding Award to reflect the effect of such distribution.

As discussed above, in the event of a merger or the sale of substantially all of the Company's assets, each option issued under the Proposed Amended Plan may be assumed or substituted by the successor corporation. However, pursuant to the Company's Amended and Restated Severance Plan, effective October 7, 2014, all outstanding options vest on a change in control. If the successor corporation does not agree to assume or substitute options, each option will become fully vested and exercisable for a period of 30 days from the date the Board notifies the Participant of the option's full exercisability, after which period the option terminates.

*Term of the Proposed Amended Plan; Amendments and Termination.* The term of the Proposed Amended Plan is ten years from the date of its approval by the Company's Board of Directors; provided, that if the Proposed Amended Plan is not submitted to and approved by the Company's stockholders within one year from the date of approval by the Board, the Proposed Amended Plan and any Awards will be null, void, and of no force and effect. The Board of Directors may, from time to time, amend, alter, suspend, discontinue or terminate the Proposed Amended Plan; provided, that any amendment to increase the number of shares of common stock available for Awards under the Proposed Amended Plan will be subject to stockholder approval. Additionally, no amendment, suspension or termination of the Proposed Amended Plan shall materially and adversely affect Awards already granted unless it relates to an adjustment pursuant to certain transactions that change the Company's capitalization or it is otherwise mutually agreed between the Participant and the Committee. Notwithstanding the foregoing, the Committee may amend the Proposed Amended Plan to eliminate provisions which are no longer necessary as a result of changes in tax or securities laws or regulations, or in the interpretation thereof.

*Termination, Rescission and Recapture.* Each Award under the Proposed Amended Plan is intended to align the Participant's long-term interests with those of the Company. If the Participant engages in certain activities, either during employment or after employment with the Company terminates for any reason, the Participant is deemed to be acting contrary to the long-term interests of the Company. In such cases, except as otherwise expressly provided in the Award Agreement, the Company may terminate any outstanding, unexercised, unexpired, unpaid or deferred Awards, rescind any exercise, payment or delivery pursuant to the Award, or recapture any common stock (whether restricted or unrestricted) or proceeds from the Participant's sale of shares of common stock issued pursuant to the Award.

*Expected U.S. Federal Income Tax Consequences.* The following is a brief summary of certain tax consequences of certain transactions under the Proposed Amended Plan. This summary is not intended to be complete and does not describe state or local tax consequences. Special rules may apply to the Company's officers, directors or greater than ten percent stockholders. Participants in the Proposed Amended Plan should review the current tax treatment with their individual tax advisors at the time of grant, exercise or any other transaction relating to an Award or the underlying shares.

Under the Code, the Company will generally be entitled to a deduction for federal income tax purposes at the same time and in the same amount as the ordinary income that Participants recognize pursuant to Awards (subject to the Participant's overall compensation being reasonable, and to the discussion below with respect to Code Section 162(m)). For Participants, the expected U.S. federal income tax consequences of Awards are as follows:

*Non-ISOs.* A Participant will not recognize income at the time a Non-ISO is granted. At the time a Non-ISO is exercised, the Participant will recognize ordinary income in an amount equal to the excess of (a) the fair market value of the shares of common stock issued to the Participant on the exercise date over (b) the exercise price paid for the shares. At the time of sale of shares acquired pursuant to the exercise of a Non-ISO, the appreciation (or depreciation) in value of the shares after the date of exercise will be treated either as short-term or long-term capital gain (or loss) depending on how long the shares have been held.

*ISOs.* A Participant will not recognize income upon the grant of an ISO. There are generally no tax consequences to the Participant upon exercise of an ISO (except that the amount by which the fair market value of the shares at the time of exercise exceeds the option exercise price is a tax preference item possibly giving rise to an alternative minimum tax). If the shares of common stock are not disposed of within two years from the date the ISO was granted or within one year after the ISO was exercised, any gain realized upon the subsequent disposition of the shares will be characterized as long-term capital gain and any loss will be characterized as long-term capital loss. If either of these holding period requirements are not met, then a disqualifying disposition occurs and (a) the Participant recognizes gain in the amount by which the fair market value of the shares at the time of exercise exceeded the exercise price for the ISO and (b) any remaining amount realized on disposition (except for certain wash sales, gifts or sales to related persons) will be characterized as capital gain or loss.

*Restricted Shares, Restricted Share Units, Deferred Share Units and Performance Awards.* In general, a Participant will not recognize income at the time of grant of restricted shares, restricted share units, deferred share units or Performance Awards, unless the Participant elects with respect to restricted shares to accelerate income taxation to the date of the Award. If the Participant makes such an election, such Participant would recognize ordinary compensation income equal to the excess of the fair market value of the restricted shares over any amount the Participant pays for them (in which case subsequent gain or loss would be capital in nature). In the absence of an election to accelerate income taxation to the date of an Award, a Participant must recognize taxable compensation income at the time the Award vests in an amount equal to the excess of the fair market value of any property that the Participant receives over the amount paid for such property by the Participant, or, if later, upon receipt of cash or shares of common stock. The same tax consequences apply to Performance Awards.

*Special Tax Provisions.* Under certain circumstances, the accelerated vesting, cash-out or accelerated lapse of restrictions on Awards in connection with a change in control of the Company might be deemed an excess parachute payment for purposes of the golden parachute tax provisions of Code Section 280G, and the Participant may be subject to a 20% excise tax and the Company may be denied a tax deduction. Furthermore, the Company may not be able to deduct the aggregate compensation in excess of \$1,000,000 attributable to Awards that are not performance-based within the meaning of Code Section 162(m) in certain circumstances.

*Income Taxes and Deferred Compensation.* The Proposed Amended Plan provides that Participants are solely responsible and liable for the satisfaction of all taxes and penalties that may arise in connection

with Awards (including any taxes arising under Section 409A of the Code), and that the Company will not have any obligation to indemnify or otherwise hold any Participant harmless from any or all of such taxes. Nevertheless, the Proposed Amended Plan authorizes the Committee to organize any deferral program, to require deferral election forms, and to grant or to unilaterally modify any Award in a manner that (i) conforms with the requirements of Section 409A of the Code; (ii) that voids any Participant election to the extent it would violate Section 409A of the Code; and (iii) for any distribution election that would violate Section 409A of the Code, to make distributions pursuant to the Award at the earliest to occur of a distribution event that is allowable under Section 409A of the Code or any distribution event that is both allowable under Section 409A of the Code and is elected by the Participant, with the Committee's consent, in accordance with Section 409A.

**Plan Benefits**

The Committee will grant Awards under the Proposed Amended Plan at its discretion and future benefits to be received by a person or group under the Proposed Amended Plan will depend on individual and corporate performance and other determinations to be made by the Compensation Committee during fiscal year 2015. Consequently, it is not possible to determine at this time the amount or dollar value of Awards to be provided under the Proposed Amended Plan, other than to note that the Committee has not granted Awards that are contingent upon the approval of the Proposed Amendment.

**THE BOARD OF DIRECTORS RECOMMENDS A**

**VOTE IN FAVOR OF PROPOSAL NO. 2.**

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**PROPOSAL NO. THREE: ADVISORY VOTE ON EXECUTIVE COMPENSATION**

Under the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the Dodd-Frank Act) and Section 14A of the Exchange Act, the Company's stockholders are now entitled to vote to approve, on an advisory basis (non-binding), the compensation of the Company's Named Executive Officers (NEOs) as disclosed in this Proxy Statement in accordance with the SEC rules (commonly known as the "say-on-pay" vote). This vote is not intended to address any specific item of compensation, but rather the overall compensation of the Company's NEOs and the philosophy, policies and practices described in this Proxy Statement. At the May 2011 annual meeting, consistent with the Company's recommendation, a majority of the shares voted recommended that the Company hold an annual advisory vote on the compensation of the NEOs. The Company has acted, and intends to continue to act, in accordance with the 2011 vote.

The compensation of the Company's NEOs subject to the vote is disclosed in the *Compensation Discussion and Analysis*, the compensation tables, and the related narrative disclosure contained in this Proxy Statement. As discussed in these disclosures, the Company believes that its compensation philosophy is to provide competitive overall compensation that attracts and retains top performers. To achieve these goals, our compensation program is structured to:

provide total compensation and compensation elements that are competitive with those companies that are competing for available employees;

provide a mix of compensation that offers (i) a market competitive base compensation, with a potential to earn additional amounts based on achievement of defined corporate goals, which are generally expected to be achieved within 12 months, and (ii) the opportunity to share in the long-term growth of our company through equity compensation; and

reward exceptional performance by individual employees.

Accordingly, the Board is asking the stockholders to indicate their support for the compensation of the Company's NEOs as described in this Proxy Statement by casting a non-binding advisory vote "FOR" the following resolution:

RESOLVED, that the Company's stockholders hereby approve on an advisory basis, the compensation of the Company's Named Executive Officers, as disclosed in this Proxy Statement pursuant to the compensation disclosure rules of the SEC, including the *Compensation Discussion and Analysis*, compensation tables and narrative discussion and any related material.

The *Compensation Discussion and Analysis* section of this Proxy Statement contains more details on the Company's executive compensation and we urge you to read it carefully before casting your vote on this proposal. Because the vote is advisory, it is not binding on the Company, the Board or the Compensation Committee of the Board. Nevertheless, the views expressed by the stockholders, whether through this vote or otherwise, are important to our management, the Board and the Compensation Committee and our management, the Board and Compensation Committee all intend to consider the results of this vote in making determinations in the future regarding executive compensation arrangements and the Company's executive compensation principles, policies and procedures.

Advisory approval of this proposal requires the vote of the holders of a majority of the shares present in person or represented by proxy and entitled to vote at the Annual Meeting.

**THE BOARD OF DIRECTORS RECOMMENDS**

**A VOTE IN FAVOR OF PROPOSAL NO. 3.**

**PROPOSAL NO. FOUR: RATIFICATION OF THE SELECTION OF THE INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM FOR BIOMARIN**

The Board has selected KPMG LLP (KPMG) as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2015 and has further directed that management submit the selection of the independent registered public accounting firm for ratification by the stockholders at the Annual Meeting. KPMG has served as our independent registered public accounting firm since June 11, 2002. Representatives of KPMG plan to attend the Annual Meeting and will be available to answer appropriate questions from stockholders and, although they do not expect to do so, they will have the opportunity to make a statement if they so desire.

Neither the Company's Bylaws nor other governing documents or law require stockholder ratification of the selection of KPMG as the Company's independent registered public accounting firm. However, the Board is submitting the selection of KPMG to the stockholders for ratification as a matter of good corporate practice. If the stockholders fail to ratify the selection, the Board will reconsider whether or not to retain KPMG. Even if the selection is ratified, the Board in its discretion may direct the appointment of different independent registered public accounting firm at any time during the year if the Board determines that such a change would be in the best interest of the Company and its stockholders.

**Independent Registered Public Accounting Firm**

The following is a summary of the fees and services provided by KPMG to the Company for fiscal years 2014 and 2013.

<i>Description of Services Provided by KPMG LLP</i>	<i>Year Ended December 31, 2014</i>	<i>Year Ended December 31, 2013</i>
<i>Audit Fees:</i>	\$ 1,437,286 <sup>(1)</sup>	\$ 1,300,641 <sup>(1)</sup>
<i>Audit Related Fees:</i> These services relate to assurance and related services reasonably related to the performance of the audit or review of financial statements not included in Audit Fees above.	\$ 136,774 <sup>(2)</sup>	\$ 54,744 <sup>(2)</sup>
<i>Tax Fees:</i> These services relate to the preparation of federal, state and foreign tax returns and other filings, as well as to the area of tax strategy and minimizing Federal, state, local and foreign taxes.	\$ 52,155 <sup>(3)</sup>	none
<i>All Other Fees:</i>	\$ 1,722 <sup>(4)</sup>	\$ 1,877 <sup>(4)</sup>

(1) Includes fees related to comfort letters, consents and SEC comment letters.

(2) Reflects fees paid to KPMG in connection with compliance audits of contractual arrangements with third-parties.

(3) Reflects fees paid to KPMG in connection with tax consulting and development of meals & entertainment tax deduction methodologies.

(4) Reflects fees paid to KPMG for non-audit services provided in relation to the conversion of our United Kingdom statutory filings to extensible Business Reporting Language or xbrl as required by the HM Revenue and Customs.

The Audit Committee has the sole authority to approve the scope of the audit and any audit-related services as well as all audit fees and terms. The Audit Committee must pre-approve any audit and non-audit services provided by our independent registered public accounting firm. The Audit Committee will not approve the engagement of the independent registered public accounting firm to perform any services that the independent registered public accounting firm would be prohibited from providing under applicable securities laws, NASDAQ requirements or Public Company Accounting Oversight Board rules. In assessing whether to approve the use of our independent registered public accounting firm to provide permitted non-audit services, the Audit Committee strives to minimize relationships that could appear to impair the objectivity of our independent registered public accounting firm. The Audit Committee will approve permitted non-audit services by our

independent registered public accounting firm only when it will be more effective or economical to have such services provided by our independent registered public accounting firm than by another firm.

The Audit Committee annually reviews and pre-approves the statutory audit fees that can be provided by the independent registered public accounting firm. Any proposed services exceeding pre-set levels or amounts will require separate pre-approval by the Audit Committee, although our Chief Financial Officer and Chief Accounting Officer can approve up to an additional \$100,000 in the aggregate per calendar year for categories of services that the Audit Committee has pre-approved. In addition, any pre-approved services for which no pre-approved cost level has been set or which would exceed the pre-approved cost by an amount that would cause the aggregate \$100,000 amount to be exceeded must be separately pre-approved by the Audit Committee.

The Audit Committee has delegated pre-approval authority to the Chair of the Audit Committee within the guidelines discussed above. The Chair of the Audit Committee is required to inform the Audit Committee of each pre-approval decision at the next regularly scheduled Audit Committee meeting.

All the services provided by KMPG during 2014 were pre-approved in accordance with this policy.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE IN FAVOR OF PROPOSAL NO. 4.**



**PROPOSAL NO. FIVE: SHAREHOLDER PROPOSAL RELATING TO SUSTAINABILITY REPORTING**

A shareholder has informed the Company that he intends to present the non-binding proposal set forth below at the Annual Meeting. If the shareholder (or the shareholder's qualified representative) is present at the Annual Meeting and properly submits the proposal for a vote, then the shareholder proposal will be voted upon at the Annual Meeting.

The Board has concluded that it cannot support this proposal for the reasons stated in the Board's statement in opposition of the proposal, which is presented immediately following the proposal and supporting statement.

The Company will promptly provide to any shareholder the name, address and number of the Company's voting securities held by the person submitting this proposal upon receiving an oral or written request to Investor Relations by telephone at (415) 455-7558, by email at IR@bmrn or by writing to Investor Relations, BioMarin Pharmaceutical Inc., 105 Digital Drive, Novato, CA 94949.

**SHAREHOLDER PROPOSAL AND SUPPORTING STATEMENT**

In accordance with federal securities laws, the shareholder proposal and supporting statement are presented below as submitted by the shareholder and are quoted verbatim. The Company disclaims all responsibility for the content of the proposal and the supporting statement, including other sources referenced in the supporting statement.

**Shareholder Proposal**

We believe tracking and reporting on environmental, social and governance (ESG) business practices makes a company more responsive to a global business environment which is characterized by finite natural resources, changing legislation, and heightened public expectations for corporate accountability. Reporting also helps companies better integrate and gain strategic value from existing sustainability efforts, identify gaps and opportunities in products and processes, develop company-wide communications, publicize innovative practices, and receive feedback.

Today, companies like Bloomberg provide information on ESG performance that investors utilize in investment decisions. Carbon Disclosure Project (CDP), representing 551 institutional investors globally with \$71 trillion in assets, has for years requested greater disclosure from companies on their climate change management programs. In contrast our company, BioMarin Pharmaceuticals does not have a sustainability report.

In a recent report issued by the G&A Institute (Governance & Accountability Institute) 53% of the S&P 500 and 57% of the Fortune 500 companies are reporting on their environmental, social and governance (ESG) impact. The G&A Institute is the US data partner for Global Reporting Initiative (GRI), a non-profit organization that works towards a sustainable global economy by providing sustainability reporting guidance.

Within the pharmaceutical sector, many peers have taken initiative and reported on sustainability metrics. Johnson and Johnson has a citizenship and responsibility report. Pfizer has a corporate responsibility report. Abbott Laboratories has a Global Citizenship report. These reports are publicly displayed in their own website. In contrast, our company, BioMarin, does not report on its sustainability efforts nor does it publish a sustainability report. Companies that report on their sustainability strategies, initiatives, programs and ESG performance appear to be more likely to be selected for key sustainability reputational lists, ranked higher by sustainability reputation raters and rankers, and selected for inclusion on leading sustainability investment indexes. Occupational safety and health, waste and water reduction targets and product related environmental impacts all have the potential to pose significant regulatory and legal risks.

*Resolved*, the shareholders request that our company issue a sustainability report describing the company's ESG performance including GHG reduction targets and goals. The report should be available by December 2015, prepared at reasonable cost, omitting proprietary information.

**Supporting Statement**

We recommend the report include a company-wide review of policies, practices and metrics related to ESG performance and that BioMarin Pharmaceutical commit to continuous improvement in reporting. We encourage BioMarin to consider the use of the GRI Guidelines (G3). The GRI is a globally accepted reporting framework.

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE AGAINST PROPOSAL NO. 5 FOR THE FOLLOWING REASONS:**

We recognize the importance of environmental, social and governance (ESG) considerations and devote significant resources to environmental sustainability, focusing our efforts where they will have the greatest impact. We conduct our business in a socially responsible manner and in accordance with applicable ESG guidelines and we constantly review our operations to improve efficiency and reduce our environmental impact where appropriate. However, we believe that conducting a special review of ESG practices as requested by this proposal would be an inefficient use of our corporate resources. Further, we do not believe that separate reporting on these issues would provide meaningful benefits to our management or would provide sufficiently useful information to shareholders to justify its cost.

The proposal does not convey the burden on human resources or the considerable expense involved in preparing the report. We believe that to prepare and issue a formal report of the type sought by the proponent, who recommends it be prepared with reference to the Global Reporting Initiative G3 Sustainability Reporting Guidelines (the G3 Guidelines), would require significant time and expense (including the engagement of consultants with specialized expertise) and produce little added benefit to our shareholders. We believe that the G3 Guidelines are a voluminous, complex and vague reporting framework that would require a substantial investment of time and funds to evaluate and apply.

The proposed report would require BioMarin to greatly expand the variety of information we currently gather, analyze and disclose, significantly exceeding any requirements of the Securities and Exchange Commission, as well as additional disclosure requirements that have been or are expected to be enacted in accordance with the Dodd-Frank Wall Street Reform and Consumer Protection Act. The Company prefers, in the exercise of our business judgment, to prudently allocate our resources and assets to the continued development of biopharmaceutical products for the benefit of our patients, to the enhancement of our business operations and to continue to support ESG initiatives that we believe will have the greatest impact, including those described below.

Additionally, we believe that the proponent's claims that certain named competitors of the Company report on ESG matters is an incomplete and unfair comparison. All of the companies the proponent cites in the proposal as providing sustainability reports—Johnson and Johnson, Pfizer, Abbott Laboratories—are many times larger than the Company. While certain of our largest competitors do report on their ESG related performance, the majority of our competitors do not. We compete against a multitude of publicly and privately held large and small companies around the world who do not report on ESG. Of the 17 companies included in our peer group for executive compensation purposes as disclosed in the Compensation Discussion and Analysis set forth in this proxy statement, we are only aware of two that publish standalone ESG reports, and both of those are subsidiaries of significantly larger companies than we are (measured by metrics such as revenue), and have significantly greater internal resources.

Although we do not believe that the reporting being suggested in this proposal would provide sufficient benefits to the Company or its stockholders to justify the costs, that should not be misunderstood as an indication that the Board or the Company are not focused on ESG issues. We agree that ESG-related matters are an important and worthwhile area of focus for the Company. In determining not to support the proposal, we are merely disagreeing with the requirement to undertake the costly and disruptive study proposed by the proponent and publish an ESG report that we do not believe offers meaningful benefits. This should not be interpreted as a lack of concern by the Board or the Company about ESG topics or implementing ESG-related practices, procedures or policies. In fact, we believe that our resources will be better devoted to continuing our commitment to ESG-related issues through continuation and expansion of the activities described below.

As described in the Corporate and Social Responsibility section of the About Us section of our website at [www.bmrn.com](http://www.bmrn.com), at BioMarin we demonstrate responsibility through the decisions we make every day as we perform our job duties. Our patients, customers, shareholders, and fellow employees depend on us to adhere to the highest standards of business ethics. Our personal and professional integrity contributes to fostering an ethical culture and ultimately, to our performance. We have a long history of dedication to responsible corporate citizenship, social responsibility and good governance practices and have devoted substantial resources to ESG initiatives, including in our facilities, as further highlighted below.

### **Environmental Responsibility**

BioMarin is committed to conducting its operations and managing its products in a manner protective of the environment. In the course of BioMarin's operations, chemical substances that are handled and used are regulated at the national, state, and local levels as hazardous substances or hazardous wastes. As such, BioMarin is required to comply with a wide range of requirements and is responsible for the proper handling and disposal of materials. BioMarin provides training and information pertaining to chemical substances, hazardous substances, and hazardous waste to facilitate a safe and healthy work environment and minimize any risks to Company operations. BioMarin is also engaged in a number of environmental initiatives at its corporate headquarters in San Rafael, California, its offices and manufacturing facilities. As just a few examples of our accomplishments that we believe have positively impacted the environmental footprint and overall sustainability of our business:

*Green Buildings.* We seek to employ green technology in the construction and renovation of our global facilities.

San Rafael Corporate Center, San Rafael, California: Currently, the four buildings at the San Rafael Corporate Center in San Rafael, California, where our corporate headquarters are located, have been awarded LEED Gold certification by the U.S. Green Building Council. LEED Gold certification underlines a commitment to the environment, energy efficiency and safety. We have also engaged The Pacific Gas & Electric Company (PG&E) to take advantage of their Savings By Design program, which encourages high-performance, non-residential building design and construction (exceeding the State of California's Energy Efficiency Standards for Nonresidential Buildings).

Galli Drive Manufacturing Facility, Novato, California: We have undergone a number of improvement projects at our Galli Drive manufacturing facility to reduce water and energy consumption. These include various pump replacement motor efficiency and water for injection (WFI) production efficiency improvement projects.

Shanbally Manufacturing Facility, Shanbally, Cork, Ireland: Our Shanbally manufacturing facility is built to industry best practices for sustainability, including (i) the use of an eco-seal, grey, insulated roof membrane to reduce the heat island effect, with high insulation levels for heat loss and site orientation to optimize solar gain; (ii) the inclusion of energy-efficient fixtures and equipment; (iii) automated lighting controls; and (iv) minimized air change rates.

Other existing facilities: We have installed energy efficient lighting and lighting controls at our existing manufacturing and office facilities in Novato, California. We have also undergone studies with PG&E to identify further energy efficiency measures at our existing buildings.

*Sustainable Energy.* In addition to the green building initiatives described above, we have a number of initiatives focused on reducing our greenhouse gas emissions through sustainable energy projects at our global facilities.

San Rafael Corporate Center: The Lincoln Parking Garage currently under construction at the San Rafael Corporate Center will include the installation of a photovoltaic system (160,000 kWh/year generation), which we anticipate will provide sufficient energy to offset 78% of the expected electrical usage for the Lincoln Parking Garage. To encourage the use of alternate fuel vehicles by our employees, we have installed eight electric vehicle car charging stations at the San Rafael Corporate Center and have plans to install ten more charging stations upon completion of the Lincoln Parking Garage.

Galli Drive Manufacturing Facility: In 2014 we completed construction of a cogeneration power system at our Galli Drive facility. The cogeneration system is the primary source of power for our Galli Drive facility and is designed to utilize sixty-five percent (65%) of the energy from the natural gas fuel source, compared to less than thirty-five percent (35%) for a typical electrical generator. This is achieved in part by capturing the heat generated by the generators for use in producing the steam we use in our production processes.

Shanbally Manufacturing Facility: We encourage alternative forms of transit (including cycling and carpooling) at our Shanbally manufacturing facility and have a site mobility plan in place to minimize our carbon footprint at the facility. We have plans to install an electric car charging point at our Shanbally manufacturing facility in 2015.

*Sustainability in Manufacturing.* We strive to reduce the environmental impacts of our manufacturing processes at our Galli Drive and Shanbally facilities.

Galli Drive Manufacturing Facility: As discussed above, we have employed a cogeneration power system at our Galli Drive facility, which reduces the greenhouse gas emissions as compared to a typical electrical generator. We also employ a single-use manufacturing platform at our Galli Drive facility, which consumes less water and energy than the more traditional hard-piped, fixed tank manufacturing processes. The estimate for water savings at our Galli Drive facility is 4.9 million liters, or 21.2% of the WFI used, annually, and this reduces the feed in and treatment costs by 24,000 liters per day and energy usage by 2,500 kWh per day.

Shanbally Manufacturing Facility: We implemented a number of design features in the WFI, HVAC and control systems to reduce energy and water usage at our Shanbally manufacturing facility. Through these design features we have reduced feed in and treatment costs by 10,000 liters per day and have also reduced WFI usage by approximately 17.3%. We are also implementing ISO 50001 energy management standards into our Shanbally facility in 2015/2016. ISO 50001 provides a framework for us to develop a policy for more efficient use of energy at our Shanbally facility, fix targets and objectives to meet the policy, use data to better understand and make decisions about energy use at our Shanbally facility, measure the results, review how well the policy works, and continually improve energy management at our Shanbally facility.

*Waste Reduction and Recycling.* We strive for ways to reduce our waste stream. We have initiated the use of reusable containers with several vendors for bioprocessing materials such as filter assemblies and bioprocessing bags. Reusable containers are employed for bulk cleaning solutions used for clean in place and neutralization activities, and all process gases are delivered in refillable tanks. We also use reusable containers for transport of production chemicals and manufacturing items between warehouses and our production facility.



Recycling is currently done on cardboard collected across our Novato campus, resulting in several bales per week that are picked up for recovery. Wooden pallets are collected across the campus and picked up by a third party for future use and / or recycling. Large volume plastic containers used for transport of chemicals are recycled by a firm specializing in such efforts.

At our Shanbally manufacturing facility we have implemented printer paper saving technologies, use a combination of non-disposable and compostable coffee mugs and have introduced site-wide recycling centers in an effort to reduce waste. We also have plans to process map all wastes at the Shanbally manufacturing facility in 2015.

Our Board of Directors is responsible to the shareholders of the Company as a whole. In keeping with this mandate and for the reasons set forth above, we believe that preparing a sustainability report as requested by the proposal would not provide useful information to our shareholders and would not be an efficient use of our financial and human resources as the time and expense that would be incurred would divert personnel and resources from the Company's business and operations, including the sustainability activities that such a report would be expected to highlight, and would not be in the best interests of the Company's shareholders. As such, we urge our shareholders to vote against it.

**Therefore, the Board believes that implementation of the proposal is unnecessary and not in the best interests of our Company and shareholders and recommends that the shareholders vote AGAINST it.**

**OTHER INFORMATION RELATED TO BIOMARIN, THE DIRECTORS AND EXECUTIVE OFFICERS****Principal Stockholders**

The following table sets forth certain information with respect to each person known to us to be the beneficial owner of more than 5% of our issued and outstanding common stock as of March 20, 2015.

Name of Beneficial Owner	Amount and Nature of Beneficial Ownership	Percentage of Common Stock <sup>(1)</sup>
Capital Research Global Investors <sup>(2)</sup>	18,064,529	11.3%
FMR LLC <sup>(3)</sup>	13,431,666	8.4%
BlackRock, Inc. <sup>(4)</sup>	9,237,747	5.8%
The Vanguard Group <sup>(5)</sup>	8,848,001	5.5%
PRIMECAP Management Company <sup>(6)</sup>	8,016,518	5.0%

(1) Based on 159,833,964 shares of common stock outstanding on March 20, 2015.

(2) Beneficial ownership is as of December 31, 2014 and is based solely on information contained in the Schedule 13G/A filed with the SEC on February 13, 2015 by Capital Research Global Investors (CRGI). CRGI, a division of Capital Research and Management Company (CRMC), has sole voting power and sole dispositive power with respect to 18,064,529 shares as a result of CRMC acting as investment adviser to various investment companies registered under Section 8 of the Investment Company Act of 1940, as amended (the Investment Company Act). The address for CRGI is 333 South Hope Street, Los Angeles, CA 90071.

(3) Beneficial ownership is as of December 31, 2014 and is based solely on information contained in the Schedule 13G/A filed with the SEC on February 13, 2015 by FMR LLC, Edward C. Johnson 3d (as Director and Chairman of FMR LLC) and Abigail P. Johnson (as Director, Vice Chairman, Chief Executive Officer and President of FMR LLC). FMR LLC, in its capacity as a parent holding company or control person for various subsidiaries, may be deemed to beneficially own the indicated shares and has sole dispositive power over 13,431,666 shares and sole voting power over 2,761,178 shares. FMR reported its beneficial ownership on behalf of itself and the following direct and indirect subsidiaries and affiliates: Fidelity Management & Research Company (Fidelity); Pyramis Global Advisors (Canada) ULC, Pyramis Global Advisors Trust Company, Pyramis Global Advisors, LLC and Strategic Advisors, Inc.

Fidelity, a wholly-owned subsidiary of FMR LLC, is the beneficial owner of 5% or greater of our outstanding common stock. Neither FMR LLC nor Edward C. Johnson 3d nor Abigail P. Johnson has the sole power to vote or direct the voting of the shares owned directly by the various investment companies registered under the Investment Company Act advised by Fidelity (the Fidelity Funds), which power resides with the Fidelity Funds Boards of Trustees. Fidelity Management & Research Company carries out the voting of the shares under written guidelines established by the Fidelity Funds Boards of Trustees.

The address for FMR LLC is 245 Summer Street, Boston, MA 02210.

(4) Beneficial ownership is as of December 31, 2014 and is based solely on information contained in the Schedule 13G/A filed with the SEC on February 9, 2015 by Blackrock, Inc. (Blackrock). BlackRock, in its capacity as a parent holding company or control person for various subsidiaries (none of which individually owns more than 5% of our outstanding common stock), may be deemed to beneficially own the indicated shares and has sole dispositive power over 9,237,747 shares and sole voting power over 8,439,557 shares. The address for BlackRock is 55 East 52nd St., New York, NY 10022.

(5) Beneficial ownership is as of December 31, 2014 and is based solely on information contained in the Schedule 13G/A filed with the SEC on February 11, 2015 by The Vanguard Group, Inc. (Vanguard). Vanguard, an investment adviser, has sole dispositive power over 8,719,049 shares, shared dispositive power over 128,952 shares and sole voting power over 140,330 shares. The address for Vanguard is 100 Vanguard Blvd., Malvern, PA 19355.

Vanguard Fiduciary Trust Company (VFTC), a wholly-owned subsidiary of Vanguard, is the beneficial owner of 86,852 shares as a result of VFTC serving as investment manager of collective trust accounts. Vanguard Investments Australia, Ltd. (VIA), a wholly-owned subsidiary of Vanguard, is the beneficial owner of 95,578 shares as a result of VIA serving as investment manager of Australian investment offerings.

- (6) Beneficial ownership is as of December 31, 2014 and is based solely on information contained in the Schedule 13G/A filed with the SEC on February 13, 2015 by PRIMECAP Management Company (PRIMECAP). PRIMECAP, an investment adviser, has sole dispositive power over 8,016,518 shares and has sole voting power over 1,853,694 shares. The address for PRIMECAP Management Company is 225 South Lake Avenue, #400, Pasadena, CA 91101.

#### Management Stockholders

The following table sets forth certain information as of March 20, 2015, as reported to us, with respect to the beneficial ownership of common stock as to: (i) each of our directors; (ii) each of our Named Executive Officers (NEOs), as defined below; and (iii) all of our directors and current executive officers as a group.

Except as otherwise noted, the persons or entities in this table have sole voting and investing power with respect to all the shares of our common stock beneficially owned by them, subject to community property laws, where applicable. The information with respect to each person specified was supplied or confirmed by such person or based upon statements filed with the SEC. Except as otherwise indicated, the mailing address for each stockholder in the table below is c/o BioMarin Pharmaceutical Inc., 105 Digital Drive, Novato, CA 94949.

Name of Beneficial Owner	Number of Shares Beneficially Owned <sup>(1)</sup>	Number of Shares Subject To Options and Restricted Stock Units <sup>(2)</sup>	Percentage of Common Stock <sup>(3)</sup>
Jean-Jacques Bienaimé	2,147,531	2,090,734 <sup>(4)</sup>	1.34%
Daniel Spiegelman	61,621	59,293	*
Kenneth M. Bate	71,875	63,200	*
Michael Grey	67,500	44,450	*
Elaine J. Heron, Ph.D.	69,375	51,950	*
Pierre Lapalme	124,000	94,450	*
V. Bryan Lawlis, Ph.D.	115,250	105,550	*
Alan J. Lewis, Ph.D.	43,750	29,450	*
Richard A. Meier	112,500	89,450	*
Dennis J. Slamon, M.D., Ph.D.	6,607	5,907	*
William D. Young	71,875	63,200	*
Jeff Ajer	75,579	75,579	*
Robert A. Baffi, Ph.D.	264,875	212,265	*
Henry J. Fuchs, M.D.	202,783	202,783	*
All current executive officers and directors as a group (16 persons)	3,613,904	3,338,804	2.26%

\* Represents less than 1% of BioMarin's outstanding common stock.

(1) Includes amounts shown in the Number of Shares Subject to Options and Restricted Stock Units column.

(2) The Number of Shares Subject to Options and Restricted Stock Units enumerates for each director and NEO and for all executive officers and directors in the aggregate, the (i) shares of common stock subject to options exercisable and (ii) restricted stock units (RSUs) that will vest within 60 days following March 20, 2015. These shares are included in the amounts shown in the Number of Shares Beneficially Owned column.



- (3) The Percentage of Common Stock column is based on 159,833,964 shares of common stock outstanding on March 20, 2015. Shares of common stock subject to options that are exercisable within 60 days following March 20, 2015 and RSUs that will vest within 60 days following March 20, 2015 are deemed outstanding and beneficially owned by the person holding the options for the purpose of computing the percentage ownership of the person but are not treated as outstanding for the purpose of computing the percentage ownership of any other person.
- (4) Includes 60,000 options held in trusts for Mr. Bienaimé's children.

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

Section 16(a) of the Exchange Act requires our directors and executive officers and persons who beneficially own more than 10% of a registered class of our equity securities to file reports of ownership and reports of changes in the ownership with the SEC. Executive officers, directors and greater than 10% stockholders are required by the SEC to furnish us with copies of all Section 16(a) filings they make.

To the best of our knowledge and based solely on a review of the copies of such reports furnished to us or written representation that no other reports were required, during the fiscal year ended December 31, 2014, all Section 16(a) filing requirements applicable to our officers, directors and greater than ten percent beneficial owners were complied with; except for the following:

one report, covering an aggregate of two transactions effected on June 4, 2014 relating to grants of RSUs and stock options, was filed late on behalf of Mr. Mueller;

one report, covering a transaction effected on November 26, 2014 relating to the sale of stock, was filed late on behalf of Mr. Mueller; and

one report, covering an aggregate of twenty inadvertent transactions not directed by the reporting person through a broker-administered investment pool effected between March 18, 2013 and September 3, 2014, was filed late on behalf of Mr. Spiegelman.

**Executive Officers**

The following table sets forth certain information concerning our executive officers as of March 20, 2015.

Name	Age	Position with BioMarin
Jean-Jacques Bienaimé	61	Chief Executive Officer
Jeff Ajer	52	Executive Vice President, Chief Commercial Officer
Robert A. Baffi, Ph.D.	60	Executive Vice President, Technical Operations
G. Eric Davis	44	Senior Vice President, General Counsel and Secretary
Henry J. Fuchs, M.D.	57	Executive Vice President and Chief Medical Officer
Brian R. Mueller	41	Group Vice President, Corporate Controller and Chief Accounting Officer
Daniel Spiegelman	56	Executive Vice President and Chief Financial Officer

There are no family relationships between any of our directors and any of our executive officers.

**Jeff Ajer** joined BioMarin in 2005 currently serves as our Executive Vice President and Chief Commercial Officer. From October 2012 to January 2014, Mr. Ajer served as our Senior Vice President and Chief Commercial Officer. From April 2009 to October 2012, Mr. Ajer served as our Vice President, Commercial Operations, The Americas. Immediately prior to BioMarin, Mr. Ajer served as Vice President, Global Transplant Operations at Genzyme Corporation. Mr. Ajer's experience prior to Genzyme includes roles in sales, marketing and operations at SangStat Medical Corporation and ICN Pharmaceuticals. Mr. Ajer received both a B.S. in chemistry and an M.B.A. from the University of California, Irvine.

**Robert A. Baffi, Ph.D.**, joined BioMarin in May 2000 and currently serves as our Executive Vice President of Technical Operations, responsible for overseeing our manufacturing, process development, quality, and analytical chemistry departments. From 2000 to December 2009, Dr. Baffi served as our Senior Vice President of



Technical Operations. Dr. Baffi is a member of the board of directors of KaloBios Pharmaceuticals Inc. From 1986 to 2000, Dr. Baffi served in a number of increasingly responsible positions at Genentech, Inc., primarily in the functional area of quality control. Prior to Genentech, Dr. Baffi worked for Cooper BioMedical as a Research Scientist and at Becton Dickinson Research Center as a Post-Doctoral Fellow. Dr. Baffi has contributed to more than 20 regulatory submissions for product approval in the United States and Europe and to more than 50 regulatory submissions for investigational new drug testing. Dr. Baffi received a Ph.D., M. Phil and a B.S. in biochemistry from the City University of New York and an M.B.A. from Regis University.

**G. Eric Davis** joined BioMarin in March 2004, and currently serves as our Senior Vice President, General Counsel and Secretary. From 2004 to December 2005, Mr. Davis served as our Vice President, General Counsel and Secretary. From 2000 to 2004, Mr. Davis worked in the San Francisco office of Paul Hastings LLP (formerly Paul, Hastings, Janofsky & Walker LLP), where he served on the firm's national securities practice committee. Mr. Davis has represented public and private companies and venture capital and investment banking firms in a wide range of corporate and securities matters, mergers and acquisitions, strategic alliance matters, and intellectual property-related business transactions. His experience involves a variety of industries, including biotechnology and life sciences. Mr. Davis received a B.A. in political economy from the University of California, Berkeley, and a J.D. from the University of San Francisco School of Law.

**Henry J. Fuchs, M.D.**, joined BioMarin in March 2009, and currently serves as our Executive Vice President and Chief Medical Officer. From March 2009 to December 2009, Dr. Fuchs served as our Senior Vice President and Chief Medical Officer. From September 2005 until December 2008, Dr. Fuchs served as Executive Vice President and Chief Medical Officer for Onyx Pharmaceuticals, a biopharmaceutical company. Dr. Fuchs served as Chief Executive Officer of Ardea Biosciences, Inc. from January 2003 until June 2005. Dr. Fuchs first joined Ardea Biosciences, Inc. as Vice President, Clinical Affairs in October 1996 and was appointed President and Chief Operating Officer in November 2001. From 1987 to 1996, Dr. Fuchs held various positions at Genentech, Inc. where, among other responsibilities, he led the clinical program that resulted in the approval of Pulmozyme, a therapeutic for cystic fibrosis. Dr. Fuchs was also responsible for the Phase III development program that led to the approval of Herceptin to treat metastatic breast cancer. Dr. Fuchs received an M.D. degree from George Washington University and a B.A. degree in biochemical sciences from Harvard University. Dr. Fuchs is currently a director of Mirati Therapeutics, a public biopharmaceutical company, and Genomic Health, Inc., a public molecular diagnostics company. Dr. Fuchs was on the Board of Directors of Ardea Biosciences, Inc. from 1996 until its acquisition by AstraZeneca PLC in 2012.

**Brian R. Mueller** joined BioMarin in December 2002 and currently serves as our Group Vice President, Corporate Controller. Mr. Mueller has also served as our Chief Accounting Officer since March 2011. From March 2009 to March 2014, Mr. Mueller served as our Vice President, Corporate Controller. Mr. Mueller is a member of the board of directors of Anthera Pharmaceuticals, Inc., a public biopharmaceutical company, where he also serves as Chairman of the Audit Committee. Prior to joining BioMarin in 2002, Mr. Mueller worked for KPMG as a senior manager in the firm's audit practice. Mr. Mueller joined KPMG after Arthur Andersen LLP ceased operations in June 2002, prior to which he spent seven years with Arthur Andersen LLP in the firm's audit and business advisory services practice. Mr. Mueller received a B.S. in Accountancy from Northern Illinois University in DeKalb, Illinois, and is a member of the American Institute of Certified Public Accountants.

**Daniel Spiegelman** joined BioMarin in May 2012 and currently serves as our Executive Vice President and Chief Financial Officer. From May 2009 until May 2012, Mr. Spiegelman served as a consultant to provide strategic financial management support to a portfolio of public and private life science companies. From 1998 to 2009, he served as Senior Vice President and Chief Financial Officer of CV Therapeutics, Inc. where he was responsible for finance, accounting, investor relations, business development, and information systems. From 1991 to 1998, Mr. Spiegelman served in various roles at Genentech, Inc., most recently as Treasurer. He received a BA from Stanford University and an M.B.A. from the Stanford Graduate School of Business. Mr. Spiegelman is currently the chairman of Relypsa, Inc., a public biopharmaceutical company, and a director of Oncothyreon Inc., a public biotechnology company.

## EXECUTIVE COMPENSATION

### COMPENSATION DISCUSSION AND ANALYSIS

The following Compensation Discussion and Analysis provides information about our 2014 compensation program for the individuals who served as our principal executive officer, principal financial officer and three other most highly-compensated executive officers as of December 31, 2014, or the Named Executive Officers (whom we refer to in this discussion as our NEOs), each of whose compensation is set forth in the Summary Compensation Table and the other compensation tables included in this proxy statement:

Jean-Jacques Bienaimé, Chief Executive Officer;

Daniel Spiegelman, Executive Vice President and Chief Financial Officer;

Jeff Ajer, Executive Vice President, Chief Commercial Officer;

Robert Baffi, Executive Vice President, Technical Operations; and

Henry Fuchs, Executive Vice President and Chief Medical Officer.

### Executive Summary

The Compensation Committee believes that our executive compensation program is appropriately designed and reasonable based on the primary goal of providing appropriate incentives to attract and retain the executive talent necessary to advance our business of developing and commercializing innovative biopharmaceuticals for serious diseases and medical conditions and to increase shareholder value. The Compensation Committee also believes that our executive compensation program is responsible in that it both encourages executive officers to work for meaningful stockholder return and reflects a pay-for-performance philosophy, without encouraging our executive officers to assume excessive risks or resulting in structural excessive pay practices.

2014 was an outstanding year for BioMarin, including a year of extraordinary revenue growth both from our core commercial products, Naglazyme, Kuvan, Aldurazyme and Firdapse, and from our newest commercial product, Vimizim.

Our key accomplishments in 2014 included:

Regulatory approval of Vimizim for the treatment of patients with Morquio A syndrome, or mucopolysaccharidosis IVA (MPS IVA), in the United States (February 2014) and in the European Union (April 2014);

\$77.3 million in revenue from Vimizim sales following approval in the United States and the European Union;

37% growth in total BioMarin revenues as compared to 2013, from \$548.5 million to \$751 million;

23% growth in Naglazyme net product revenues as compared to 2013, from \$271.2 million to \$334.4 million; and

21% growth in Kuvan net product revenues as compared to 2013, from \$167.4 million to \$203 million.

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In 2014, we advanced our clinical development pipeline, which includes 10 clinical and pre-clinical compounds for the treatment of various rare diseases.

We dosed the first child in the Phase 2 trial with BMN 111, an analog of C-type Natriuretic Peptide (CNP), for the treatment of children with achondroplasia, the most common form of disproportionate short stature, or dwarfism.

We dosed the first patient with reveglucosidase alfa (formerly referred to as BMN 701), GILT-tagged Recombinant Human GAA, in the Phase 2 INSPIRE trial for Pompe disease. Reveglucosidase alfa is a novel fusion protein of insulin-like growth factor 2 and acid alpha glucosidase (IGF2-GAA) designed to target delivery to the lysosomes where the enzyme is most needed.

We continued enrollment in our pivotal Phase 3 study of pegvaliase (formerly referred to as PEG PAL) for the treatment of phenylketonuria (PKU).

We continued enrollment in our pivotal Phase 3 study of talazoparib (formerly referred to as BMN 673) for the treatment of deleterious germline BRCA mutation metastatic breast cancer.

We shared preliminary data from our Phase 1/2 study with cerliponase alfa (formerly referred to as BMN 190) for the treatment of late infantile CLN2 disease, a form of Batten disease. Preliminary data suggest that treatment with cerliponase alfa appears to result in stabilization of the disease compared to the natural history based on a standardized measure of motor and language function.

We also significantly grew our late-, middle- and early-stage product pipeline by adding multiple potential drug candidates for the treatment of Duchenne Muscular Dystrophy (DMD) as a result of our acquisition of Prosensa Holding N.V. (Prosensa), a public limited liability company organized under the laws of The Netherlands.

With the acquisition of Prosensa we added to our portfolio multiple orphan-drug candidates, including Prosensa's exon-skipping product candidate drisapersen for the treatment of DMD. Drisapersen has Orphan, Fast Track and Breakthrough Therapy designation and is currently under rolling review as part of a New Drug Application with the U.S. Food and Drug Administration

These and other recent accomplishments have contributed to the creation of significant value for our stockholders. Our strong performance is reflected in the appreciation of our stock price, which increased 31%, 159% and 377% over the one, three, and five-year periods ended December 31, 2014, respectively.

In addition, as illustrated by the chart below, our common stock outperformed the NASDAQ Composite Index (U.S.) and the NASDAQ Biotechnology Index over the five-year period ended December 31, 2014.

\* \$100 invested on December 31, 2009 in stock or index, including reinvestment of dividends.

	Fiscal Year Ending December 31,					
	2009	2010	2011	2012	2013	2014
BioMarin Pharmaceutical Inc.	\$ 100.00	\$ 143.17	\$ 182.78	\$ 261.56	\$ 374.00	\$ 480.60
NASDAQ Composite Index	100.00	117.61	118.70	139.00	196.83	223.74
NASDAQ Biotechnology Index	100.00	106.73	122.40	166.72	286.55	379.71

As discussed in more detail below, in 2014, the Compensation Committee eliminated its prior practice of targeting compensation to a particular peer group percentile band. The Compensation Committee changed its practice to a more holistic analysis designed to provide competitive compensation necessary to attract and retain qualified executives, but acknowledging a greater focus on considering the qualification and performance of individual executives and the Company as a whole. This practice was reflected in the Company's compensation decisions starting in December 2014.

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**Highlights of Compensation Policies and Practices**

We have compensation policies and practices designed to enhance governance of our executive compensation program and to further our compensation objectives. These policies and practices include:

Independence	The Compensation Committee is composed solely of Independent Directors.
Independent Compensation Consultant	The Compensation Committee has engaged an independent compensation consultant to advise it on topics related to the Board and NEO compensation. The independent compensation consultant reports directly to the Compensation Committee, which has the sole authority to direct the consultant's work.
Compensation Committee Oversight; Executive Sessions	The Compensation Committee regularly meets in executive sessions without management present.
Transparent Equity Granting Process and Practices	The Compensation Committee grants annual stock option awards to eligible employees according to a regular, pre-set schedule.
Annual Advisory Say-on-Pay Vote	Our Board elected to hold an annual advisory say-on-pay vote, and the Compensation Committee considers the outcome of the advisory vote in making compensation decisions.
Stock Ownership Guidelines	We have established stock ownership guidelines for our executives in order to preserve the linkage between the interests of executives and those of stockholders.
Prohibition Against Hedging and Pledging of Securities	Our trading policy prohibits executives from engaging in short sales, transactions in put or call options, hedging transactions or other inherently speculative transactions in our stock or engaging in excessive margin activities.
Risk Management	Our executive compensation policies are structured to discourage inappropriate risk-taking by our executives. The <i>Compensation Risks</i> located after this <i>Compensation Discussion and Analysis</i> describes the Compensation Committee's assessment that the risks arising from our company-wide compensation programs are reasonable, in the best interest of our stockholders, and not likely to have a material adverse effect on BioMarin.
Policy for Recoupment of Incentive Compensation	In December 2014, we adopted a Policy for Recoupment of Incentive Compensation (Recoupment Policy) providing for the recoupment by the Company of certain incentive compensation paid to current or former executive officers in the event the Company is required to prepare an accounting restatement of its financial statements due to the Company's material noncompliance with any financial reporting requirement under the securities laws.
Policy Against Tax Gross Ups	In March 2015, the Compensation Committee formally adopted a policy against granting tax gross ups to executives.





## Compensation Objectives and Philosophy

We believe that the leadership of our current executive team has been instrumental to our success in 2014 and prior years, and that an executive compensation program that attracts, motivates and helps retain key executives, including our NEOs, is critical to the success of our business and creating long-term stockholder value. Our compensation program is structured to achieve the following main objectives:

*Market Competitiveness and Retention:* provide total compensation and compensation elements that are competitive with those companies that are competing for available employees.

*Balance Long-Term and Short-Term Perspectives:* strike an appropriate balance between short- and long-term perspectives by including a mix of compensation that includes (i) a meaningful base compensation, with a potential to earn a cash bonus based on achievement of defined corporate goals, which are generally expected to be achieved within 12 months, and (ii) the opportunity to share in the long-term growth of our company through equity compensation.

*Pay-for-Performance:* reward exceptional performance by individual employees.

*Stockholder Alignment:* closely align the interests of executive officers and our stockholders.

To realize these objectives, we utilize a balance of compensation elements and benefits, which are summarized in the table below and discussed in detail under Elements of Compensation Package . The focus of our compensation program is on total compensation opportunity (base salary, annual incentive compensation and long-term incentive compensation), with an explicit role for each element.

Compensation Element	Purpose			
	Market Competitiveness and Retention	Balance Long-Term and Short-Term Perspectives	Pay-for-Performance	Stockholder Alignment
Base Salary	X	X		
Annual Cash Bonus	X	X	X	X
Equity Grants	X	X	X	X
Limited Perquisites and Other Personal Benefits	X			
Potential Severance Benefits	X	X		

The Compensation Committee considered each of our compensation objectives in determining the 2014 compensation of our executives, including the NEOs, as discussed in greater detail below. We provide our NEOs with competitive annual cash compensation in the form of salary and bonus, but believe that a majority of our NEO compensation should be earned through long-term, equity-based incentives. We believe that our focus on long-term equity-based incentives is appropriate because of the lengthy time period required to develop pharmaceutical products, as well as the time required for pharmaceutical products to obtain regulatory approval on a worldwide basis and to reach peak sales.

During 2014, the Compensation Committee changed its compensation philosophy to be more focused on providing NEOs and key executive officers with competitive compensation based upon all available factors, including the experience of the NEO, competitive considerations and individual and corporate performance as opposed to focusing on a specific market percentile data point. Using this approach, the Compensation Committee and the Board believes that they can more efficiently set NEO compensation to appropriately compensate each individual based on his skill and performance and/or expected future contribution to the Company's business, and the performance of the Company as a whole.

In 2014, the compensation of our Chief Executive Officer, Mr. Bienaimé (whom we may also refer to in this discussion as the CEO) and other NEOs consisted primarily of performance-based cash compensation and long-term incentives. For 2014, performance based compensation (cash bonus and equity awards) accounted for 62% of the total direct compensation of our CEO and 57% of the average total direct compensation of our other NEOs. In addition, during 2014 83% of the total direct compensation of our CEO and 77% of the average total direct compensation of our other NEOs was delivered through long-term incentives (option awards and RSUs).



As a result of our emphasis on long-term incentive compensation, the compensation of our NEOs in 2014 and over the last three years was closely aligned with the performance of our common stock over those periods. Both in 2014 and in the three-year period ended December 31, 2014, the year-over-year increases in NEO compensation was principally attributable to the increases in the grant date fair value of their stock option awards (as determined using the Black-Scholes model for valuing stock options), which reflect the significant appreciation of the price of our common stock on the NASDAQ Global Select Market over those periods.

#### **Recent Say-on-Pay and Stockholder Feedback**

Our stockholders' views and opinions on our executive compensation practices are extremely important to us. As stewards of good corporate governance, our Compensation Committee evaluates the design of our executive compensation program in light of market conditions, shareholder views, and other governance considerations. We regularly engage with our stockholders through open dialogue and direct individual communication on topics related to the business, financial performance, corporate governance and compensation. Stockholder feedback is important, and the information we glean from these engagements is highly valued.

At our annual meeting of stockholders on June 4, 2014, we held a stockholder advisory vote on the compensation of our NEOs, commonly referred to as a say-on-pay vote. Our stockholders approved the compensation of our NEOs, with over 82% of stockholder votes cast in favor of our say-on-pay resolution.

In 2014, we made a concerted effort to engage constructively with stockholders. In February 2014 management reached out to eleven non-affiliated institutional shareholders (including all of our top ten stockholders) and had discussions with eight of them. We found our outreach to be enlightening and extremely informative. As a result of feedback received from our stockholders, the Compensation Committee generally continued to apply the same effective principles and philosophy it has used in previous years in determining executive compensation. The Compensation Committee considered this feedback in including the performance share component in the 2015 annual equity grant as a regular part of the long-term incentive compensation for our executive officers, including our NEOs. Additionally, based on this feedback, although we have not granted a tax gross up benefit to any executive since 2004, in March 2015 we formally adopted a policy against granting tax gross ups to executives in the future.

#### **Our Compensation Committee**

The duties of the Compensation Committee include:

recommending to the full Board the compensation of the Chief Executive Officer and Independent Directors;

setting the compensation, both the specific elements (*i.e.*, salary, bonus and equity awards) and the specific amount, of the compensation of other executive officers;

approving the peer group for executive and director compensation benchmarking;

approving the goals and performance requirements, thresholds and maximum funding for our annual bonus program;

administering our 2006 Share Incentive Plan, our 2012 Inducement Plan (which expired in May 2013), our 2014 Inducement Plan and our other equity compensation plans;

administering our Deferred Compensation Plan;

setting the compensation policy for the other employees; and

consulting with outside experts in the review and analysis of executive and director compensation.

These responsibilities are detailed in the charter of the Compensation Committee. The full text of the Compensation Committee Charter, as amended in March 2014, can be found in the Corporate Governance section of the Investors section of our website at [www.bmrn.com](http://www.bmrn.com). The composition of the Compensation Committee is determined by our Board, after a recommendation by the CGN Committee.

### **Independent Compensation Consultants**

Pursuant to its charter, the Compensation Committee is authorized to select and retain independent advisors and counsel to assist it with carrying out its duties and responsibilities. We have provided appropriate funding to the Compensation Committee to do so. Throughout 2013 and continuing through February 2014, the Compensation Committee engaged Radford, an Aon Hewitt Company (Radford), as the independent compensation consultant to the Compensation Committee. Radford conducted analysis and provided advice on, among other things, the appropriate peer group, officer cash bonus structure, annual compensation for the CEO and other executive officers and compensation trends in the biotechnology industry.

Beginning in February 2014, the Compensation Committee engaged Towers Watson as the independent compensation consultant to the Compensation Committee. Towers Watson conducted analysis and provided advice on, among other things, the appropriate peer group, the Company's compensation framework, board compensation, executive compensation for the CEO and other executive officers, equity compensation, and compensation trends in the biotechnology industry.

The independent compensation consultants report directly to the Compensation Committee, which retains sole authority to direct the work and employ the consultant. The Compensation Committee regularly reviews the services provided by the independent compensation consultant and believes that at all times the independent compensation consultant was engaged by the Compensation Committee, such engagement was consistent with NASDAQ listing standards and did not raise any conflict of interest. The Compensation Committee continues to monitor the independence of its independent compensation consultant on a periodic basis.

### **Compensation Adjustments and Peer Group Process**

The implementation of our compensation philosophy is carried out under the supervision of the Compensation Committee. The compensation for our CEO is approved by our Board, after the Compensation Committee provides its analysis and recommendation. The Compensation Committee has direct responsibility for establishing the compensation for the direct reports to the CEO, including all of our executive officers. To assist the Compensation Committee, the CEO and the Senior Vice President, Human Resources make recommendations to the Compensation Committee as to specific elements (*i.e.*, salary, bonus and equity awards) of compensation. Management, under the guidelines and policies established by the Compensation Committee, makes decisions on all aspects of compensation for non-executive officer employees.

Mr. Bienaimé, our CEO, Mr. Davis, our Senior Vice President, General Counsel and Secretary, and Mr. Ranieri, our Senior Vice President, Human Resources and Corporate Affairs, in addition to the Compensation Committee's independent compensation consultant, regularly attend portions of the Compensation Committee meetings for the purpose of providing analysis, information and management's recommendations on various human resources and compensation matters. The members of management generally do not participate in the executive sessions of the Compensation Committee unless invited by the Compensation Committee to provide specific information during closed session. No individual member of management is present for votes related to such individual's compensation.

We generally review our compensation practices on an annual basis over the course of several meetings of the Compensation Committee and the Board. The first step in the process is that the Compensation Committee, with the support of its independent compensation consultant and management, reviews trends in biotechnology compensation practices and reviews and approves the list of peer companies used in the later stages of the

process. As part of its analysis, for 2014, Towers Watson collected and analyzed compensation information from a comparative group of biotechnology companies, or peer group, approved by the Compensation Committee. The Compensation Committee evaluates the criteria used in establishing the peer group at least annually to ensure that it appropriately represents the companies competing with us to attract and retain talent. The Compensation Committee seeks input from management in addition to the Compensation Committee's independent compensation consultant to ensure the peer group is consistent with our current business model. In order to ensure independence and candid communication, the Compensation Committee regularly meets with its independent compensation consultant in executive sessions without management present.

The list of companies in the peer group is approved based on various factors including size, market capitalization, stage of development, product revenue and product focus. Our criteria used to select the peer group we used in 2014 included:

commercial biotech/specialty pharmaceutical companies with revenue under \$2.0 billion;

market capitalization generally of \$2.0 billion to \$30.0 billion; and

located predominantly in major biotechnology centers.

The Compensation Committee sets the ranges for the inclusion criteria to ensure that it will capture a broad set of companies. The Compensation Committee believes that this provides the best long-term trend data and minimizes year-to-year changes caused by excessive numbers of companies being added or removed due to acquisitions or product successes or failures or other major corporate events at member companies. The following table presents the peer group used in 2014 (the 2014 Peer Group).

Alexion Pharmaceuticals, Inc.	Medivation, Inc.	Seattle Genetics, Inc.
Alkermes, Inc.	Onyx Pharmaceuticals, Inc.	United Therapeutics Corporation
Cubist Pharmaceuticals Inc.	Pharmacyclics, Inc.	Valeant Pharmaceuticals International, Inc.
Endo International plc.	Questcor Pharmaceuticals, Inc.	Vertex Pharmaceuticals, Inc.
Incyte Corporation	Regeneron Pharmaceuticals, Inc.	ViroPharma Incorporated
Jazz Pharmaceuticals plc	Salix Pharmaceuticals	

In addition to the analysis of the compensation data from the peer group, the Compensation Committee also reviews the compensation levels and disclosed program design for executives of Biogen, Celgene Corporation, Allergan, Inc., Forest Laboratories, Inc. (which was acquired by Actavis plc in March 2015) and Mylan N.V., as we regularly compete with these companies, particularly for senior positions. However, we generally do not utilize the compensation data from these companies when making pay decisions directly impacting the CEO or NEO positions.

We review and make changes to our peer group from time to time to ensure that the peer group remains in compliance with our selection criteria. During 2014, as a result of acquisition activity, we removed Onyx Pharmaceuticals, Valeant Pharmaceuticals International, Inc. and ViroPharma Incorporated from the 2014 Peer Group.

After the list of peer companies is approved, management presents the Compensation Committee with recommendations regarding proposed adjustments to compensation elements and a variety of supporting data, including comparative compensation information from the approved peer group. This is presented individually for executive officers, including the NEOs, and based on classes of position for all other employees. Management and the independent compensation consultant each include significant supporting data with the presentation. These recommendations are discussed with and without management present and are discussed with the independent compensation consultant. The Compensation Committee then determines what, if any, adjustments to the compensation elements are appropriate for employees other than the CEO.

The Compensation Committee also reviews the market information provided by the independent compensation consultant, considers the CEO's performance and experience and makes recommendations for adjustments to the CEO's compensation. These discussions are conducted in executive sessions without involvement by management. The Compensation Committee then presents the recommendations for the CEO to the Board for consideration and approval. The Board must approve each of the CEO's individual compensation elements.

### **Elements of Compensation Package**

Our executive compensation program consists of the following three principal components:

*Base Salary.* Our Compensation Committee reviews and determines base salary rates for our executive officers each year, which are then effective beginning in March. Base salary rates are determined, in consultation with the Compensation Committee's independent compensation consultant, based on each executive officer's responsibilities, individual performance, achievement of corporate goals and a review of competitive salary and total cash compensation data.

*Annual Cash Bonus.* The bonus program provides an annual cash bonus, which is based on achievement of corporate goals and modified based upon individual performance assessment. The details of this program are discussed below.

*Equity Grants.* Our executive officers are eligible to receive equity grants, which serve as long-term incentives to ensure that a portion of their total compensation is linked to our long-term success, thereby aligning their incentive compensation with the interests of our stockholders.

The Compensation Committee uses its judgment to establish for each NEO a mix of current, short-term and long-term incentive compensation, and cash and non-cash compensation, that it believes appropriate to achieve the goals of our executive compensation program and our corporate objectives as described above. Generally, the percentage of compensation at risk, either in the form of cash bonus or equity compensation, is higher for more senior employees than for those with more limited responsibility. Our executive officers have the highest percentage of their total compensation at risk and the highest percentage of total compensation allocated to equity compensation. We believe that this is appropriate as the more senior employees have more influence on whether or not we achieve our strategic imperatives and long-term goals.

### **Base Salary**

We provide base salaries to our NEOs to compensate them with a fair and competitive base level of compensation for services rendered during the year. Base salaries for our NEOs are intended to be competitive with those received by other individuals in similar positions at the companies with which we compete for talent, taking into consideration that certain of our executive officers have larger scopes of responsibilities than the market data positions. Base salaries are initially established at the time the NEO is hired based on individual experience, skills and expected contributions, the Compensation Committee's understanding of what executives in similar positions at other peer companies were being paid at such time and are also the result of negotiations with certain executives during the hiring process.

The base salaries of our NEOs are reviewed annually and may be adjusted to reflect market conditions and the NEO's performance during the prior year as well as the financial position of the company, or if there is a change in scope of the NEO's responsibilities. We believe that a competitive base salary is a necessary element of any compensation program that is designed to attract and retain talented and experienced executives. We also believe that attractive base salaries can motivate and reward executives for their overall performance.

Merit-based increases in base salary for all of our executive officers, other than our CEO, are approved by the Compensation Committee based upon a recommendation from the CEO. Any merit-based increase in base salary for our CEO is based upon an assessment of his performance by the Compensation Committee, input from the Chair of the Board and a review by the Compensation Committee of the base salary of chief executive officers in our peer group.



In reviewing our 2013 performance and its impact on salary increases in 2014, the Compensation Committee considered our financial performance and efforts in advancing our development programs, particularly the FDA Advisory Committee approval of VIMIZIM in November 2013, as well as our achievements in advancing talazoparib, pegvaliase, BMN 111 and cerliponase alfa and our continued revenue growth. The Compensation Committee also considered budget constraints as we continue to aggressively invest our cash flow from operations into our development programs, and the competitive market for recruiting top talent in our industry.

In addition, as a result of positive clinical results and strong business progress, our stock price appreciated 18% during 2013. Based on the Company's 2013 performance, the Board and the Compensation Committee approved the following increases to the base salaries of, and equity grants to, Mr. Bienaimé and our other NEOs.

Name	Salary Adjustments Effective March 2014		Equity Grant June 2014 <sup>(1)</sup>	
	2014 Salary(\$)	Increase from 2013	Options(#)	RSUs (#)
Jean-Jacques Bienaimé, Chief Executive Officer	925,000	5.3%	191,000	50,900
Daniel Spiegelman, Executive Vice President and Chief Financial Officer	485,000	5.0%	51,700	13,800
Jeff Ajer, Executive Vice President, Chief Commercial Officer	425,000	9.8%	42,700	11,400
Robert Baffi, Executive Vice President, Technical Operations	425,000	9.6%	47,200	12,600
Henry Fuchs, Executive Vice President and Chief Medical Officer	535,000	7.0%	58,400	15,600

(1) Stock option grants and RSUs vest over a four-year period.

In 2014, the Compensation Committee also engaged Towers to perform an independent review of Mr. Bienaimé's compensation. As a result of this review and the Company's strong 2014 performance as outlined in the Executive Summary above, the Compensation Committee determined that a 6.5% increase to Mr. Bienaimé's salary was appropriate to ensure that Mr. Bienaimé's salary remains competitive against the 2014 Peer Group. This increase was approved in December 2014 and became effective in March 2015.

Each NEO other than our CEO is also individually evaluated based on tenure, performance and other issues specific to the NEO. Based upon this review and the Company's strong 2014 performance, in December 2014 the Compensation Committee approved the following increases to the base salaries of our other NEOs, each of which became effective in March 2015:

NEO	Base Salary Increase
Mr. Spiegelman	5.2%
Mr. Ajer	5.9%
Dr. Baffi	7.1%
Dr. Fuchs	6.5%

#### Cash Incentive

We maintain a company-wide annual cash bonus program under which awards are generally based on corporate performance, with adjustments made within a range for individual performance. The corporate performance determines the size of the entire bonus pool and the individual performance determines the actual payout to each employee. Historically, the Compensation Committee has determined that the senior executives' performance as a team effort, rather than individually, is the most important factor in achieving long-term corporate success, and accordingly has not differentiated the cash bonus based on individual performance for this group. The bonus is paid in the first quarter of each year, based on the employees' performance in the prior year.

The bonus program, including corporate goals and target payouts by level, is generally reviewed and approved by the full Board in December at the time the Board considers the budget for the following year. The goals are prepared in an interactive process in which the Compensation Committee works with the CEO and other members of management to develop corporate performance goals that are set at levels that the Compensation Committee believes management can reasonably achieve if we, as a whole, execute on our business plan. The corporate goals are designed to reward specific activities that the Board and Compensation Committee believe will enhance long-term stockholder value by providing a foundation that will enable us to realize our long-term strategic plan. In setting these goals, the Compensation Committee seeks to provide appropriate annual incentives to operational goals that directly support our longer-term goals of commercialization of new products and our long-term profitability. We feel that this type of structure motivates executives to challenge their teams to not only meet but exceed goals that ultimately add value to our stockholders. However, because many of the goals, particularly the development goals, are tied to activities intended to enhance long-term value, the achievement of any particular goal may not have a meaningful impact on our valuation during the bonus year.

The bonus pool is determined by two main categories of performance, performance against financial goals and performance of our development programs. We determine the allocation of the target bonus between financial goals and development goals recognizing that current and future stockholder value is dependent on the success of each element of our business, but that over the one year performance period of the bonus program, one aspect may be more important than the other. For 2014, in recognition of the importance of our clinical programs, we divided the bonus 40% to financial goals and 60% to development goals.

With respect to the financial goals, if the goal (*i.e.*, sales revenue) is achieved, the payout is based on a sliding scale. For example, if we achieve 75% of a financial goal, 75% of the amount attributable to that goal will be funded. The amount funded increases proportionally up to a maximum of 200% of the amount associated with the goal, upon reaching 200% of target. The Board has also set a minimum achievement of 75% of the financial goal or else no bonus amount will be paid for the financial performance goal.

With respect to development goals (*i.e.*, goals related to clinical and preclinical programs), the Board determines broad program expectations for our primary programs in December of the prior year and indicative bonus weighting for each program. The broad goals may include, by way of example, timing of initiation or completion of clinical trials, achieving specific enrollment goals, completing filings or other milestones with the FDA or similar regulatory agencies, achieving manufacturing targets, completing research programs, and similar events. We have not disclosed the specific program expectations as they are based on various strategic elements, each of which is confidential and the Compensation Committee has determined that disclosure of the goals could result in competitive harm to us. At the time the development goals are set, the Compensation Committee establishes the target levels for each of the goals to be reasonable stretch goals, with a maximum payout only in the event of superior performance. To provide context for the expected degree of difficulty in achieving these undisclosed development goals, we note that for 2011, 2012 and 2013, the undisclosed development goals were achieved at 99%, 131% and 120% of target levels, respectively.

In December or January, the Compensation Committee reviews our development programs and determines a bonus payout attributable to that aspect of our business. In making the determination, the Compensation Committee assesses each program individually and the total impact on the Company. Among the factors that the Compensation Committee considers are:

the effectiveness of our efforts in advancing the development of a program and our portfolio as a whole;

our effectiveness in adapting to new data generated or other changes to the assumptions implementing the original development plan;  
and

and the overall value created by the development efforts.

Based on this assessment, the Compensation Committee determines a percentage payout attributable to our development efforts. The performance rating can be up to 150% of target. However, similar to the financial

goals, if the Compensation Committee determines that the development performance does not meet a minimum achievement level, no bonus associated with the development programs will be paid. Notwithstanding the calculated bonus amount, the Compensation Committee has the discretionary authority to modify payouts for any particular goal or bonus pool in total in any manner that it deems appropriate based on factors such as the actual impact of development efforts in enhancing long-term stockholder value. We believe that this process provides the greatest incentive to management and all employees to maximize the value of our development efforts and adapt to changing circumstance dictated by data generated, corporate development activities or other events. In the past, we have used firm goals established at the beginning of a year, but the Compensation Committee believes that this process does not appropriately recognize the fluid nature of drug development and can lead to unintended consequences. For example, if scientific findings suggest that it would be in the best interest of the Company to cancel a program, the goal related to that program may be removed and other program goals may be substituted.

The following table describes our financial and development bonus goals for 2014 and our actual performance against those goals. This resulted in a total calculated payout of 85% for the NEOs.

2014 Financial Bonus Goals and Results

Goal	Weight (% of Target Bonus)	Actual Result	Pool Contribution <sup>(1)</sup> (%)
<b>Financial Goals</b>			
BioMarin managed Sales Revenue of \$552.9 million <sup>(2)</sup>	35%	\$ 627.2 million	40%
R&D and SG&A Expenses of \$715.9 million <sup>(3)</sup>	12%	\$ 691.5 million	13%
Sub-Total (Performance Goals)	47%		53%
<b>Development Goals</b>			
talazoparib for Oncology	17%	Not met	
reveglucosidase alfa (formerly referred to as BMN 701) for Pompe	12%	Not met	
VIMIZIM for Morquio	12%	Exceeded goal	
BMN 111 CNP for Achondroplasia	6%	Met goal	
cerliponase alfa for CLN2	6%	Met goal	
Sub-Total (Development Goals)	53%		32% <sup>(4)</sup>
Total (Financial and Development Goals)	100%		85.0% <sup>(5)</sup>

- (1) Based on actual result.
- (2) Calculated as BioMarin net product revenues less Aldurazyme net product revenues. We developed Aldurazyme through collaboration with Genzyme Corporation (Genzyme), now a wholly-owned subsidiary of Sanofi. Under our collaboration agreement with Genzyme, we are responsible for manufacturing Aldurazyme and supplying it to Genzyme. Genzyme records sales of Aldurazyme and is required to pay us a royalty on worldwide net product sales.
- (3) Excludes stock compensation expense and Board-approved business development transactions.
- (4) The Compensation Committee set the pool contribution for all development goals at 32%, which was within the calculated range of 24-37%. Recognizing that within the calculated range, the success of the development programs as a whole is based on both the actions of the Company as well as external factors outside of the Company's control, the Compensation Committee determined that setting a total pool contribution amount, rather than setting contribution amounts for each target, was appropriate.
- (5) Jeff Ajer received a bonus funding amount of 100% due to the successful Vimizim launch.

The 2014 bonus targets for each NEO expressed as a percentage of base salary is determined by the employee's position. The bonus target amounts for the NEOs for 2014 bonuses (which were paid in March 2015) are set forth in the table below. Consistent with prior years, and in recognition of the philosophy of the Compensation Committee and the CEO that our performance is determined in large part by the performance of the executive management acting collaboratively as a team, in January 2015, the Compensation Committee approved a 2014 bonus for each executive equal to the executive's target bonus amounts expressed as a percentage of base salary multiplied by the 85% executive bonus funding level. Although, the Board felt the 85% bonus funding level was generally appropriate for the NEOs, the Compensation Committee did differentiate and approved a higher bonus amount of 100% for Mr. Ajer in light of the successful Vimizim launch. The Compensation Committee also approved a higher bonus funding level for non-executive employees of the Company as a result of the Board's assessment that non-executive employees should receive an additional reward for the Company's exceptional success in many areas in 2014. The specific amount paid to each NEO for 2014 is set forth below and is also included in the *Summary Compensation Table* on page 67.

Name and Principal Position	2014 Cash Bonus Target (% of base salary)	2014 Cash Bonus Funding Level (% of bonus target)	2014 Cash Bonus Amount(\$)
Jean-Jacques Bienaimé	110%	85%	864,875
Jeff Ajer	50%	100%	212,500
Daniel Spiegelman	55%	85%	226,738
Robert A. Baffi, Ph.D.	55%	85%	198,688
Henry J. Fuchs, M.D.	55%	85%	250,113

In 2014, the Compensation Committee evaluated the bonus targets for our NEOs for the 2015 bonuses. Based on the review, the Committee determined to increase the target bonus for Mr. Ajer by 5%. The Compensation Committee believes that the bonuses for each NEO are appropriate based on a combination of the relative experience and tenure of each NEO, as well as his position within the Company and practices at our peer companies. The adjustment will apply to the 2015 bonus, which is payable in early 2016.

### Equity Compensation

We grant equity in the form of RSUs and options to virtually all newly hired employees. Additionally, we changed our equity granting practices in 2014 to a performance-based approach as it relates to equity allocation. Not all employees are receiving equity. All employees are eligible to receive equity, but the determination as to whether an employee does receive equity is dependent upon performance and level. Additionally, in order to be eligible for an annual equity award an employee must have been employed by the Company for six months prior to the annual grant date. New hire grants for non-executives are approved by the CEO, subject to guidelines approved by the Compensation Committee. The guidelines are based primarily on competitive equity grant practices in our industry and peer group. All other grants are approved by the Compensation Committee or the full Board.

The timing of the annual grant in 2014 was the date of the 2014 annual meeting of stockholders. The Board elected to implement this process so that the equity awards are granted on a predictable day each year and at a time that will tend to minimize the amount of material non-public information in the possession of the Board or the executive officers. Beginning in 2015, the timing of the annual grant was moved to March to coincide with employees' year-end performance reviews and other compensation changes (base salary adjustment, year-end bonus, and equity grants). The Board sets the March annual grant date at least 30 days in advance to avoid the possibility of timing grants.

Stock options have an exercise price equal to 100% of the fair market value of our common stock (the closing price of our common stock on the NASDAQ Global Select Market) on the date of the grant, so they have value only to the extent that the market price of our common stock increases after the date of the grant.

The allocation of equity awards between options and RSUs varies by employee and location. In most of the countries where we operate, all employees below vice president (VP) level are receiving RSUs only, whereas

VPs and above receive a mix of RSUs and options. In order to better align the interests of our executives with our stockholders, the equity awards currently granted to senior employees (including our NEOs) are primarily made in the form of stock options. Stock options granted to the NEOs typically vest over four years, which we believe provides an incentive to our NEOs to add value to the company over the long-term.

The equity compensation granted to the NEOs in June 2014 was determined based upon a number of factors. The Compensation Committee gave particular consideration to our performance, and also considered equity grants of the 2014 Peer Group based on a Black-Scholes valuation. For a discussion of assumptions used in calculating the Black-Scholes valuation see Note 17 to our financial statements for the year ended December 31, 2014, included in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, as filed with the SEC on March 2, 2015. In determining the allocation of options and RSUs, the Compensation Committee considered a variety of factors, including the effect on the total number of shares to be issued under our equity plan, peer group practices and the comparative value of options and RSUs. Overall, the Compensation Committee sought to set equity compensation to be competitive in the market to retain the talent that the Company needs. For the NEOs other than Mr. Bienaimé, the considerations in differentiating grants among the NEOs were principally level of responsibility and experience. The Committee also looked at:

historic grants,

retention value,

individual contribution; and

expected future contribution.

For Mr. Bienaimé, the principal considerations were the practices of companies in the 2014 Peer Group and our performance against the 2014 Peer Group and the unvested retention value of his current holdings.

We have reviewed our historical option grant practices to consider if the options were properly dated. Based on such review, we believe that all options were issued on the date approved by the Board or a properly authorized committee and that the exercise price for each option issued since the date of our initial public offering was the closing price of our common stock on the date of issuance, unless the option grant specifically approved a different price in accordance with the terms of the applicable option plan pursuant to which such option was granted.

#### **Other Benefits and Perquisites**

In addition to base salary, cash bonus and equity grants, we provide a comprehensive benefits package, including health insurance, dental insurance, life insurance, disability insurance, a 401(k) matching program, and an employee stock purchase plan, which is intended to meet the requirements of Section 423 of the Code. These benefits are generally available to all employees on an equal basis, including our NEOs. From January 1, 2014 to July 5, 2014, the 401(k) matching program matched 100% of an employee's contribution up to the lesser of 3% of his or her annual salary or \$6,000 per year. Effective July 6, 2014, we amended the 401(k) matching program to match 100% of an employee's contribution up to the lesser of 6% of his or her annual salary or \$12,000 per year and implemented immediate vesting of all 401(k) matches. We also offer our executive officers severance benefits upon a change in control under our Severance Plan.

We provide our NEOs, along with other officers, a limited number of perquisites. An item is not a perquisite if it is integrally and directly related to the performance of the executive's duties. An item is a perquisite if it confers a direct or indirect benefit that has a personal aspect, without regard to whether it may be provided for some business reason or for the convenience of the Company, unless it is generally available on a non-discriminatory basis to all employees.

We provide the following perquisites to our NEOs:

*Reimbursement for Financial and Tax Planning and Preparation Services.* We reimburse our executive officers, including our NEOs, for personal financial planning and tax preparation. The benefit is limited to \$5,000 annually for our CEO, \$3,500 annually for Senior Vice Presidents and Executive Vice Presidents and \$2,500 annually for all other Vice Presidents, and is taxable to the executive. The perquisite is intended to encourage and assist our executives to engage knowledgeable experts to assist with financial and tax planning.

*Life Insurance.* In accordance with the terms of our employment agreement with Mr. Bienaimé dated May 11, 2005, as amended and restated on January 1, 2009 and further amended on December 17, 2012, in addition to the life insurance generally provided to all employees, we provide Mr. Bienaimé with a fully paid, whole life insurance policy with a stated death benefit of \$500,000 and a term life insurance policy with a death benefit of \$1,000,000.

#### **Nonqualified Deferred Compensation**

Our NEOs, other members of management, other highly-compensated employees and members of the Board are eligible to enroll in our Deferred Compensation Plan under which participants may elect to defer all or a portion of their salary, annual cash bonus and restricted stock awards otherwise payable to them, and thereby defer taxation of these deferred amounts until actual payment of the deferral amounts in future years. This plan was implemented in 2006 as a financial planning tool for senior employees and allows them to save for retirement in a tax-effective way at minimal cost to us. The Board amended and restated the Nonqualified Deferred Compensation Plan on January 1, 2009 in order to comply with Section 409A of the Code (Section 409A), and related Treasury Regulations. The Nonqualified Deferred Compensation Plan was further amended on December 19, 2013 and October 7, 2014. See the *Nonqualified Deferred Compensation* table below for detailed information regarding the account balances for each NEO.

#### *Post-Employment Obligations*

We have employment agreements with most of our executive officers that include severance provisions. Under the terms of the employment agreements, for each NEO with an employment agreement other than Mr. Bienaimé, upon an involuntary termination by us without cause, or a termination by the executive under specific circumstances, such as a relocation more than 50 miles from their previous job location, a substantial reduction in the officer's duties, status or reporting structure or a decrease in the officer's base salary, the employment agreements provide for a cash severance payment equal to a certain percentage of his or her annual base salary as follows.

NEO	<b>Termination Compensation (% of annual base salary)</b>
Mr. Spiegelman	150%
Mr. Ajer	140%
Dr. Baffi	150%
Dr. Fuchs	150%

With respect to Mr. Bienaimé, except for a termination for cause, he is entitled to a cash severance payment equal to 200% of his base salary, continuation of medical insurance benefits for 24 months and, depending on the nature of his termination, acceleration of all unvested option awards, and certain other benefits continuation and certain gross up payments to cover certain tax liabilities related to the severance payments.

In addition, pursuant to our Severance Plan, as amended and restated in March 2009 (the Severance Plan), immediately upon a change in control of the Company, all unvested options and restricted stock with time-based vesting held by each of the NEOs, including Mr. Bienaimé, will immediately vest. The accelerated vesting occurs

upon a change in control, whether or not the employee is terminated. In connection with the RSUs granted to the NEOs in June 2011 and May and September 2012 that have performance-based vesting, if a change in control occurs before December 31, 2015, any of the above performance conditions that have not been met as of the change in control date will be deemed met and the shares will vest on the earlier of March 1, 2016 or the date the employee is terminated following the change in control.

We believe that these provisions enhance retention in the face of the disruptive impact of a pending change in control of the Company. In addition, the program is intended to align executive and stockholder interests by enabling executives to consider corporate transactions that are in the best interests of our stockholders and other constituents without undue concern over whether the transactions may jeopardize the executives' own employment.

No benefits will be paid to Mr. Bienaimé under his employment agreement if the termination is for cause, for a voluntary resignation (other than as set forth above), or retirement. No benefits will be paid to the other executive officers under the employment agreements if the termination is for cause, for a voluntary resignation (other than as set forth above), retirement or due to death.

Please see *Potential Payments Upon Termination or Change in Control* below for a more detailed discussion of the severance and change in control provisions in our NEOs' employment contracts.

#### **Accounting and Tax Considerations.**

*Nonqualified Deferred Compensation* On October 22, 2004, the American Jobs Creation Act of 2004 was signed into law, adding Section 409A that changed the tax rules applicable to nonqualified deferred compensation arrangements. While the final Treasury Regulations under Section 409A did not become effective until January 1, 2009, we believe we have operated in good faith compliance with the provisions of Section 409A that became effective on January 1, 2005. A more detailed discussion of our nonqualified deferred compensation arrangements is provided under the heading *Nonqualified Deferred Compensation* below.

*Accounting for Stock-Based Compensation* Beginning on January 1, 2006, we adopted the provisions of SFAS 123(R), now referred to as FASB ASC Topic 718, which require us to estimate and record an expense for each equity award over the vesting period of the award and estimate prospective forfeitures. Generally, the Compensation Committee does not make compensation decisions based on the tax or accounting treatment of any particular form of compensation; however, it has considered and approved and may in the future consider the grant of alternative equity incentives to our NEOs in lieu of stock option grants in light of the accounting impact of FASB ASC Topic 718 with respect to stock option grants and other considerations.

*Section 162(m)* Section 162(m) of the Code (Section 162(m)) limits our deduction for federal income tax purposes to not more than \$1,000,000 of compensation paid to certain executive officers in a calendar year. Compensation above \$1,000,000 may be deducted if it is performance-based compensation. The Board and the Compensation Committee regularly consider the impact of Section 162(m), regarding the deductibility of compensation to certain executive officers in excess of \$1,000,000 but have not yet established a policy for determining which forms of incentive compensation awarded to our executive officers will be designed to qualify as performance-based compensation. To maintain flexibility in compensating our executive officers in a manner designed to promote our goals, the Compensation Committee has not adopted a policy that allows all executive compensation to be deductible. To date, exclusive of stock option exercises, there have been limited amounts of executive compensation, including salary, bonus and grants of RSUs, that have exceeded this amount. The Compensation Committee and the Board will continue to evaluate the effects of the compensation limits of Section 162(m) on any compensation it proposes to grant, and may, in the future, consider qualifying our equity compensation plans and/or bonus plans so that compensation payable under those arrangements is fully deductible under Section 162(m). In furtherance of this, the most recent amendment to the 2006 Share Incentive Plan, approved by our stockholders at our annual meeting of stockholders held on May 15, 2013, is intended to allow the Compensation Committee discretion to grant stock options to employees that will be intended to be eligible for exclusion from the Section 162(m) limit.

**Director and Officer Stock Ownership Guidelines**

In order to preserve the linkage between the interests of executives and those of stockholders, the Compensation Committee and the Board established stock ownership guidelines for our executives. Please see *Director and Officer Stock Ownership Guidelines* on pages 22-23 above for a more detailed discussion of our stock ownership guidelines.

**Summary Compensation Table**

The following table discloses compensation paid by us during 2014 to: (i) Jean-Jacques Bienaimé, our Chief Executive Officer; (ii) Daniel Spiegelman, our Chief Financial Officer; and (iii) Jeff Ajer, Robert A. Baffi, Ph.D. and Henry J. Fuchs, M.D., the three most highly-compensated officers other than the Chief Executive Officer and Chief Financial Officer who were serving as officers at the end of fiscal year 2014 and whose salary and bonus exceeded \$100,000. These individuals are referred to as the Named Executive Officers.

Name and Principal Position	Year	Salary	Bonus	Stock Awards <sup>(1)</sup>	Option Awards <sup>(2)</sup>	Non-Equity Incentive		Total
						Plan Compensation <sup>(3)</sup>	All Other Compensation <sup>(4)</sup>	
Jean-Jacques Bienaimé Chief Executive Officer	2014	\$ 916,030	\$	\$ 3,211,790	\$ 5,867,520	\$ 864,875	\$ 38,177 <sup>(5)</sup>	\$ 10,898,392
	2013	868,796		2,563,218	6,850,935	1,054,030	27,059 <sup>(5)</sup>	11,364,038
	2012	821,052		2,097,760	2,353,400	994,367	22,503 <sup>(5)</sup>	6,289,082
Daniel Spiegelman Executive Vice President, Chief Financial Officer	2014	480,576		870,780	1,588,224	226,738	17,413	3,183,731
	2013	457,769		895,092	2,392,390	277,200	6,838	4,029,289
	2012	250,462	350,000 <sup>(6)</sup>	5,889,980	2,186,250	237,600	4,000	8,918,292
Jeff Ajer Senior Vice President, Chief Commercial Officer	2014	417,674		719,340	1,311,744	212,500	16,043	2,677,301
	2013	382,688		569,604	1,522,430	185,712	7,563	2,667,997
	2012	332,613		1,925,192	218,530	175,200	6,010	2,657,545
Robert A. Baffi, Ph.D. Executive Vice President, Technical Operations	2014	417,875		795,060	1,449,984	198,688	18,338	2,879,945
	2013	384,391	30,000 <sup>(7)</sup>	813,720	2,174,900	232,766	9,664	3,645,441
	2012	366,087	50,000 <sup>(8)</sup>	599,360	672,400	221,682	4,674	1,914,203
Henry J. Fuchs, M.D. Executive Vice President & Chief Medical Officer	2014	528,235		984,360	1,794,048	250,113	18,338	3,575,094
	2013	494,383	137,500 <sup>(9)</sup>	1,057,836	2,827,370	299,895	8,488	4,825,472
	2012	466,400	100,000 <sup>(10)</sup>	899,040	1,008,600	282,920	5,190	2,762,150

- (1) The amounts in this column reflect the aggregate grant date fair value computed in accordance with FASB ASC Topic 718. For the performance-based RSUs, the grant date fair market value was computed in accordance with FASB ASC Topic 718 based upon the assumption that the targeted RSUs will vest. For assumptions used in determining grant date fair market value, see Note 17 to the consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, as filed with the SEC on March 2, 2015.
- (2) The amounts in this column reflect the aggregate grant date fair values computed in accordance with FASB ASC Topic 718. For assumptions used in determining these values, see Note 17 to the consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, as filed with the SEC on March 2, 2015.
- (3) Amounts noted for 2014 represent amounts earned by the Named Executive Officers during 2014, but paid in 2015. Amounts noted for 2013 represent amounts earned by the NEOs during 2013, but paid in 2014. Amounts noted for 2012 represent amounts earned by the NEOs during 2012, but paid in 2013.
- (4) These amounts represent the amounts paid for personal tax preparation/financial planning consultation, vested 401(k) matching and imputed income associated with life insurance premium payments for each NEO.
- (5) Includes payments of life insurance premiums of \$13,703, \$13,703 and \$13,703 and reimbursements of personal tax preparation/financial planning services of \$4,950, \$5,000 and \$4,800 for 2014, 2013 and 2012, respectively.
- (6) Represents a \$350,000 sign-on bonus paid to Mr. Spiegelman in 2012.
- (7) Represents a one-time bonus awarded to Dr. Baffi in December 2013 for his extraordinary efforts in connection with the positive outcome of the FDA Advisory Committee for Vimizim.
- (8) Represents a one-time bonus awarded to Dr. Baffi in November 2012 for his extraordinary efforts in connection with the Company's pivotal Phase 3 study of Vimizim.



- (9) Represents a one-time bonus awarded to Dr. Fuchs in December 2013 for his extraordinary efforts in connection with the positive outcome of the FDA Advisory Committee for Vimizim.
- (10) Represents a one-time bonus awarded to Dr. Fuchs in November 2012 for his extraordinary efforts in connection with the Company's pivotal Phase 3 study of Vimizim.

#### Grants of Plan-Based Awards

The following table sets forth certain information for each plan-based award during fiscal year 2014 to each of the Named Executive Officers.

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards <sup>(1)</sup>			All Other Stock Awards: Number of Shares of Stock or Units(#)	All Other Option Awards: Number of Securities Underlying Options(#)	Exercise or Base Price of Option Awards (\$/Share) <sup>(2)</sup>	Grant Date Fair Value of Stock and Option Awards (\$) <sup>(3)</sup>
		Threshold (\$)	Target (\$)	Maximum (\$)				
Jean-Jacques Bienaimé	6/4/14						5,867,520	
	6/4/14				50,900	191,000	3,211,790	
	n/a	763,125	1,017,500	1,653,438		63.10		
Daniel Spiegelman	6/4/14					51,700	1,588,224	
	6/4/14				13,800	63.10	870,780	
	n/a	200,063	266,750	433,469				
Jeff Ajer	6/4/14					42,700	1,311,744	
	6/4/14				11,400	63.10	719,340	
	n/a	159,375	212,500	345,313				
Robert A. Baffi, Ph.D.	6/4/14					47,200	1,449,984	
	6/4/14				12,600	63.10	795,060	
	n/a	175,313	233,750	379,844				
Henry J. Fuchs, M.D.	6/4/14					58,400	1,794,048	
	6/4/14				15,600	63.10	984,360	
	n/a	220,688	294,250	478,156				

- (1) Amounts represent potential payments under our 2014 bonus plan, which were paid in 2015. For further discussion of our bonus program, please see the Compensation Discussion and Analysis and see the Summary Compensation Table for amounts actually paid under the 2014 bonus plan.
- (2) Options were granted at an exercise price equal to the closing price of our common stock on the NASDAQ Global Select Market on the date of the grant.
- (3) The amounts presented above represent the aggregate grant date fair value of the restricted stock award or option grant computed in accordance with FASB ASC Topic 718. The grant date fair market value for options awards was \$30.72 per share and the grant date fair market value of the restricted stock awards was the closing price of our common stock on the NASDAQ Global Select Market on the date of the respective grant. For assumptions used in determining these grant date fair market value, see Note 17 to the consolidated financial statements contained in the Company's Annual Report on Form 10-K for the year ended December 31, 2014, as filed with the SEC on March 2, 2015.

The number of options and RSUs granted to the Chief Executive Officer is determined based on recommendations by the Compensation Committee and is approved by the Board and the number of options and RSUs granted to the other NEOs is determined by the Compensation Committee. Please see *Compensation Discussion and Analysis* for additional information regarding grant practices. Except as otherwise noted, options vest 6/48<sup>ths</sup> on the six month anniversary of the date of grant, and 1/48<sup>th</sup> per month thereafter for the next 3.5 years, and remain exercisable for ten years after the date of grant. RSUs vest in four equal quarters on the anniversary of the date of the grants.

**Outstanding Equity Awards at Fiscal Year-End**

The following table sets forth the outstanding unexercised options granted pursuant to equity awards as of the end of fiscal year 2014 for each of the NEOs.

Name	Option Awards				Number of Shares or Units of Stock That Have Not Vested(#)(3)	Stock Awards		Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested(#)(12)(\$)
	Number of Securities Underlying Unexercised Options Exercisable(#)(1)	Number of Securities Underlying Unexercised Options (#)	Option Exercise Price (\$)(2)	Option Expiration Date		Market Value of Shares or Units of Stock That Have Not Vested (\$)(10)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)(11)	
Jean-Jacques Bienaimé	45,764		6.46	5/10/15	9,000 <sup>(4)</sup>	813,600	400,000	36,160,000
	500		9.86	11/10/15	28,000 <sup>(5)</sup>	2,531,200		
	124,500		12.99	5/10/16	28,350 <sup>(6)</sup>	2,562,840		
	250,000		17.54	11/19/16	50,900 <sup>(7)</sup>	4,601,360		
	160,000		17.33	6/6/17				
	425,000		38.59	5/21/18				
	22,000		17.86	12/16/18				
	240,000		14.39	5/11/19				
	280,000		21.51	5/11/20				
	250,834	29,166	26.49	5/11/21				
	90,416	49,584	37.46	5/7/22				
87,281	133,219	67.81	5/14/23					
23,875	167,125	63.10	6/3/24					
Daniel Spiegelman	10,729	44,271	39.06	5/28/22	16,500 <sup>(8)</sup>	1,491,600	100,000	9,040,000
	30,479	46,521	67.81	5/14/23	9,900 <sup>(6)</sup>	894,960		
	6,462	45,238	63.10	6/3/24	13,800 <sup>(7)</sup>	1,247,520		
Jeff Ajer	16,000		38.59	5/21/18	790 <sup>(9)</sup>	71,416	40,000	3,616,000
	3,750		21.51	5/11/20	2,600 <sup>(5)</sup>	235,040		
	6,419	2,469	28.23	5/30/21	6,300 <sup>(6)</sup>	569,520		
	8,395	4,605	37.46	5/7/22	11,400 <sup>(7)</sup>	1,030,560		
	19,395	29,605	67.81	5/14/23				
	5,337	37,363	63.10	6/3/24				
Robert A. Baffi, Ph.D.	11,000		17.86	12/16/18	2,500 <sup>(4)</sup>	226,000		