

BROOKS AUTOMATION INC

Form DEF 14A

December 14, 2018

TABLE OF CONTENTS

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 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 Pursuant to section 240.14a-12

**BROOKS AUTOMATION, 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:
  - (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:
  - (5) Total fee paid:
- Fee paid previously with preliminary materials.**
- Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.**
  - (1) Amount Previously Paid:
  - (2) Form, Schedule or Registration Statement No.:
  - (3) Filing Party:
  - (4) Date filed:

TABLE OF CONTENTS

TABLE OF CONTENTS

**Notice of Annual Meeting of  
Stockholders of Brooks Automation, Inc.**

**Wednesday, January 30, 2019**

**10:00 a.m. Eastern Standard Time,**

***Four Seasons Hotel Boston, 200 Boylston Street,  
Boston, Massachusetts 02116***

**RECORD DATE: DECEMBER 3, 2018**

**MEETING AGENDA**

- To elect ten director nominees
- To approve, by a non-binding advisory vote, the compensation of the Company's named executive officers as disclosed in this proxy statement
- To ratify PricewaterhouseCoopers LLP as the Company's independent registered accounting firm for the 2019 fiscal year

The stockholders will also act on any other business as may properly come before the meeting.

**How to Vote Your Shares**

You may submit proxies by completing, signing and dating the proxy card and mailing it in the accompanying pre-addressed envelope.

You may submit proxies by telephone until 11:59 p.m. (Eastern Time) on January 29, 2019 for shares held directly and until 11:59 p.m. (Eastern Time) on January 27, 2019 for shares held in a Plan by calling 1-800-690-6903. The proxy card includes instructions on submitting proxies by telephone.

You may submit proxies using the Internet until 11:59 p.m. (Eastern Time) on January 29, 2019 for shares held directly and until 11:59 p.m. (Eastern Time) on January 27, 2019 for shares held in a Plan by visiting [www.proxyvote.com](http://www.proxyvote.com). The proxy card includes instructions on submitting proxies using the Internet.

If you hold shares in a brokerage account, you should follow the instructions provided by your broker to vote your shares by mail, telephone or electronically via the Internet.

All stockholders are cordially invited to attend the Annual Meeting. To ensure your representation at the Annual Meeting we urge you to complete a proxy telephonically, electronically or by mail, if you requested a proxy statement be mailed to you as described in the proxy statement.

By Order of the Board of Directors

JASON W. JOSEPH,  
*Senior Vice President, General Counsel and Secretary*  
Chelmsford, Massachusetts  
December 14, 2018

**Important Notice Regarding Availability of Proxy Materials for the Annual Meeting to be held on January 30, 2019. On December 14, 2018, we began mailing to our stockholders a Notice of Internet Availability of Proxy Materials (the Notice ) containing instructions on how to access our proxy statement for our 2019 Annual Meeting of Stockholders and our annual report. The Notice, the attached proxy statement and our Annual Report on Form 10-K for the fiscal year ended September 30, 2018, are available at our website at [www.brooks.com](http://www.brooks.com). It is also available to stockholders without charge upon written request addressed to Investor Relations, Brooks Automation, Inc., 15 Elizabeth Drive, Chelmsford, Massachusetts 01824, which is the mailing address of the Company's principal executive offices. In addition, you may access these materials at [www.proxyvote.com](http://www.proxyvote.com), which does not have cookies that identify visitors to the site.**

TABLE OF CONTENTS

**Table of Contents**

<b><u>GENERAL INFORMATION</u></b>	<b><u>1</u></b>
<u>Record Date, Voting Rights and Outstanding Shares</u>	<u>1</u>
<u>Electronic Distribution</u>	<u>1</u>
<u>Solicitation</u>	<u>1</u>
<u>Quorum and Required Vote</u>	<u>1</u>
<u>Voting of Proxies</u>	<u>2</u>
<u>Revocation of Proxies</u>	<u>3</u>
<u>Proxy Materials Available via the Internet</u>	<u>3</u>
<b><u>CORPORATE GOVERNANCE</u></b>	<b><u>4</u></b>
<u>Board of Directors</u>	<u>4</u>
<u>Chairman of the Board</u>	<u>4</u>
<u>Committees of the Board</u>	<u>5</u>
<u>Board Risk Oversight</u>	<u>7</u>
<u>Board Leadership Structure</u>	<u>7</u>
<b><u>SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT</u></b>	<b><u>9</u></b>
<b><u>PROPOSAL NO. 1 ELECTION OF DIRECTORS</u></b>	<b><u>11</u></b>
<u>Director Qualifications</u>	<u>11</u>
<b><u>DIRECTOR NOMINEES</u></b>	<b><u>12</u></b>
<b><u>COMPENSATION OF DIRECTORS</u></b>	<b><u>18</u></b>
<u>Director Compensation Table</u>	<u>18</u>
<u>Compensation Policy</u>	<u>18</u>
<b><u>EXECUTIVE OFFICERS</u></b>	<b><u>21</u></b>
<u>Biographical Information</u>	<u>20</u>
<b><u>COMPENSATION DISCUSSION AND ANALYSIS</u></b>	<b><u>22</u></b>
<u>Executive Summary</u>	<u>22</u>
<u>Executive Compensation Program Framework</u>	<u>24</u>
<u>Fiscal Year 2018 Executive Compensation Program</u>	<u>29</u>

<u>Other Compensation and Policies</u>	<u>36</u>
<u>Human Resources and Compensation Committee Report</u>	<u>38</u>
<b><u>COMPENSATION TABLES FOR NAMED EXECUTIVE OFFICERS</u></b>	<b><u>39</u></b>
<u>Summary Compensation Table</u>	<u>39</u>
<u>Grants of Plan Based Awards Table</u>	<u>40</u>
<u>Outstanding Equity Awards at Fiscal Year End Table</u>	<u>41</u>
<u>Stock Vested Table</u>	<u>42</u>
<u>Nonqualified Deferred Compensation</u>	<u>42</u>
<u>Pension Benefits</u>	<u>42</u>
<u>Post-Employment Benefits</u>	<u>43</u>
<b><u>CEO PAY RATIO</u></b>	<b><u>44</u></b>
<b><u>EQUITY COMPENSATION PLAN INFORMATION</u></b>	<b><u>45</u></b>
<b><u>RELATED PARTY TRANSACTIONS</u></b>	<b><u>45</u></b>
<b><u>PROPOSAL NO. 2 ADVISORY VOTE ON EXECUTIVE COMPENSATION</u></b>	<b><u>46</u></b>
<b><u>AUDIT COMMITTEE REPORT</u></b>	<b><u>47</u></b>
<b><u>INDEPENDENT AUDITOR FEES AND OTHER MATTERS</u></b>	<b><u>48</u></b>
<b><u>PROPOSAL NO. 3 RATIFICATION OF THE SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM</u></b>	<b><u>49</u></b>
<b><u>OTHER MATTERS</u></b>	<b><u>49</u></b>
<u>Section 16(a) Beneficial Ownership Reporting Compliance</u>	<u>49</u>
<u>Standards of Conduct</u>	<u>49</u>
<u>Stockholder Proposals and Recommendations For Director</u>	<u>49</u>
<u>Voting Results</u>	<u>50</u>
<u>Householding of Proxy Materials</u>	<u>50</u>
<u>Material Not Incorporated by Reference</u>	<u>50</u>
<u>Annual Report on Form 10-K</u>	<u>50</u>

## TABLE OF CONTENTS

### **BROOKS AUTOMATION, INC. PROXY STATEMENT FOR THE ANNUAL MEETING OF STOCKHOLDERS TO BE HELD ON JANUARY 30, 2019**

This proxy statement is furnished in connection with the solicitation of proxies by the Board of Directors (the Board of Directors or the Board) of Brooks Automation, Inc., a Delaware corporation (we, us, Brooks or the Company) use at the Annual Meeting of Stockholders to be held at the Four Seasons Hotel Boston, 200 Boylston Street, Boston, Massachusetts, 02116 on January 30, 2019, at 10:00 a.m., local time, and at any adjournment or adjournments thereof (the Annual Meeting).

We expect that this proxy statement and the accompanying proxy materials will first be made available to stockholders on or about December 14, 2018; on the same day, we will begin sending the Notice Regarding the Availability of Proxy Materials to all stockholders entitled to vote at the Annual Meeting.

**Our Annual Report on Form 10-K for the fiscal year ended September 30, 2018, as filed with the Securities and Exchange Commission (SEC), is included as the Annual Report to Stockholders being made available to our stockholders with this proxy statement. It is also available to stockholders without charge upon written request addressed to Investor Relations, Brooks Automation, Inc., 15 Elizabeth Drive, Chelmsford, Massachusetts 01824, which is the mailing address of the Company's principal executive offices, and, as noted below, it can also be obtained via the Internet. Exhibits will be provided upon written request and payment of an appropriate processing fee.**

## **GENERAL INFORMATION**

### **Record Date, Voting Rights and Outstanding Shares**

Only stockholders of record at the close of business on December 3, 2018 will be entitled to receive notice of, and to vote at, the Annual Meeting. As of that date, there were outstanding and entitled to vote 71,955,169 shares of our Common Stock, \$.01 par value (the Common Stock). Each stockholder is entitled to one vote for each share of Common Stock held of record on that date and may vote such shares either in person or by proxy. A list of the stockholders of record will be available at the Annual Meeting and during the 10 days prior to the Annual Meeting at our principal executive offices located at 15 Elizabeth Drive, Chelmsford, Massachusetts 01824.

### **Electronic Distribution**

This proxy statement, our Annual Report on Form 10-K for the fiscal year ended September 30, 2018 and the proxy card are available at: [www.proxyvote.com](http://www.proxyvote.com).

### **Solicitation**

The proxy relating to the Annual Meeting is solicited on behalf of our Board of Directors, and we will bear the cost of such solicitation. Our officers and regular employees may solicit proxies by correspondence, telephone or in person, without extra compensation. We may also pay to banks, brokers, nominees, certain other fiduciaries and institutions their reasonable expenses incurred in forwarding proxy material to the beneficial owners of the securities held by them and obtaining authority to execute proxies.

### **Quorum and Required Vote**

The holders of a majority of the outstanding shares of Common Stock entitled to vote, present in person or represented by proxy, will constitute a quorum at the Annual Meeting. Abstentions and broker non-votes will be counted for

purposes of determining the presence or absence of a quorum. Broker non-votes are shares held by brokers or nominees that are present in person or represented by proxy, but not voted on a particular matter because (i) instructions have not been received from the beneficial owner and (ii) the brokers do not have discretionary voting authority to vote on such matter or the broker chooses not to vote on a matter for which it does have discretionary voting authority. A broker may not vote on non-routine matters without receiving specific voting instructions from the beneficial owner.

***Broker discretionary voting***

If shares are held by a broker, the broker will ask the beneficial owner for instructions to vote the shares. If instructions are provided, the broker must vote the shares as directed. If instructions are not provided, the broker's ability to vote the shares depends on the proposal. At the Annual Meeting and any and all adjournments thereof, brokers may submit a vote on the ratification of the appointment of the independent registered accounting firm even if it does not receive instructions from the beneficial owner. For all other proposals,



## TABLE OF CONTENTS

### GENERAL INFORMATION

including the election of directors, matters related to executive compensation and the frequency of advisory votes on executive compensation, the broker may not vote unless the broker receives specific instructions from the beneficial owner. We urge each stockholder to provide instructions to its broker so that the stockholder's votes may be counted on these important matters.

#### ***Proposal No. 1: Election of Directors for a One-Year Term***

For the election of directors, you may either vote for a director or withhold your vote for such director. An affirmative vote of a plurality of votes properly cast, in person or by proxy, is required for the election of each of the nominees. Broker non-votes will have no effect on the voting outcome with respect to the election of directors.

#### ***Proposal No. 2: Advisory Vote on Executive Compensation***

For the advisory vote to approve executive compensation, you may either vote for, against or abstain. Although this proposal asks for a non-binding, advisory vote, we will consider an affirmative vote of a majority of the votes cast affirmatively or negatively as approval of Proposal No. 2. We value the opinions expressed by our stockholders in this advisory vote, and our Human Resources and Compensation Committee, which is responsible for overseeing and administering our executive compensation programs, will consider the outcome of the vote when designing our executive compensation programs and making future compensation decisions for our named executive officers. Abstentions and broker non-votes, if any, will not have any effect on the results of those deliberations.

#### ***Proposal No. 3: Ratification of the Company's Independent Registered Public Accounting Firm***

For the proposal to ratify the selection of PricewaterhouseCoopers LLP ( PwC ) as the Company's independent registered public accounting firm, you may either vote for, against or abstain. An affirmative vote of a majority of the votes cast affirmatively or negatively is required to approve Proposal No. 3. Abstentions will have no effect on the results of the vote on Proposal No. 3. We do not expect there will be any broker non-votes on this matter as the approval of Proposal No. 3 is considered to be routine and a broker or other nominee is generally empowered to vote on such routine proposals, however, if we do have any broker non-votes they will not affect the voting outcome.

### **Voting of Proxies**

#### ***General***

If your shares of Common Stock are registered directly in your name with our transfer agent, Computershare, Inc., you are considered the *stockholder of record, or record holder*, of those shares. In that case these proxy materials have been sent directly to you and you have the right with these proxy materials to grant your proxy directly to Brooks or to vote in person or by telephone or via the Internet as described below.

If your shares of Common Stock are held in a brokerage account (street name) or by another person on your behalf, you are considered to be the *beneficial owner* of those shares, and these proxy materials are being forwarded to you by your broker or other nominee together with a voting instruction card, and you are also invited to attend the Annual Meeting.

#### ***Proxies Without Voting Instructions***

Proxies that are properly submitted and dated but which do not contain voting instructions will be voted for the election of the nominees as directors described in this proxy statement, for the approval of the non-binding vote on executive compensation, and for the ratification of the selection of PwC as the Company's independent registered accounting firm for the 2019 fiscal year. If any other matters properly come before the Annual Meeting, proxies will be voted by the authorized proxies in accordance with their best judgment.

***Voting Shares held through Broker by Proxy***

If your shares of Common Stock are held by your broker, your broker will vote your shares for you if you provide instructions to your broker on how to vote your shares. You should follow the directions provided by your broker on a voting instruction card regarding how to instruct your broker to vote your shares. In the absence of such instructions, the broker will be able to vote your shares on matters with respect to which it has discretionary voting power, in this case only the ratification of the selection of PwC as the Company's independent registered public accounting firm for the 2019 fiscal year, but not with respect to the election of the 10 nominees for director or the advisory vote on executive compensation.

***Voting of Shares held through Broker in Person***

If your shares of Common Stock are held by your broker or other nominee and you wish to vote those shares in person at the Annual Meeting, you must obtain from the broker or other nominee holding your shares a properly executed legal proxy, identifying you as a stockholder, authorizing you to act on behalf of the broker or other nominee at the Annual Meeting and specifying the number of shares with respect to which the authorization is granted.

**2 BROOKS AUTOMATION – Proxy Statement**

## TABLE OF CONTENTS

### GENERAL INFORMATION

#### *Other Matters*

If you sign and return the enclosed proxy card or vote your shares over the telephone or via the Internet, you grant to the persons named in the proxy the authority to vote in their discretion on any other matters that may properly come before the Annual Meeting, including any adjournment or postponement thereof. Other matters that may be properly brought before the Annual Meeting, unless otherwise provided in our certificate of incorporation or by-laws or by statute, will be approved if they receive a majority of the votes properly cast on the matter. Our management does not presently know of any other matters to be brought before the Annual Meeting.

#### *Voting Procedures*

There are several ways in which you or your representative can vote your shares, as follows:

Stockholders of record may submit proxies by completing, signing and dating their proxy cards and mailing them in the accompanying pre-addressed envelope. Stockholders who are the beneficial owners of shares held in a brokerage account, or by another person on their behalf, may vote by mail by completing, signing and dating the voting instruction card provided by their broker, trustee or nominee and mailing it in the accompanying pre-addressed envelope.

Stockholders of record may submit proxies by telephone until 11:59 p.m. (Eastern Time) on January 29, 2019 for shares held directly and until 11:59 p.m. (Eastern Time) on January 27, 2019 for shares held in a Plan. The proxy card includes instructions on submitting proxies by telephone. Most stockholders who are the beneficial owners of shares held in a brokerage account, or by another person on their behalf, may vote by telephone by calling the number specified on the voting instruction card provided by their broker, trustee or nominee. Please see the voting instruction card for telephone voting availability.

Stockholders of record may submit proxies using the Internet until 11:59 p.m. (Eastern Time) on January 29, 2019 for shares held directly and until 11:59 p.m. (Eastern Time) on January 27, 2019 for shares held in a Plan by visiting [www.proxyvote.com](http://www.proxyvote.com). The proxy card includes instructions on submitting proxies using the Internet. Most stockholders who are the beneficial owners of shares held in a brokerage account, or by another person on their behalf, may vote using the Internet by following the instructions on the voting instruction card provided by their broker, trustee or nominee. Please see the voting instruction card for Internet voting availability.

#### **Revocation of Proxies**

Signing the enclosed proxy card or otherwise submitting one's proxy will not prevent a record holder from voting in person at the Annual Meeting or otherwise revoking the proxy. A record holder may revoke a proxy at any time before the Annual Meeting in the following ways:

- filing with our corporate secretary, before the vote at the Annual Meeting, a written notice of revocation bearing a later date than the proxy;
- authorizing a later dated proxy relating to the same shares and delivering it to us before the vote at the Annual Meeting; or
- attending the Annual Meeting and voting in person, although attendance at the meeting will not by itself constitute a revocation of the proxy.

Record holders should send any written notice of revocation or subsequent proxy to our corporate secretary at 15 Elizabeth Drive, Chelmsford, Massachusetts 01824, or hand deliver the notice of revocation or subsequent proxy to

our corporate secretary before the vote at the Annual Meeting.

**Proxy Materials Available via the Internet**

***Important Notice Regarding the Availability of Proxy Materials for the Stockholder Meeting to be Held on January 30, 2019***

Pursuant to rules adopted by the SEC, we have elected to provide access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials to our stockholders of record and beneficial owners, which will instruct you as to how you may access and review all of the proxy materials on the Internet. The Notice also instructs you as to how you may submit your proxy on the Internet. If you would like to receive a paper copy of our proxy materials, you should follow the instructions for requesting such materials in the Notice.

BROOKS AUTOMATION – *Proxy Statement* 3

## TABLE OF CONTENTS

### CORPORATE GOVERNANCE

### CORPORATE GOVERNANCE

#### **Board of Directors**

The Board of Directors has responsibility for establishing broad corporate policies and reviewing overall performance rather than day-to-day operations. The Board's primary responsibility is to oversee management and, in so doing, to serve the Company's and its stockholders' best interests. Management keeps the directors informed of our activities through regular written reports and presentations at Board and Committee meetings. The Board has adopted the Governance Policy that is publicly available on our website at [www.brooks.com](http://www.brooks.com). That policy calls for, among other things, the maintenance of Board leadership that is separate from the Company's executive leadership, whether that comes in the form of an independent chairman or an independent lead director. The independent chairman presides over the regularly held executive sessions of the Board, noted below, at which the chief executive officer is not present. Each director is required to stand for election annually.

The Board has assessed each of the 10 nominees for director against the SEC and the Nasdaq Stock Market standards for independence and determined that Messrs. Allen, Martin, Pond, and Woollacott, Professor Palepu, Dr. Rosenblatt and Dr. Wrighton, and Meses. Davis and Zane, nine of the 10 director nominees, meet the general definition of an independent director as defined by the Nasdaq Stock Market. The Board has further determined that all members of the Audit Committee (among others) meet the Nasdaq Stock Market's stricter definition of independence required for members of an Audit Committee, and determined that each member of the Audit Committee qualifies as an Audit Committee Financial Expert, except Dr. Rosenblatt.

The Board of Directors held eight meetings during the fiscal year ended September 30, 2018 and took action twice by written consent. Each current director attended at least 75% of the meetings of the Board of Directors and of committees of which he or she was a member held while he or she was a director during the last fiscal year. In connection with each of the Board's four regularly scheduled meetings, all non-employee members of the Board met in executive session without the chief executive officer being present.

The Board of Directors encourages stockholders to communicate with our senior management and directly with members of the Board of Directors on matters of concern related to our business and affairs. Stockholders who wish to communicate with members of the Board of Directors may do so by the following means:

- By telephone: (978) 262-4400
- By electronic mail: [Directors@Brooks.com](mailto:Directors@Brooks.com)  
By first class mail, overnight mail or courier:  
Brooks Board of Directors
- Brooks Automation, Inc.  
15 Elizabeth Drive  
Chelmsford, MA 01824
- By website: [www.brooks.com/company/investors/shareholder-feedback](http://www.brooks.com/company/investors/shareholder-feedback)

As a matter of policy, we encourage the directors to attend meetings of stockholders, in person or by telephone. All of the nominees for election as director, except for Dr. Rosenblatt, were directors at the time of the last stockholder meeting in January 2018, and all attended that meeting.

In accordance with our Governance Policy, members of the Board are encouraged to periodically attend formal continuing education programs for directors, with a recommended frequency of at least once every three years. The Company supports and encourages Board members to take advantage of director education opportunities. There are

many public company director educational venues available, and the Company believes that its Board members should keep current on the fast changing areas of corporate governance and related regulations. The Brooks Board members have participated in, and continue to attend, public company director education venues and many of our Board members hold professional director certifications earned by accumulating from 30 to 150 director education credit hours.

#### **Chairman of the Board**

The Board of Directors has elected Joseph R. Martin to serve as chairman of the Board. Under our By-Laws and Governance Policy, the chairman assists the chief executive officer in setting the agenda for meetings of the Board of Directors, presides over executive sessions of the Board and performs such other duties as the Board may assign.

4 BROOKS AUTOMATION – *2019 Proxy Statement*

TABLE OF CONTENTS

## CORPORATE GOVERNANCE

**Committees of the Board**

The Board currently has the following standing committees: an Audit Committee, an Executive Committee, a Finance Committee, a Human Resources and Compensation Committee, and a Nominating and Governance Committee. The following table sets out the Board Committees on which each member of the Board now serves, identifying as well the chair of each committee.

<b>Name of Director</b>	<b>Audit</b>	<b>Executive</b>	<b>Finance</b>	<b>HR &amp; Compensation</b>	<b>Nominating &amp; Governance</b>
<b><i>Non-Employee Directors:</i></b>					
A. Clinton Allen					
Robyn C. Davis					
Joseph R. Martin <sup>(1)</sup>					
John K. McGillicuddy					
Krishna G. Palepu					
Kirk P. Pond					
Michael Rosenblatt					
Alfred Woollacott, III					
Mark S. Wrighton					
Ellen Zane					
<b><i>Employee Director:</i></b>					
Stephen S. Schwartz					
<b>NUMBER OF MEETINGS IN FISCAL 2018</b>	<b>7</b>	<b>9</b>	<b>4</b>	<b>4</b>	<b>4</b>

(1) Chairman of the Board

Chairman Member  
***Audit Committee***

Under the provisions of the Audit Committee charter, the Audit Committee is responsible for the qualifications, independence, appointment, retention, compensation and evaluation of our independent registered public accounting firm and for assisting the Board of Directors in monitoring our financial reporting process, accounting functions, and internal control over financial reporting. It also is responsible for administering our Standards of Conduct and the oversight of whistle-blowing procedures, and certain other compliance matters.

A copy of the charter of the Audit Committee is publicly available on our website at [www.brooks.com](http://www.brooks.com). Under its charter, the Audit Committee must consist of not less than three directors, each of whom meets the stricter definition of independence for members of the Audit Committee under rules of the Nasdaq Stock Market. The Audit Committee currently is composed of Messrs. McGillicuddy (Co-Chair) and Woollacott (Co-Chair), Dr. Rosenblatt and Dr. Wrighton. Mr. Woollacott, Dr. Rosenblatt and Dr. Wrighton will each remain on the Committee during fiscal 2019, if reelected by the stockholders and Mr. Woollacott will become the sole Chair of the Committee. The Board of Directors has reviewed the qualifications of each member of the Committee and has determined that each of them meets that stricter definition of independence applicable to audit committee members and that Messrs. McGillicuddy and Woollacott and Dr. Wrighton each qualifies as an audit committee financial expert as the SEC defined that term in

Item 407 of Regulation S-K.

The Audit Committee met on seven occasions during fiscal year 2018 and took no action by written consent. Please also see the report of the Audit Committee set forth elsewhere in this proxy statement.

***Executive Committee***

The purpose of the Executive Committee is to: (i) permit action on behalf of the Board of Directors between meetings, particularly in those circumstances for which a timely response is required and full Board participation is not reasonably feasible; (ii) assess, review with management, and provide recommendations to the Board of Directors concerning our strategic planning process and the implementation of our strategic plans; and (iii) lead the process by which we and the Board of Directors conduct the ongoing assessment and management of the business risks we face. The Executive Committee may exercise the full powers of the Board when, in their reasoned judgment, the best interest of the Company requires prompt action incompatible with full Board participation, excepting those matters legally requiring the approval of the full Board. Whenever possible, the Executive Committee expects to seek prior full Board approval of limits within which it will exercise its discretion. The charter of the Executive Committee is publicly available on our

BROOKS AUTOMATION – 2019 Proxy Statement 5



## TABLE OF CONTENTS

### CORPORATE GOVERNANCE

website at [www.brooks.com](http://www.brooks.com). The Executive Committee has also been given the responsibility to act for the Board in providing guidance to management concerning the Company's strategic planning and implementation, as well as taking the lead for the Board in ensuring that the Company implements and employs the processes necessary to understand, address and manage the Company's business and enterprise risks. The Executive Committee is currently comprised of Messrs. Martin (Chair), McGillicuddy and Woollacott, Professor Palepu, Ms. Zane and Dr. Schwartz, each of whom, other than Mr. McGillicuddy, will remain on the Committee during fiscal 2019, if reelected by the stockholders. The Executive Committee met on nine occasions during fiscal year 2018 and took no action by written consent.

#### *Finance Committee*

The purpose of the Finance Committee is to assess and provide recommendations to the Board of Directors on the Company's capital structure, including financial strategies, policies, practices and transactions. Among other things, the Finance Committee recommends how to employ the Company's cash resources in the best interests of stockholders and assists the management and the Board in the consideration and review of possible strategic transactions. Its purposes do not include the evaluation of financial performance and controls delegated under the charter of the Audit Committee, nor does it preclude direct action by the Board on any issue if the Board so chooses. The charter of the Finance Committee is publicly available on our website at [www.brooks.com](http://www.brooks.com). The Committee is comprised of Messrs. Allen (Chair), Pond and Woollacott, Ms. Davis, Professor Palepu and Dr. Wrighton, each of whom will remain on the Committee during fiscal 2019, if reelected by the stockholders, and each of whom meets the definition of an independent director. The Finance Committee met on four occasions during fiscal year 2018 and took no action by written consent.

#### *Human Resources and Compensation Committee*

The Human Resources and Compensation Committee has overall responsibility for our executive compensation philosophy, evaluates and approves executive compensation including cash bonuses to be issued pursuant to the Company's Performance-Based Variable Compensation Plan, assists the Board in the discharge of its responsibilities with respect to executive compensation and develops the leadership capabilities of our executives. The Committee is responsible for the annual compilation of the Chief Executive Officer's strategic performance objectives and manages his/her annual performance assessment and feedback. Additionally, the Committee is responsible for planning the succession process for the Chief Executive Officer and the executive staff. It also has been delegated the authority to supervise the administration of our stock plans, and it is required to review and approve the incorporation of our compensation discussion and analysis report in this proxy statement in accordance with SEC rules. The Human Resources and Compensation Committee also approves all grants to employees under our stock plans and recommends the ratification of those grants by the full Board of Directors. Actual grants under those plans must be approved by the full Board as well as the Committee as set forth in the Governance Policy. The Human Resources and Compensation Committee is authorized to retain independent advisors to assist it in fulfilling its responsibilities. Under its charter and the requirements of the Nasdaq Stock Market, the Human Resources and Compensation Committee must consist of at least three directors, each of whom satisfies certain requirements of the securities and other laws and satisfies the independence requirements of the Nasdaq Stock Market. The charter of the Committee is publicly available on our website at [www.brooks.com](http://www.brooks.com). The Human Resources and Compensation Committee is currently comprised of Ms. Zane (Chair), Mr. Pond and Ms. Davis, each of whom will remain on the Committee during fiscal 2019, if reelected by the stockholders. Each of these Committee members meets the definition of an independent director and the other requirements for membership.

The Human Resources and Compensation Committee met on four occasions during fiscal year 2018 and took no action by written consent.

Please see also the report of the Human Resources and Compensation Committee set forth elsewhere in this proxy statement.

***Human Resources and Compensation Committee Interlocks and Insider Participation***

None of the members of the Human Resources and Compensation Committee is or was formerly an officer or employee of the Company, and no executive officer serves on the board of directors of any company at which any of the Human Resources and Compensation Committee members is employed.

***Nominating and Governance Committee***

The purpose of the Nominating and Governance Committee is to: (i) identify, review and evaluate candidates to serve as directors; (ii) serve as a focal point for communication between such candidates, the Board of Directors and our management; (iii) make recommendations to the full Board with respect to Board candidates to be elected by the stockholders or appointed by the Board; (iv) evaluate and make recommendations to the Board on a set of corporate governance and ethics principles; (v) periodically review and evaluate our governance and ethics policies and guidelines; (vi) evaluate and make recommendations to the Board concerning the structure, responsibilities and operation of the Committees of the Board; (vii) make recommendations to the Board concerning Board meeting policies; and (viii) make recommendations to the Board concerning the compensation of members of the Board and any Committees of the Board.

Under its charter, as supplemented by the rules of the Nasdaq Stock Market, the Nominating and Governance Committee must consist of not less than three members, each of whom satisfies the independence requirements of the Nasdaq Stock Market. A copy of the

## TABLE OF CONTENTS

### CORPORATE GOVERNANCE

charter of the Nominating and Governance Committee is publicly available on our website at [www.brooks.com](http://www.brooks.com). The members of the Committee are Professor Palepu (Chair), Messrs. Allen, Martin, and McGillicuddy and Ms. Zane, each of whom, except for Mr. McGillicuddy, will remain on the Committee during fiscal 2019, if reelected by the stockholders, and each of whom meets the definition of an independent director.

The Nominating and Corporate Governance Committee is responsible for identifying candidates to serve as directors, whether such directorships are filled by the Board or by stockholders. The Committee may consider nominees recommended by stockholders and other sources, such as directors, third-party search firms or other appropriate sources. In evaluating candidates the Committee seeks the strength that is derived from a variety of experiences among board members, embracing the criteria and qualifications set forth in the Committee's charter, which include personal integrity, sound business judgment, business and professional skills and experience, independence (as defined under SEC and Nasdaq rules), potential conflicts of interest, proven leadership and management experience as chief executive officer or chairman of a public company or other large, complex organization, diversity, expertise resulting from significant academic or research activities, and experience on one or more boards of significant public, private, or non-profit organizations, the extent to which a candidate would fill a present need, and concern for the long-term interests of stockholders. In any particular situation, the Committee may focus on persons possessing a particular background, experience or qualifications, which the Committee believes would be important to enhance the effectiveness of the Board. It is the practice of the Nominating and Governance Committee in nominating and evaluating candidates for the Board to take into account their ability to contribute to the experience represented on the Board. The evaluation process for stockholder recommendations is the same as for candidates from any other source. If stockholders wish to recommend a candidate for director for election at the 2020 annual meeting of stockholders, they must follow the procedures described in Other Matters-Stockholder Proposals and Recommendations For Director.

The Committee also initiates and administers the Board's annual self-evaluation and performance review process. This annual process is initiated by each Board member being sent a written questionnaire dealing with a variety of elements of the governance process, including the Board's structure, its effectiveness in carrying out key responsibilities, the quality and efficiency of the meeting processes of the Board and its Committees, the responsibilities and effectiveness of the Board's Committees, and, more generally, Board members' overall analysis and comments concerning the effectiveness of the Board, its processes and the quality of its deliberations. After these questionnaires are completed and returned, the chairman of the Nominating and Governance Committee conducts individual interviews with each Board member in order to understand fully the perceptions and analysis of each director. The chairman then presents the information that has been collected through these processes to the Nominating and Governance Committee and then, following that discussion, presents observations and recommendations to the full Board for discussion and such action as the Board determines to be appropriate. The Board views these activities as part of its overall process of on-going self-evaluation and continuous improvement.

The Nominating and Governance Committee met on four occasions during fiscal year 2018 and took no action by written consent.

### **Board Risk Oversight**

Management is responsible for the day-to-day management of risks the Company faces, while the Board of Directors, as a whole and through its committees, has the ultimate responsibility for the oversight of risk management. The Board has delegated to the Executive Committee responsibility to ensure that the Board and management implement and regularly employ the processes necessary to understand, address and manage the Company's business risks. The Executive Committee is authorized to delegate this responsibility to other Committees of the Board with respect to

specific areas of business risk where the Executive Committee deems this to be appropriate. Periodically, working initially through the Audit Committee, management and the Board jointly develop and/or review a list of important risks that the Company prioritizes. These are reviewed during the year by management and by the Board and the committees to which the Executive Committee has delegated specific areas of responsibility.

The Board's risk oversight processes build upon management's regular risk assessment and mitigation processes, which include standardized reviews conducted with members of management across and throughout the Company in areas such as financial and management controls, strategic and operational planning, regulatory compliance, environmental compliance and health and safety processes. The results of these reviews are then discussed and analyzed at the most senior level of management, which assesses both the level of risk posed in these areas and the likelihood of their occurrence, coupled with planning for the mitigation of such risks and occurrences.

Following this senior management level assessment, the Executive Committee is then tasked to drive the risk assessment process at the Board level and to ensure that mitigation and corrective actions are being taken where appropriate.

### **Board Leadership Structure**

The Company's Governance Policy, as set out on the Company's corporate web site under [Investors](#) and [Corporate Governance](#), provides that there will always be independent leadership of the Board. In accordance with the Policy, the Board may select the chief executive officer to also serve as Board chairman, but its current practice is to have an independent director serve as chairman. The

TABLE OF CONTENTS

CORPORATE GOVERNANCE

Policy also makes clear that in the event that the same person serves as chief executive officer and chairman, the Board shall select a lead independent director who shall be responsible for chairing meetings of the independent directors in addition to any other responsibilities designated by the Board. Under this separation of responsibilities, an independent director will always be in a position of Board leadership.

The chairman is responsible for collaborating with the chief executive officer in setting Board agendas. The Company's Governance Policy also provides that The independent directors of the board shall meet in executive session (separate from any inside directors) on a regular basis, at least as frequently as may be required by applicable Nasdaq or SEC rule or regulation. It has been the consistent practice of the chairman to conduct such meetings of independent directors at each in-person meeting of the Board of Directors.

In addition, under the Governance Policy, the chairman (with the assistance of the Company Secretary) shall (1) be primarily responsible for monitoring communications from stockholders and (2) provide copies or summaries of such communications to the other directors as he or she considers appropriate.

Brooks' separation of the roles of chief executive officer and chairman of the Board of Directors continues to offer benefits including the following:

- the independent oversight of the Company is enhanced;
- the objectivity of the Board's evaluation of the chief executive officer is increased;
- having a non-executive chairman provides an independent spokesman for the Company;
- the chief executive officer has the benefit of a fully independent and experienced board; and
  - the Board can provide a fully independent and objective assessment of risk.

TABLE OF CONTENTS

## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

**SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth information as of November 30, 2018 with respect to the beneficial ownership of Common Stock by each current director and each executive officer named below in the Summary Compensation Table under Compensation Tables for Named Executive Officers-Summary Compensation Table, who we refer to as the named executive officers, all current executive officers and directors as a group, and each person known by us to be the beneficial owner of 5% or more of the Common Stock. Except as indicated below, this information is based upon information received from, on behalf of or filed with the SEC by the named individuals.

Name	Shares of Common Stock Beneficially Owned <sup>(1)</sup>	Percentage of Class <sup>(2)</sup>
<b><i>Named Executive Officers and Current Directors:</i></b>		
Stephen S. Schwartz	470,961	*
Lindon G. Robertson	118,281	*
Maurice H. Tenney III	129,211	*
David E. Jarzynka	73,063	*
David C. Gray	53,274	*
A. Clinton Allen <sup>(3)</sup>	101,889	*
Robyn C. Davis <sup>(4)</sup>	29,868	*
Joseph R. Martin	85,468	*
John K. McGillicuddy <sup>(5)</sup>	88,220	*
Krishna G. Palepu	91,243	*
Kirk P. Pond <sup>(6)</sup>	92,714	*
Michael Rosenblatt	1,018	*
Alfred Woollacott, III	85,058	*
Mark S. Wrighton	102,722	*
Ellen M. Zane	45,750	*
All directors and current executive officers as a group (17 persons) <sup>(3)(4)(5)(6)(7)</sup>	1,769,150	2.45 %
<b><i>Five Percent Owners:</i></b>		
BlackRock, Inc., 40 East 52 <sup>nd</sup> Street, New York, NY 10022 <sup>(8)</sup>	8,943,161	12.4 %
The Vanguard Group, Inc., 100 Vanguard Boulevard, Malvern, PA 19355 <sup>(9)</sup>	7,056,228	9.80 %
Dimensional Fund Advisors LP, Palisades West, Building One 6300 Bee Cave Road, Austin, Texas 78746 <sup>(10)</sup>	4,920,279	6.83 %

\* Less than one percent.

To our knowledge, the persons named in this table have sole voting and investment power with respect to all shares of Common Stock shown as beneficially owned by them, subject to community property laws where (1) applicable and except as indicated in the other footnotes to this table. In addition, shares indicated as beneficially owned by officers and directors include restricted stock over which the officer or director has voting power but no investment power and any restricted stock units which would vest within 60 days of November 30, 2018.

- (2) As of November 30, 2018 there were 71,955,169 shares of our Common Stock outstanding.
- (3) Includes 18,700 shares held by a relative of Mr. Allen, over which he has no voting rights, as well as 7,926 shares issued as restricted stock units that have been deferred until separation from his service as a Brooks director.
- (4) Includes 22,734 shares issued to Ms. Davis issued as restricted stock units that have been deferred until separation from her service as a Brooks director.
- (5) Includes 78,720 shares issued to Mr. McGillicuddy issued as restricted stock units that have been deferred until separation from his service as a Brooks director.

TABLE OF CONTENTS

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

- (6) Includes 43,569 shares issued to Mr. Pond issued as restricted stock units that have been deferred until separation from his service as a Brooks director.
- (7) Includes 200,110 shares held in the aggregate by executive officers other than the Named Executive Officers. Based upon the most recent amendment to Schedule 13G filed by BlackRock, Inc. with the SEC on January 18, 2018, as of December 31, 2017, BlackRock, Inc. and the subsidiaries listed therein had sole voting power over 8,759,569 shares and sole dispositive power over 8,943,161 shares.
- (8) Based upon the most recent amendment to Schedule 13G filed by The Vanguard Group, Inc. with the SEC on October 10, 2018, as of September 28, 2018, the Vanguard Group, Inc. and certain of its subsidiaries had sole voting power over 144,710 shares, shared voting power over 14,045 shares, sole dispositive power over 7,056,228 shares, and shared dispositive power over 152,125 shares.
- (9) Based upon the most recent amendment to Schedule 13G filed by Dimensional Fund Advisors LP with the SEC on February 9, 2018, as of December 31, 2017, Dimensional Fund Advisors LP had sole voting power over 4,746,753 shares and sole dispositive power over 4,920,279 shares.
- (10)

10 BROOKS AUTOMATION – 2019 Proxy Statement



TABLE OF CONTENTS

PROPOSAL NO. 1 ELECTION OF DIRECTORS

**PROPOSAL NO. 1 ELECTION OF DIRECTORS**

At the 2019 Annual Meeting, 10 directors are to be elected to serve until the 2020 annual meeting of stockholders and until their successors have been duly elected and qualified. The nominees for election at the 2019 Annual Meeting are listed on the following pages with brief biographies. They are all currently Brooks directors. John K. McGillicuddy, a current director, informed the Company that, in consideration of the Company's guideline retirement age of 75, he did not wish to stand for re-election and therefore is not a nominee for election at the Annual Meeting. There is no nominee to fill Mr. McGillicuddy's seat at this election. Therefore, upon the completion of the election of directors at the Annual Meeting, the size of the Board will be reduced to 10 members.

**Director Qualifications**

In its Governance Policy and in the charter of the Nominating and Governance Committee, the Board has set out both broadly and in specific terms the qualifications sought when considering non-employee director candidates. At the highest level, as set out in the Board's Governance Policy, these include a high degree of business experience, the consistent exercise of the highest ethical standards, and a continuing commitment to the best practices of corporate governance. The Board and the Nominating and Governance Committee also assess a candidate's independence as defined under SEC and Nasdaq rules. The emphasis throughout the process of identifying, nominating and evaluating candidates for the Board and members of the Board following their election is to produce a group of directors that function effectively as a leadership team. It is considered important not only to bring together directors with a variety of skills in diverse areas, but also to ensure that those directors function well together. Within this framework, the charter of the Nominating and Governance Committee includes specific criteria as essential in helping to ensure that the Board possesses the strength that is derived from having a variety of appropriate skills and experience. Those criteria are: proven leadership and management experience as chief executive officer or chairman of a public company or other large, complex organization; financial expertise; experience in technology, manufacturing or marketing; international background; diversity; expertise resulting from significant academic or research activities; and experience on one or more boards of significant public, private or non-profit organizations. It is the practice of the Nominating and Governance Committee and the Board in nominating and evaluating candidates for the Board to take into account the overall experience represented on the Board, all as part of the process of endeavoring to ensure that the Board functions at all times as an effective team. The Nominating and Governance Committee and the full Board review their effectiveness in balancing these considerations when assessing the composition of the Board.

While the Board has not adopted a formal policy concerning diversity, it does believe, as noted above, that it must take advantage of the strength derived from having a variety of skills, experience and unique individual backgrounds represented among its members. The Brooks Board is composed of a diverse group of leaders in their respective fields. Many of the current directors have leadership experience at major domestic and international companies with operations inside and outside the United States, as well as experience on other companies' boards, which provides an understanding of different business processes, challenges and strategies. In some cases they have occupied chief executive officer and other leadership roles in internationally focused companies or institutions in the markets that Brooks serves or related markets. Other directors have experience as professors and leaders at internationally recognized academic institutions or as accounting professionals operating at the highest level of the independent accounting profession, each of whom brings unique perspectives to the Board.

An affirmative vote of a plurality of votes properly cast, in person or by proxy, is required for the election of each of the nominees. Broker non-votes will have no effect on the voting outcome with respect to the election of directors.

**Our Board of Directors Recommends a Vote FOR Each Nominee for Director**

BROOKS AUTOMATION – *Proxy Statement* 11

TABLE OF CONTENTS

DIRECTOR NOMINEES

**DIRECTOR NOMINEES**

**Information on Nominees**

Following is certain information with respect to the 10 nominees, in each case setting forth the particular experience, qualifications, attributes and skills of each director nominee that led the Board to conclude that such person should serve as a director of Brooks.

**A. Clinton Allen**

**Director Since** October 2003

**Age** 74

**Nominee Information**

Mr. Allen is chairman and chief executive officer of A.C. Allen & Company, an investment banking consulting firm, and principal of the American College of Corporate Directors, an organization that provides educational and other services to public company directors, chief executive officers and corporate counsel. From 1989 to 2002, Mr. Allen served as vice chairman of the board of Psychemedics Corporation, a biotechnology company with a proprietary drug testing product, and as chairman of the board of Psychemedics from 2002 to 2003. Mr. Allen rejoined the board of Psychemedics in 2015. Mr. Allen is currently the non-executive chairman and a director of Collectors Universe, Inc., a third-party authentication and grading service for high-value collectibles. He also serves as lead director of LKQ Corporation, a supplier of recycled OEM automotive parts. Mr. Allen holds an Executive Master Professional Director Certification from the American College of Corporate Directors.

**Qualifications**

The Board of Directors has concluded that Mr. Allen should continue to serve as a director of the Company because of his broad-based investment banking and financial market expertise, which enables him to provide the Company and the Board with valuable insights in both merger and acquisition analysis and in the approach to capital markets generally, as well as his leadership experience serving as chairman and director for diverse publicly traded companies.

**Robyn C. Davis**

**Director Since** June 2013

**Age** 57

**Nominee Information**

Ms. Davis has been managing director of AngelHealthcare Investors, LLC, an early-stage private equity investment group focused on medical devices, life sciences and specialty pharmaceutical companies, since 2000. Prior to AngelHealthcare, Ms. Davis was a director of the merchant banking services

practices for Barents Group, LLC, and a strategy consultant at Bain & Company. Ms. Davis currently serves as a director of SC Repco, Inc., a privately-held company that represents the interests of the former shareholders of Smart Cells, Inc., which was acquired by Merck & Co. in 2010. Ms. Davis also serves as a director of two early-stage, privately-held healthcare companies, Akston Bioscience Corporation and CRA Health, LLC. Ms. Davis holds an Executive Masters Professional Director Certification from the American College of Corporate Directors.

**Qualifications**

The Board of Directors has concluded that Ms. Davis should continue to serve as a director of the Company because of her extensive business experience, particularly with early stage life sciences companies, and her banking and finance expertise.

TABLE OF CONTENTS

DIRECTOR NOMINEES

**Joseph R. Martin**

**Director Since June 2001**

**Age 71**

**Nominee Information**

Mr. Martin has been chairman of the Board since May 2006. Mr. Martin served as executive vice president and chief financial officer, and later senior executive vice president, and then as member of Office of the Chairman of Fairchild Semiconductor International, Inc., a supplier of power semiconductors, from June 1996 to May 2004. He served as the vice chairman of Fairchild's board of directors from 2003 until his retirement in June 2005. Mr. Martin is a member of the board of directors of Collectors Universe, Inc., a publicly traded company that provides third-party authentication and grading service for high-value collectibles, and of Bionik Laboratories Corp. a publicly traded medical device and robotics company focused on developing transformational technologies and solutions for individuals with neurological disorders. He is also a member of the board of directors of Sanken North America, Inc., a privately-held company that owns both Polar Semiconductor, LLC, a wafer fabrication facility, and Allegro MicroSystems, LLC, which manufactures high-performance power and sensing semiconductors. Mr. Martin also serves as a trustee of Embry-Riddle Aeronautical University. Mr. Martin previously served as a director of SynQor, Incorporated, a manufacturer of power converters, until March 2014 and Soitec, Inc., a semiconductor wafer processing company, until July 2017. Mr. Martin holds an Executive Master Professional Director Certification from the American College of Corporate Directors.

**Qualifications**

The Board of Directors has concluded that Mr. Martin should continue to serve as a director of the Company because of his extensive industry and finance experience over more than 30 years in the semiconductor industry as chief financial officer and vice chairman of the board of directors of a multinational public semiconductor company, combined with the leadership that he has provided as Brooks' chairman since 2006. The Board of Directors regards Mr. Martin's experience as invaluable to the operation of the Board and the financial success of the Company.

TABLE OF CONTENTS

DIRECTOR NOMINEES

**Krishna G. Palepu**

**Director Since** November 2005

**Age** 64

**Nominee Information**

Professor Palepu is the Ross Graham Walker Professor of Business Administration and senior advisor to the president of Harvard University. Among his other responsibilities at Harvard Business School, Professor Palepu teaches in several different corporate governance educational programs. Prior to assuming his current administrative position, Professor Palepu held other positions at Harvard Business School since January 1983, including Senior Associate Dean for International Development and Senior Associate Dean for Research. Professor Palepu was formerly a member of the board of directors of Dr. Reddy's Laboratories Ltd., an Indian global pharmaceuticals company, from 2002 until 2009, and PolyMedica Corp, a Massachusetts provider of diabetes testing supplies and products, from June 2006 until it was sold in August 2007. Professor Palepu also serves as a trustee of The Winsor School. Professor Palepu was also formerly a member of the board of directors of BTM Corporation, a privately-owned management solutions provider focused on converging business with technology, and Satyam Computer Services Limited ( Satyam ), an Indian company whose shares were publicly traded in India and on the New York Stock Exchange. In December 2008, Professor Palepu resigned from the board of Satyam. Following his resignation, Satyam has been the subject of significant litigation, a portion of which has included Professor Palepu as a named defendant. For a full discussion of the Satyam litigation as it relates to Professor Palepu, please see the section titled Pending Legal Matters below. Professor Palepu holds a Master Professional Director Certification from the American College of Corporate Directors.

**Qualifications**

The Board of Directors has evaluated the matters pertaining to the Satyam litigation as it relates to Professor Palepu, including a re-evaluation after the December 2014 court decision, and concluded that Professor Palepu should continue to serve as a director of the Company because of the depth of the strategic, marketing, financial and technology insights that he provides arising out of his service as a professor at an internationally esteemed business school and his expertise in corporate governance, as well as the global and culturally diverse perspective afforded by his international background.

**Kirk P. Pond**

**Director Since** November 2007

**Age** 74

**Nominee Information**

Mr. Pond was the president and chief executive officer of Fairchild Semiconductor International, Inc., from June 1996 until May 2005. He served

as the chairman of Fairchild's board of directors from 1997 until June 2006. Prior to Fairchild Semiconductor's separation from National Semiconductor, Mr. Pond held several executive positions with National Semiconductor, including executive vice president, chief operating officer and in the office of the president. Prior to that, Mr. Pond was executive vice president of Timex, Inc. and vice president of Texas Instruments, Inc. Mr. Pond served as a member of the board of directors of the Federal Reserve Bank of Boston from January 2004 until January 2007 and since 2005 has been a director of WEX Inc., a leading provider of corporate payment solutions. Mr. Pond also has been a director of Sensata Technologies Holding (NV), a sensor and electrical protection device manufacturer, since March 2011 and has served on the advisory board of the University of Arkansas Engineering School since 1987.

**Qualifications**

The Board of Directors has concluded that Mr. Pond should continue to serve as a director of the Company in order to receive the continuing advantage both of his leadership experience as chief executive officer of a successful public company in the semiconductor industry and his generally broad background in technology, semiconductor manufacturing, global marketing and finance in both the public and private sectors.

TABLE OF CONTENTS

DIRECTOR NOMINEES

**Michael Rosenblatt**

**Director Since** September 2018

**Age** 71

**Nominee Information**

Dr. Rosenblatt currently serves as Chief Medical Officer of Flagship Pioneering, a Cambridge, Massachusetts-based firm that originates new biotech companies. Prior to Flagship Pioneering, from 2009 through 2016, he was Executive Vice President and Chief Medical Officer of Merck & Co., Inc., and prior to that he held various academic positions, including as Dean of Tufts University School of Medicine and the Robert Ebert Professor of Molecular Medicine and George R. Minot Professor at Harvard Medical School. Since 2015 Dr. Rosenblatt has been on the board of Rubius Therapeutics, a publicly traded company using advanced cellular approaches that harness properties of red blood cells to generate novel therapies. He has been a director of the following privately owned companies since 2016: Flagship Pioneering's Cobalt Biomedicine, Cygnal Therapeutics, and Ohana Biosciences, and Ferring's USA subsidiary. Dr. Rosenblatt is a member of the Harvard Medical School Board of Fellows, and the research advisory committees of Massachusetts General, Brigham and Women's, and Boston Children's hospitals.

**Qualifications**

The Board has concluded that Dr. Rosenblatt should continue to serve as a director of the Corporation because of his leadership and executive experience in the biotechnology industry, including as the chief medical officer of a major pharmaceutical company and a substantial life sciences venture capital firm, his board-level experience as a founding scientist, scientific advisory board member, or director of more than a dozen biopharmaceutical companies, his academic leadership experience as a dean and professor at prestigious medical schools, and his extensive expertise in drug discovery and medical research.

**Stephen S. Schwartz**

**Director Since** August 2010

**Age** 59

**Nominee Information**

Dr. Schwartz joined Brooks in April 2010 as president and continued to serve as such until August 2013. He was re-appointed president in May 2016. On October 1, 2010, he became chief executive officer and continues to serve in that role. Dr. Schwartz had previously served, from August 2002 until April 20, 2009, as chief executive officer and a director of Asyst Technologies, Inc., a manufacturer of integrated hardware and software automation systems primarily directed at the semiconductor manufacturing industry. He joined Asyst in January 2001 as senior vice president, Product Groups and Operations and was elected chairman of Asyst in January 2003. Asyst filed for bankruptcy protection under Chapter 11 of the United States bankruptcy act on April 24, 2009, and Asyst's assets have since been liquidated. Prior to joining Asyst, Dr. Schwartz had served since 1987 in various capacities with Applied Materials,



Inc., including acting as general manager for Applied Material's service business and president of Consilium, Inc., an Applied Materials software subsidiary. Since November 2018, Dr. Schwartz has served on the board of directors of Spire Inc., a publicly traded natural gas company.

**Qualifications**

The Board of Directors has concluded that Dr. Schwartz should continue to serve as a director of the Company because of the depth of industry, marketing and management experience that he brings as former chief executive officer of a company in the automation manufacturing space, as well as the fact that he is the Company's president and chief executive officer, thereby bringing to the Board his insight and experience with the daily business of the Company and its customers, employees and other stakeholders.

TABLE OF CONTENTS

DIRECTOR NOMINEES

**Alfred Woollacott, III**

**Director Since** October 2005

**Age** 72

**Nominee Information**

Mr. Woollacott became a director following the Company's acquisition of Helix Technology Corporation in October 2005. Mr. Woollacott is a certified public accountant and was a partner with the accounting firm of KPMG LLP from 1979 until his retirement in September 2002. He is currently a board member of the William H. Hart Realty Company, Inc. and the Hart Haven Community Association. Mr. Woollacott also served, until 2010, as a director of Greencore U.S. Holdings, a wholly-owned subsidiary of Greencore Group PLC, an Irish corporation listed on the Irish Stock Exchange, which is an international manufacturer of convenience foods and ingredients. Mr. Woollacott holds an Executive Master Professional Director Certification from the American College of Corporate Directors.

**Qualifications**

The Board of Directors has concluded that Mr. Woollacott should continue to serve as a director of the Company because of his financial background and expertise gained through his career as partner of a large, international public accounting firm, as well as his experience on the board of an international company.

**Mark S. Wrighton**

**Director Since** October 2005

**Age** 69

**Nominee Information**

Dr. Wrighton became a director following the Company's acquisition of Helix Technology Corporation in October 2005. Dr. Wrighton has been chancellor of Washington University in St. Louis since July 1995. Dr. Wrighton also serves as a director of Cabot Corporation, a chemical manufacturer, and of Corning Incorporated, a manufacturer of specialty glass and ceramics. He previously served as a director of A.G. Edwards, Inc., a financial services company, until 2007, and he previously served as a director of Akermin, Inc, a private company that ceased operations in 2017. Since 1995 Dr. Wrighton has served as Chancellor and Professor of Chemistry at Washington University in St. Louis, following a 23-year tenure at MIT, first as a faculty member in chemistry and for the last five years as Provost and Professor of Chemistry.

**Qualifications**

The Board of Directors has concluded that Dr. Wrighton should continue to serve as a director of the Company because of his leadership and financial experience gained as the lead executive of an esteemed, large university, as well as his extensive experience as a member of the board for large, technology focused public companies in the manufacturing and financial sectors and his technology experience as a scientist.

16 BROOKS AUTOMATION – *Proxy Statement*

TABLE OF CONTENTS

DIRECTOR NOMINEES

**Ellen M. Zane**

**Director Since** May 2012

**Age** 67

**Nominee Information**

Ms. Zane is serving as CEO Emeritus and vice chair of the board of trustees at Tufts Medical Center & Floating Hospital for Children, and from 2004 to 2011, she served as its president and chief executive officer. From May 1994 to January 2004, Ms. Zane served as Network President for Partners Healthcare System, a physician/hospital network sponsored by the Harvard affiliated Massachusetts General Hospital and Brigham and Women's Hospital. Prior to 2004, Ms. Zane served as chief executive officer of Quincy Hospital in Quincy, Massachusetts. Ms. Zane is also currently a member of the board of directors at Boston Scientific Corporation, a publicly traded worldwide medical devices provider, Haemonetics Corporation, a publicly traded worldwide medical devices provider since January 2018 and previously from 2012 to 2016, Fiduciary Trust Company, a privately owned wealth management company, AgNovos Healthcare, LLC a privately-held medical device company, focused on bone health, and nThrive, a privately owned healthcare revenue cycle management company . Ms. Zane previously served as a director of Lincare Holdings Inc. until August 2012, Press Ganey until October 2016, Century Capital Management until June of 2017 and Parexel International Corporation until September 2017. Ms. Zane holds a Professional Director Certification from the American College of Corporate Directors.

**Qualifications**

The Board of Directors has concluded that Ms. Zane should continue to serve as a director of the Company because of her executive experience in the health care industry, including as the chief executive officer of a large medical center, in addition to her substantial experience as a director at other public companies.

**Pending Legal Matters**

In January 2009, the chairman of Satyam Computer Services disclosed a series of fraudulent transactions that resulted in an overstatement of Satyam's assets and revenue. As a result of subsequent investigations by the Special Fraud Investigation Office ( SFIO ), an investigative agency of the Indian government, various proceedings were brought in India in 2009 against Satyam involving allegations of fraud, substantial overstatements of revenues, profits and assets, as well as violations of sections of India's criminal and corporate statutes. SFIO produced a report relating to these matters alleging a series of violations of the Companies Act, 1956, of India (the Companies Act ) by the former directors of Satyam. In December 2009, SFIO filed complaints with respect to two of these allegations naming Professor Palepu and other Satyam directors. These complaints relate to Satyam's alleged failure to properly identify highly paid employees in reports required by the Companies Act and failure to obtain prior approval from the government of India for consulting fees paid to Professor Palepu even though such fees were approved by Satyam's shareholders. In December 2014, the court in India hearing the complaints filed by SFIO issued its decision finding that Satyam violated the applicable provisions of the Companies Act and ordered each Satyam director, including Professor Palepu, to pay a fine of 20,000 Rupees (approximately \$285) for the failure of Satyam to file reports

identifying highly paid employees. In addition, the court found that Satyam violated the Companies Act by failing to obtain governmental approval of the consulting fees paid to Professor Palepu and ordered Professor Palepu to pay a fine of 500,000 Rupees (approximately \$7,000) and return the consulting fees previously paid to him in the amount of 26,600,000 Rupees (approximately \$376,000). Professor Palepu has appealed the decision with respect to both allegations, and he has informed the Board of Directors that he believes the allegations lack merit and that he intends to continue to assert his defenses vigorously.

Professor Palepu has also been named as a respondent to a petition brought in January 2009 before the Company Law Board of the Indian government and another petition filed in a civil court in January 2009 by Mahindra Satyam, successor to Satyam, both arising out of the same facts. The civil court petition is seeking 2.67 billion Rupees (approximately \$37.6 million) in damages. Both of these actions are still pending.

TABLE OF CONTENTS

## COMPENSATION OF DIRECTORS

## COMPENSATION OF DIRECTORS

The following table sets forth the total compensation paid or accrued during the fiscal year ended September 30, 2018 to each of our non-employee directors.

**Director Compensation Table***Fiscal Year 2018*

<b>Name</b>	<b>Fees Earned or Paid in cash</b>	<b>Stock Awards<sup>(1)</sup></b>	<b>Total</b>
Joseph R. Martin	\$ 140,000	\$ 130,012	\$ 270,012
Ellen M. Zane	\$ 120,000	\$ 90,016	\$ 210,016
John K. McGillicuddy	\$ 112,500	\$ 90,016 <sup>(2)</sup>	\$ 202,516
Krishna G. Palepu	\$ 105,000	\$ 90,016	\$ 195,016
Alfred Woollacott, III	\$ 102,500	\$ 90,016	\$ 192,516
A. Clinton Allen	\$ 100,000	\$ 90,016	\$ 190,016
Robyn C. Davis	\$ 95,000	\$ 90,016	\$ 185,016
Kirk P. Pond	\$ 95,000	\$ 90,016 <sup>(3)</sup>	\$ 185,016
Mark S. Wrighton	\$ 95,000	\$ 90,016	\$ 185,016
Michael Rosenblatt	\$ 0	\$ 36,740 <sup>(4)</sup>	\$ 36,740

Dr. Schwartz is not included here, having only received compensation as an employee during fiscal 2018. His compensation is discussed below under Executive Officers - Summary Compensation Table.

(1) The value of a stock award is based on the fair value as of the grant date calculated in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 718 (previously FAS 123R). All shares vest in one year on the date one day before the Company's 2019 Annual Meeting of Shareholders.

(2) Mr. McGillicuddy has chosen to defer his 2018 stock award.

(3) Mr. Pond has chosen to defer his 2018 stock award.

(4) Dr. Rosenblatt was appointed to the Board of Directors on September 4, 2018 and received an award of restricted shares of our Common Stock having a market value of \$90,000 based on the closing price on the date of grant, pro-rated for the number of days out of 365 remaining until the next annual equity award to non-employee directors.

**Compensation Policy**

The following annual cash compensation is paid to our non-employee directors on a quarterly basis (pro-rated for the portion of any fiscal year in which the non-employee director provides service):

- \$80,000 Board retainer to each non-employee director;
- \$5,000 Committee retainer for each of Executive, Finance or Nominating and Governance Committee that such director serves on;
- \$10,000 Committee retainer for each of Audit or Human Resources and Compensation Committee that such director serves on;

- an additional \$40,000 retainer to the non-executive chairman of the Board;
- an additional \$10,000 retainer to each of the chairman of the Nominating and Governance Committee, the Finance Committee, and the Executive Committee;
- an additional \$20,000 retainer to the chairman of the Human Resources and Compensation Committee and (in the aggregate) to the co-chairmen of the Audit Committee; and
- an annual award of restricted shares of our Common Stock having a market value of \$90,000 (\$130,000 for the non-executive chairman of the board) based on the closing price on the date of grant, which occurs each year following our annual meeting of stockholders, which shares vest approximately one year from the date of grant on the day prior to the next annual meeting of stockholders.

18 BROOKS AUTOMATION – 2019 Proxy Statement

TABLE OF CONTENTS

## COMPENSATION OF DIRECTORS

In addition, on the date of appointment each newly elected non-employee director will receive an award of unrestricted shares of our Common Stock having a market value of \$90,000 based on the closing price on the date of grant, prorated for the number of days out of 365 remaining until the next annual equity award to non-employee directors.

The Board of Directors has previously approved equity ownership guidelines for non-employee directors, which require each non-employee director to own over time shares of our Common Stock having a market value of at least \$300,000. The target ownership amounts are subject to adjustments based on changes in the market price for our Common Stock. The Nominating and Governance Committee intends to monitor the policy over the coming years. As of September 30, 2018, each of the non-employee directors, except Dr. Rosenblatt who joined the Board in September 2018, has exceeded the target ownership amount. The Board may at any time revoke or modify the policy.

The Nominating and Governance Committee and the full Board reviews director compensation periodically in light of business and market conditions and such other factors as they deem appropriate. There were no changes made to Director compensation in fiscal year 2018.

*Deferred Compensation Plan*

Non-employee directors may elect to defer receipt of their stock in exchange for a credit, in restricted stock units, to a deferred RSU account. Non-employee directors may also elect to defer all or a portion of their cash compensation pursuant to the Company's Deferred Compensation Plan. No directors deferred cash compensation in 2018. In general, directors must make these deferral elections by the end of the calendar year preceding the date of the grant of the shares. Directors who make a deferral election will have no rights as stockholders of the Company with respect to amounts credited to their deferred RSU account. An amount equal to the cash dividends that would be paid on the number of shares equal to the number of RSUs credited to the director's deferred RSU account will be converted into additional RSUs based on the closing price of the Company's stock on each dividend record date. Payment of RSUs credited to the deferred RSU account will be made in a lump sum in an equal number of shares of unrestricted common stock at the time specified in the director's deferral election, but no later than as soon as administratively feasible following the director's termination of Board service. The table below sets forth the total number of deferred stock awards held by each non-employee director as of September 30, 2018.

<b>Name</b>	<b>Number of Deferred Restricted Stock Units</b>
A. Clinton Allen	7,926
Robyn C. Davis	22,734
John K. McGillicuddy	78,720
Kirk P. Pond	43,569

*Indemnification Agreements*

We have entered into indemnification agreements with each of our directors and anticipate that we will enter into similar agreements with any future directors. Generally, the indemnification agreements are designed to provide the maximum protection permitted by Delaware law with respect to indemnification of a director.

The indemnification agreements provide that we will pay certain amounts incurred by a director in connection with any civil or criminal action or proceeding, specifically including actions by or in our name (derivative suits) where the individual's involvement is by reason of the fact that the director is or was a director or officer. Such amounts include,



to the maximum extent permitted by law, attorney's fees, judgments, civil or criminal fines, settlement amounts, and other expenses customarily incurred in connection with legal proceedings. Under the indemnification agreements, a director will receive indemnification unless the director is adjudged not to have acted in good faith and in a manner the director reasonably believed to be in the best interests of Brooks.

TABLE OF CONTENTS

## EXECUTIVE OFFICERS

## EXECUTIVE OFFICERS

**Biographical Information**

The names of our executive officers and certain biographical information furnished by them as of December 14, 2018 are set forth below. Each executive officer serves until his resignation or termination.

<b>Name</b>	<b>Age</b>	<b>Position with the Company</b>
Stephen S. Schwartz	59	Chief Executive Officer and President
Lindon G. Robertson	57	Executive Vice President and Chief Financial Officer
Maurice H. Tenney III	55	President, Brooks Life Sciences
David E. Jarzynka	50	President, Brooks Semiconductor Solutions Group
Guojuan Liao	53	President, GENEWIZ
David C. Gray	53	Senior Vice President, Chief Strategy and New Business Officer
William T. Montone	66	Senior Vice President, Human Resources
Jason W. Joseph	48	Senior Vice President, General Counsel and Secretary
David F. Pietrantoni	45	Vice President, Finance and Corporate Controller and Principal Accounting Officer

**Dr. Stephen S. Schwartz** joined Brooks in April 2010 as President and continued to serve as such until August 2013. He was reappointed President in May 2016. As of October 1, 2010, Dr. Schwartz also became Brooks Chief Executive Officer, and continues to serve as such. Dr. Schwartz was elected to the Brooks Board of Directors in August 2010. Dr. Schwartz had previously served, from August 2002 until April 20, 2009, as Chief Executive Officer of Asyst Technologies, Inc., a manufacturer of integrated hardware and software automation systems primarily directed at the semiconductor manufacturing industry. He joined Asyst in January 2001 as Senior Vice President, Product Groups and Operations and was elected Chairman of Asyst in January 2003. Asyst filed for bankruptcy protection under Chapter 11 of the United States Bankruptcy Act on April 24, 2009, and Asyst's assets have since been liquidated. Prior to joining Asyst, Dr. Schwartz had served since 1987 in various capacities with Applied Materials, Inc., including acting as General Manager for Applied Materials' service business and President of Consilium, Inc., an Applied Materials software subsidiary.

**Mr. Lindon G. Robertson** joined Brooks in October 2013 as Executive Vice President and Chief Financial Officer. Prior to joining Brooks, from July 2011 to September 2013, Mr. Robertson served as the Vice President and Chief Financial Officer of Graftech International Ltd., a publicly traded manufacturer of carbon and graphite products for industrial applications. Prior to that, he spent 27 years at IBM Corporation in various senior financial management positions, including Chief Financial Officer of IBM's global hardware business and Chief Financial Officer of IBM's Japan and China operations.

**Mr. Maurice H. Tenney III** was appointed President, Brooks Life Sciences in November 2014. Prior to joining Brooks, Mr. Tenney spent 13 years with PerkinElmer, Inc. in various leadership roles, most recently as Senior Vice President of customer operations. Mr. Tenney's career includes progressive leadership assignments with GE, Lockheed Martin, AlliedSignal and Honeywell.

**Mr. David E. Jarzynka** was appointed President, Brooks Semiconductor Solutions Group in October 2018 after service as General Manager of that business since April 2016. Prior to his appointment, he had responsibility for the

Company's semiconductor automation business since June 2013. Prior to that he was general manager of the Company's Systems business. Mr. Jarzynka joined Helix Technology Corporation in 2004 and continued on with Brooks after its acquisition of Helix in 2005, during which time Mr. Jarzynka held commercial leadership roles in product management, product marketing and sales. Prior to Helix, Mr. Jarzynka held commercial leadership roles at Intel Corporation and IBM. He began his career as an applications engineer for Brooks.

**Dr. Guojuan Liao** was appointed President, GENEWIZ in November 2018 upon the completion of Brooks acquisition of GENEWIZ. In 1999, Dr. Liao co-founded GENEWIZ, a global provider of genomics services, including Sanger sequencing, next generation sequencing, gene synthesis, molecular biology, and GLP/CLIA regulatory services and held various leadership positions, most recently as Chief Executive Officer since January 1, 2017.

**Dr. David C. Gray** was appointed Senior Vice President, Chief Strategy and New Business Officer in June 2014 and, additionally, as General Manager Cryogenic Automation Solutions in October 2016. From October 2013 to June 2014, Dr. Gray provided consulting services to the Company. Prior to that, from January 2009 to January 2013, Dr. Gray was employed by GT Advanced Technology in various senior leadership roles, most recently as Chief Strategy and New Business Officer.

**Mr. William T. Montone** was appointed Senior Vice President, Human Resources in October 2005 when Brooks acquired Helix Technology Corporation, where he served as Vice President of Human Resources since 1998. Prior to joining Brooks, Mr. Montone held senior human resources roles at A.T. Cross, an international manufacturer of fine writing instruments, and Rogers Corporation, a materials technology company, for 13 and eight years, respectively.

TABLE OF CONTENTS

EXECUTIVE OFFICERS

**Mr. Jason W. Joseph** joined Brooks in March 2011 as Vice President, General Counsel and Secretary and was appointed as Senior Vice President in November 2017. Prior to joining Brooks, Mr. Joseph served as Vice President, General Counsel and Secretary of Unica Corporation, a publicly traded marketing automation software company, from June 2007 through November 2010, and as General Counsel and Secretary of MapInfo Corporation, a publicly traded location intelligence software company, from December 2003 through April 2007. Mr. Joseph also previously practiced law at Wilmer, Cutler, Pickering, Hale and Dorr LLP (formerly Hale and Dorr LLP) from 2000 through 2003.

**Mr. David F. Pietrantonio** was appointed Principal Accounting Officer and Corporate Controller in June 2013. Since joining Brooks in 2006, he has held various financial leadership positions, including Vice President, Finance and Division Chief Financial Officer. Prior to joining Brooks, Mr. Pietrantonio spent six years in various financial leadership roles at SPX Corporation and Standex International Corporation.

TABLE OF CONTENTS

## COMPENSATION DISCUSSION AND ANALYSIS

## COMPENSATION DISCUSSION AND ANALYSIS

**Executive Summary**

Our executive compensation program is built on a foundation of pay for performance, which we continually evolve to maintain the appropriate alignment. Our shareholders have benefited from the successful execution of our business strategy and continue to express support for our pay programs that we believe are strongly aligned to the strategy and provide appropriate incentives and recognition to perform. For the third consecutive year we received support from over 99% of our shareholders who voted at our 2018 Annual Meeting to approve our say on pay proposal.

Our current design and structure of the executive pay program has been consistent and focused for several years and we anticipate this to continue. In this Compensation Discussion and Analysis we describe the material elements of our Fiscal 2018 compensation for the following named executive officers:

<b>Name</b>	<b>Role</b>
Stephen S. Schwartz	Chief Executive Officer and President
Lindon G. Robertson	Executive Vice President and Chief Financial Officer
Maurice H. Tenney III	President, Brooks Life Science Systems
David E. Jarzynka	President, Brooks Semiconductor Solutions Group
David C. Gray	Senior Vice President, Chief Strategy and New Business Officer

***Shareholder Outreach and Engagement***

In Fiscal 2018, we continued our practice of inviting many of our larger shareholders to discuss our pay programs and practices. These sessions were led by our Chairman of the Board and our Chairman of the Human Resources and Compensation Committee, or HRC Committee, and in addition to receiving investor feedback, we engaged their perspectives on topical executive pay issues to assist in guiding the ongoing management of our program. This year, the investors we spoke with were asked to provide their input on:

- use of subjective performance measures as a portion of the annual incentive bonus
- perspectives on mandatory holding periods for company stock acquired through Long-term Incentive Plans
  - impact of CEO pay ratios in evaluation of overall executive pay program

As in prior years, many of the shareholders contacted indicated that no discussion or meeting was necessary. The several shareholders who accepted our invitation were complimentary of our executive pay program while asking insightful questions around a specific pay element or design. Shareholders also used the discussion opportunity to comment on other governance matters. The feedback from our outreach efforts is provided to the HRC Committee and the full Board. No substantive changes to the executive pay program were recommended by the shareholders we spoke with.

We intend to maintain an ongoing dialogue with our shareholders to ensure that our pay program continues to take their views into consideration. We encourage our shareholders to provide us with feedback on our executive compensation program and governance. To facilitate that process we have established a link to provide feedback on the investor section of our website. Please visit <http://www.brooks.com/company/investors/shareholder-feedback>.

***Fiscal 2018 Company Performance and Financial Highlights***

We believe that our business strategy is proving its value and sustainability and we remain committed to continuing our internal and acquisition related investments to further our growth. Fiscal 2018 was a very successful and productive year for the Company as we demonstrated continued operating and strategic agility. Our strategy to focus on technology-advantaged high growth, high value automation opportunities has been central to the improved performance of our semiconductor business and we have solidified a strong market position over these past few years with both Tier 1 and Tier 2 equipment makers as well as end-user chip makers. This has enabled us to create a broader customer and application base, and build stronger positions in Asia. In Life Sciences we have created a unique value platform in the management of samples for pharmaceutical and life sciences companies, research and academic institutions, and myriad startup ventures who now have a means to manage faster trials without having to create their own sample management infrastructure. With the recent addition of GENEWIZ to our offerings, we now have a tremendous capability for providing value-added genomic analysis across a wide spectrum of offerings. Following are some financial highlights from Fiscal 2018.

- grew Revenue by 19% to \$828MM with contributions from both Life Sciences (+32%) and Semiconductor (+16%) segments. This follows Fiscal 2017 growth of 24% overall
    - grew Adjusted Net Income 28% to \$112MM following Fiscal 2017 net income growth of 167%
- 22 BROOKS AUTOMATION – 2019 Proxy Statement

TABLE OF CONTENTS

COMPENSATION DISCUSSION AND ANALYSIS

- accelerated Adjusted Gross Margin to 41.1% (from 39.2% in Fiscal 2017)
- increased Adjusted Earnings Per Share ( EPS ) to \$1.57 from \$1.23 in Fiscal 2017
- increased our Life Sciences segment revenues to \$197MM (32%) while adding \$3MM to operating profit over prior year levels and seamlessly integrating two acquisitions
- delivered on our existing customer commitments in the Semiconductor segment while dramatically growing its Systems business. The acquisition of Tec-Sem contributed new revenue and market share continued to climb.
- Our financial results reflect our strong product offerings and our operating transformation

**Fiscal 2018 Company Performance and Financial Highlights**

Our long-term financial model that we share with our investors and stockholders forms the basis for our annual performance targets. The chart below shows the alignment between financial performance and CEO pay over the last five years.

## TABLE OF CONTENTS

### COMPENSATION DISCUSSION AND ANALYSIS

In the final quarter of Fiscal 2018, we announced two transactions consistent with our overall corporate strategy to transform our Company. We entered into an agreement to sell our Cryogenics product lines that are part of our Semiconductor Solutions segment to Atlas Copco, which is currently pending regulatory approvals. Additionally, we announced our agreement to acquire GENEWIZ, a leading provider of genomics services based in New Jersey and Suzhou, China. The GENEWIZ acquisition closed on November 15, 2018.

#### **Pay for Performance Alignment**

We have focused on the alignment of the pay of our executive leadership team with the Company's performance against certain core business metrics. These metrics, which are incorporated into our incentive compensation plans, are chosen to coordinate with our financial and strategic objectives and to appropriately balance our short- and long-term goals. Our performance goals are designed to incent building a business with resilience and growth capability with an eye to long-term sustainable growth. We believe the goals are aggressive but achievable.

The chart below shows the strong alignment between our business strategy and our cash (PBVC) and equity (LTIP) incentive plans for Fiscal Years 2017 and 2018.

#### **Executive Compensation Program Framework**

##### *Philosophy and Objectives*

Our executive compensation program is intended to reward our senior leadership team for achieving performance that is directly tied to our annual operating and longer term strategic plans and is designed to create value for our shareholders. We believe that our plan structure clearly aligns our reward outcomes with the interests of our shareholders, and our dialogue with shareholders over the last several years reinforces this position.

We have identified strategic business imperatives and designed our compensation programs in a manner that we believe provides appropriate incentives for management to work toward our mutually beneficial goals.

##### **Strategic Imperatives**

###### **Drive performance**

- Extend our leadership position in our core markets
- Expand our comprehensive sample management business in the life sciences market with organic and acquisition investments
- Exercise balanced and disciplined capital deployment

###### **Deliver profitable growth**

- Drive margin expansion in each of our two core businesses
- Achieve rapid growth of life sciences revenue



TABLE OF CONTENTS

## COMPENSATION DISCUSSION AND ANALYSIS

Our executive compensation program provides competitive compensation that is in line with the practices of leading semiconductor capital equipment, life sciences, and high technology companies with whom we compete for business and talent. Our total rewards strategy is intended to provide:

- a balance between fixed and variable pay that rewards performance and results;
- performance-based awards that are tied to aggressive but achievable company and business unit results; and
- recognition that in our cyclical and volatile industries the ability to perform throughout business cycles is critical to our long-term success.

We do not define specific percentages of fixed, variable, and long-term compensation for our executives. We designed our executive pay program to provide base compensation that is competitive with our peer group along with the opportunity to earn variable pay when justified by financial performance. Our pay for performance design emphasizes at-risk, that is, variable compensation which is paid for the achievement of strategic accomplishments that are directly tied to increasing shareholder value.

***Strong Governance and Pay Practices***

We believe that our executive compensation program supports our business strategies and talent management objectives and is consistent with governance best practices that serve our shareholders' long-term interests. The following are some of the highlights of our program design and pay practices:

**What We Do**

- Maintain robust stock ownership guidelines
- Maintain robust clawback provisions
- Provide for double-trigger change-in-control benefits
- Consult with an independent compensation consultant
- Conduct an annual risk assessment
- Conduct an annual review of pay levels
- Conduct evaluations of performance goal rigor
- Solicit shareholder input and incorporate their feedback
- Require minimum vesting periods on equity awards

**What We Don't Do**

- No above-median pay benchmarking
- No gross-up provisions
- No pension plans or other post-employment benefit plans
- No executive perquisites
- No severance multipliers in excess of 3 times total pay
- No dividends on RSUs until they vest
- No hedging or pledging of Company stock

***Key Components of Compensation***

Our executive compensation program consists of three components: base pay; annual cash incentive under our performance-based variable compensation (PBVC) plan; and annual equity awards under our long-term incentive plan (LTIP).

**Element****Objectives**

- |                    |  |
|--------------------|--|
| <b>Base Salary</b> | • Provides regular source of income at market-competitive levels   |
| <b>PBVC Plan</b>   | • Motivates executive team to achieve key annual financial goals and objectives  |
|                    | • Provides at-risk compensation that is not earned if minimum threshold goals are not achieved as well as upside earnings potential for achievement of stretch goals |

**LTIP**

- Motivates executive team to execute against longer-term financial and strategic objectives
- Performance-based RSUs provide a direct link between performance outcomes and actual pay realized; payout is contingent upon achieving minimum performance thresholds, and provides upside potential for stretch performance
- Time-based RSUs provide retention incentive

BROOKS AUTOMATION – 2019 Proxy Statement 25

TABLE OF CONTENTS

COMPENSATION DISCUSSION AND ANALYSIS

*In allocating total direct compensation among these three components, we seek to provide competitive levels of fixed compensation (base pay and time-based RSUs) and, through annual and long-term variable incentives, provide opportunity for additional compensation where aggressive but achievable performance objectives are met. For Fiscal 2018, our CEO's and named executive officers' target pay mix emphasized variable at-risk pay opportunities as illustrated below:*

***Determining Executive Compensation***

The HRC Committee is responsible for developing and administering the compensation program for executives as illustrated in the chart below. All HRC Committee pay recommendations are submitted to the non-employee directors of the Board for final vote and approval. The HRC Committee is composed of at least three members, all of whom are independent directors. Ms. Ellen M. Zane is Chair of the HRC Committee having been appointed in February 2015, and she is joined on the HRC Committee by Mr. Kirk P. Pond and Ms. Robyn C. Davis.

Each year our CEO, with the assistance of our Human Resources department, makes annual recommendations to the HRC Committee regarding the salaries, incentive payments and equity grants for key employees, including all executive officers other than himself. The HRC Committee also holds executive sessions that are not attended by members of management. The HRC Committee makes recommendations to the non-employee directors on each element of our CEO's compensation, as well as other significant aspects of the Company's executive pay programs, for final approval by our full board. The recommendations typically include the following:

- Executive compensation program development
- PBVC and LTIP design, performance metrics, and goals
- Executive base salary adjustments

## TABLE OF CONTENTS

### COMPENSATION DISCUSSION AND ANALYSIS

- Incentive plan achievement awards and payouts
- Pay programs and policies that impact the executive team such as severance and change in control arrangements, stock ownership requirements and other pay governance items

#### *Use of Consultants*

The HRC Committee has the authority to directly retain the services of independent consultants and other experts to assist in fulfilling its responsibilities as described below. Each year our outside compensation consultant assists the HRC Committee in evaluating the competitiveness and appropriateness of executive compensation levels and practices. In Fiscal 2018, the HRC Committee continued its engagement with its independent compensation consultant, Pearl Meyer, a national executive compensation consulting firm, to review and provide recommendations concerning all of the elements of the Company's executive compensation program. Pearl Meyer performs services solely on behalf of the HRC Committee and has no relationship with the Company or management except as it may relate to performing such services. The HRC Committee has assessed the independence of Pearl Meyer pursuant to SEC rules and the corporate governance rules of the Nasdaq Stock Market and concluded that no conflict of interest exists that prevents Pearl Meyer from independently representing the HRC Committee. Services provided by Pearl Meyer in Fiscal 2018 included:

- a review of the appropriateness of our peer group for executive compensation comparison purposes
- a competitive assessment of Brooks as compared to the market based on the compensation components of base salary, target annual incentives, long-term incentives, and total direct compensation
- an evaluation of the rigor of our short-term and long-term incentive metrics and goals and their corresponding impact on increasing shareholder value
- an analysis of our equity practices to assure prudent equity management as measured by our share burn rate, dilution and overhang
  - an analysis of our short- and long-term pay for performance alignment related to our peer group
    - assistance with shareholder outreach efforts
    - attendance at scheduled HRC Committee meetings to assist with ongoing support

The information provided by Pearl Meyer is supplemented by compensation survey data purchased by the Company from Radford Executive Survey, which is used to gauge the market competitiveness of our senior executive pay.

TABLE OF CONTENTS

## COMPENSATION DISCUSSION AND ANALYSIS

Before each meeting, the HRC Committee is provided appropriate materials and information necessary to make informed decisions about the Company's executive compensation practices. This material may be supplemented by reports prepared by Pearl Meyer. The HRC Committee uses its judgment supported by facts and documentation in making compensation recommendations that support our philosophy and objectives.

*Peer Group*

In consultation with Pearl Meyer, the HRC Committee annually reviews our peer group to ensure it is appropriate to utilize for external compensation comparisons. Criteria used to select these companies include industry comparability, revenue size and market capitalization, and product/service comparability. We generally exclude companies that primarily make integrated circuit (IC) chips because of the significantly different business model of those chip makers versus semiconductor capital equipment manufacturers like Brooks. Publicly traded Life Sciences services and equipment companies within our financial ranges are also included.

<b>Step</b>	<b>Selection Criteria</b>
<b>1. Industry Similarity</b>	» Publicly-traded companies in the Semiconductors & Semiconductor Equipment (GICS: 4530), Health Care Equipment & Services (GICS: 3510) or Pharmaceuticals, Biotechnology & Life Sciences (GICS: 3520) industry groups
<b>2. Geographic Similarity</b>	» US-based companies » Revenue: \$210M - \$1.9B, approximating 0.33x - 3.0x range around Brooks' trailing four-quarter revenue
<b>3. Size Similarity</b>	» Market Capitalization: \$500M - \$4.5B, approximating a 0.33x - 3.0x range around Brooks' current market capitalization » Preference given to companies in the semiconductor industry and/or companies with a presence in the life sciences equipment market
<b>4. Business Profile Similarity</b>	a) Those with comparable products/services b) Those that serve the life sciences market to some degree to reflect Brooks' business strategy of expanding its life sciences segment with its sample management systems and services

We modified our Fiscal 2017 peer group to construct our peer group for 2018 compensation determination. For Fiscal 2018 the HRC Committee removed Xcerra Corporation as they were acquired during 2017 and ceased to operate as an independent public company. Additions to the peer group were all life sciences focused companies in order to increase the mix of companies in the group targeting the life sciences market to more closely reflect our current business profile. The additions were Bio-Rad Laboratories, a manufacturer that supplies products and systems to separate complex chemical and biological materials; Haemonetics Corporation, a healthcare company providing hematology products and solutions; and Varex Imaging Corporation who design and manufacture medical X-ray tubes and image processing solutions.

The Fiscal 2018 peer group has balance between revenue and market cap for size, and maintains a sizable presence of companies offering life science products.

\* last twelve months income statement as of March 2017

\*\* as of June 30, 2017



TABLE OF CONTENTS

## COMPENSATION DISCUSSION AND ANALYSIS

The following chart contains a list of the companies in our Fiscal 2017 and 2018 peer groups.

<b>Fiscal 2017 Peer Group:</b>	<b>Fiscal 2018 Peer Group:</b>
Advanced Energy Industries, Inc.	Advanced Energy Industries, Inc.
Analogic Corp.	Analogic Corp.
Axcelis Technologies, Inc.	Axcelis Technologies, Inc.
Bruker Corporation	Bio-Rad Laboratories, Inc.
Cabot Microelectronics Corporation	Bruker Corporation
Coherent, Inc.	Cabot Microelectronics Corporation
Entegris, Inc.	Coherent, Inc.
FormFactor, Inc.	Entegris, Inc.
MKS Instruments, Inc.	FormFactor, Inc.
MTS Systems Corporation	Haemonetics Corporation
Photronics, Inc.	MKS Instruments, Inc.
Ultra Clean Holdings, Inc.	MTS Systems Corporation
Veeco Instruments, Inc.	Photronics, Inc.
Xcerra Corp.	Ultra Clean Holdings, Inc.
	Varex Imaging Corporation
	Veeco Instruments, Inc.

**Fiscal Year 2018 Executive Compensation Program**

Based on Pearl Meyer's competitive assessment and the HRC Committee's review of each executive's scope of responsibility and individual performance, the HRC Committee set target pay levels for the CEO and other executive officers that were in accordance with our pay philosophy.

The outcomes of our Fiscal Year 2018 compensation program can be summarized as follows:

<b>Fiscal Year 2018 Element</b>	<b>Fiscal Year 2018 Outcome</b>
<b>Base Salary</b>	<ul style="list-style-type: none"> <li>Dr. Schwartz and Messrs. Robertson, Tenney, Jarzynka and Gray received base salary adjustments effective January 1, 2018.</li> </ul>
<b>Annual PBVC Cash Incentive Plan</b>	<ul style="list-style-type: none"> <li>Corporate Revenue reached the midpoint between the target goal and the stretch goal.</li> <li>Adjusted Gross Margin exceeded the target goal and the stretch goal.</li> <li>Adjusted Earnings Per Share reached the midpoint between the target goal and the stretch goal.</li> </ul>
<b>Long-term Incentive Plan (2016 - 2018)</b> Status: Complete. Final Achievement 171.9%	<ul style="list-style-type: none"> <li>3-Year metric Measures: Cumulative Adjusted Operating Profit for Fiscal 2016 – 2018, Life Sciences Revenue at Fiscal Year End 2018 and 3-year Average ROIC for Fiscal 2016 – 2018 together achieved 171.9% of weighted targets and participants vested in corresponding RSUs</li> </ul>

<b>Long-term Incentive Plan (2017 - 2019)</b> Status: Ongoing	3-Year metric Measures: cumulative Adjusted Operating Profit; cumulative Free Cash Flow; and three year average ROIC to be measured following the end of Fiscal 2019.
<b>Long-term Incentive Plan (2018 - 2020) •</b> Status: Ongoing	3-Year metric Measures: cumulative Adjusted Operating Profit; cumulative Free Cash Flow; and three year average ROIC to be measured following the end of Fiscal 2020.

### **Base Salary**

The HRC Committee reviews salaries annually and normally implements any adjustments effective January 1, with occasional mid-year adjustments for off cycle events such as promotions. The HRC Committee considered the market competitive positioning of the CEO and other named executive officers and recommended that base salaries be increased for each Executive Officer. The following table lists base salaries for the CEO and our other named executive officers.

BROOKS AUTOMATION – 2019 Proxy Statement 29



TABLE OF CONTENTS

## COMPENSATION DISCUSSION AND ANALYSIS

## FISCAL YEAR END BASE PAY

Name	September 30, 2017	September 30, 2018	Percent Increase
Stephen S. Schwartz	\$625,000	\$650,000	4%
Lindon G. Robertson	\$440,000	\$485,000	10%
Maurice H. Tenney III	\$435,000	\$465,000	7%
David E. Jarzynka	\$350,000	\$380,000	9%
David C. Gray	\$350,000	\$360,000	3%

**Executive Pay Increases (all effective January 1, 2018)***Stephen Schwartz - Chief Financial President and Chief Executive Officer*

- Dr. Schwartz received a market-based adjustment to \$650,000. This was his first salary adjustment since January 1, 2014.

*Lindon Robertson - Chief Financial Officer*

- Mr. Robertson assumed added responsibilities in helping run the commercial and operational elements of the business. He has worked more closely with our business unit leadership in helping meet financial commitments and balancing resources to current and anticipated needs. In addition to his CFO responsibilities, Mr. Robertson also manages worldwide facilities, logistics and IT.

*Maurice Tenney - President, Brooks Life Sciences*

- Mr. Tenney's position expanded as he grew the life sciences business both organically and through acquisition. He led the integrations of 4titude and BioSpeciMan and reorganized the global sales team.

*David Jarzynka - President, Brooks Semiconductor Solutions Group*

- Mr. Jarzynka received an above-market base salary increase to recognize his accomplishments in growing the semiconductor business and to more closely align his salary to the market and to his internal peers.

*David Gray - Senior Vice President, Chief Strategy and New Business Officer*

- Mr. Gray received a market-competitive base salary increase to recognize his accomplishments in launching and commercializing the automated cryogenics products.

**Annual Cash Incentive Fiscal Year 2018 – Performance-Based Variable Compensation (PBVC)**

Each year the HRC Committee, with management, reviews the annual operating plan to determine the critical financial metrics and goals that, when achieved, will drive shareholder value. For Fiscal 2018, the HRC Committee voted to retain the Revenue, Adjusted Gross Margin and Adjusted Earnings per Share metrics as they remain aligned to the Company's emphasis on accelerating profitable growth.

In reviewing the metrics and goals, the Committee was guided by the following:

- Alignment between the shorter-term financial objectives of our annual PBVC incentive and the longer-term equity plan strategic objectives
- Establishing financial and individual goals that are aggressive but achievable, and show significant growth over prior years targets and results

- Maintaining a strong linkage between incentive plan metrics and our strategic plan and business model
- Appropriate ranges of financial long-term performance to equitably reward performance below and above our aggressive targets

The HRC Committee met over several sessions and engaged our compensation consultant to review Brooks and its peer group's historical achievement levels on the proposed metrics to assure appropriate rigor in the goal setting. The consultant's report concluded as follows for both the annual PBVC Plan and the equity-based Long Term Incentive Plan (LTIP).

- Based on an independent assessment, the consultant found the performance goals to be of appropriate rigor
- The performance goals in both the PBVC and LTIP are challenging, yet not so challenging as to lessen the motivational and retentive value of the program

30 BROOKS AUTOMATION – 2019 Proxy Statement

TABLE OF CONTENTS

## COMPENSATION DISCUSSION AND ANALYSIS

Perspectives	Finding	Sufficient Rigor
1. Historical Outcome Analysis	Payouts have fluctuated, highlighting history of sufficiently challenging goals	√
2. Internal Y/Y Growth Analysis	Goals at target represent significant and meaningful year-over-year growth	√
3. Investor Expectations Analysis	FY18 targets are aligned with investor expectations	√
4. Peer Goal Analysis	Performance ranges and award slopes are generally consistent with peers, although the upside slope on EPS is flatter to increase difficulty of achieving maximum payout	√

**2018 PBVC Financial Performance Goals***Annual Revenue:*

- Key growth measure that anticipated a vibrant semiconductor industry in Fiscal 2018 and continued organic and non-organic growth of Life Sciences
- Revenue goal set 10% higher than Fiscal 2017 actual and 23% higher than Fiscal 2017 PBVC target
- Goals achievement dependent on Semiconductor market conditions and Life Sciences continued growth performance in core biostorage and recent acquisitions
  - Weighted at 25% of Target

*Adjusted Gross Margin:*

- Key metric for measuring the ability to drive profitability at all points in the industry cycle while outperforming the industry and increasing market share
- Target is a 180bp improvement over Fiscal 2017 actual and a 300bp increase over Fiscal 2017 target
- Goal driven by semi expansion on product cost reductions and improved product value mix; Life Sciences increases on improved mix and volume leverage
  - Weighted at 25% of Target

*Adjusted Earnings Per Share:*

- Aggressive target goal to measure our performance in delivering profitable growth across all spend categories
- Adjusted EPS enables us to measure our performance in delivering profitable growth using a measure that is understood by our shareholders
- Target is a 9% improvement over Fiscal 2017 adjusted EPS and 70% higher than our Fiscal 2017 target
  - Weighted at 50% of Target

**Fiscal 2018 Corporate PBVC Plan Results**

Corporate	Metric Weighting	TARGETS			ACHIEVEMENT		
		25%	100%	Max	Full Year Result	Target Award Percent CEO	Percent NEOs
Annual Revenue (\$000)	25 %	\$ 695M	\$ 760M	\$ 810M	\$ 816M	200 %	150 %
Adjusted Gross Margin	25 %	39.4 %	41.0 %	42.0 %	41.4 %	137 %	118.3 %

Adjusted Earnings Per Share	50 %	\$ 1.20	\$ 1.35	\$ 1.75	\$ 1.55	150.4 %	125.2 %
	100 %						

Fiscal 2018 was a strong building year for our Life Sciences business. We met our 30% growth commitment and integrated two new acquisitions while introducing several innovative new products to the market. Without taking the acquisitions into consideration, the Life Sciences business added 200 new customers, a 20% year-over-year increase, which led to strong organic growth. The full year highlights for Life Sciences includes:

- Revenue of \$197 million – up 32% from Fiscal 2017. Organic revenue growth was 14%

BROOKS AUTOMATION – 2019 Proxy Statement 31

TABLE OF CONTENTS

## COMPENSATION DISCUSSION AND ANALYSIS

- Adjusted Operating profit increased to \$9M
- Backlog growth to \$273M, up approximately \$15M from one year ago
- Completion of two acquisitions, 4titude and BioSpeciMan

Our semiconductor engine also continued to drive us forward. Design win activity was once again robust, and from an operations standpoint, we delivered additional gross margin improvement. Overall revenue from our semiconductor segment for the full year was \$631 million – up 16% from Fiscal 2017. Our key segments of Deposition and Etch, Advanced Packaging and Contamination Control continued to provide our growth and we will retain these growth drivers after the sale of the semiconductor cryogenics business. Our integration of Tec-Sem into our contamination control business has been highly successful.

Listed below are our CEO s and named executive officers earned cash payouts based on the achievement of the corporate financial metrics as weighted. Messrs. Tenney and Jarzynka are also measured on specific business unit financial performance.

<b>Name</b>	<b>Target Opportunity as % of Fiscal Base Pay</b>	<b>Cash Payout</b>	<b>Payment as a % of Target</b>
Stephen S. Schwartz	110 %	\$ 1,052,563	149 %
Lindon G. Robertson	100 %	\$ 614,335	130 %
Maurice H. Tenney III	80 %	\$ 321,771	88 %
David E. Jarzynka	75 %	\$ 396,349	142 %
David C. Gray	60 %	\$ 278,153	130 %

*Note: As reported in last year s proxy, the HRC Committee eliminated the individual strategic objective component of the PBVC in favor of payment based solely on financial goals. The 20% weighting that the individual objectives had were reallocated among the financial metrics. The HRC Committee believes a 100% quantitative measurement of the cash incentive to be more objective. Strategic objectives remain a key element of the performance management process for each executive.*

**Long-Term Incentives**

We regularly review the design of our equity incentive plan to assure it remains calibrated to our long-term strategic goals while providing the appropriate balance of challenge and motivation.

Each of our named executive officers received award grants of both time-based and performance-based RSUs in Fiscal 2018.

We use performance-based RSUs for the majority (75%) of our equity grants and measure performance at the end of each 3-year LTIP period.

Similar to our annual PBVC cash incentive plan, the Long Term Incentive Plan has been very consistent in the selection of metrics that are in support of our long-term strategy. We believe this consistency helps focus the executives on achieving the financial results that will drive shareholder value. The total annualized shareholder return for our 5, 3 and 1 year periods of 34%, 47%, and 17%, respectively, are strong indicators that our incentive plans are helping drive appropriate, results-focused behaviors.

The financial metrics for the Fiscal 2016 – 2018 LTIP are comprised of cumulative adjusted operating profit (40% weight), life sciences segment revenue at fiscal year end 2018 (40% weight) and 3-year average ROIC (20% weight). Our Fiscal 2017 – 2019 and 2018 – 2020 LTIPs replaced the Fiscal 2018 Life Sciences revenue metric with a cumulative adjusted operating profit metric in addition to the adjusted Free Cash Flow and the ROIC metrics.

We have selected these metrics because we believe:

- Adjusted operating profit is a key performance indicator that motivates and rewards sustained growth in profit
- Free cash flow, which will provide for funding of growth initiatives focused on new product development and acquisitions, is an important metric
- Return on invested capital is a key financial metric, as it focuses executives on a forward looking, disciplined approach to capital investment in optimizing shareholder return. This metric will measure effective capital deployment in internal organic investments and acquisitions with accretive returns

#### ***Grant Process***

The value of each year's LTIP equity grant for the CEO and other executive officers is based on a variety of factors including market and peer group data as provided by Pearl Meyer, the ability of the executive to impact long-term shareholder value, the executive's prior contributions and the current outstanding equity grants held by the executive. For executive officers, this translates into a projected equity value to target cash compensation ratio generally ranging from 1.0 to 1.5. A combination of performance and time-based RSUs are

## TABLE OF CONTENTS

### COMPENSATION DISCUSSION AND ANALYSIS

used. Performance-based RSUs are intended to focus and align management leadership to increasing share value and profitable Company growth, while time-based RSUs help promote retention of key leadership talent.

#### *Equity Plan Analysis*

The most recent Pearl Meyer executive pay analysis, completed in September 2018, noted that Brooks' dilution (total number of shares outstanding under the equity compensation programs as a percentage of the most recent fiscal year's shares outstanding) was at the 40<sup>th</sup> percentile of our 2018 compensation peer group. Our share burn rate, which is the sum of options and full-value shares granted divided by weighted average shares outstanding (where all options and full value shares are counted equally) average of 0.8% in Fiscal 2018 was slightly above the 25<sup>th</sup> percentile of our peer group. This judicious use of equity awards affords the HRC Committee flexibility in incenting executive behaviors to drive strategic initiatives.

#### **Fiscal Years 2016 - 2018 LTIP**

For Fiscal 2016, the LTIP was designed to assure that our metrics and goals were consistent with our longer-term growth strategies. Our growth strategy is based on the following tenets:

- Extend leadership in core Semiconductor and adjacent markets
  - Advance the rapid growth of the Life Sciences division
    - Drive margin expansion
    - Exercise disciplined capital deployment

The financial metrics were comprised of adjusted operating profit (40% weight), life sciences revenue (40% weight) and return on invested capital (20% weight). All three financial metrics were measured against performance goals for the fiscal 2016-2018 performance period. Adjusted operating profit is a key performance indicator that motivates and rewards sustained growth in profit. Growing revenue in the life sciences business is a key element of our business strategy for achieving growth, diversifying our business to a less cyclical model and achieving greater margins. We are intent on improving the results of our return metrics as we continue to grow revenue from the companies we have acquired over the past several years. Accordingly, we increased the weighting on return on invested capital to 20% from 10% in Fiscal 2015 in recognition of the importance of this key indicator of the success of our growth-focused investments.

Following the end of Fiscal 2018, we measured our performance against the goals. Our strong financial performance over the last three year period resulted in our Life Sciences revenue and ROIC metrics exceeding the Fiscal 2018 and cumulative three-year target goals and our adjusted operating profit achieving the stretch (maximum) goal providing for an overall vesting percentage of 171.9% of each NEO's grant attributed to the three metrics.

TABLE OF CONTENTS

## COMPENSATION DISCUSSION AND ANALYSIS

**LTIP 2016-2018 Financial Results****Long Term Incentive Plan Objectives – LTIP 2016 - 2018**

<b>Strategic Objective</b>	<b>Weighting</b>	<b>Measurement Time Frame</b>	<b>Metrics</b>	<b>Threshold 25% of Award</b>	<b>Target 100% of Award</b>	<b>Maximum +200% of Award</b>	<b>Results</b>	<b>Weighted % of Target Earned</b>
Adjusted Operating Profit <sup>(1)</sup>	40%	3 Years	Cumulative Adjusted Operating Profit 2016 - 2018	\$100M	\$160M	\$225M	\$257.3M	80%
Life Sciences Revenue <sup>(2)</sup>	40%	3 Years	FY18 Life Sciences Revenue	\$130M	\$170M	\$220M	\$196.5M	61.2%
ROIC: (with acquisitions) <sup>(3)</sup>	20%	3 Years	3 year average ROIC	5%	7.5%	12%	9.9%	30.7%
<b>Total</b>								<b>171.9%</b>

Definitions:

Adjusted Operating Profit: Cumulative Pre-tax Operating income before special charges; excludes: (1)

(1) amortization expense; (2) purchase accounting adjustments; (3) restructuring expenses; (4) interest income; (5) other income; (6) JV income; (7) other items that may be excluded from adjusted EPS.

(2) Life Sciences Revenue: Total reported revenues of Life Sciences segment for FY 2018.

(3) ROIC: GAAP income minus interest (after tax) as a percentage of average net assets, excluding cash and net deferred taxes. Each year's average ROIC is equally weighted (Y1 + Y2 + Y3)/3

The following table summarizes the awards earned by our named executive officers under the FY 2016 - 2018 LTIP:

**LTIP 2016 - 2018**

<b>Name</b>	<b>Time-Based RSUs</b>	<b>Performance-Based PSUs Granted at Target</b>	<b>Additional PSUs Earned Above Target</b>	<b>Total PSUs Earned (vest 11/6/18)</b>
Stephen S. Schwartz	38,750	116,250	83,584	199,834
Maurice H. Tenney III	20,000	60,000	43,140	103,140
Lindon G. Robertson	17,500	52,500	37,748	90,248
David E. Jarzynka	11,250	33,750	24,266	58,016
David C. Gray	11,250	33,750	24,266	58,016

**Special Equity Incentive Grant**

Following a significant restructuring of the Company in April 2016 that was designed to streamline operational processes and flatten the organization a special RSU grant with a three-year vesting cycle was made to a broad base of primarily non-executive key contributors in May 2016. This grant was designed to retain key performers and to recognize them for prior contributions.



Coincident with this restructuring, we promoted Mr. Jarzynka to Senior Vice President and General Manager of the semiconductor product and services businesses, and we provided him with a special grant of 30,000 RSUs, 40% of which was performance-based and tied to achievement of Fiscal 2017 adjusted Gross Margin targets for the semiconductor business, and 60% which was time-based, vesting over a three-year period. As a result of our adjusted gross margin performance in the semiconductor segment, Mr. Jarzynka earned 89.1%, or 10,692 of the 12,000 performance-based RSUs awarded to him in May, 2016. He vested 50% in these shares on November 8, 2017 and in the remaining 50% on November 8, 2018.

### **Fiscal Years 2017 - 2019 LTIP**

Having established a cadence with our prior three-year LTIP (FY 2016 - 2018) using three-year measurement of goals and focusing on longer-term metrics tied to our business strategy and model, the HRC Committee and Board of Directors approved an LTIP comprised of cumulative adjusted operating profit (40% weight) average return on invested capital (20% weight) and cumulative free cash flow (40% weight). The adjusted operating profit and return on invested capital have been staples of our recent LTIPs. The free cash flow metric had previously been a metric used in our annual cash PBVC incentive plan. The HRC Committee believed this metric is better suited for longer-term measurement and consistent with our growth strategy of generating sufficient cash from our businesses to reinvest in additional opportunities. Each metric's goal was substantially increased from prior years' achievement.

TABLE OF CONTENTS

## COMPENSATION DISCUSSION AND ANALYSIS

## FINANCIAL METRICS FISCAL 2017 - 2019 LTIP

**Long Term Incentive Plan Objectives – LTIP 2017 - 2019**

Strategic Objective	Weighting	Measurement		Threshold 25% of Award	Target 100% of Award	Maximum +200% of Award
		Time Frame	Metrics			
Adjusted Operating Profit <sup>(1)</sup>	40%	3 Years	Cumulative Adjusted Operating Profit (2017 - 2019)	*	*	*
Free Cash Flow <sup>(2)</sup>	40%	3 Years	Cumulative Free Cash Flow (2017-2019)	*	*	*
ROIC: (with acquisitions) <sup>(3)</sup>	20%	3 Years	3 year average ROIC	*	*	*

Definitions:

Adjusted Operating Profit: Cumulative Pre-tax Operating income before special charges; excludes: (1)

(1) amortization expense; (2) purchase accounting adjustments; (3) restructuring expenses; (4) interest income; (5) other income; (6) JV income; (7) other items that may be excluded from adjusted EPS.

(2) Free Cash Flow: Operating Cash Flow less capital expenditures.

(3) ROIC: GAAP income minus interest (after tax) as a percentage of average net assets, excluding cash and net deferred taxes. Each year's average ROIC is equally weighted  $(Y1 + Y2 + Y3)/3$

We do not publicly disclose our goals during the performance periods due to the proprietary and competitive

\* sensitivity of the information. We believe these goals to be consistent with our philosophy of establishing aggressive but achievable targets and after one year's results, participants are on track to achieve the targets.

**Fiscal Years 2018 - 2020 LTIP**

The Fiscal Year 2018 LTIP covering the fiscal years 2018 – 2020 was approved by the HRC Committee and Board of Directors in November 2017 and was designed with the same metrics as the Fiscal 2017 – 2019 LTIP but with significantly greater goals for each metric that took into account the strong performance in Fiscal 2017 and the Company's longer-term financial models that support a strategy of profitable growth. The HRC Committee decided to make each metric equally weighted at one-third by increasing the weighting of the ROIC metric to help focus on growing our acquired companies.

**FINANCIAL OBJECTIVES FISCAL 2018 - 2020 LTIP****Long Term Incentive Plan Objectives – LTIP 2018 - 2020**

Strategic Objective	Weighting	Measurement		Threshold 25% of Award	Target 100% of Award	Maximum +200% of Award
		Time Frame	Metrics			
ROIC (with acquisitions) <sup>(1)</sup>	34%	3 Years	3 year average ROIC (2018 – 2020)	*	*	*
Free Cash Flow <sup>(2)</sup>	33%	3 Years	Cumulative Free Cash Flow (2018-2020)	*	*	*

Adjusted Operating Profit <sup>(3)</sup>	33%	3 Years	Cumulative Adjusted Operating Profit (2018 - 2020)	*	*	*
--	-----	---------	--	---	---	---

Definitions:

- (1) ROIC: GAAP income minus interest (after tax) as a percentage of average net assets, excluding cash and net deferred taxes. Each year's average ROIC is equally weighted (Y1 + Y2 + Y3)/3
- (2) Free Cash Flow: Operating Cash Flow less capital expenditures.
- Adjusted Operating Profit: Cumulative Pre-tax Operating income before special charges; excludes: (1) amortization expense; (2) purchase accounting adjustments; (3) restructuring expenses; (4) interest income; (5) other income; (6) JV income; (7) other items that may be excluded from adjustment EPS.

\* We do not publicly disclose our goals during the performance periods due to the proprietary and competitive sensitivity of the information. We believe these goals to be consistent with our philosophy of establishing aggressive but achievable targets and after one year's results, participants are on track to achieve the targets.

## TABLE OF CONTENTS

### COMPENSATION DISCUSSION AND ANALYSIS

#### **Elements of Our Fiscal 2019 PBVC and LTIP**

For Fiscal 2019, the financial metrics in our PBVC will again be based on adjusted gross margin, annual revenue, and adjusted earnings per share to emphasize revenue growth with the addition of GENEWIZ for most of the fiscal year and the potential divestiture of the semiconductor cryogenics business during the fiscal year.

We have again established three-year measurements in our LTIP. The financial metrics are comprised of cumulative adjusted operating profit (33% weight), cumulative free cash flow (33% weight) and return on invested capital (34% weight). All three financial metrics will be measured against three-year performance goals for the fiscal 2019-2021 performance period. Adjusted operating profit is a key performance indicator that motivates and rewards sustained growth in profit. Growing free cash flow is a key element of our business strategy to provide cash for our growth strategy. We are again measuring return on invested capital in recognition of the importance of this key indicator of the success of our investments in our acquisitions and innovative organic products.

#### **Other Compensation and Policies**

##### *Stock Ownership Guidelines*

Stock ownership guidelines require that within five years of the hire date, executive officers, including named executive officers Dr. Schwartz and Messrs. Robertson, Tenney, Jarzynka and Dr. Gray, acquire and maintain beneficial ownership of Brooks shares at different multiples of salary depending upon position. The HRC Committee approved an increase to the Chief Executive Officer requirement to six (6) times base salary from the previous five (5) times base salary. The Chief Financial Officer has an ownership requirement of three (3) times base salary. The remaining positions covered by the policy have ownership requirements of two (2) times base salary. At the end of Fiscal 2018, Dr. Schwartz exceeded his six (6) times ownership requirement; Mr. Robertson exceeded his three (3) times ownership requirement; and the remaining named executive officers also exceeded their two (2) times base salary requirement. The guidelines cease to apply to any executive officer after termination of employment.

##### *Risk Assessment Process*

The HRC Committee has assessed the risk profile of its compensation program to monitor whether any element of pay or policy encouraged inappropriate or unacceptable risk to the Company. The HRC Committee is provided with a series of analytical factors which focus upon several key areas of our compensation program, including: external market reference; pay mix; range and sensitivity of our PBVC and long-term incentive plans; selection of performance metrics; goal setting process; and our checks and balances on the payment of compensation. This provides a process to ensure that an appropriate balance between prudent business risk and resulting compensation is being maintained.

The HRC Committee believes our policies and procedures achieve this balance. The Company also has clawback provisions in place as discussed in more detail below, as well as stock ownership guidelines to further align the executive's interests with that of our shareholders. The HRC Committee regularly monitors the executives' progress against our stock ownership guidelines. The HRC Committee believes our policies and rewards structure appropriately balances the creation of long-term value with shorter-term positive results.

##### *Clawback Provisions*

Clawback provisions which apply to the chief executive officer and chief financial officer are contained in employment agreements and/or offer letters and are consistent with the Sarbanes-Oxley Act of 2002. These provisions

govern the recoupment of annual and long-term incentive compensation in the event of an accounting restatement due to material noncompliance by the Company that results from misconduct or gross negligence relating to any financial reporting requirements. In November 2013, the Board approved an incentive compensation recoupment policy that applies to all executive officers (including the chief executive officer and the chief financial officer), which is applicable to incentive-based compensation (such as the PBVC and performance-based restricted stock units) awarded to executive officers after the adoption of the policy. Pursuant to the policy, in the event we are required to prepare an accounting restatement due to material noncompliance with financial reporting requirements, we will use reasonable efforts to recover any amount in excess of what would have been paid to such executive officers (or such former executive officers) under the accounting restatement for any such incentive-based compensation during the three-year period preceding the restatement.

### ***Employment Agreements***

We currently have an employment agreement with Dr. Schwartz. The agreement provides for, among other things, a specified annual base salary and the target variable compensation award based on performance. It also provides that he will be entitled to severance of one year's base salary and continued participation in benefit plans if his employment is terminated by us without cause or if he resigns for good reason. Severance and benefits are continued on a payroll to payroll basis if he remains unemployed following the initial twelve months of payment up to an additional twelve months. More information can be found under the section Post Employment Benefits.

Messrs. Robertson, Tenney and Jarzynka and Dr. Gray have each entered into offer letters that stipulate the terms and conditions of their employment with the Company. In June 2015, we modified the original offer letters to Mr. Robertson and Mr. Tenney to provide for the same severance provisions as Dr. Schwartz (one year's base salary and benefits and up to an additional 12 months so long as the

## TABLE OF CONTENTS

### COMPENSATION DISCUSSION AND ANALYSIS

executive remains unemployed). In November 2016 we modified the offer letters to Mr. Jarzynka and Dr. Gray to provide severance pay of six months base salary and benefits and up to an additional six months of severance and benefits so long as the executive remains unemployed. We believe these changes are appropriate as they reflect customary market practice for executives and provide our executives the proper focus when analyzing potential transactions.

#### *Change-In-Control and Non-Compete Agreements*

We currently have provisions within our stock award agreements that provide for accelerated vesting at target in the event of a double-trigger change in control (termination of employment without cause or for good reason within a year following or six months prior to a change-in-control).

In June 2015, we extended the double-trigger change in control provisions to our severance and benefits arrangements with Dr. Schwartz and Messrs. Robertson and Tenney and increased the protected termination period following a change in control to two years. The arrangement includes:

- Cash severance, payable bi-weekly, equal to two times the amount of their current base salary and annual target bonus
- A lump sum payment to cover the approximate cost of the Company's portion of premiums for coverage under their welfare benefit plans for two years following termination
- Fully accelerated vesting of all unvested equity awards including any performance-based awards that have not yet been earned calculated at the target award amount

In exchange for the change in control agreement, we entered into a non-competition agreement with Dr. Schwartz and Messrs. Robertson and Tenney where each executive agrees that during the term of the agreement and for 12 months following termination for any reason, the executive:

- Shall not work or invest in any business that is competitive with Brooks
- Shall not solicit for employment any employee of the Company or solicit a customer (within the last two years) of the Company

In November 2016 we extended the Change-In-Control provisions and Non-Compete Agreements to Mr. Jarzynka and Dr. Gray on the same basis as described for Dr. Schwartz, Mr. Robertson, and Mr. Tenney.

#### *Indemnification Agreements*

We entered into an indemnification agreement at the time of hire with our chief executive officer. The indemnification agreement provides that we will pay amounts incurred in connection with any civil or criminal action or proceeding, specifically including actions by or in the Company's name where the involvement is by reason of the fact that he is or was an officer. Such amounts include, to the maximum extent permitted by law, attorney's fees, judgments, civil or criminal fines, settlement amounts, and other expenses customarily incurred in connection with legal proceedings. Under the indemnification agreement, the chief executive officer will receive indemnification unless he or she is adjudged not to have acted in good faith and in a manner he or she reasonably believed to be in the best interests of Brooks.

#### *Tax Deductibility*

Section 162(m) of the Internal Revenue Code of 1986, as amended by the recently-enacted Tax Cuts and Jobs Act, restricts deductibility for federal income tax purposes of annual individual compensation in excess of \$1 million to the

NEOs, effective for tax years beginning after 2017, subject to a transition rule for written binding contracts which were in effect on November 2, 2017, and which were not modified in any material respect on or after such date. In the past, Section 162(m)'s deductibility limitation was subject to an exception for compensation that qualified as performance-based. Certain of our compensation programs were designed to permit us to qualify for the performance-based exception, although the Company reserved the right to pay compensation that did not qualify as performance-based. While the HRC Committee has considered the deductibility of compensation as a factor in making compensation decisions, it has retained the flexibility to provide compensation that is consistent with the Company's goals for its executive compensation program, even if such compensation would not be fully tax-deductible. The HRC Committee is continuing to assess the impact of Section 162(m) of the Code, as amended, on our compensation programs.

Section 280G and related sections of the Code provide that executive officers and directors who hold significant stockholder interests and certain other service providers could be subject to significant additional taxes if they receive payments or benefits that exceed certain limits in connection with a change in control event, and that we could lose a deduction on the amounts subject to the additional tax. We have not provided any executive officer, including Dr. Schwartz, with a commitment to gross up or reimburse other tax amounts that the executive might pay pursuant to Section 280G of the Internal Revenue Code. In January 2010, the Board of Directors voted that it would not make any gross-up or tax reimbursement commitments to any executives.

Section 409A of the Code also imposes additional significant taxes on an executive officer, director or service provider who receives deferred compensation that does not meet the requirements of Section 409A. To assist in the avoidance of additional tax under Section 409A, we intend to structure equity awards and other deferred compensation payments in a manner to comply with the applicable Section 409A requirements.

TABLE OF CONTENTS

COMPENSATION DISCUSSION AND ANALYSIS

**Human Resources and Compensation Committee Report**

To The Stockholders:

The Human Resources and Compensation Committee has reviewed and discussed the Compensation Discussion and Analysis with management. Based on its review and discussions with management, the Human Resources and Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in this Proxy Statement.

Respectfully submitted,

Human Resources and Compensation Committee

as of September 30, 2018

Ellen M. Zane, Chairman

Robyn C. Davis

Kirk P. Pond



TABLE OF CONTENTS

## COMPENSATION TABLES FOR NAMED EXECUTIVE OFFICERS

## COMPENSATION TABLES FOR NAMED EXECUTIVE OFFICERS

**Summary Compensation Table**

The following table sets forth certain information concerning compensation of each named executive officer during the fiscal years indicated below:

Name and Principal Position	Fiscal Year	Salary	Bonus	Stock Awards <sup>(1)</sup>	Non-Equity Incentive		Total
					Plan Compensation <sup>(2)</sup>	All Other Compensation	
<b>Stephen S. Schwartz</b>	2018	\$ 643,750 <sup>(8)</sup>		\$ 2,217,307	\$ 1,052,563	\$ 12,375 <sup>(3)</sup>	\$ 3,925,995
<i>President and Chief Executive Officer</i>	2017	\$ 625,000		\$ 2,061,640	\$ 1,195,031	\$ 12,150	\$ 3,893,821
	2016	\$ 625,000		\$ 1,760,800	\$ 490,625	\$ 12,375	\$ 2,888,800
<b>Lindon G. Robertson</b>	2018	\$ 473,750 <sup>(9)</sup>		\$ 1,061,135	\$ 614,335	\$ 12,375 <sup>(4)</sup>	\$ 2,161,595
<i>Executive Vice President</i>	2017	\$ 436,250		\$ 908,236	\$ 597,575	\$ 12,150	\$ 1,954,211
<i>&amp; Chief Financial Officer</i>	2016	\$ 425,000		\$ 795,200	\$ 314,500	\$ 113,462	\$ 1,648,163
<b>Maurice H. Tenney III</b>	2018	\$ 457,500 <sup>(10)</sup>		\$ 909,569	\$ 321,771	\$ 12,375 <sup>(5)</sup>	\$ 1,701,215
<i>President, Brooks</i>	2017	\$ 432,500	\$ 100,000	\$ 891,520	\$ 236,485	\$ 12,150	\$ 1,672,655
<i>Life Sciences</i>	2016	\$ 425,000		\$ 908,800	\$ 214,917	\$ 108,223	\$ 1,656,941
<b>David E. Jarzynka</b>	2018	\$ 372,500 <sup>(11)</sup>		\$ 667,008	\$ 396,349	\$ 13,829 <sup>(6)</sup>	\$ 1,449,686
<i>President, Brooks</i>	2017	\$ 346,250		\$ 626,850	\$ 359,641	\$ 12,719	\$ 1,345,460
<i>Semiconductor Solutions Group</i>	2016	\$ 319,192		\$ 798,300	\$ 188,044	\$ 12,802	\$ 1,318,338
<b>David C. Gray</b>	2018	\$ 357,500 <sup>(12)</sup>		\$ 545,728	\$ 278,153	\$ 12,470 <sup>(7)</sup>	\$ 1,193,851
<i>Senior Vice President, Chief Strategy and New Business Officer</i>	2017	\$ 350,000		\$ 487,550	\$ 287,658	\$ 12,115	\$ 1,137,323
	2016	\$ 350,000		\$ 511,200	\$ 157,500	\$ 11,960	\$ 1,030,660

(1) Awards consist of restricted stock unit (RSU) awards. In November 2017, the Company issued both time-based and performance-based RSUs under our Fiscal Year 2018-2020 Long-Term Incentive Plan to each of the named executive officers. The value of an award is based on the fair value as of the grant date calculated in accordance with FASB ASC Topic 718 (previously FAS 123R). The grant date fair value of the performance-based RSUs

assuming the maximum potential value is achieved is \$3,325,961 for Dr. Schwartz; \$1,591,720 for Mr. Robertson; \$1,364,370 for Mr. Tenney; \$1,000,529 for Mr. Jarzynka and \$818,608 for Dr. Gray.

- (2) Amounts consist of cash incentive compensation awards earned for services rendered in the relevant fiscal year under the Company's executive performance-based variable compensation plan.
- (3) Represents amounts paid or accrued by the Company on behalf of Dr. Schwartz as follows: \$12,375 in matching contributions to Dr. Schwartz's account under the Company's qualified 401(k) plan.
- (4) Represents amounts paid or accrued by the Company on behalf of Mr. Robertson as follows: \$12,375 in matching contributions to Mr. Robertson's account under the Company's qualified 401k plan.
- (5) Represents amounts paid or accrued by the Company on behalf of Mr. Tenney as follows: \$12,375 in matching contributions to Mr. Tenney's account under the Company's qualified 401k plan.
- (6) Represents amounts paid by the Company on behalf of Mr. Jarzynka as follows: \$13,029 in matching contributions to Mr. Jarzynka's account under the Company's qualified 401(k) plan and an \$800 patent award.
- (7) Represents amounts paid by the Company on behalf of Dr. Gray as follows: \$12,470 in matching contributions to Dr. Gray's account under the Company's qualified 401(k) plan.
- (8) Dr. Schwartz' base pay was increased from \$625,000 to \$650,000 effective January 1, 2018.
- (9) Mr. Robertson's base pay was increased from \$440,000 to \$485,000 effective January 1, 2018.
- (10) Mr. Tenney's base pay was increased from \$435,000 to \$465,000 effective January 1, 2018.
- (11) Mr. Jarzynka's base pay was increased from \$350,000 to \$380,000 effective January 1, 2018.
- (12) Mr. Gray's base pay was increased from \$350,000 to \$360,000 effective January 1, 2018.

TABLE OF CONTENTS

## COMPENSATION TABLES FOR NAMED EXECUTIVE OFFICERS

**Grants of Plan-Based Awards Table***Fiscal Year 2018*

During the fiscal year ended September 30, 2018 the following plan-based awards were granted to the named executive officers:

Name	Grant Date	Estimated Future Payouts Under Non-Equity Incentive Plan Awards <sup>(1)</sup>		Estimated Future Payouts Under Equity Incentive Plan Awards			All Other Stock Awards: Number of Shares of Stock or Units (#)	Grant Date Fair Value of Stock Awards (\$)
		Target (\$)	Maximum (\$)	Threshold (#)	Target (#)	Maximum (#)		
Stephen S. Schwartz		\$ 715,000	\$ 1,430,000					
	11/8/2017 <sup>(2)</sup>						16,180	\$ 554,327
	11/8/2017 <sup>(3)</sup>			12,135	48,540	97,080		\$ 1,662,980
Lindon G. Robertson		\$ 485,000	\$ 727,500					
	11/8/2017 <sup>(2)</sup>						7,743	\$ 265,275
	11/8/2017 <sup>(3)</sup>			5,808	23,230	46,460		\$ 795,860
Maurice H. Tenney III		\$ 372,000	\$ 558,000					
	11/8/2017 <sup>(2)</sup>						6,637	\$ 227,384
	11/8/2017 <sup>(3)</sup>			4,978	19,912	39,824		\$ 682,185
David E. Jarzynka		\$ 285,000	\$ 427,500					
	11/8/2017 <sup>(2)</sup>						4,867	\$ 166,743
	11/8/2017 <sup>(3)</sup>			3,651	14,602	29,204		\$ 500,265
David C. Gray		\$ 216,000	\$ 324,000					
	11/8/2017 <sup>(2)</sup>						3,982	\$ 136,423
	11/8/2017 <sup>(3)</sup>			2,987	11,947	23,894		\$ 409,304

These grants were made pursuant to a performance-based variable compensation framework for fiscal year 2018

- (1) and reflect the target and maximum payouts with respect to fiscal year 2018. Payouts at less than target may be awarded if a threshold level of achievement (less than target achievement) of each performance metric is reached.
- (2) Amount shown is the number of time-based RSUs awarded on November 8, 2017. The RSUs will vest at a rate of one-third of the grant per year on November 15, 2018, November 15, 2019 and November 15, 2020.
- (3) Amount shown is the number of performance-based RSUs awarded on November 8, 2017 that may be earned, in part or in full, based on achieving certain three-year performance targets for the period ending September 30,

2020 and reflect threshold, target and maximum number of RSUs eligible to be earned. Any earned RSUs will vest at the end of the three-year period at the later of the date of determination by the Company's Board of Directors of the achievement attained or November 15, 2020.

Under the fiscal year 2018 PBVC, participants were eligible to receive a cash bonus based on the achievement against corporate financial targets for adjusted gross margin, revenue and adjusted earnings per share, in each case for the fiscal year ended September 30, 2018. On November 6, 2018 the Company's Board of Directors determined that the Company's financial performance for the 2018 fiscal year resulted in the following percentages of target bonus being earned: 149% for Dr. Schwartz, 130% for Mr. Robertson, 88% for Mr. Tenney, 142% for Mr. Jarzynka, and 130% for Mr. Gray.

Under the 2018 - 2020 LTIP, participants were granted an award of RSUs on November 8, 2017, of which 25% vest based on the passage of time with a continuous service requirement of one-third of the grant per year on November 15, 2018, November 15, 2019 and November 15, 2020 and 75% will be earned based on the achievement of Company financial performance metrics, of which 33% will be earned based on cumulative adjusted operating profit over the three-year period, 33% will be earned based on cumulative free cash flow over the three-year period, and 34% will be earned based on average return on invested capital for the three-year period and if earned will vest on the later of the date the achievement is determined by the Board of Directors or November 15, 2020. Each financial metric is weighted and contains a minimum achievement threshold, which if not met would result in no vesting as to that metric's weighted percentage of RSUs. If the Company's performance exceeds the target threshold for any metric, the eligible participants could achieve up to 200% of the number of performance-based RSUs.

A discussion of the material terms of the named executive officers' employment arrangements can be found in the Compensation Discussion and Analysis included elsewhere in this proxy statement.

40 BROOKS AUTOMATION – *Proxy Statement*

TABLE OF CONTENTS

## COMPENSATION TABLES FOR NAMED EXECUTIVE OFFICERS

**Outstanding Equity Awards at Fiscal Year End Table***Fiscal Year 2018*

The following table sets forth certain information concerning outstanding equity awards for each named executive officer as of September 30, 2018. There is no information regarding stock options because none of the named executive officers have been granted any stock options.

Name	Number of Shares or Units of Stock That Have Not Vested (#)		Market Value of Shares or Units of Stock That Have Not Vested (\$) <sup>(9)</sup>		Stock Awards Number of Equity Incentive Plan Awards; Number of Unearned Shares, Units or Other Rights That Have Not Vested (#)		Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested (\$)	
Stephen S. Schwartz	12,919	(1)	\$	452,553				
					116,250	(2)	\$	4,072,238
	24,667	(3)	\$	864,085				
					111,000	(4)	\$	3,888,330
Lindon G. Robertson	16,180	(5)	\$	566,785				
					48,540	(6)	\$	1,700,356
	5,834	(1)	\$	204,365				
					52,500	(2)	\$	1,839,075
Maurice H. Tenney III	10,867	(3)	\$	380,671				
					48,900	(4)	\$	1,712,967
	7,743	(5)	\$	271,237				
					23,230	(6)	\$	813,747
David E. Jarzynka	6,668	(1)	\$	233,580				
					60,000	(2)	\$	2,101,800
	10,667	(3)	\$	373,665				
					48,000	(4)	\$	1,681,440
David E. Jarzynka	6,637	(5)	\$	232,494				
					19,912	(6)	\$	697,517
	3,750	(1)	\$	131,263				
					33,750	(2)	\$	1,182,263

Edgar Filing: BROOKS AUTOMATION INC - Form DEF 14A

	7,500	(3)	\$	262,725				
					33,750	(4)	\$	1,182,263
	4,867	(5)	\$	170,491				
					14,602	(6)	\$	511,508
	6,000	(7)	\$	210,180				
					5,346	(8)	\$	187,270
David C. Gray	3,750	(1)	\$	131,363				
					33,750	(2)	\$	1,182,263
	5,833	(3)	\$	204,330				
					26,250	(4)	\$	919,538
	3,982	(5)	\$	139,489				
					11,947	(6)	\$	418,503

(1) The unvested units consist of RSUs granted on November 4, 2015, which vest on November 4, 2018.

(2) The unvested units consist of RSUs granted on November 4, 2015 that will be earned and vest based on achieving certain performance targets measured over the three-year period ended September 30, 2018. On November 6, 2018, the Human Resources and Compensation Committee determined that the Company's financial performance over this period resulted in 171.9% of the RSUs being earned and vested.

(3) The unvested units consist of RSUs granted on November 9, 2016, which vest in two equal installments on November 15, 2018 and on November 15, 2019.

(4) The unvested units consist of RSUs granted on November 9, 2016 that will be earned and vest based on achieving certain performance target measured over the three-year period ending September 30, 2019.

BROOKS AUTOMATION – Proxy Statement 41

TABLE OF CONTENTS

## COMPENSATION TABLES FOR NAMED EXECUTIVE OFFICERS

- (5) The unvested units consist of RSUs granted on November 8, 2017 which vest in three equal installments on November 15, 2018, November 15, 2019 and November 15, 2020.
- (6) The unvested units consist of RSUs granted on November 8, 2017 that will be earned and vest based on achieving certain performance target measured over the three-year period ending September 30, 2020.
- (7) The unvested units consist of RSUs granted on May 4, 2016, the last installment of which vests on May 4, 2019. The unvested units consist of RSUs granted on May 4, 2016 that were earned based on achieving certain
- (8) performance targets measured over a one-year period ended September 30, 2017 the last installment of which vested on November 8, 2018.
- (9) The market value is calculated on September 28, 2018 (\$35.03), the last business day of the fiscal year. All performance-based awards are valued at target, not maximum.

**Stock Vested Table*****Fiscal Year 2018***

The following table sets forth certain information concerning all vesting of restricted stock units for each named executive officer during the fiscal year ended September 30, 2018.

<b>Name</b>	<b>Stock Awards</b>	
	<b>Number of Shares Acquired on Vesting (#)</b>	<b>Value Realized on Vesting (\$)<sup>(1)</sup></b>
Stephen S. Schwartz	88,806	\$ 2,934,064
Lindon G. Robertson	41,058	\$ 1,358,793
Maurice H. Tenney III	66,791	\$ 2,236,857
David E. Jarzynka	36,720	\$ 1,187,526
David C. Gray	23,350	\$ 774,148

- (1) The value realized equals the closing price of Common Stock on the vesting dates, multiplied by the number of shares that vested.

**Nonqualified Deferred Compensation**

None of the Named Executive Officers participate in our nonqualified deferred compensation plan.

**Pension Benefits**

We do not have any qualified or nonqualified defined benefit plans.

TABLE OF CONTENTS

## COMPENSATION TABLES FOR NAMED EXECUTIVE OFFICERS

**Post-Employment Benefits**

The following table sets forth the estimated payments and benefits that would be provided to each of the named executive officers, upon termination or a termination following a change in control. The payments and benefits were calculated assuming that the triggering event took place on September 28, 2018, the last trading day of our fiscal year, and using the closing market price of the Company's stock on that date (\$35.03).

Name	Event	Salary & Other Cash Payment	Health Insurance Contribution	Vesting of Stock Awards	Total
Stephen S. Schwartz	Termination Without Cause or for Good Reason	\$ 650,000 <sup>(1)</sup>	\$ 10,973	\$	\$ 660,973
	Change of Control with Termination	\$ 2,730,000 <sup>(2)</sup>	\$ 25,695	\$ 11,544,347 <sup>(3)</sup>	\$ 14,300,042
Lindon G. Robertson	Termination Without Cause or for Good Reason	\$ 485,000 <sup>(1)</sup>	\$ 14,874	\$	\$ 499,874
	Change of Control with Termination	\$ 1,940,000 <sup>(2)</sup>	\$ 36,119	\$ 5,222,062 <sup>(3)</sup>	\$ 7,198,181
Maurice H. Tenney III	Termination Without Cause or for Good Reason	\$ 465,000 <sup>(1)</sup>	\$ 10,973	\$	\$ 475,973
	Change of Control with Termination	\$ 1,674,000 <sup>(2)</sup>	\$ 25,247	\$ 5,320,496 <sup>(3)</sup>	\$ 7,019,743
David E. Jarzynka	Termination Without Cause or for Good Reason	\$ 190,000 <sup>(4)</sup>	\$ 7,437	\$	\$ 197,437
	Change of Control with Termination	\$ 1,330,000 <sup>(2)</sup>	\$ 35,362	\$ 3,837,963 <sup>(3)</sup>	\$ 5,203,325
David C. Gray	Termination Without Cause or for Good Reason	\$ 180,000 <sup>(4)</sup>	\$ 7,755	\$	\$ 187,755
	Change of Control with Termination	\$ 1,152,000 <sup>(2)</sup>	\$ 33,564	\$ 2,995,486 <sup>(3)</sup>	\$ 4,181,050

Under the terms of Dr. Schwartz's employment agreement and each of the other executive's offer letters, (other than Dr. Gray and Mr. Jarzynka) if the executive is terminated by the Company without cause, or if he resigns for good reason, the Company shall pay an amount equal to one year's current base salary, paid in bi-weekly payments as severance in salary continuation; an amount equal to the pro rata incentive bonus for the completed portion of the current annual pay period (for purposes of this table, we have assumed each executive received his bonus for the fiscal year). During the salary continuation

- (1) period, the Company will continue to pay the employer portion of the cost of the health insurance plans in which the executive was a participant as of the termination date. If he has not found a full-time comparable executive position with another employer during the initial salary continuation period, the Company will extend the bi-weekly salary on a payroll to payroll basis until the earlier to occur of (A) one additional year (26 additional bi-weekly payments) or (B) the date he secures full-time employment. For purposes of this table we have assumed the executive will find a full-time comparable executive position with another employer during the initial salary continuation period.

(2)



Under the terms of each executive's Change in Control Agreement, if the executive is terminated without cause, or resigns for good reason, within two years following or the six month period prior to a change in control, the executive will be entitled to receive a severance amount equal to two times the sum of the executive's annual base salary plus the executive's target annual cash bonus payable in bi-weekly installments over the two-year period. In addition, the executive will be entitled to a lump sum payment equal to the estimated cost of the executive's continued welfare benefits (health, dental, and life and disability insurance) for a two-year period following termination.

- (3) Under the terms of each named executive officer's equity award agreement, in the event of a change-in-control, followed by a termination without cause or termination for good reason within one year, all unvested awards would immediately vest, including any performance-based awards that have not yet been earned calculated at the target award amount.

- (4) Under the terms of Dr. Gray's and Mr. Jarzynka's offer letters entered into in November 2016, if the executive is terminated by the Company without cause, or if he resigns for good reason, the Company shall pay an amount equal to six months of current base salary, paid in bi-weekly payments as severance in salary continuation; an amount equal to the pro rata incentive bonus for the completed portion of the current annual pay period (for purposes of this table, we have assumed each executive received his bonus for the six month period). During the salary continuation period, the Company will continue to pay the employer portion of the cost of the health insurance plans in which the executive was a participant as of the termination date. If he has not found a full-time comparable executive position with another employer during the initial salary continuation period, the Company will extend the bi-weekly salary on a payroll to payroll basis until the earlier to occur of (A) six additional months or (B) the date he secures full-time employment. For purposes of this table we have assumed the executive will find a full-time comparable executive position with another employer during the initial salary continuation period.

TABLE OF CONTENTS

COMPENSATION TABLES FOR NAMED EXECUTIVE OFFICERS

**CEO PAY RATIO**

Under rules adopted pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 402(u) of Regulation S-K, the Company is required to disclose the median of the annual total compensation of our employees (excluding our principal executive officer), the annual total compensation of our principal executive officer, President and Chief executive officer, Stephen S. Schwartz, and the ratio of these two amounts. The Company's pay ratio may not be comparable to the pay ratios of other companies given varying workforce composition and pay practices, as well as the flexibility permitted in identifying the median employee.

The Company determined that the 2018 annual total compensation of our median employee as of September 30, 2018 was \$73,563 and Dr. Schwartz's annual total compensation for 2018 was \$3,925,995, both of which were calculated in accordance with Item 402(c) of Regulation S-K. The ratio of these amounts was 53:1.

The Company selected September 30, 2018, the last day of our most recently-completed fiscal year, as the effective date used to identify the median employee. As of this date the Company employed approximately 1,972 employees globally. The Company did not elect to make any exclusions as permitted under the SEC de minimis rule.

The Company used a Consistently Applied Compensation Measure to identify the median employee based on the sum of base pay/regular wages, overtime and target bonus. The Company elected to include bonus payments given the broad participation rates in these programs across the employee population. Annualized salary rates for full-time employees and hourly pay rates and scheduled hours worked were used as reasonable estimates of salary/wages.

44 BROOKS AUTOMATION – *Proxy Statement*

TABLE OF CONTENTS

## EQUITY COMPENSATION PLAN INFORMATION

## EQUITY COMPENSATION PLAN INFORMATION

The table below sets forth certain information as of September 30, 2018 regarding the shares of our Common Stock available for grant or granted under stock option plans that (i) were approved by our stockholders, and (ii) were not approved by our stockholders.

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 <sup>(2)</sup>
Equity compensation plans approved by security holders <sup>(1)</sup>	2,194,512	\$ 17.20	4,130,297 <sup>(3)</sup>
Equity compensation plans not approved by security holders	0		
<b>Total</b>	2,194,512		4,130,297

(1) Consists of restricted stock units.

(2) Excludes securities reflected in the first column of the table.

(3) Includes 1,123,326 shares available for issuance under our Employee Stock Purchase Plan.

**RELATED PARTY TRANSACTIONS**

Under existing SEC rules, some transactions, commonly referred to as related party transactions, are required to be disclosed to stockholders. Examples of related party transactions include transactions or proposed transactions between us and:

- an executive officer, director or director nominee;
- any person who is known to be the beneficial owner of more than 5% of our common stock;
- any person who is an immediate family member (as defined under Item 404 of Regulation S-K) of an executive officer, director or director nominee or beneficial owner of more than 5% of our common stock; and
- any firm, corporation or other entity in which any of the foregoing persons is employed or is a partner or principal or in a similar position or in which such person, together with any other of the foregoing persons, has a 5% or greater beneficial ownership interest.

Under the Nasdaq Stock Market rules we are required to conduct an appropriate review of any such transaction and either the Audit Committee or the independent directors are required to approve the transaction. All related party transactions must also be disclosed in our applicable filings with the Securities and Exchange Commission as required under SEC rules. Our Audit Committee Charter also requires that members of the Audit Committee approve all related party transactions for which such approval is required under applicable law, including SEC and Nasdaq rules. In addition, the Conflicts of Interest provisions of our Standards of Conduct cover, among other things, all transactions involving our relationships with service providers and suppliers. It requires the disclosure of any relationship that could be seen to affect the application of independent and sound judgment in the choice of suppliers. In the case of employees this calls for disclosure of any relationship to management. Members of our Board of Directors would normally make this disclosure to the chairman of the board. We entered into no related party transactions during fiscal year 2018.

TABLE OF CONTENTS

PROPOSAL NO. 2 ADVISORY VOTE ON EXECUTIVE COMPENSATION

**PROPOSAL NO. 2 ADVISORY VOTE ON EXECUTIVE COMPENSATION**

We are seeking your advisory vote as required by Section 14A of the Securities Exchange Act of 1934, as amended, on the approval of the compensation of our named executive officers as disclosed in this proxy statement under the heading Executive Officers including Compensation Discussion and Analysis, the tabular disclosure regarding such compensation, and the accompanying narrative disclosure. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the philosophy, policies and practices of executive compensation described in this proxy statement. The advisory vote is not a vote on the Company's compensation practices for non-executive employees or the Company's Board of Directors.

As described in detail under the heading Executive Officers-Compensation Discussion and Analysis, our executive compensation programs are designed to attract, motivate, and retain our named executive officers, who are critical to our success. Under these programs, our named executive officers are rewarded for the achievement of specific short-term and long-term goals. Please see the Compensation Discussion and Analysis for additional details about our executive compensation philosophy and programs, including information about the fiscal year 2018 compensation of our named executive officers.

Our Board of Directors is asking stockholders to provide a non-binding advisory vote that the compensation paid to the Company's named executive officers, as disclosed pursuant to the compensation disclosure rules of the SEC, included in this proxy statement under the heading Executive Officers-Compensation Discussion and Analysis, the tabular disclosure regarding such compensation and the accompanying narrative disclosure, is approved.

The Human Resources and Compensation Committee continually reviews the compensation programs for our named executive officers to ensure they achieve the desired goals of aligning our executive compensation structure with our stockholders' interests and current market practices.

This vote on the compensation of our named executive officers is advisory, and therefore not binding on the Company, the Human Resources and Compensation Committee or our Board of Directors. Our Board of Directors and our Human Resources and Compensation Committee value the opinions of our stockholders and to the extent there is any significant vote against the named executive officer compensation as disclosed in this proxy statement, we will consider our stockholders' concerns and the Human Resources and Compensation Committee and the Board of Directors will evaluate whether any actions are necessary to address those concerns.

We will hold an advisory vote on executive compensation annually, and will ask stockholders to vote on the frequency of those advisory votes every six years. Our next vote on the frequency of advisory votes on executive compensation will be at the 2024 annual meeting of stockholders.

**THE BOARD OF DIRECTORS BELIEVES THAT THE PROPOSAL TO APPROVE, ON A NON-BINDING, ADVISORY BASIS, THE EXECUTIVE COMPENSATION CONTAINED IN THE PROXY STATEMENT IS IN THE BEST INTERESTS OF BROOKS AND OUR STOCKHOLDERS AND THEREFORE RECOMMENDS A VOTE FOR THIS PROPOSAL.**

TABLE OF CONTENTS

AUDIT COMMITTEE REPORT

**AUDIT COMMITTEE REPORT**

To The Stockholders:

Management has the primary responsibility for the financial statements and the reporting process, including the systems of internal control over financial reporting. The independent auditors are responsible for performing an independent audit of our consolidated financial statements in accordance with the standards of the Public Company Accounting Oversight Board (United States) and issuing a report thereon. The Audit Committee's responsibility is to monitor and oversee these processes.

Management has represented to the Audit Committee that our consolidated financial statements for the fiscal year ended September 30, 2018 were prepared in accordance with accounting principles generally accepted in the United States. The Audit Committee has reviewed and discussed the consolidated financial statements with management and separately with the independent auditors. It is the Audit Committee that engaged our independent auditors for the year ended September 30, 2018, and the Audit Committee determines annually who shall act as our independent auditors. For the year ended September 30, 2018, the Audit Committee sought and obtained from our stockholders the ratification of their choice of independent auditors. The Audit Committee is seeking similar ratification of their choice of independent auditors for the fiscal year that will end September 30, 2019.

The Audit Committee, in accordance with its charter and recurring meeting agenda, reviewed with the independent auditors the accounting policies and practices critical to our financial statements, the alternative treatments within general accepted accounting principles for policies and practices related to material items that have been discussed with management, the ramifications of each alternative, and the independent auditors' preferred treatment. The Audit Committee also reviewed the material written communications between management and the independent auditors. The Audit Committee reviewed management's assessment of the effectiveness of our internal control over financial reporting and also met with the independent auditors, with and without management present, to discuss the independent auditors' evaluations of our internal controls and the overall quality of our financial reporting. The Audit Committee also regularly reviews whether there have been communications to our telephone and electronic hotlines and reviews and monitors the responses to any such communications. All call reports from the independent company that staffs and operates these hotlines are directed in the first instance to, among others, the Chairman of the Audit Committee, except where local law requires otherwise. The Audit Committee further reviews whether there have been any changes to our Standards of Conduct and whether any waivers to those standards have been granted. The Audit Committee has discussed with the independent auditors the matters required to be discussed as required under Public Company Accounting Oversight Board (PCAOB) Auditing Standard No. 16, Communications with Audit Committees. The Audit Committee has also discussed the results of the internal audit examinations.

As noted under "Board Risk Oversight", the Audit Committee operates under the direction of the Executive Committee in helping to assess and address the Company's business risks. In that process, the Audit Committee reviews with management the process employed by management to conduct a risk assessment survey, and also reviews and discusses with management and the registered public accounting firm the Company's major financial risk exposures and the steps management has taken to monitor and control such exposures.

Our independent auditors provided the Audit Committee with the written disclosures and the letter required by PCAOB Ethics and Independence Rule 3526 (Communications with Audit Committees Concerning Independence) which requires auditors annually to disclose in writing all relationships that in the auditor's professional opinion may reasonably be thought to bear on independence, to confirm their independence and to engage in a discussion of independence. The Audit Committee also reviewed with the independent auditors the relevant SEC rules with respect

to independence of auditors.

Based on its review, the Audit Committee has recommended to the Board of Directors that our audited consolidated financial statements for the fiscal year ended September 30, 2018, management's report on its assessment on the effectiveness of internal control over financial reporting as of September 30, 2018, and the independent auditors reports be included in our annual report on Form 10-K for the fiscal year ended September 30, 2018. Further, the Audit Committee has determined to engage PricewaterhouseCoopers LLP as our independent auditors for the fiscal year ending September 30, 2019.

Respectfully submitted,

Audit Committee:

John K. McGillicuddy, Co-Chairman

Alfred Woollacott, III, Co-Chairman

Michael Rosenblatt

Mark S. Wrighton

BROOKS AUTOMATION – *Proxy Statement* 47

TABLE OF CONTENTS

## INDEPENDENT AUDITOR FEES AND OTHER MATTERS

**INDEPENDENT AUDITOR FEES AND OTHER MATTERS**

Set forth below are the fees paid by Brooks to its independent registered public accounting firm, PricewaterhouseCoopers LLP ( PwC ), for the fiscal years ended September 30, 2018 and September 30, 2017.

	<b>2018</b>	<b>2017</b>
Audit Fees	\$ 3,279,277	\$ 2,026,500
Audit-Related Fees	\$ 294,129	\$ 148,850
Tax Fees	\$ 157,077	\$ 148,500
All Other Fees	\$ 2,756	\$ 3,000

**Description of Services**

**Audit Fees:** Comprise fees and expenses for professional services rendered in connection with the audit of our financial statements for the fiscal years ended September 30, 2018 and 2017, respectively, for the reviews of the financial statements included in each of our Quarterly Reports on Form 10-Q during those years, and for services provided in connection with statutory and regulatory filings or engagements in those years. The increase in audit fees for 2018 is primarily due to incremental fees associated with (1) classifying the Company's semiconductor cryogenics business as discontinued operations and (2) assessing the impact of U.S. tax reform on the Company's audited financial statements.

**Audit-Related Fees:** Comprise fees for professional services for assurance and related services reasonably related to the performance of an audit or review in the fiscal years ended September 30, 2018 and 2017. In fiscal year 2018, the Company incurred \$195,184 in audit related fees to PwC for pre-acquisition due diligence, \$86,645 for technical accounting consulting services and \$12,300 in connection with SEC filings. In fiscal year 2017, the Company incurred \$113,000 in audit-related fees to PwC for technical accounting consulting services and \$35,850 in connection with SEC filings.

**Tax Fees:** Comprise fees for tax compliance, tax advice and tax planning. Tax services encompass a variety of permissible services including international tax compliance, expatriate tax services and tax consulting. For fiscal year 2018, the tax fees included \$63,544 for U.S. tax services and the remainder for non-U.S. tax compliance. For fiscal year 2017, the aggregate tax fee amount consists of fees related to non-US tax compliance.

**All Other Fees:** Comprise fees for certain web-based accounting research tools paid to PwC in fiscal years 2018 and 2017.

The Audit Committee has considered and determined that the provision of the non-audit services noted in the foregoing table is compatible with maintaining PwC's independence.

**Pre-Approval Policy and Procedures**

The Audit Committee's charter sets forth the Audit Committee's obligations relating to the approval of all audit and non-audit services that are to be performed by our independent registered public accounting firm. The charter provides that we will not engage our independent registered public accounting firm to provide audit or non-audit services unless the service is pre-approved by the Audit Committee. In addition, we will not engage any other accounting firm to provide audit services unless such services are pre-approved by the Audit Committee.

In connection with the foregoing, the Audit Committee may approve specific services in advance. In addition, from time to time, the Audit Committee may pre-approve specified types of services that are expected to be provided to us by our independent registered public accounting firm during the next 12 months. Any such pre-approval of types of services is detailed as to the particular service or type of service to be provided and is also generally subject to a maximum dollar amount.

The Audit Committee has also delegated to the Chair of the Audit Committee the authority to approve any audit or non-audit services to be provided to us by our independent registered public accounting firm. Any approval of services by the Chair of the Audit Committee pursuant to this delegated authority is reported on at the next meeting of the Audit Committee.

48 BROOKS AUTOMATION – *Proxy Statement*



## TABLE OF CONTENTS

### PROPOSAL NO. 3 RATIFICATION OF THE SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

#### **PROPOSAL NO. 3 RATIFICATION OF THE SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Company's Audit Committee has appointed PwC to serve as the Company's independent registered public accounting firm for the fiscal year ending September 30, 2019, and stockholders are asked to ratify the selection at the Annual Meeting. The Audit Committee has considered and determined that PwC has no commercial relationship with the Company that would impair its independence in the next fiscal year. Representatives of PwC will be present at the Annual Meeting and will be available to respond to appropriate questions and to make a statement if they so desire. We do not expect the representatives to make any statements apart from responding to inquiries. Even if the selection is ratified, the Audit Committee, in its sole discretion, may change the appointment at any time during the year if it determines that such a change would be in the best interests of our Company and our stockholders. An affirmative vote of a majority of the votes cast affirmatively or negatively is required to approve this Proposal. Abstentions and broker non-votes will have no effect on the outcome of the vote.

**THE BOARD OF DIRECTORS DEEMS PROPOSAL NO. 3 TO BE IN THE BEST INTERESTS OF  
BROOKS AND  
OUR STOCKHOLDERS AND THEREFORE RECOMMENDS THAT THE STOCKHOLDERS VOTE FOR  
PROPOSAL NO. 3.**

#### **OTHER MATTERS**

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

Section 16(a) of the Securities Exchange Act of 1934, as amended, requires our executive officers and directors, and persons who own more than 10% of our Common Stock, to file reports of ownership and changes in ownership on Forms 3, 4 and 5 with the SEC. Executive officers and directors are required to furnish us with copies of all Forms 3, 4 and 5 they file.

Based solely on our review of the copies of such forms we have received and written representations from certain reporting persons that they were not required to file Forms 5 for the fiscal year ended September 30, 2018, we believe that all of our executive officers and directors complied with all Section 16(a) filing requirements applicable to them during our fiscal year ended September 30, 2018.

##### **Standards of Conduct**

Pursuant to the requirements of the Sarbanes-Oxley Act of 2002 and the Nasdaq Stock Market rules, we have adopted Standards of Conduct that apply to all officers, directors and employees, covering a wide range of matters, including finance and accounting standards specifically applicable to our senior financial officers related to the protection of the integrity of our financial records and reports. A copy of our Standards of Conduct is publicly available on our website at [www.brooks.com](http://www.brooks.com). If we make any substantive amendment to the Standards of Conduct or grant any waiver, including any implicit waiver, from a provision thereof to the persons covered by the Standards of Conduct, we are obligated to disclose the nature of such amendment or waiver, the name of the person to whom any waiver was granted, and the date of waiver on the above-named website or in a report on Form 8-K.

##### **Stockholder Proposals and Recommendations For Director**

Proposals which stockholders intend to present at our 2020 annual meeting of stockholders and wish to have included in our proxy materials pursuant to Rule 14a-8 promulgated under the Securities Exchange Act of 1934 must be received by the Company no later than August 16, 2019. If a proponent fails to notify us by October 30, 2019 of a non-Rule 14a-8 stockholder proposal which it intends to submit at our 2019 annual meeting of stockholders, the proxy solicited by the Board of Directors with respect to such meeting may grant discretionary authority to the person named in each proxy to vote with respect to such matter.

Stockholders may make recommendations to the Nominating and Governance Committee of candidates for its consideration as nominees for director by submitting the name and qualifications of such person to the Nominating and Governance Committee. These recommendations and any proposals for inclusion in the proxy statement for the 2020 annual meeting of stockholders should be sent to the Nomination and Governance Committee c/o Board of Directors, Brooks Automation, Inc. at our principal executive offices, 15 Elizabeth Drive, Chelmsford, MA 01824.

Nominations for directors in connection with the 2020 annual meeting of stockholders should be received by the Company no later than November 1, 2019. Any persons recommended should at a minimum meet the criteria and qualifications referred to in the Nominating and Governance Committee's charter. The letter of recommendation from one or more stockholders should state whether or not the person(s) making the recommendation have beneficially owned 5% or more of our Common Stock for at least one year.

## TABLE OF CONTENTS

### OTHER MATTERS

#### **Voting Results**

The preliminary voting results will be announced at the annual meeting, and we will publish preliminary, or final results if available, in a Current Report on Form 8-K within four business days of the annual meeting. If final results are unavailable at the time we file the Form 8-K, then we will file an amended report on Form 8-K to disclose the final voting results within four business days after the final voting results are known.

#### **Householding of Proxy Materials**

SEC rules permit companies and intermediaries such as brokers to satisfy delivery requirements for proxy statements with respect to two or more stockholders sharing the same address by delivering a single proxy statement addressed to those stockholders. This process, which is commonly referred to as householding, potentially provides extra convenience for stockholders and cost savings for companies. We and some brokers household proxy materials, delivering a single proxy statement to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from us or your broker that they will be householding materials to your address, householding will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in householding and would prefer to receive a separate proxy statement, or if you are receiving multiple copies of the proxy statement and wish to receive only one, please notify your broker if your shares are held in a brokerage account or us if you hold registered shares. You can also request prompt delivery of a copy of this proxy statement. All such requests should be made in writing to our Investor Relations department at the following address: Investor Relations, Brooks Automation, Inc., 15 Elizabeth Drive, Chelmsford, MA 01824 or by telephone at the following number: (978) 262-2400.

#### **Material Not Incorporated by Reference**

To the extent that this proxy statement has been or will be specifically incorporated by reference into any filing by us under the Securities Act of 1933 or the Securities Exchange Act of 1934, the sections of the proxy statement entitled Audit Committee Report, and Human Resources and Compensation Committee Report shall not be deemed to be so incorporated, unless specifically otherwise provided in any such filing.

#### **Annual Report on Form 10-K**

Copies of our Annual Report on Form 10-K for the fiscal year ended September 30, 2018 as filed with the SEC are being made available to our stockholders of record with this proxy statement and are available to stockholders without charge upon written request addressed to Investor Relations, Brooks Automation, Inc., 15 Elizabeth Drive, Chelmsford, Massachusetts 01824. It is also available at our website *www.brooks.com*.

**IT IS IMPORTANT THAT PROXIES BE AUTHORIZED PROMPTLY.  
THEREFORE, STOCKHOLDERS ARE URGED TO COMPLETE, SIGN AND RETURN  
THE ACCOMPANYING FORM OF PROXY IN THE ENCLOSED ENVELOPE.**

TABLE OF CONTENTS

**Brooks Automation, Inc.**  
15 Elizabeth Drive  
Chelmsford, MA 01824

TABLE OF CONTENTS

TABLE OF CONTENTS