HAEMONETICS CORP
Form DEF 14A
June 11, 2015
UNITED STATES SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
SCHEDULE 14A
(Rule 14a-101)
Information Required in Proxy Statement

Schedule 14A Information
Proxy Statement Pursuant to Section 14(a) of the Securities
Exchange Act of 1934 (Amendment No. )
Filed by the Registrant x
Filed by a Party other than the Registrant o
Check the appropriate box:

o Preliminary Proxy Statement
o Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
þ Definitive Proxy Statement
o Definitive Additional Materials
o Soliciting Material Pursuant to §240.14a-12
HAEMONETICS CORPORATION
(Name of Registrant as Specified In Its Charter)
(Name of Person(s) Filing Proxy Statement, if other than the Registrant)
Payment of Filing Fee (Check the appropriate box):

þ No fee required.

o 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:

o Fee paid previously with preliminary materials.

o 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:

HAEMONETICS CORPORATION
Notice of Annual Meeting of Stockholders
July 21, 2015
To the Stockholders:
Our Annual Meeting of Stockholders will be held on Tuesday, July 21, 2015 at 9:00 AM at the Hilton Logan Airport, located at 1 Hotel Drive, Boston, Massachusetts, 02128 for the following purposes:

1. To elect three (3) directors as more fully described in the accompanying Proxy Statement.

2. To consider and act upon an advisory vote regarding the compensation of our named executive officers.

3. To ratify Ernst & Young LLP as independent registered public accounting firm to audit the consolidated financial statements of the Company and its subsidiaries for the fiscal year ended April 2, 2016.

4. To consider and act upon any other business which may properly come before the meeting.

The Board of Directors has fixed the close of business on June 10, 2015 as the record date for the meeting. All stockholders of record on that date are entitled to notice of and to vote at the meeting.
Whether or not you plan to attend the meeting, please complete and return the enclosed proxy in the envelope provided or vote by telephone or the Internet pursuant to instructions provided with the proxy.
By Order of the Board of Directors

Sandra Jesse
Secretary
Braintree, Massachusetts
June 11, 2015

HAEMONETICS CORPORATION
PROXY STATEMENT
TABLE OF CONTENTS

## GENERAL INFORMATION

This Proxy Statement is furnished in connection with the solicitation of proxies by the Board of Directors of Haemonetics Corporation (the "Company") for use at the Annual Meeting of Stockholders (the "Meeting") to be held on Tuesday, July 21, 2015 at the time and place set forth in the Notice of Meeting, and at any adjournment thereof.

## MATERIALS

On approximately June 11, 2015, the Company began mailing to stockholders either this Proxy Statement or a Notice of Internet Availability of Proxy Materials containing instructions on how to access proxy materials via the Internet and how to vote online at www.investorvote.com/HAE.

The Company's 2015 Annual Report, this Proxy Statement, and a form of proxy are available at www.investorvote.com/HAE.

Stockholders who have received a Notice of Internet Availability can request a paper copy of the proxy materials by contacting our transfer agent, Computershare Shareholder Services, P.O. Box 30710, College Station, Texas 77842-3170 by telephone at 1-866-641-4276 or by email at investorvote@computershare.com. There is no charge to you for requesting a copy.

The Company's principal executive offices are located at 400 Wood Road, Braintree, Massachusetts, USA 02184-9114, telephone number (781) 848-7100.

## VOTING

If a proxy is properly delivered, it will be voted in the manner directed by the stockholder. This year, stockholders have the ability to choose from four means of voting: (1) mailing of a proxy card, (2) via telephone, by calling the toll-free number on the enclosed proxy card, (3) via Internet, by following the instructions on the enclosed proxy card, or (4) in person at the Meeting. If no instructions are specified with respect to any particular matter to be acted upon, the proxy will be voted in favor of the election of directors as set forth in this Proxy Statement and FOR Items 2 and 3 listed in the Notice of the Meeting. For both Internet and telephone voting you will have the ability to confirm that your vote has been properly recorded.

Any person delivering a proxy has the power to revoke it by voting in person at the Meeting or by giving written notice of revocation to the Secretary of the Company at any time before the proxy is exercised. Alternatively, any person wishing to revoke a vote submitted by telephone or Internet may (a) simply re-vote in the same manner, and the last received vote cast will be recorded in the final tally or (b) vote in person at the Meeting.

Directions to the Meeting may be obtained by contacting Investor Relations. If calling from within the United States, please call (800) 225-5242 extension 9613. International callers, please use (781) 356-9613.

To contact us in writing:
Haemonetics Corporation
Attn: Investor Relations
400 Wood Road
Braintree, MA 02184

## QUORUM

A majority of the votes entitled to be cast on the matter must be present in person or be represented by proxy at the Meeting in order to constitute a quorum for the election of any director or for the consideration of any question.

The election of the nominees for director, which is Item 1 in this Proxy Statement, will be decided by plurality vote. To approve all other Items listed in the Notice of Meeting, it is necessary that the votes cast favoring the action exceed the votes cast opposing the action.

Abstentions and "non-votes" are counted as present in determining whether the quorum requirement is satisfied. A "non-vote" occurs when a nominee holding shares for a beneficial owner is present or represented at the Meeting but does not vote on a particular matter. Abstentions and broker non-votes will not be taken into account in determining the outcome of any Item.

BROKER VOTING AUTHORITY

If you are a beneficial owner whose shares are held of record by a broker, your broker has discretionary voting authority under New York Stock Exchange rules to vote your shares only on Item 3, the ratification of the appointment of Ernst & Young LLP as the Company's independent auditors. However, New York Stock Exchange rules do not permit brokers to vote on the election of directors or any matter which relates to executive compensation without instructions from you, in which case a broker non-vote will occur and your shares will not be voted on these matters. Accordingly, it is particularly important that beneficial owners instruct their brokers how they wish to vote their shares.

DIRECTOR ELECTION AUTHORITY

Under a policy adopted by the Board of Directors, in an uncontested election, any nominee for director who does not receive the favorable vote of at least a majority of the votes cast with respect to such director is required to tender his or her resignation to the Board of Directors. For purposes of the policy, a majority of votes cast means that the number of shares voted “for” a director’s election exceeds 50% of the number of votes cast with respect to that director’s election. Votes cast include votes to withhold authority and exclude abstentions with respect to that director’s election.

The Governance and Compliance Committee will make a recommendation to the Board as to whether to accept or reject the resignation, or whether other action should be taken. The Board will act on the Committee’s recommendation and publicly disclose its decision, and the rationale behind it, within 90 days from the date of the certification of the election results. The director who tenders his or her resignation will not participate in the Committee’s recommendation or in the Board’s decision.

If a majority of the members of the Governance and Compliance Committee fail to receive a “majority vote” in the same election, then the independent directors on the full Board of Directors shall appoint a committee from among themselves to consider the resignations and recommend to the Board whether to accept them.

If a director’s resignation is not accepted by the Board of Directors, the director shall continue to serve for the balance of the term for which he or she was elected and until his or her successor is duly elected, or his or her earlier resignation or removal.

If a director’s resignation is accepted by the Board of Directors, then the Board of Directors may, in accordance with the By-laws, fill any resulting vacancy or decrease the size of the Board of Directors.

SOLICITATION OF PROXIES

The Company has engaged MacKenzie Partners, Inc., to assist in the solicitation of proxies and provide related advice and informational support, for a services fee, plus customary disbursements, which are not expected to exceed $50,000 in total. The Company will bear these costs.

In addition, regular employees, none of whom will receive any extra compensation for their activities, or directors of the Company may also solicit proxies by telephone, e-mail or in person and arrange for brokerage houses and their custodians, nominees and fiduciaries to send proxies and proxy materials to their principals at the expense of the Company.

RECORD DATE AND VOTING

Only stockholders of record at the close of business on June 10, 2015 are entitled to attend and vote at the meeting. On that date, the Company had outstanding and entitled to vote 51,028,047 shares of common stock with a par value of $.01 per share. Each outstanding share entitles the record holder to one vote on each of the director nominees and one vote on each other matter.

## CORPORATE GOVERNANCE

### STRUCTURE OF THE BOARD OF DIRECTORS

The Board of Directors oversees, directs and counsels executive management in conducting the business in the long-term interests of the Company and the stockholders. The Board's responsibilities include:

- Reviewing and approving the Company's financial and strategic objectives, operating plans and significant actions, including acquisitions;
- Overseeing the conduct of the business and compliance with applicable laws and ethical standards;
- Overseeing the processes which maintain the integrity of our financial statements and public disclosures;
- Selecting, evaluating and determining the compensation of senior management, including the Chief Executive Officer; and
- Developing succession plans for position of Chief Executive Officer and the Board, and supervising senior management succession.

The Board of Directors currently has nine members, comprised of eight independent directors and the President and Chief Executive Officer, Brian Concannon. The independent directors are organized into three standing committees: the Audit Committee, the Compensation Committee, and the Governance and Compliance Committee. This past year, leadership was provided by the Chairman of the Board, Richard J. Meelia, an independent Director.

We believe that having separate individuals serving in the roles of Chairman and Chief Executive Officer is appropriate for the Company at this time in recognition of the different responsibilities of each position and to foster independent leadership of our Board. This structure allows the Chief Executive Officer to focus on the day-to-day leadership of the Company and its operations and the Chairman to focus on leadership of the Board, while both individuals provide direction and guidance on strategic initiatives.

### EXECUTIVE SESSIONS

Executive sessions of the non-management directors are generally held at the beginning and end of each board meeting. During fiscal 2015, the Chairman of the Board of Directors, Richard J. Meelia, presided over all such executive sessions.

### COMMITTEES OF THE BOARD

#### Compensation

The Board of Directors has a Compensation Committee composed entirely of independent directors. Currently, the members of the Compensation Committee are Pedro Granadillo, Chairman, Susan Bartlett Foote, and Mark Kroll, Ph.D. During the last fiscal year, there were a total of four regular meetings of the Compensation Committee.

The Compensation Committee has three broad areas of responsibility:

- determining the Company's compensation philosophy and policy for the chief executive officer and other senior management, and directors, which includes:

evaluation and approval of the compensation plans, policies and programs of the Company related to the chief executive officer and his direct reports

annually reviewing and approving the relevant peer groups to be used for compensation comparison purposes and regularly reviews the competitive standing of all components of executive compensation;

review and approval of senior management employment agreements, severance arrangements, and change in control agreements/provisions, in each case as, when and if appropriate, along with any executive benefits beyond those provided to other employees;

obtaining and reviewing market data for all components of director compensation, and provides such market data and its recommendations as input to the Governance and Compliance Committee's decision on director compensation;

- Determining the compensation of the chief executive officer and his direct reports, which includes:
  - ensuring that the Board annually reviews and approves corporate goals and objectives relevant to the chief executive officer’s compensation;
  - approving the grant of equity awards to officers, employees and directors under the Company’s incentive compensation plans and agreements—the Committee determines eligibility, the number and type of awards available for grant, and the terms and conditions of such grants;

- Communicating with stockholders on compensation matters, including:
  - the review and approval of the Compensation Discussion and Analysis included in this proxy statement;
  - Meeting with stockholders to obtain feedback on compensation and provide explanations of the Company's philosophy.

Audit

The Board of Directors has an Audit Committee composed entirely of independent directors. Currently, the members of the Audit Committee are Charles Dockendorff, Chairman, Ronald Gelbman, Ronald Merriman and Ellen Zane. Mr. Merriman served as Chairman until July 2014, when Mr. Dockendorff succeeded him. Paul Black served on the Audit Committee until his departure from the Board in July 2014.

The Board has determined that service by Ronald Merriman on the audit committees of three other public companies while he is serving on our Audit Committee does not impair Mr. Merriman’s ability to effectively serve on our Audit Committee.

During the last fiscal year, there were a total of six meetings of the Audit Committee, which included four regular meetings and two conference calls.

The Audit Committee:

- provides general oversight of the Company’s financial reporting and disclosure practices, system of internal controls, and processes for monitoring compliance by the Company with Company policies;

- is directly responsible for the selection, termination, and compensation of the independent registered public accounting firm;

- reviews the scope of the audit for the year and the results of the audit when completed;

- reviews with the Company’s independent registered public accounting firm and internal finance function various matters relating to internal accounting controls; and

- reviews with the Company’s corporate control and analysis function, which has responsibility for internal audit, various matters relating to risk assessment and remediation.

Governance and Compliance

The Board of Directors has a Governance and Compliance Committee composed entirely of independent directors. Currently, the members of the Governance and Compliance Committee are Ronald Gelbman, Chairman, Susan Bartlett Foote, Pedro Granadillo, and Ellen Zane. The Governance and Compliance Committee recommends nominees for election as directors to the full Board of Directors. During the last fiscal year, there were a total of five meetings, four regular meetings and one conference call of the Governance and Compliance Committee.

The Governance and Compliance Committee:

- provides oversight of the Company's compliance programs, including those for non-financial regulatory matters, medical device promotion, anti-bribery, data security, environmental and safety;

- considers recommendations for nominees for directorships submitted by stockholders, directors and members of management;

- recommends to the Board a set of corporate governance principles applicable to the Company;

- reviews on a regular basis the Company’s corporate governance practices and recommends appropriate changes as applicable and in line with emerging best practices; and
- in collaboration with the Compensation Committee, recommends changes to board compensation based on outside market data, shareholder input and independent consultant recommendations.

## THE BOARD'S ROLE IN RISK MANAGEMENT

The Board is responsible for oversight of the Company’s risk management, while the Company's management is responsible for risk management on a day-to-day basis. The Board focuses on the quality and scope of the Company’s risk management strategies, considers the most significant areas of risk inherent in the Company’s business strategies and operations, and ensures that appropriate risk mitigation programs are implemented by management.

In addition to the full Board’s oversight of the Company’s risk management, Board committees consider discrete categories of risk relating to their respective areas of responsibility. All committees report to the full Board as appropriate, including when a matter rises to the level of a material or enterprise level risk.

The Board also requires executive management to be responsible for day-to-day risk management. The President and Chief Executive Officer has overall responsibility for the Company's risk management approach. This responsibility also includes identifying, evaluating, and addressing potential risks that may exist at the enterprise, strategic, financial, operational, compliance and reporting levels. The Company's internal audit function, which reports directly to the Audit Committee of the Board, serves as the primary monitoring and testing function for compliance with company-wide policies and procedures.

The Company believes that the division of risk management responsibilities described above constitutes an effective program for addressing the risks inherent in the operation of the Company and the achievement of its business objectives.

## MEETINGS OF THE BOARD OF DIRECTORS

The Board of Directors typically meets four times per year in regular meetings to address the following areas in addition to routine or special business: a spring meeting, which focuses on the Company's Annual Operating Plan; a summer meeting, which focuses on the Company's governance, a fall meeting, which focuses on the Company's Strategic Plan; and a winter meeting, which focuses on the Company's succession planning. During the last fiscal year, there were a total of seven meetings of the full Board of Directors of the Company, four regular meetings and three special meetings. All of the directors attended at least 75% of the aggregate of (i) the total number of meetings of the full Board of Directors held while he or she was a director, and (ii) the total number of meetings held by Committees of the Board of Directors on which they served. All directors are strongly encouraged to attend the Annual Meeting of Stockholders. All nine board members attended the Company's 2014 annual meeting of stockholders.

## BOARD COMPOSITION AND THE DIRECTOR NOMINATION PROCESS

The Governance and Compliance Committee is responsible for reviewing and assessing the appropriate skills, experience, and background required for the Company’s Board of Directors. Because our business operates in regulated healthcare markets around the globe and encompasses research, manufacturing, and marketing functions which are subject to technological and market changes, the skills, experience, and background which are needed are diverse.

While the priority and emphasis of each factor changes from time to time to take into account the current needs of the Company, the aim is to have a diverse portfolio of talents and backgrounds including diversity with respect to age, gender and ethnicity. The key factors in any assessment include independence, experience in key business disciplines, and industry background. The Committee and the Board review and assess the importance of these factors as part of the Board’s annual self-assessment process to ensure they continue to advance the Company’s goal of creating and sustaining a Board of Directors which can support and effectively oversee the Company’s business.

Although the Board has not adopted any absolute prerequisites for nomination of directors, the Governance and Compliance Committee considers the following minimum criteria when identifying director nominees:

- the nominee's skills and business, personal and professional accomplishments, government or other professional experience and acumen, bearing in mind the composition of the Board, the current state of the Company and the markets in which the Company is active at the time;
- the nominee's reputation, integrity, independence of thought and judgment, financial sophistication and leadership;
- independence from management, as defined by the New York Stock Exchange and Securities and Exchange Commission;
- the number of other public companies for which the nominee serves as a director;
- the extent to which the nominee is prepared to participate fully in Board activities, including at least one Board committee, and attendance at, and active participation in, meetings of the Board and the committee(s) of which he or she is a member, and the absence of other commitments that would, in the judgment of the Committee, interfere with or limit his or her ability to do so;
- the extent to which the nominee helps the Board reflect the diversity and interests of the Company's stockholders, employees, customers and communities;
- the willingness of the nominee to meet the Company's stock ownership requirements for directors;
- the nominee's knowledge of one or more segments of the Company's business; and
- the nominee's commitment to increasing stockholder value in the Company.

In the case of current directors being considered for re-nomination, the Governance and Compliance Committee will also take into consideration the director's history of attendance at Board and committee meetings, tenure as a member of the Board, and preparation for and participation in such meetings.

The Company's nomination process for new Board members is as follows:

- The Governance and Compliance Committee or other Board member identifies a need to add a new Board member who meets specific criteria or to fill a vacancy on the Board.
- The Governance and Compliance Committee initiates a search seeking input from Board members and senior management and hiring a search firm, if necessary.
- The Governance and Compliance Committee considers recommendations for nominees for directorships submitted by stockholders.
- An initial list of candidates that will satisfy specific criteria and otherwise qualify for membership on the Board is identified and presented to the Governance and Compliance Committee which evaluates the candidates.
- The Chairman of the Board, the Chairman of the Governance and Compliance Committee, the Chief Executive Officer, and at least one other member of the Governance and Compliance Committee interview top candidates.
- All other Board members are kept informed of progress.
- The Governance and Compliance Committee may offer other Board members the opportunity to interview the candidates and then meets to consider and approve the final candidates.

- The Governance and Compliance Committee seeks the entire Board's endorsement of the final candidates.
- The final candidates are nominated by the Board for stockholder election or appointed to fill a vacancy.

The Governance and Compliance Committee reviews and evaluates all director nominations in the same manner and in accordance with the Company's By-laws. Stockholders who wish to submit candidates for consideration as nominees may submit an appropriate letter and resume to the Secretary of the Company at the Company’s executive offices in Braintree, Massachusetts.

COMMUNICATIONS WITH THE BOARD OF DIRECTORS

Interested parties and stockholders may communicate with the Board of Directors, or the non-management directors as a group, or any individual director by sending communications to the attention of the Secretary of the Company, Sandra Jesse, who will forward such communications to the Chairman. Communications may also be sent via the Investor Relations page on the Company’s website: www.Haemonetics.com

CODE OF CONDUCT, CORPORATE GOVERNANCE PRINCIPLES AND BOARD MATTERS

The Company's Code of Business Conduct requires that all of our directors, officers and employees avoid conflicts of interest, comply with all laws and other legal requirements, conduct business in an honest and ethical manner and otherwise act with integrity and in the best interest of the Company. The Company’s Code of Business Conduct, Governance Principles and the Charters of the Audit, the Compensation, and the Governance and Compliance committees may be viewed on the Investor Relations page on the Company’s website at www.Haemonetics.com and printed copies can be obtained by contacting the Secretary at the Company’s headquarters.

BOARD INDEPENDENCE

The Board has determined that each of the directors who has served during fiscal 2015, with the exception of Mr. Concannon, has no material relationship with the Company and is independent within the meaning of the Securities and Exchange Commission and the New York Stock Exchange director independence standards in effect. In making this determination, the Board considered information provided by each director and by the Company with regard to each director’s business and personal activities as they may relate to the Company and its management.

ITEM 1—ELECTION OF DIRECTORS

Pursuant to the Articles of Organization of the Company, the Board of Directors is divided into three classes, with each class being as nearly equal in number as possible. One class of directors is elected each year for a term of three years and until their successors shall be duly elected and qualified or until their death, resignation or removal. The terms of Ronald G. Gelbman, Richard J. Meelia and Ellen M. Zane are expiring at this annual meeting.

The persons named in the accompanying proxy will vote, unless authority is withheld, for the election of the nominees named below. If any such nominees should become unavailable for election, which is not anticipated, the persons named in the accompanying proxy will vote for such substitutes as the Board of Directors may recommend. Should the Board of Directors not recommend a substitute for any nominee, the proxy will be voted for the election of the remaining nominees. The nominees are not related to each other or to any executive officer of the Company or its subsidiaries.
The Board of Directors believes election of Ronald G. Gelbman, Richard J. Meelia and Ellen M. Zane as Directors of the Company for the ensuing 3 years, is in the best interests of the Company and its stockholders and recommends a vote FOR such nominees.
NOMINEES FOR TERMS ENDING IN 2018
Ronald G. Gelbman
Director since 2000
Independent

Retired Worldwide Chairman of the Health Systems and Diagnostics Group at Johnson & Johnson.

Having served as a member of the Executive Committee, Worldwide Chairman, Pharmaceuticals and Diagnostics, Worldwide Chairman for Health Systems and Diagnostics for one of the world’s largest global healthcare products manufacturers, Mr. Gelbman brings to the Board many years of international executive leadership and management experience in the global healthcare markets, strategic planning skills and marketing expertise.

Mr. Gelbman, 67, joined the Board of Directors in 2000 and serves on the Audit Committee and is Chairman of the Governance and Compliance Committee. He is currently a member of several Boards including Sarasota Memorial Healthcare Foundation, a not for profit public health organization, SunTrust Southwest Florida Board of Advisors and Clockwork Home Services, Inc., a private home services company. He is a member of the Board of Trustees at Rollins College and the Out-of-Door Academy College Preparatory School.

Mr. Gelbman retired from Johnson & Johnson in April 2000, after serving as Worldwide Chairman of the Health Systems and Diagnostics Group. He was also a member of the executive committee of Johnson & Johnson. Mr. Gelbman began his career with Johnson & Johnson in 1972, serving in various senior level positions throughout the company.

Other Public Company Board Service: None

Richard J. Meelia
Chairman since 2011
Independent

Principal, Meelia Ventures, Inc.; Retired Chairman, President and Chief Executive Officer, Covidien plc.

Having served as President and CEO of one of the world’s largest global healthcare products companies and having a long and decorated career in the healthcare industry, Mr. Meelia provides the Board many years of leadership experience in the global healthcare industry, including expertise in strategic planning, market development and international operations.

Mr. Meelia, 66, joined the Board of Directors and assumed the role of Chairman in 2011. He is currently a principal of Meelia Ventures, LLC, a private equity firm focused on early stage healthcare companies. Mr. Meelia is also currently a member of several charitable Boards including Tufts Medical Center and St. Anselm College. He also currently serves as the Chairman of the Board of Apollo Endosurgery, Inc., a private company focused on the development of devices that advance therapeutic endoscopy.

From July 2007 until his retirement in July 2011, Mr. Meelia served as Chairman, President, and Chief Executive Officer of Covidien plc following its separation from Tyco International in June, 2007. From January 2006 through the separation, Mr. Meelia was the Chief Executive Officer of Tyco Healthcare and from 1995 through the separation, Mr. Meelia was also the President of Tyco Healthcare. Mr. Meelia joined Kendall Healthcare Products Company, the foundation of both the Tyco Healthcare Business and Covidien, as Group President in 1991. He became President of Tyco Healthcare in 1995. Mr. Meelia formerly served on the Haemonetics Board from 2005-2009. He resigned to focus on his CEO responsibilities at Covidien. Early in his career, Mr. Meelia was promoted through a series of sales and marketing positions at the Pharmaseal and McGaw divisions of American Hospital Supply, where he ultimately became Vice President of Sales and Marketing. Following his career at American Hospital Supply, and before joining Kendall Healthcare, Mr. Meelia was President of Infusaid, Inc. a $30 million division of Pfizer that marketed implantable infusion pumps and ports.

Other Public Company Board Service: None

Ellen M. Zane
Director since 2012
Independent

CEO Emeritus, Vice Chair Board of Trustees of Tufts Medical Center & Floating Hospital for Children; Member Board of Directors, Brooks Automation, Parexel International Corporation and Press Ganey Holdings, Inc.

Ms. Zane, a nationally renowned health care leader provides the Board with extensive functional and leadership experience in the delivery of healthcare and hospital administration in the United States.

Ms. Zane, 63, joined the Board of Directors in 2012 and is a member of the Audit Committee and the Governance and Compliance Committee. She is currently Vice Chair of the Board of Trustees at Tufts Medical Center and Floating Hospital for Children. She also serves as Assistant Professor, Department of Medicine, Division of Clinical Care Research at Tufts University School of Medicine and Adjunct Assistant Professor of Health Policy and Management at the Harvard School of Public Health. Ms. Zane is currently a member of the Board of Directors at Brooks Automation, a public worldwide provider of automation, vacuum and instrumentation solutions for multiple markets, Parexel International Corporation, a public clinical research organization and Press Ganey Holdings, Inc., a public company nationally known as the preeminent provider of patient experience measurement and data in acute hospital and physician settings . Ms. Zane is also currently a member of the Board of Directors of several private companies, including Century Capital Management, LLC, a private mutual fund company, AgNovos Healthcare, LLC, a private medical device company focused on bone health, and Fiduciary Trust Company, a privately owned wealth management company. Since 2014, Ms. Zane has served as Chair of the Board of Directors of Minuteman Health, Inc., a member-governed, non-profit health maintenance organization committed to providing high-quality care for individuals and businesses in Massachusetts and New Hampshire.

Ms. Zane most recently served as a member of the Board of Directors of Lincare Holdings Inc., a public medical services company focused on respiratory care, from 2010 to 2012. Ms. Zane retired from her role as President and Chief Executive Officer of Tufts Medical Center and Floating Hospital for Children in 2011 after 8 years of dedicated service. From 1994 to 2004, Ms. Zane served as Network President at Partners Healthcare System, a physician and hospital network sponsored by the Massachusetts General Hospital and Brigham and Women's Hospital. Prior to 1994, Ms. Zane served as Chief Executive Officer of Quincy Hospital in Quincy, Massachusetts.

Other Public Company Board Service: Brooks Automation, Parexel International Corporation, Press Ganey Holdings, Inc.

CONTINUING BOARD MEMBERS

Brian P. Concannon
Director since 2009
Management

President and Chief Executive Officer, Haemonetics Corporation
As President and Chief Executive Officer of the Company, Mr. Concannon provides the Board with an intensive understanding of the Company's business and products. Mr. Concannon brings to the Board extensive sales, marketing and operations experience in the healthcare industry and provides leadership and insights into the Company's products, strategic planning process and operational effectiveness.
Mr. Concannon, 57, is the President and Chief Executive Officer of the Company. He joined Haemonetics in 2003 as the President, Patient Division and was promoted to President, Global Markets in 2006. In 2007, Mr. Concannon was promoted to Chief Operating Officer and in April 2009, Mr. Concannon was promoted to President and Chief Executive Officer, and elected to the Haemonetics Board of Directors. Immediately prior to joining the Company, Mr. Concannon was the President, Northeast Region, for Cardinal Health Medical Products and Services where he was employed since 1998. From 1985 to 1998, he was employed by American Hospital Supply Corporation, Baxter Healthcare Corp and Allegiance Healthcare in a series of sales and operations management positions of increasing responsibility. He has served in leadership roles within the healthcare industry for more than 30 years. Mr. Concannon is a member of the board of directors of CONMED Corporation (NASDAQ: CNMD) since July, 2013, a member of the board od directors of South Shore Health & Educational Corporation since January 2014, and is the Chairman of the Board of My Brother's Keeper. Mr. Concannon is a 1979 graduate of West Point.
Other Public Company Board Service: Director, CONMED Corporation (NASDAQ: CNMD since July 2013)

Charles J. Dockendorff
Director since 2014
Independent

Member Board of Directors of Keysight Technologies, Inc. and Boston Scientific Corporation.; Retired Executive Vice President and Chief Financial Officer (CFO) at Covidien plc.

Mr. Dockendorff is a highly-respected healthcare industry leader with extensive experience in finance and corporate management. As a retired global executive of one of the world's largest healthcare products companies, Mr. Dockendorff brings to the Board many years of leadership experience in financial management and planning.

Mr. Dockendorff, 60, joined the Board of Directors in 2014 and is Chairman of the Audit Committee. He currently serves as a member of the Keysight Technologies Inc. Board of Directors where he is Chairman of the Audit and Finance Committee and a member of the Nominating and Corporate Governance Committee. Keysight Technologies is a New York Stock Exchange listed company focused on electronic measurement. Mr. Dockendorff joined the Board of Directors of Boston Scientific Corporation in April, 2015 and serves on the audit and finance committees.

In 2015, Mr. Dockendorff retired from Covidien plc, a leading $10 billion global healthcare products company, where he had previously served as Executive Vice President and Chief Financial Officer (CFO) since 2006. The business, formerly known as Tyco Healthcare, separated from parent company Tyco International on June 29, 2007. From 1995 until 2006, Mr. Dockendorff served as Vice President and Chief Financial Officer of Covidien. Mr. Dockendorff joined the Kendall Healthcare Products Company, the foundation of the Tyco Healthcare business, in 1989 as Controller and was named Vice President and Controller five years later. He was appointed CFO of Tyco Healthcare in 1995, and helped the Company grow from $600 million in 1995 to $10 billion as Covidien in 2007.

Before joining Kendall/Tyco Healthcare, Mr. Dockendorff was the CFO, Vice President of Finance and Treasurer of Epsco, Inc. and Infrared Industries, Inc. In addition, Mr. Dockendorff worked as an accountant for Arthur Young & Company and the General Motors Corporation.

Other Public Company Board Service: Keysight Technologies, Inc., Boston Scientific Corporation.

Susan Bartlett Foote
Director since 2004
Independent

Professor Emeritus, Division of Health Policy and Management, School of Public Health, University of Minnesota; Member Board of Directors, Banner Health System.

Professor Foote is a widely known and respected expert on health policy and brings to the Board extensive policy expertise in both healthcare and corporate responsibility, as well as experience with our hospital customers from her background in public service, academia and hospital board of director service.

Professor Foote, 68, joined the Board of Directors in 2004 and is a member of both the Compensation Committee and Governance and Compliance Committee. Professor Foote is currently a member of the Board of Directors of Banner Health System, a nationally recognized nonprofit healthcare system, and Professor Emeritus, Division of Health Policy and Management, School of Public Health, at the University of Minnesota. She is a member of the California State Bar Association.

From 1999 until 2009, Professor Foote held various leadership positions at the University of Minnesota, serving as Professor, Associate Professor and Division Head of the Division of Health Policy and Management, School of Public Health. In 1996, she founded and led Public Policy Partners, Inc., a health policy consulting firm and was a Partner at the law firm of Dorsey & Whitney LLP. Professor Foote also served as Senior Health Policy Analyst in the United States Senate from 1991 to 1994 and was Professor of Business & Public Policy at the University of California at Berkeley from 1982 until 1993.

Other Public Company Board Service: None

Pedro P. Granadillo
Director since 2004
Independent

Co-Founder of Umbria Pharmaceuticals; Retired Senior Vice President Global Manufacturing and Human Resources, Eli Lilly and Company.

Mr. Granadillo is a highly-respected pharmaceutical industry leader with extensive experience in corporate management. Having served as a global executive of one of the world’s largest pharmaceutical companies, Mr. Granadillo brings to the Board, many years of leadership experience in manufacturing operations, quality and human resources.

Mr. Granadillo, 68, joined the Board of Directors in 2004 and serves as Chairman of the Compensation Committee and is a member of the Governance and Compliance Committee. Until its acquisition by Shire plc in February, 2015, Mr. Granadillo was a member of the Board and served as its Chairman of the Compensation Committee at NPS Pharmaceuticals, Inc., a public biotechnology company. Mr. Granadillo co-founded and is a director of Umbria Pharmaceuticals, a private pharmaceutical company.

Mr. Granadillo resigned as director of Nile Therapeutics, a public pharmaceutical company in December, 2013 and from Dendreon Corporation, a public biotechnology company in March 2014. He is the former Senior Vice President of Eli Lilly and Company with world-wide responsibility for manufacturing, quality and human resources. Mr.

Granadillo retired from Eli Lilly and Company in 2004 after 34 years of dedicated service. He was a member of Eli Lilly's Executive Committee and held various senior level positions during his tenure there including 13 years in Europe.

Other Public Company Board Service: NPS Pharmaceuticals, Inc.

Mark W. Kroll, Ph.D
Director since 2006
Independent

Member, Board of Directors of TASER International; Adjunct Full Professor of Biomedical Engineering, University of Minnesota

Dr. Kroll, a well-known pioneer in the field of electrical medical devices and distinguished technology expert throughout the global medical device industry, provides the Board with extensive expertise in the areas of medical innovation and technology. In 2010, Dr. Kroll was awarded the Career Achievement Award in Biomedical Engineering, the highest international award in biomedical engineering.

Dr. Kroll, 62, joined the Board of Directors in 2006 and serves on the Compensation Committee. He is currently a member of the Board of Directors of TASER International, Inc., a public safety technologies company, and is an Adjunct Full Professor of Biomedical Engineering at the University of Minnesota.

Dr. Kroll most recently served as Chairman of the Board of Directors at New Cardio, Inc., a public cardiac diagnostic and services company from 2008 until 2011. Dr. Kroll served as the Senior Vice President and Chief Technology Officer for the Cardiac Rhythm Management division of St. Jude Medical Inc. He also served as Vice President of the Tachycardia Business division and in various senior executive roles within St. Jude from 1995 through his retirement in 2005. Dr. Kroll also served as an Adjunct Full Professor of Biomedical Engineering and Lecturer on Cardiovascular Physiology at California Polytechnic University. He has more than 25 years' experience with cardiovascular devices and instrumentation and is the named inventor of more than 350 U.S. patents as well as numerous international patents.

Other Public Company Board Service: TASER International, Inc.

Ronald L. Merriman
Director since 2005
Independent

Retired Vice Chair and Partner of KPMG; Member Board of Directors, Aircastle Limited, Pentair Ltd., and Realty Income Corporation.

Having served as Vice Chair and Partner of KPMG, a global accounting and consulting firm, Mr. Merriman brings the Board extensive expertise in financial management, enterprise risk management and operational controls and effectiveness as well as extensive public company audit committee experience.

Mr. Merriman, 70, joined the Board of Directors in 2005 and is a member of the Audit Committee. He is currently a member of the Board of Directors, Chair of the Audit Committee and member of the Compensation Committee of Aircastle Limited, a public aircraft leasing company. He also serves as member of the Board of Directors and Chair of the Audit and Finance Committee of Pentair plc., a public global diversified industrial company, and is a member of the Board of Directors and Chairman of the Audit Committee and member of both the Nominating and Corporate Governance and Strategic Planning Committees of Realty Income Corporation, a public real estate investment trust.

More recently, from 2003 to 2011, Mr. Merriman was the Managing Director of Merriman Partners, a management advisory firm he founded. From 1967 to 1997 Mr. Merriman served at KPMG where he was Vice Chair, Senior Partner for its global healthcare and life sciences practice, Chief Operating Officer of its Health Care and Life Sciences Business Segment and member of the Executive Management Committee. From 1997 to 1999, he served as

Executive Vice President of Ambassador International, Inc., a publicly traded travel services business. He has also held leadership positions at various other firms including Managing Director of O'Melveny & Myers and Executive Vice President of Carlson Wagonlit Travel.

Other Public Company Board Service: Aircastle Limited; Pentair plc, formerly Pentair, Inc.; Realty Income Corporation

SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS, DIRECTORS, AND MANAGEMENT

The following table sets forth, as of May 18, 2015 certain information with respect to beneficial ownership of the Company's common stock by: (i) each person known by the Company to own beneficially more than five percent of the Company's common stock; (ii) each of the Company's directors and nominees and each of the executive officers named in the Summary Compensation Table in this Proxy Statement; and (iii) all directors and executive officers as a group.

OWNERSHIP TABLE

| Name of Beneficial Owner | Title of Class | Amount & Nature Beneficial Ownership | Percent of Class | |
|---|---|---|---|---|
| Brian P. Concannon (1) | Common Stock | 925,339 | 1.8 | % |
| Christopher Lindop (2) | Common Stock | 211,234 | 0.4 | % |
| Peter Allen (3) | Common Stock | 163,365 | 0.3 | % |
| Brian Burns (4) | Common Stock | 8,012 | — | % |
| Kent Davies | Common Stock | — | — | % |
| Charles J. Dockendorff | Common Stock | — | — | % |
| Susan Bartlett Foote (5) | Common Stock | 52,164 | 0.1 | % |
| Ronald G. Gelbman (6) | Common Stock | 85,019 | 0.2 | % |
| Pedro P. Granadillo (7) | Common Stock | 57,126 | 0.1 | % |
| Mark W. Kroll (8) | Common Stock | 52,226 | 0.1 | % |
| Richard Meelia (9) | Common Stock | 49,004 | 0.1 | % |
| Ronald L. Merriman (10) | Common Stock | 37,678 | 0.1 | % |
| Ellen Zane (11) | Common Stock | 21,898 | — | % |
| Neuberger Berman, LLC (12) | Common Stock | 4,889,723 | 9.5 | % |
| BlackRock, Inc. (13) | Common Stock | 4,471,709 | 8.7 | % |
| The Vanguard Group (14) | Common Stock | 3,479,732 | 6.8 | % |
| All executive officers and directors as a group ( 17 persons)(15) | Common Stock | 1,919,693 | 3.7 | % |

(1) Includes 843,734 shares which Mr. Concannon has the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18, 2015. 3,286 shares are subject to a shared power to vote and dispose.
(2) Includes 185,092 shares which Mr. Lindop has the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18, 2015.
(3) Includes 139,311 shares which Mr. Allen has the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18, 2015.

(4) Includes 6,219 shares which Mr. Burns has the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18, 2015.
(5) Includes 42,225 shares which Ms. Foote has the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18, 2015.
(6) Includes 42,225 shares which Mr. Gelbman has the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18, 2015.
(7) Includes 42,225 shares which Mr. Granadillo has the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18, 2015.
(8) Includes 42,225 shares which Dr. Kroll has the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18, 2015.
(9) Includes 38,855 shares which Mr. Meelia has the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18, 2015.
(10) Includes 27,967 shares which Mr. Merriman has the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18, 2015.
(11) Includes 17,501 shares which Ms. Zane has the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18, 2015.

(12) This information has been derived from a Schedule 13G filed with the Securities and Exchange Commission on February 11, 2015 reporting sole voting and dispositive power over 0 shares, shared voting power over 4,876,923 shares and shared dispositive power over 4,889,723 shares. The reporting entity’s address is 605 Third Avenue, New York, NY 10158.
(13) This information has been derived from a Schedule 13G filed with the Securities and Exchange Commission on January 22, 2015 reporting sole ownership of and dispositive power over 4,471,709 shares and sole voting power of 4,335,141 shares. The reporting entity's address is 55 East 52nd Street, New York, NY 10022.
(14) This information has been derived from Schedule 13G filed with the Securities and Exchange Commission on February 11, 2015 reporting sole voting power over 73,472 shares, shared voting power over 0 shares, sole dispositive power over 3,411,660 shares and shared dispositive power over 68,072 shares. The reporting entity's address is 100 Vanguard Boulevard, Malvern, PA 19355.
(15) Includes 1,638,917 which executive officers and directors have the right to acquire upon the exercise of options currently exercisable or exercisable within 60 days of May 18,2015.

## SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act of 1934 (the “Act”) requires the Company’s directors, officers and persons who own more than 10% of the Company’s common stock to file with the Securities and Exchange Commission and the New York Stock Exchange reports concerning their ownership of the Company’s common stock and changes in such ownership. Copies of such reports are required to be furnished to the Company. To the Company’s knowledge, based solely on a review of copies of such reports furnished to the Company during or with respect to the Company’s most recent fiscal year, all Section 16(a) filings required by persons who were, during the most recent fiscal year, officers or directors of the Company or greater than 10% beneficial owners of its common stock were made on a timely basis, with the exception of a Form 4 reflecting a grant under the Company's equity compensation plan to Brian Burns was filed a day late on October 27, 2014.

## TRANSACTIONS WITH RELATED PERSONS

The Board has adopted a policy and procedures for the disclosure, review, approval or ratification of any transaction in which the Company or one of its subsidiaries is a participant and in which any “related person” (director, executive officer or their immediate family members, or stockholders owning 5% or more of the Company’s outstanding stock) has a direct or indirect material interest. The policy requires that transactions involving a related person be reviewed and approved in advance. The Board of Directors reviews the transaction in light of the best interests of the Company and determines whether or not to approve the transaction. The policy requires that executive officers and directors of the Company report proposed related party transactions to the Company’s Chief Legal Officer, who will bring the proposed transaction to the attention of the Board of Directors. The Company is not aware of any transaction required to be reported under Item 404(a) of Regulation S-K promulgated by the Securities and Exchange Commission since the beginning of fiscal 2015, nor is the Company aware of any instances during the period in which the foregoing policies and procedures required review, approval or ratification of such transaction but for which such policies and procedures were not followed.

COMPENSATION RISK STATEMENT

As stated in the Company's compensation philosophy, risk is a key consideration of the Compensation Committee in the development and design of compensation programs and policies. In the fourth quarter of fiscal 2015, with the assistance of management, the Compensation Committee reviewed, as part of its ongoing review of compensation risk, the potential for the Company's compensation programs and policies to have a material adverse effect on the Company. An assessment process was completed to assess the potential risks and mitigating factors in the Company's compensation plans, including the following considerations:

- Market Perspective: The competitiveness of compensation levels, mix and provisions with market norms, as well as the quality of peer group selection;
- Performance Metrics: The type and combination of various financial and non-financial performance metrics used in incentive plans;
- Pay Mix: The mix of pay elements, including short-term vs. long-term, fixed vs. variable, and cash vs. equity;
- Leverage: The payout curve of incentive plans, including slope and caps
- Checks and Balances: Factors that balance compensation risk through oversight, design, and policies

In the process of our compensation risk assessment, multiple factors were identified that mitigate potential unnecessary risk-taking, including:

- Target compensation levels are set at approximately the median of the competitive market;
- The fiscal 2015 Peer Group is representative of the Company in key size parameters;
- Balanced metrics in our incentive plans promote both top line and bottom line growth;
- Annual non-sales bonus payouts are (i) based upon a plan design and performance targets for revenue and operating income which are pre-approved by the Compensation Committee of the Board of Directors at the beginning of every year, (ii) capped, and (iii) do not guarantee a minimum bonus payout;
- A recapture policy in our annual bonus plans would recoup any payouts made as a result of material non-compliance with any financial reporting requirement that requires a restatement or if an employee’s actions violate the Haemonetics Code of Business Conduct;
- A significant portion of compensation for our executives and other senior management is in the form of long-term incentives;
- Equity awards are granted to executives and senior management annually and vest over four years with overlapping vesting periods, which foster a continuous long-term perspective;
- Share ownership guidelines require meaningful levels of equity ownership for senior management; and
- Change-in-control agreements are competitive with market norms for severance amounts and are only payable in the case of both a change-in-control and the employee’s termination other than for cause.

The Compensation Committee will continue to be proactive in monitoring compensation risk, and to assess the potential risks of compensation programs and policies during the design and approval process. In addition, the Committee will conduct an annual compensation risk assessment to monitor ongoing compensation plans.

## COMPENSATION DISCUSSION AND ANALYSIS

### EXECUTIVE SUMMARY

This Compensation Discussion and Analysis provides a detailed description of our executive compensation philosophy and programs, the compensation decisions the Compensation Committee has made under those programs and the factors considered in making those decisions. This Compensation Discussion and Analysis focuses on the compensation of five executives in fiscal 2015. These individuals, who are referred to as our Named Executive Officers ("NEO"), are:

| EXECUTIVE | TITLE |
|---|---|
| Brian Concannon | President & CEO |
| Christopher Lindop | CFO & EVP, Business Development |
| Kent Davies | Chief Operating Officer* |
| Peter Allen | President, Global Plasma |
| Brian Burns | EVP, Global QA/RA |

* Promoted from President, Global Markets to Chief Operating Officer effective April 27, 2015.

### RESPONSE TO 2014 SAY ON PAY VOTE

We are committed to ensuring that our investors fully understand our executive compensation programs, including how they align the interests of our executives with those of our shareholders and how they reward the achievement of our strategic objectives. At our 2014 Annual Meeting, we received a 69% level of support on our shareholder advisory vote on executive compensation, following 99% levels of support in 2012 and 2013. In response, the Compensation Committee and management sought to understand our shareholders' perspectives on our compensation programs and practices more fully. To this end, we determined that a shareholder outreach effort was necessary and important.

Following our 2014 Annual Meeting, we engaged in a shareholder outreach effort, contacting our top 25 investors, representing over 66% of our outstanding shares, and offered meetings with Board members, including our Compensation Committee Chairman. Ultimately, shareholders appreciated the opportunity to engage in these discussions and the Company's willingness to consider their input in designing the Company's executive compensation program. We met with investors representing approximately 30% of our outstanding shares. These meetings were led by our Compensation Committee Chairman and our Vice President of Investor Relations.

During these meetings, shareholders provided feedback on a variety of topics, and consistently supported the Company's strategic direction and leadership. Perspectives on our executive compensation program emphasized the link between pay and performance, specifically with regard to our annual equity-based awards. While our shareholders generally support our compensation philosophy, programs and practices, we believe the lower support at our 2014 Annual Meeting was due to the one-time Market Stock Unit ("MSU") grants made in late 2013 to executive management, including our NEOs.

In summary, we heard concerns from our shareholders that our equity granting practices in fiscal 2014 were not sufficiently linked to Company performance. Specifically, there was a preference for a more diversified mix of equity, including performance based awards. In response to our shareholders, the Committee introduced performance stock units in October, 2014, and reduced our use of non-qualified stock options. Although we believe the use of options is fundamentally aligned with our shareholders' interests, our executives will only realize any economic benefit if our stock price appreciates and they remain in our employ through the performance period. This shift reflects the invaluable feedback gathered from shareholders and our desire to have greater Pay for Performance alignment for each of our NEOs.

The following chart provides more detail on the mix of equity and compensation types provided to our NEOs.
* Fiscal 2014 does not include Market Stock Units as they were a one-time grant.

PAY FOR PERFORMANCE

Our compensation programs are designed to reward executives for producing sustainable growth consistent with our mission to be the global leader in blood management solutions, to attract and retain exceptional leaders and to align compensation with the long-term interests of our shareholders.

The Compensation Committee strongly believes that executive compensation pay opportunities should be tied directly to performance. The Compensation Committee views Company performance in two primary ways: (a) the Company's operating performance, including results against our long-term growth targets; and (b) total return to shareholders over time, relative to other companies, including the S&P Healthcare Equipment Index and our compensation peer group (see page 25).

OPERATING PERFORMANCE

Fiscal 2015 was a year of transition. During the year, we absorbed market changes in the United States while bringing new products to market and taking key steps in our Value Creation and Capture program.

During the year, we absorbed a U.S. market share shift which negatively affected our blood center business, an uncertain Russian market and currency headwinds. We launched the next generation of Plasma software and the HaemoBank blood storage device, began to deploy our comprehensive blood management offering and transitioned our manufacturing and distribution footprints. While we did not meet all of our financial goals, fiscal 2015 was a productive year - one we believe positioned us for a return to growth in fiscal 2016 and beyond.

Some of our important financial and strategic achievements in fiscal 2015:

- Solid constant currency revenue increases in growth drivers including:
  - 11% growth in plasma disposables revenue
  - 24% growth in TEG® diagnostics disposables revenue
  - 13% growth in China disposables revenue
- Key new product advances
  - Next generation Plasma software received 510(k) clearance; long term contracts signed with CSL Plasma and KEDPlasma
  - TEG 6s diagnostics device received 2 of 3 key 510(k) clearances
  - BloodTrack® software received 510(k) clearance for use with BloodTrack HaemoBank™ blood storage device
  - SOLX® clinical trial data submitted to the FDA
  - First DonorSpace™ donor recruitment software installation
- Comprehensive Blood Management Solutions gaining commercial traction
- Long term saline and sodium citrate supply contracts signed with CSL Plasma
- Value Creation and Capture ("VCC") initiatives on schedule with production in Penang, Malaysia and Tijuana, Mexico

SHARE PRICE PERFORMANCE

Stock Performance

The following graph compares the cumulative 5-year total return provided to shareholders on Haemonetics Corporation's common stock relative to the cumulative total returns of the S&P 500 index and the S&P Health Care Equipment index. An investment of $100 (with reinvestment of all dividends) is assumed to have been made in our common stock and in each of the indexes on 3/27/2010 and its relative performance is tracked through 3/28/2015.

---

* $100 invested on 4/5//2010 in stock or index, including reinvestment of dividends.
Fiscal year ended March 28.

| | 4/10 | 4/11 | 3/12 | 3/13 | 3/14 | 3/15 |
|---|---|---|---|---|---|---|
| Haemonetics Corporation | 100.00 | 117.89 | 123.41 | 147.57 | 113.74 | 156.61 |
| S&P 500 | 100.00 | 112.21 | 118.61 | 132.15 | 156.44 | 173.57 |
| S&P Health Care Equipment | 100.00 | 101.23 | 106.91 | 118.36 | 147.44 | 179.78 |

Note: The stock price performance included in this graph is not necessarily indicative of future stock price performance. This graph shall not be deemed "filed" for purposes of Section18 of the Exchange Act or otherwise subject to the liabilities of that section nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, regardless of any general incorporation language in such filing.

IMPACT OF COMPANY PERFORMANCE ON COMPENSATION

Over the last three years, compensation of our NEOs has reflected our financial and share price performance.

Annually, we provide our senior executives, including the NEOs, with three basic compensation elements: base salary, short-term incentive pay and long-term incentive pay consisting of equity compensation in the form of stock options, restricted stock units and performance stock units.

The connection between pay and performance is particularly evident in the administration of our short-term incentive program. While fiscal 2015 resulted in significant progress toward our strategic goals, Mr. Concannon only received 68% of his target bonus due to shortfalls compared to our financial goals.

For NEOs, they received on average 74% of their fiscal 2015 target bonus.

| PERFORMANCE MEASURE | RATIONALE FOR MEASURE | TARGET PERFORMANCE | ACTUAL PERFORMANCE | PAYOUT PERCENTAGE* |
|---|---|---|---|---|
| Revenue | The importance of our long-term growth strategy of growing revenue. | $922 | $910 | 82% |
| Operating Income | Reflects operating strength, efficiency and profitability. Balances revenue growth with margin expansion. Measures discipline in sustaining efficiency for growth initiatives. | $163 | $150 | 58% |

* Revenue and Operating Income are weighted at 40% and 60%, respectively.

Our shareholders realized total returns for the fiscal year of 37.8%, outperforming both the S&P 500 and S&P Healthcare Equipment Select indices, which returned 10.4% and 21.7% over the same period, respectively. Due to the strong connection between our compensation programs and shareholder returns, executives who saw steep declines in the value of their equity and realized compensation during fiscal 2014, saw increases in value in fiscal 2015 due to the increase in our share price.

COMPENSATION PHILOSOPHY AND OBJECTIVES

Haemonetics' executive compensation programs are designed to align the interests of our executive officers with those of our shareholders. Our compensation philosophy is to provide market-competitive programs that enable Haemonetics to:

- Attract, motivate and retain exceptional leaders - dedicated to the long-term success of the organization and to the creation of sustainable shareholder value.
- Pay for Performance - create direct alignment between the achievement of pre-determined financial, operational and strategic objectives over the short and long-term and the resulting executive compensation.
- Display a clear correlation between the cost of compensation and the value to the employee and to the Company - evaluate annually balancing affordability and the value of our compensation elements.

Our executive compensation plans are designed with specific emphasis on accountability for our financial results in the short-term and with shareholder return over the longer-term. We create this alignment of accountability through several interacting mechanisms, combining fixed pay with at-risk, performance-based pay elements, and establishing targeted positioning against the market.

When determining compensation levels, we target all elements of compensation at the market median. Through at-risk pay components, our pay program is designed to reward exceptional corporate and individual performance with actual pay above the market median; performance below expectations will result in actual pay levels below the market median.

The following is a summary of key executive compensation features aligned with competitive practice. These strategic components of executive pay include:

| COMPONENT | KEY FEATURES | PURPOSE |
|---|---|---|
| Pay Positioning | Targeted at the market 50th percentile for performance that meets financial and individual goals | Align pay with the market median |
| Performance Targets | Ambitious yet achievable goals set for executives and the company | Align goals with our commitment to shareholders |
| Base Salary | Fixed cash payment based on position, responsibilities, experience and individual performance | Offer a stable source of income that is balanced with at-risk pay |
| Annual Incentive | Annual cash incentive tied to achievement of designated short-term Company, Business (as applicable) and Individual goals | Motivate and reward executives for achievement of short-term goals |
| Long-Term Equity Incentives | Awards earned based on time and performance-based requirements | Create alignment with shareholders and promote achievement of Company longer-term performance objectives; retains key executives |
| Compensation Mix | Strategic weighting of fixed and variable compensation vehicles, to ensure focus on short and long-term goals | Balance focus on both short and long-term goals while allowing a baseline of income |
| Benefits | Competitive health, life insurance, disability and retirement benefits | To promote health and wellness in the workforce and to provide competitive retirement planning and saving opportunities |

DETERMINING EXECUTIVE COMPENSATION

The Compensation Committee evaluates multiple factors when establishing and maintaining the Company’s executive compensation programs, including evaluating competitive peer analysis to determine the total compensation of the Chief Executive Officer (“CEO”), consideration of the CEO’s recommendations in determining the compensation of his direct reports, individual performance and potential, evaluation of performance relative to financial, strategic, operational, and individual goals and internal peer equity, affordability, legal and regulatory requirements.

ROLES AND RESPONSIBILITIES IN THE EXECUTIVE COMPENSATION PROCESS

| ROLE | RELATIONSHIP TO COMPANY | KEY RESPONSIBILITIES |
|---|---|---|
| Compensation Committee of the Board of Directors | Independent non-employee directors appointed by the Board of Directors | l Carry out Committee Charter<br>l Evaluate and Approve Compensation Philosophy, Plans, Policies<br>l Set Competitive Short and Long-Term Cash Compensation Elements<br>l Determine the extent to which short and long-term performance goals have been achieved<br>l Set Executive Benefits and Perquisites<br>l Determine CEO Compensation<br>l Review/approve recommendations of CEO with regard to other NEO Pay<br>l Approve Peer Group |
| Management | Executive Employees of the Company | l Provide Financial Targets/Results to Committee<br>l Achievement of Corporate Objectives<br>l Executive Performance Reviews<br>l Succession Planning and Ratings<br>l Provide Leadership Competency Assessments<br>l Implement and Communicate Decisions<br>l Apprise Committee on Company Ability to Attract, Motivate, Retain Executives<br>l Provide Compensation Cost Analysis<br>l CEO - Recommend Changes to Direct Reports' (NEO) Pay to Compensation Committee |
| Compensation Consultant: Frederic W. Cook | Independent consultant engaged by Compensation Committee[1] | l Executive Compensation Consulting Services<br>l Competitive Market Data Benchmarking and Analysis<br>l Regulatory Updates<br>l Market Trends Reporting<br>l Special Reports<br>l Committee Meeting Attendance<br>l Guidance to Compensation Committee<br>l Recommend Peer Group |

[1] The Compensation Committee has evaluated the independence of the consultant and found they have met the requirements outlined under the Securities and Exchanges Commission rules.

ROLE OF PEER GROUP AND BENCHMARKING

The Committee conducts an annual executive compensation competitive assessment at the July Committee meeting. The market data provided by the Committee's compensation consultant provides important information on the competitiveness of our executive compensation in relation to similar companies in the Healthcare sector (GICS35) and the Electronics Equipment, Instruments & Components industry (GICS 452030). The data is used by the Committee to assist in determining an appropriate range for executive pay. Frederic W. Cook, the Committee's independent compensation consultants, filters the broader industry based on comparable business content and model, peer group company size, statistical reliability and executive

24

talent sources, among other criteria, to define and recommend the peer group. The market data supplied by the Committee's compensation consultant reflects an average of two data sources, where applicable:

- The Peer Group - A group of similarly sized companies from the medical device, biotechnology, and healthcare industries
- Compensation Surveys - The Compensation Committee considers only the aggregated survey data provided by the surveys. The identity of the individual companies comprising the survey data is not disclosed, or considered by, the Compensation Committee in its evaluation process. Therefore, the Compensation Committee does not consider the identity of the companies comprising the survey data to be material for this purpose.

With assistance from its independent consultant, the Committee annually reviews the peer group for continued appropriateness in advance of the annual executive compensation competitive assessment. When reviewing the peer group and suggesting potential replacement companies, the Committee considers the similarity of the company's products and services, while screening for revenues of approximately one-half to two times ours and a market capitalization of approximately one-third to three times ours.

As a result of the assessment for fiscal 2015, the Committee approved the addition of Greatbatch, NuVasive and Waters Corp to rebalance the peer group closer to the median revenue range, and the removal of Wright Medical Group Inc. due to a significant decline in revenue, PARAXEL International for having revenue outside our target range and STERIS Corp due to dissimilar product and service focus.

FISCAL 2015 - PEER GROUP

| | | |
|---|---|---|
| Allscripts Healthcare Solutions, Inc. | IDEXX Laboratories, Inc. | NuVasive Inc |
| Bio-Rad Laboratories, Inc. | Integra LifeSciences Holdings | PerkinElmer Inc. |
| Bruker Corp. | Masimo Corp. | ResMed, Inc. |
| CONMED Corp. | MedAssets, Inc. | Thoratec Corp. |
| Greatbatch, Inc. | Myriad Genetics, Inc. | Waters Corp |
| Hologic, Inc. | | |

This peer group differs from the peer group used in the corporate performance graph contained in our annual report on Form 10-K. The Committee believes that the S&P 500 Index and the S&P Health Care Equipment Index contain many companies which are significantly different from our size and scope. The inclusion of these companies could have the effect of distorting the Committee's understanding of the market for executive talent. As a result, the Committee has used a more targeted sampling of companies that are closer to our size and scope.

EVALUATING EXECUTIVE PERFORMANCE

Consistent with the annual review period of the broader organization, executive performance is reviewed by the Compensation Committee in July. The CEO provides a performance rating to the Committee for each executive and a merit increase recommendation, where appropriate. For the CEO, the Board's Chairman gathers input from all Board members and completes an assessment of the CEO's performance and makes recommendations for the Committee's consideration relative to the CEO's compensation.

In either case, the performance analysis includes an assessment of (i) achievement of individual and Company objectives; (ii) contribution to the Company's short and long-term performance; and (iii) and how performance was achieved through the evaluation of leadership competencies, Company Values and Operating Principles.

ELEMENTS OF TOTAL REWARDS

Our executive total rewards program is divided among four major elements including base salary, short-term incentives, long-term incentives and benefits. Total direct compensation is defined as fiscal 2015 base salary, annual incentive payment, and the grant date value of equity awards as disclosed in Summary Executive Compensation Table. A description of each element and their purpose at Haemonetics is described below:

| COMPENSATION ELEMENT | PAY MIX | DESCRIPTION | PURPOSE |
|---|---|---|---|
| Base Salary | 13% - 25% | Fixed cash compensation based on role, job scope, experience, qualification, and performance | To compensate for individual technical and leadership competencies required for a specific position and to provide economic security |
| Short-Term Incentive | 13% - 29% | Annual cash incentive opportunity payable based on achievement of corporate, business unit, and individual objectives | To incentivize management to meet and exceed annual performance metrics and deliver on commitments to shareholders |
| Long-Term Incentive | 46% - 74% | Annual equity award comprised of Stock Options, Restricted Stock Units and Performance Based Units | To incentivize management to increase shareholder value, reward long-term corporate performance, and promote employee commitment through stock ownership |

PAY MIX

The following chart illustrates the allocation of target total direct compensation for the CEO and for other NEOs among base salary, short term and long term incentive compensation, including the annualized value of the time and performance based restricted stock units granted in fiscal 2015. All elements of compensation are considered to be at-risk with the exception of base salary.

For our executives, the amount and mix attributed to base salary, short-term incentives and long-term incentives are determined in reference to market norms combined with our desire to align pay with the goals of our compensation strategy. While we evaluate our executive pay mix on an annual basis, we do not adhere to a rigid formula when determining the actual mix of compensation elements. Rather, our current policy is to balance the short and long-term focus of our compensation elements in order to reward short-term performance while emphasizing long-term value creation. These objectives are achieved by placing considerable weight on long-term, equity based compensation while also offering enough cash and short-term compensation to attract and retain executive talent in an extremely competitive market.

We take a modified approach to our CEO compensation. Mr. Concannon’s pay mix includes more in equity compensation and annual incentive opportunities and less in base salary than his peers and other Haemonetics executives. We believe this places a greater emphasis on driving and rewarding performance and ensures the CEO, in particular, is closely aligned with shareholders.

## BASE SALARY OVERVIEW

Base salary is provided to compensate for individual technical and leadership competencies required for a specific position and to provide economic security. The individual target base salary will vary based on the field in which each executive operates, the scope of each position, the peer-group comparisons for similar executives, the experience and qualifications needed for the role, the executive's performance, and an assessment of internal equity amongst peers. Base salaries can increase through the merit process as discussed under the section titled "Evaluating Executive Performance."

Base salary provides our NEOs with a degree of financial certainty and stability. When reviewing base salaries, the Compensation Committee relies on our CEO's evaluation of each NEO's individual performance.

## 2015 BASE SALARY

The Compensation Committee engaged Frederic W. Cook & Co., Inc. to assess all aspects of executive cash compensation against our peers.

Following the review of compensation components and Mr. Concannon's performance, the Committee concluded Mr. Concannon's total target compensation had less emphasis on base salary and target bonus, and more emphasis on long-term incentives as compared to Haemonetics' peer companies. While Mr. Concannon's target bonus was at market median, his target total cash fell well below the peer group median due to his base salary. Relative to peers, Mr. Concannon's base salary was below the market 25th percentile.

The Committee considered Mr. Concannon's performance and determined to award a $55,000 (9.17%) salary increase, comprised of a merit and market adjustment. The reasons included his strong performance throughout Fiscal 2014 and his low base salary in relation to his peers.

For the NEOs eligible for a review, merit increases were awarded in the range of 0.75% to 4% of salary. Mr. Burns' merit increase was pro-rated to reflect his length of service with the company at time of merit review. Mr. Davies was not eligible for a merit increase based on his hire date of May 12, 2014

| EXECUTIVE | TITLE | FISCAL 2014 BASE SALARY | INCREASE PERCENTAGE | FISCAL 2015 BASE SALARY |
|---|---|---|---|---|
| Brian Concannon | President & CEO | $600,000 | 9.17% | $655,000 |
| Christopher Lindop | CFO & EVP, Business Development | $468,000 | 3.00% | $482,040 |
| Kent Davies | Chief Operating Officer | - | - | $475,000 |
| Peter Allen | President, Global Plasma | $438,900 | 4.00% | $456,456 |
| Brian Burns | EVP, Global QA/RA | $415,000 | 0.75% | $418,113 |

## ANNUAL INCENTIVE PROGRAM

The annual incentive program is a short-term cash incentive designed to motivate and reward employees for executing and delivering on Financial and Operational performance metrics for the fiscal year. A primary objective of the program is to motivate executives to meet or exceed our annual goals and objectives. All NEOs are eligible to participate in the annual incentive program.

In fiscal 2015, we redesigned our annual incentive program to strengthen the link between performance and rewards. Funding for the plan is determined by business performance against pre-determined goals for corporate or regional revenue and operating income; actual individual payouts are determined on individual goal achievement. With these changes in plan design, there are no performance based components that are automatically paid to an employee regardless of the company financial performance.

The corporate performance metrics and targets are determined annually at the beginning of the fiscal year. To reinforce profitability, the ratio of revenue (40%) to operating income (60%) is weighted more heavily toward operating income. For fiscal 2015, the weighting of performance metrics for funding of bonuses is as follows:

| EXECUTIVE | PERCENT CORPORATE COMPONENT[1] | PERCENT BUSINESS UNIT COMPONENT[1] |
|---|---|---|
| Brian Concannon | 100% | - |
| Christopher Lindop | 100% | - |
| Kent Davies | 100% | - |
| Peter Allen[2] | 80% | 20% |
| Brian Burns | 100% | - |

[1] Both corporate and business components consist of 60% operating income and 40% revenue
[2] Mr. Allen's business unit component is comprised of Global Plasma

The company instills further discipline in the funding mechanism through the establishment of a funding scale which aligns funding levels with achievement levels. The scale has built in thresholds below which there is no funding, and upside to fund at a higher level should company or regional goals exceed 100%. Performance is interpolated between relevant measurement points. The maximum level of overachievement used to calculate funding on Revenue and Operating Income is 110%, which results in a maximum pool funding of 200%. There is also a maximum individual payout of 150% of target. There is no guaranteed funding within the annual incentive plan.

| FISCAL 2015 TARGETS[1] | THRESHOLD PERFORMANCE | TARGET PERFORMANCE | MAXIMUM PERFORMANCE | ACTUAL PERFORMANCE | PAYOUT PERCENTAGE |
|---|---|---|---|---|---|
| Revenue | | | | | |
| Performance Achievement | 95% | 100% | 110% | - | - |
| Corporate | $875.9 | $922.0 | $1,014.2 | $910 | 82% |
| Global Plasma | $314.3 | $330.8 | $363.9 | | |