

VOCERA COMMUNICATIONS, INC.  
Form DEF 14A  
April 21, 2017

**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**

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 §240.14a-12

**VOCERA COMMUNICATIONS, 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:
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April 21, 2017

Dear Fellow Stockholder:

You are cordially invited to attend the 2017 Annual Meeting of Stockholders of Vocera Communications, Inc. to be held at our offices located at 525 Race Street, San Jose, CA 95126 on Friday June 2, 2017 at 10:00 am (Pacific Time).

Whether or not you plan to attend the meeting, I encourage you to review the enclosed information and vote your shares.

We are a leading provider of communications and clinical workflow solutions for the healthcare industry through the delivery of secure, intelligent, and integrated products and technologies. Our investments in our products and services, combined with our strong sales execution resulted in accelerated growth for our business in 2016. Hospitals and health systems are increasingly focused on clinical communication and workflow, and Vocera's mission is to simplify and improve the lives of healthcare professionals and patients, while enabling hospitals to improve quality of care and operational efficiency.

2016 was a standout year for Vocera. Solid execution across our business drove strong financial performance and resulted in meaningful shareholder return. Across the Company, there were many notable accomplishments:

Revenue grew 23% in 2016 and, as a result of the strength in our bookings, we also increased our backlog and deferred revenue.

We reached our goal of delivering positive adjusted EBITDA for the full year, demonstrating the operating leverage we have in our business with significant profit expansion potential in the future.

We acquired Extension Healthcare, significantly expanding our market opportunity, broadening our software platform and clinical systems integration capability.

We continued our successful transition to becoming an enterprise platform company for clinical communications and workflow solutions as evidenced by wins at Parkview, Hoag and our largest ever booking of \$14 million from MEDCOM.

We begin 2017 on very solid financial footing with substantial backlog and deferred revenue, an expanded sales pipeline, and a more efficient operating structure. With the broadened platform and the increased strategic importance of improving communication in healthcare, we are excited about the growth potential of our business in 2017 and beyond. Our priorities in 2017 are to:

Complete the integration of Extension Healthcare and ensure a unified brand, systems, organization, culture and solutions.

Ensure success at our large customer deployments and continue to penetrate large IDNs and Health Systems with strategic system-level selling.

Drive revenue growth by effective cross selling and accelerate the pace of new customer acquisition and international growth.

Further our market position as the leading Communications Collaboration & Care Coordination Platform with key investments in our software platform, mobile software applications and hands-free communication technology.

Thank you for your support and interest in Vocera's success. As always, we value your ongoing participation and support of Vocera, and we are committed to delivering world-class solutions, outperforming our peers and creating sustainable long-term value for our shareholders.

Sincerely,

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**VOCERA COMMUNICATIONS, INC.**  
**525 Race Street**  
**San Jose, CA 95126**

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**  
**To Be Held June 2, 2017**

April 21, 2017

To Our Stockholders:

NOTICE IS HEREBY GIVEN that the 2017 Annual Meeting of Stockholders of Vocera Communications, Inc. will be held at our offices located at 525 Race Street, San Jose, CA 95126 on Friday, June 2, 2017, at 10:00 am (Pacific Time).

We are holding the meeting for the following purposes, which are more fully described in the accompanying proxy statement:

1. To elect three Class II directors to serve a three-year term through the third annual meeting of stockholders following this meeting and one Class I director to serve a two-year term through the second annual meeting of stockholders following this meeting, and until, in each case, a successor has been elected and qualified or until earlier resignation or removal.
2. To ratify the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017.

In addition, stockholders may be asked to consider and vote upon such other business as may properly come before the meeting or any adjournment or postponement thereof.

Only stockholders of record at the close of business on April 13, 2017, are entitled to notice of, and to vote at, the meeting and any adjournments thereof. For ten days prior to the meeting, a complete list of the stockholders entitled to vote at the meeting will be available for examination by any stockholder for any purpose relating to the meeting during ordinary business hours at our headquarters.

Your vote is very important. Each share of stock that you own represents one vote.

For questions regarding your stock ownership, you may contact Investor Relations at (408) 882-5971 or [sdooley@vocera.com](mailto:sdooley@vocera.com) or, if you are a registered holder, our transfer agent, Computershare Trust Company, N.A., by email through their website at [www.computershare.com/contactus](http://www.computershare.com/contactus) or by phone at (877) 373-6374. Whether or not you expect to attend the meeting, we encourage you to read the proxy statement and vote through the Internet or by

telephone, or request, sign and return your proxy card as soon as possible, so that your shares may be represented at the meeting. For specific instructions on how to vote your shares, please refer to the section entitled "General Information about the Meeting" beginning on page 1 of the proxy statement and the instructions on the Notice of Internet Availability of Proxy Materials.

The Securities and Exchange Commission rules allow companies to furnish proxy materials to stockholders over the Internet. We have elected to do so, thus reducing the environmental impact and lowering the costs of printing and distributing proxy materials without impacting your timely access to this important information. On or about April 21, 2017, we expect to mail to stockholders a Notice of Internet Availability of Proxy Materials (the "Notice of Internet Availability") containing instructions on how to access our proxy statement for our 2017 Annual Meeting of Stockholders and our 2016 annual report on Form 10-K to stockholders. The Notice of Internet Availability also provides instructions on how to vote through the Internet or by telephone, and includes instructions on how to receive paper copies of the proxy materials by mail, if desired.

By Order of the Board of Directors,

Douglas A. Carlen  
Vice President Legal and General Counsel

**Important Notice Regarding the Availability of Proxy Materials for the Annual Meeting of Stockholders to be held on June 2, 2017: the Proxy Statement and our 2016 Annual Report on Form 10-K is available at [www.envisionreports.com/vcra](http://www.envisionreports.com/vcra).**

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**VOCERA COMMUNICATIONS, INC.**

**PROXY STATEMENT FOR 2017 ANNUAL MEETING OF  
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## **SPECIAL NOTE REGARDING FORWARD-LOOKING STATEMENTS**

*This proxy statement and the letter from our Chief Executive Officer contain forward-looking statements reflecting our current expectations that involve risks and uncertainties which are subject to safe harbors under the Securities Act of 1933, as amended, or the Securities Act, and the Securities Exchange Act of 1934, as amended, or the Exchange Act. These forward-looking statements include, but are not limited to, statements concerning our anticipated growth, profitability, priorities, integration of acquisitions, customer deployments and business plans, objectives, expectations and intentions. The words anticipates, believes, estimates, expects, intends, may, plans, projects, similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. We may not actually achieve the growth, profitability, priorities, integration of acquisitions, customer deployments, business plans, intentions or expectations disclosed in our forward-looking statements, and you should not place undue reliance on our forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause our actual results to differ materially from those in the forward-looking statements, including, without limitation, the risks set forth in Part I, Item 1A, Risk Factors in our Annual Report on Form 10-K and in our other filings with the Securities and Exchange Commission. We do not assume any obligation to update any forward-looking statements.*

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**VOCERA COMMUNICATIONS, INC.**  
**525 Race Street**  
**San Jose, CA 95126**

**PROXY STATEMENT FOR THE 2017 ANNUAL  
MEETING OF STOCKHOLDERS**

**June 2, 2017**

**Information About Solicitation and Voting**

The accompanying proxy is solicited on behalf of Vocera Communication, Inc.'s Board of Directors for use at Vocera's 2017 Annual Meeting of Stockholders (the "meeting") to be held on June 2, 2017, at 10:00 am (Pacific Time), and any adjournment or postponement thereof.

**Internet Availability of Proxy Materials**

Under rules adopted by the U.S. Securities and Exchange Commission (the "SEC"), we are furnishing proxy materials to our stockholders primarily via the Internet, instead of mailing printed copies to each stockholder. On or about April 21, 2017, we expect to send to our stockholders a Notice of Internet Availability of Proxy Materials ("Notice of Internet Availability") containing instructions on how to access our proxy materials, including our proxy statement and our annual report on Form 10-K. The Notice of Internet Availability also provides instructions on how to vote through the Internet or by telephone and includes instructions on how to receive paper copies of the proxy materials by mail or an electronic copy of the proxy materials by email.

This process is designed to reduce our environmental impact and lower the costs of printing and distributing our proxy materials without impacting our stockholders' timely access to this important information. However, if you would prefer to receive printed proxy materials, please follow the instructions included in the Notice of Internet Availability.

**General Information about the Meeting**

## **Purpose of the Meeting**

At the meeting, stockholders will act upon the proposals described in this proxy statement. In addition, we will consider any other matters that are properly presented for a vote at the meeting. We are not aware of any other matters to be submitted for consideration at the meeting. If any other matters are properly presented for a vote at the meeting, the persons named in the proxy, who are officers of the company, have the authority in their discretion to vote the shares represented by the proxy.

## **Record Date; Quorum**

Only holders of record of common stock at the close of business on April 13, 2017, the record date, will be entitled to vote at the meeting. At the close of business on April 13, 2017, Vocera had 28,006,470 shares of common stock outstanding and entitled to vote.

The holders of a majority of the voting power of the shares of stock entitled to vote at the meeting as of the record date must be present or represented by proxy at the meeting in order to hold the meeting and conduct business. This presence is called a quorum. Your shares are counted as present at the meeting if you are present and vote in person at the meeting or if you have properly submitted a proxy.

## **General Proxy Information**

### **Voting Rights; Required Vote**

Each holder of shares of common stock is entitled to one vote for each share of common stock held as of the close of business on April 13, 2017, the record date. You may vote all shares owned by you at such date, including (1) shares held directly in your name as the stockholder of record, and (2) shares held for you as the beneficial owner in street name through a broker, bank, trustee or other nominee.

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*Stockholder of Record: Shares Registered in Your Name.* If on April 13, 2017, your shares were registered directly in your name with Vocera's transfer agent, Computershare Trust Company, N.A., then you are considered the stockholder of record with respect to those shares. As a stockholder of record, you may vote at the meeting, or vote in advance through the Internet or by telephone, or if you request to receive paper proxy materials by mail, by filling out and returning the proxy card.

*Beneficial Owner: Shares Registered in the Name of a Broker or Nominee.* If on April 13, 2017, your shares were held in an account with a brokerage firm, bank or other nominee, then you are the beneficial owner of the shares held in street name. As a beneficial owner, you have the right to direct your broker on how to vote the shares held in your account, and your broker has enclosed or provided voting instructions for you to use in directing it on how to vote your shares. Because the brokerage firm, bank or other nominee that holds your shares is the stockholder of record, if you wish to attend the meeting and vote your shares you must obtain a valid proxy from the firm that holds your shares giving you the right to vote the shares at the meeting.

Each director will be elected by a majority of the votes cast, which means that each of the four individuals nominated for election to the Board of Directors at the meeting will be elected if the number of votes cast **FOR** that nominee exceeds the number of votes **AGAINST** that nominee. You may either vote **FOR** or **AGAINST** one or more of the nominees. You may not cumulate votes in the election of directors. Approval of the ratification of the appointment of our independent registered public accounting firm will be obtained if the number of votes cast **FOR** the proposal at the meeting exceeds the number of votes **AGAINST** the proposal.

Abstentions (shares present at the meeting and voted **abstain** ) are counted for purposes of determining whether a quorum is present, and have no effect on the outcome of the matters voted upon. Broker non-votes occur when shares held by a broker for a beneficial owner are represented at the meeting but not voted on the particular proposal either because (i) the broker did not receive voting instructions from the beneficial owner or (ii) the broker lacked discretionary authority to vote the shares. Broker non-votes are counted for purposes of determining whether a quorum is present, and have no effect on the outcome of the matters voted upon. Note that if you are a beneficial holder and do not provide specific voting instructions to your broker, the broker that holds your shares will not be authorized to vote on the election of directors. Accordingly, we encourage you to provide voting instructions to your broker, whether or not you plan to attend the meeting.

## **Recommendations of the Board of Directors on Each of the Proposals Scheduled to be Voted on at the Meeting**

The Board of Directors recommends that you vote **FOR** the Class I and Class II director nominees named in this proxy statement (Proposal 1) and **FOR** the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending December 31, 2017 (Proposal 2).

## **Voting Instructions; Voting of Proxies**

If you received a Notice of Internet Availability, please follow the instructions included on the notice on how to access your proxy card and vote by telephone or through the Internet.

If you are a stockholder of record, you may:

vote in person we will provide a ballot to stockholders who attend the meeting and wish to vote in person;

vote through the Internet or by telephone in order to do so, please follow the instructions shown on your Notice of Internet Availability or proxy card; or

vote by mail if you request or receive a paper proxy card and voting instructions by mail, simply complete, sign and date the proxy card and return it as soon as possible before the meeting in the envelope provided.

Votes submitted through the Internet or by telephone must be received by 11:59 p.m., Eastern Time, on June 1, 2017. Submitting your proxy, whether by telephone, through the Internet or by mail if you request or received a paper proxy card, will not affect your right to vote in person should you decide to attend the meeting. If you are not the stockholder of record, please refer to the voting instructions provided by your nominee to direct it

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how to vote your shares. You may either vote FOR or AGAINST or ABSTAIN from voting for each of the nominees to the Board of Directors. For Proposal 2, you may vote FOR or AGAINST or ABSTAIN from voting. Your vote is important. Whether or not you plan to attend the meeting, we urge you to vote by proxy to ensure that your vote is counted.

All proxies will be voted in accordance with the instructions specified on the proxy card. If you sign a physical proxy card and return it without instructions as to how your shares should be voted on a particular proposal at the meeting, your shares will be voted in accordance with the recommendations of our Board of Directors stated above.

If you receive more than one proxy card or Notice of Internet Availability, your shares are registered in more than one name or are registered in different accounts. To make certain all of your shares are voted, please follow the instructions included on the Notice of Internet Availability on how to access each proxy card and vote each proxy card by telephone or through the Internet. If you requested or received paper proxy materials by mail, please complete, sign and return each proxy card to ensure that all of your shares are voted.

## **Expenses of Soliciting Proxies**

The expenses of soliciting proxies will be paid by Vocera. Following the original distribution and mailing of the solicitation materials, we or our agents may solicit proxies by mail, electronic mail, telephone, facsimile, by other similar means, or in person. Our directors, officers, and other employees, without additional compensation, may solicit proxies personally or in writing, by telephone, e-mail, or otherwise. Following the original distribution and mailing of the solicitation materials, we will request brokers, custodians, nominees and other record holders to forward copies of those materials to persons for whom they hold shares and to request authority for the exercise of proxies. In such cases, we, upon the request of the record holders, will reimburse such holders for their reasonable expenses. If you choose to access the proxy materials and/or vote through the Internet, you are responsible for any Internet access charges you may incur.

## **Revocability of Proxies**

A stockholder who has given a proxy may revoke it at any time before the closing of the polls by the inspector of elections at the meeting by:

delivering to the Corporate Secretary (by any means, including facsimile) a written notice stating that the proxy is revoked;

signing and delivering a proxy bearing a later date;  
voting again through the Internet or by telephone; or

attending and voting at the meeting (although attendance at the meeting will not, by itself, revoke a proxy).

Please note, however, that if your shares are held of record by a brokerage firm, bank or other nominee and you wish to revoke a proxy, you must contact that firm to revoke or change any prior voting instructions.

## **Electronic Access to the Proxy Materials**

The Notice of Internet Availability will provide you with instructions regarding how to:

view our proxy materials for the meeting through the Internet;  
instruct us to mail paper copies of our future proxy materials to you; and

instruct us to send our future proxy materials to you electronically by email.

Choosing to receive your future proxy materials by email will reduce the impact of our annual meetings of stockholders on the environment and lower the costs of printing and distributing our proxy materials. If you choose to receive future proxy materials by email, you will receive an email next year with instructions containing a link to those materials and a link to the proxy voting site. Your election to receive proxy materials by email will remain in effect until you terminate it.

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**Voting Results**

Voting results will be tabulated and certified by the inspector of elections appointed for the meeting. The final results will be tallied by the inspector of elections and filed with the SEC in a current report on Form 8-K within four business days of the meeting.

**Annual Meeting Location**

We will hold the meeting at our offices located at 525 Race Street, San Jose, CA 95126 on Friday, June 2, 2017, at 10:00 a.m. (Pacific Time).

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# **CORPORATE GOVERNANCE STANDARDS AND DIRECTOR INDEPENDENCE**

We are strongly committed to good corporate governance practices. These practices provide an important framework within which our Board of Directors and management pursue our strategic objectives for the benefit of our stockholders. Our Governance and Nominating Committee periodically reviews our corporate governance practices and in 2016, based on discussions with our shareholders and recent developments in corporate governance, our Board of Directors amended our Bylaws to adopt majority voting. This means that for a nominee to be elected to the Board in an uncontested election, the votes cast for such nominee's election must exceed the votes cast against such nominee's election.

## **Corporate Governance Guidelines**

Our Board of Directors has adopted Corporate Governance Guidelines that set forth expectations for directors, director independence standards, board committee structure and functions, stock ownership guidelines, and other policies for the governance of the company. In connection with the amendment to the Restated Bylaws to adopt majority voting, our Board also approved a revision to the Corporate Governance Guidelines to require that a director nominee (or new appointee) tender his or her resignation in the event of an adverse vote, and, following the recommendation of the Governance and Nominating Committee, the Board shall act upon such resignation within 30 days following the stockholder vote. Our Corporate Governance Guidelines are available without charge on the investor relations section of our website at [www.vocera.com](http://www.vocera.com).

## **Stock Ownership Guidelines**

Our Board of Directors has adopted stock ownership guidelines. For our directors, with the exception of our Chief Executive Officer, not later than five years from the later of (i) July 30, 2012 or (ii) the date that an individual is initially elected as a director, such individual should beneficially own a number of shares of our common stock and vested equity awards with a value of not less than five times the then annual cash retainer for general board service paid by us to such director. For our Chief Executive Officer, not later than five years from the later of (i) July 30, 2012 or (ii) the date that the individual is hired or promoted to serve as our Chief Executive Officer, such individual should beneficially own a number of shares of our common stock and vested equity awards with a value of not less than six times the then annual base salary paid to such individual. We measure compliance with these stock ownership guidelines at the end of each fiscal year.

## **Board Leadership Structure and Risk Oversight**

Our Board of Directors does not have a policy on whether the roles of the Chairman and Chief Executive Officer should be separate. Our Governance and Nominating Committee periodically considers the Board's leadership structure and makes recommendations to the Board on what it believes is appropriate. The Board currently believes that it should maintain flexibility in determining the Board leadership structure appropriate for the company.

Brent D. Lang currently serves as our Chief Executive Officer and Robert J. Zollars currently serves as the Chairman of our Board. This leadership structure reflects the Board's determination that this structure best serves our company's needs at this time by allowing our Chairman to lead our Board of Directors in its fundamental role of providing advice

to and oversight of management and by allowing our Chief Executive Officer to focus on our day-to-day business and setting the strategic direction for our company. Because Mr. Zollars has previously served as an executive officer of our company, he is not deemed independent for corporate governance purposes, and the Board has appointed Howard E. Janzen as Lead Independent Director. As Lead Independent Director, Mr. Janzen, among other responsibilities, attends and chairs most of the regularly scheduled meetings at which only our independent directors are present, serves as a liaison between the Chief Executive Officer and Chairman and the independent directors, and performs such additional duties as our Board of Directors may otherwise determine and delegate.

Our Board of Directors is primarily responsible for overseeing our risk management processes. Our Board exercises its risk oversight function both directly and indirectly through its various committees. Our Board, as a whole, determines the appropriate level of risk for our company, assesses the specific risks that we face and reviews management's strategies for adequately mitigating and managing the identified risks. Our Audit Committee, Governance and Nominating Committee and Compensation Committee support our Board in

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discharging its risk oversight duties and address risks inherent in their respective areas. We believe this division of responsibilities is an effective approach for addressing the risks we face and that our Board leadership structure supports this approach.

### **Director Independence**

Our common stock is listed on the New York Stock Exchange. The listing rules of the New York Stock Exchange require that a majority of the members of our Board of Directors be independent. In February 2017, our Board of Directors confirmed that a majority of the members of our Board of Directors are independent and that all of our directors are independent, except Brent D. Lang and Robert J. Zollars. Based upon information requested from and provided by each director concerning his or her background, employment and affiliations, our Board of Directors determined each of Michael Burkland, John B. Grotting, Jeffrey H. Hillebrand, Howard E. Janzen, Alexa King, John N. McMullen and Sharon L. O Keefe does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is independent as that term is defined under the rules of the New York Stock Exchange and the Securities and Exchange Commission. In making this determination, our Board of Directors considered the relationships that each director has with our company and all other facts and circumstances our Board of Directors deemed relevant in determining their independence, including certain contracts for products or services in place between Vocera and entities affiliated with our directors.

### **Committees of Our Board of Directors**

Our Board of Directors has established an Audit Committee, a Compensation Committee and a Governance and Nominating Committee. The composition and responsibilities of each committee are described below. Copies of the charters for each committee are available without charge on the investor relations section of our website at [www.vocera.com](http://www.vocera.com). Members serve on these committees until their resignations or until otherwise determined by the Board of Directors.

*Audit committee.* Our Audit Committee is comprised of John N. McMullen, who is the chair of the Committee, Michael Burkland and Howard E. Janzen, each of whom, our Board of Directors has determined, meets the requirements for independence under the current New York Stock Exchange and SEC rules and regulations. Each member of our Audit Committee is financially literate. In addition, our Board of Directors has determined that Mr. McMullen is an Audit Committee financial expert within the meaning of Item 407(d) of Regulation S-K of the Securities Act. All audit services to be provided to us and all permissible non-audit services, other than de minimis non-audit services, to be provided to us by our independent registered public accounting firm will be approved in advance by our Audit Committee. Our Audit Committee, among other things:

oversees the accounting and financial reporting processes of our company, the audits of our company's financial statements by our company's independent registered public accounting firm and our company's internal audit function; monitors the periodic reviews of the adequacy of the accounting and financial reporting processes and systems of internal control that are conducted by our company's independent registered public accounting firm and our company's financial and senior management, and internal audit function; appoints our company's independent registered public accounting firm, determines and approves the fees paid to our independent accounting firm and reviews and evaluates the qualifications, independence and performance of our independent accounting firm; reviews and evaluates the organization and performance of our company's internal audit function; facilitates communications among our company's independent registered public accounting firm, financial and senior management, and internal audit function, and our Board of Directors; and

assists our Board of Directors in oversight of our company's compliance with legal and regulatory requirements. *Compensation Committee.* Our Compensation Committee is comprised of Jeffrey H. Hillebrand, who is the chair of the Committee, and John B. Grotting and Alexa King. Our Board of Directors has determined that

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each member of our Compensation Committee meets the requirements for independence under the current New York Stock Exchange rules, a non-employee director within the meaning of Section 16 of the Securities Exchange Act of 1934, and an outside director within the meaning of Section 162(m) of the Internal Revenue Code. Our Compensation Committee, among other things:

- reviews and determines the compensation of our executive officers;
- oversees our cash-based and equity-based compensation plans, policies and programs;
- reviews and makes recommendations to our board with respect to non-employee director compensation; and
- reviews general plans, policies and programs relating to compensation and benefits of our employees.

Our executive compensation program is administered by our Compensation Committee. In determining the compensation of each of our named executive officers, other than our President and Chief Executive Officer, our Compensation Committee considers the performance evaluations and compensation recommendations of our President and Chief Executive Officer. In the case of our President and Chief Executive Officer, our Compensation Committee evaluates his performance and independently determines whether to make any adjustments to his compensation.

Our Compensation Committee retained an independent compensation consultant, Compensia, Inc., to assist in structuring our executive officer compensation for 2016. Compensia provided our Compensation Committee with market data and analyses from a peer group of similarly-sized technology companies with similar business and financial characteristics. Compensia has not provided our company or our Compensation Committee with any other services during fiscal year 2016 that would compromise its independence or pose a conflict of interest.

The Compensation Committee has delegated in accordance with applicable law, rules and regulations, and our certificate of incorporation and bylaws, authority to an equity awards committee comprised of certain executive officers of our company the authority to make certain types of equity awards to any employee who is not an executive officer or director under our 2012 Equity Incentive Plan pursuant to the terms of such plan and the equity award guidelines approved by our Compensation Committee.

*Governance and Nominating Committee.* Our Governance and Nominating Committee is comprised of John B. Grotting, who is the chair of the Committee, Alexa King and Sharon L. O Keefe. Our Board of Directors has determined that each member of our Governance and Nominating Committee meets the requirements for independence under the current New York Stock Exchange rules and regulations. Our Governance and Nominating Committee, among other things:

- identifies, evaluates and recommends nominees to our Board of Directors and its committees;
- oversees the evaluation of the performance of our Board of Directors and its committees;
- reviews our corporate governance policies and proposed waivers of the policies;
- reviews developments in corporate governance practices;
- evaluates the adequacy of our corporate governance practices;
- oversees continuing education for our directors; and
- makes recommendations to our Board of Directors concerning corporate governance matters.

## **Codes of Business Conduct and Ethics and other Corporate Policies**

Our Board of Directors has adopted codes of business conduct and ethics that apply to all of our employees, officers and directors. We intend to disclose any future amendments to certain provisions of our codes of business conduct and ethics, or waivers of these provisions, on our website and/or in public filings. Our employees, officers and directors

are also subject to our Policy Prohibiting Insider Trading and our Related Person Transactions Policy. We provide training to our employees regarding our codes and various company policies, which all employees are required to complete. In addition, we have adopted a Whistleblower and

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Complaint Policy that is designed to provide a forum to which our employees, officers and directors may report violations or suspected violations of our company policies without fear of harassment, retaliation or adverse employment consequences. The full text of our policies are posted on the investor relations section of our website at [www.vocera.com](http://www.vocera.com).

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

Since January 1, 2016, the following directors have been members of our Compensation Committee: Messrs. Grotting and Hillebrand. Mr. Ascher was a member of the Compensation Committee from January 1, 2006 until July 27, 2016 when he resigned from our Board of Directors and Compensation Committee. Ms. King joined the Board of Directors and Compensation Committee on July 27, 2016. None of them at any time has been one of our officers or employees.

None of our executive officers serves or in the past has served as a member of the Board of Directors or Compensation Committee of any entity that has one or more of its executive officers serving on our Board of Directors or our Compensation Committee.

## **Board and Committee Meetings and Attendance**

The Board of Directors and its committees meet throughout the year on a pre-determined schedule, and also hold special meetings and act by written consent from time to time. During 2016, the Board of Directors held six meetings, including telephonic meetings, the Audit Committee held eight meetings; the Compensation Committee held five meetings and the Governance and Nominating Committee held four meetings. During 2016, none of the directors attended fewer than 75% of the aggregate of the total number of meetings held by the Board of Directors during his or her tenure and the total number of meetings held by all committees of the Board of Directors on which such director served during his or her tenure.

Typically, in conjunction with the regularly scheduled meetings of the board, the independent directors meet in executive sessions outside the presence of management.

## **Board Attendance at Annual Stockholders Meeting**

We encourage each member of our Board of Directors to attend our annual meetings of stockholders. Seven directors were in attendance at our 2016 annual meeting of stockholders. We do not have a formal policy regarding attendance of annual meetings by the members of our Board of Directors. We may consider in the future whether our company should adopt a more formal policy regarding director attendance at our annual meetings.

## **Presiding Director of Independent Director Meetings**

The independent directors meet in regularly scheduled executive sessions without management. Our lead independent director is currently Mr. Janzen.

## **Communication with Directors**

Stockholders and interested parties who wish to communicate with our Board of Directors, non-management members of our Board of Directors as a group, a committee of the Board of Directors, or a specific member of our Board of Directors (including our chairman or lead independent director) may do so by letters addressed to the attention of our

Corporate Secretary.

All communications are reviewed by the Corporate Secretary and provided to the members of the Board of Directors consistent with a screening policy providing that unsolicited items, sales materials, and other routine items and items unrelated to the duties and responsibilities of the Board of Directors not be relayed on to directors. Any communication that is not relayed is recorded in a log and made available to our Board of Directors.

The address for these communications is:

Corporate Secretary  
Vocera Communications, Inc.  
525 Race Street  
San Jose, CA 95126



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# **NOMINATIONS PROCESS AND DIRECTOR QUALIFICATIONS**

## **Nomination to the Board of Directors**

Candidates for nomination to our Board of Directors are selected by our Board of Directors based on the recommendation of the Governance and Nominating Committee. In recommending candidates for nomination, the Governance and Nominating Committee considers candidates recommended by directors, officers, employees, stockholders and outside consultants, using the same criteria to evaluate all candidates. Evaluations of candidates generally involve a review of background materials, internal discussions and interviews with selected candidates as appropriate.

Additional information regarding the process for properly submitting stockholder nominations for candidates for membership on our Board of Directors is set forth below under **Stockholder Proposals to be Presented at Next Annual Meeting**.

## **Director Qualifications**

With the goal of developing a diverse, experienced and highly-qualified Board of Directors, the Governance and Nominating Committee is responsible for developing and recommending to the Board of Directors the desired qualifications, expertise and characteristics of members of our Board of Directors.

Since the identification, evaluation and selection of qualified directors is a complex and subjective process that requires consideration of many factors, and will be significantly influenced by the particular needs of our Board of Directors that are likely to evolve and change over time, our Board of Directors has not adopted a specific set of minimum qualifications, qualities or skills that are necessary for a nominee to possess, other than those that are necessary to meet U.S. legal, regulatory and New York Stock Exchange listing requirements; and the provisions of our certificate of incorporation, bylaws, Corporate Governance Guidelines, and charters of our board committees. In addition, neither our Board of Directors nor our Governance and Nominating Committee have a formal policy with regard to the consideration of diversity in identifying nominees. When considering nominees, our Governance and Nominating Committee may take into consideration many factors including, among other things, a candidate's independence, integrity, skills, financial and other business expertise, breadth of experience, soundness of judgment, diversity of viewpoints and experience and knowledge about our business or industry, as well as ability to devote adequate time and effort to responsibilities of our Board of Directors in the context of its existing composition. Through the nomination process, the Governance and Nominating Committee seeks to promote board membership that reflects a diversity of business experience, expertise, viewpoints, personal backgrounds and other characteristics that are expected to contribute to the Board of Directors' overall effectiveness.

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# PROPOSAL NO. 1

## ELECTION OF CLASS I AND II DIRECTORS

Our Board of Directors is divided into three classes. Each class serves for three years, with the terms of office of the respective classes expiring in successive years. Class II director nominees will stand for election at this meeting. The terms of office of directors in Class I and Class III do not expire until the annual meetings of stockholders to be held in 2018 and 2019, respectively.

At the recommendation of our Governance and Nominating Committee, our Board of Directors nominated Michael Burkland, an incumbent Class II director, for election as a Class I director at the 2017 annual meeting, for a two-year term expiring at the 2019 annual meeting of stockholders and John B. Grotting, Howard E. Janzen and Alexa King, each incumbent Class II directors, for election as Class II directors at the 2017 annual meeting, for a three-year term expiring at the 2020 annual meeting of stockholders, and until such director's successor is duly elected and qualified or until such director's earlier resignation or removal.

If any nominee for any reason is unable to serve, the proxies may be voted for such substitute nominee as the proxy holders, who are officers of our company, might determine. Each nominee has consented to being named in this proxy statement and to serve if elected. Proxies may not be voted for more than four directors. Stockholders may not cumulate votes in the election of directors.

### Nominees to the Board of Directors

The nominees, and their ages, the class in which they are being nominated, their occupations and their length of board service are provided in the table below. Additional biographical descriptions of each nominee are set forth in the text below the table. These descriptions include the primary individual experience, qualifications, qualities and skills of each of our nominees that led to the conclusion that each director should serve as a member of our Board of Directors at this time.

Name of Director/Nominee	Age	Class	Principal Occupation	Director Since
Michael Burkland <sup>(1)</sup>	54	I	President, Chairman of the Board and Chief Executive Officer of Five9	June 2016
John B. Grotting <sup>(2)(3)</sup>	67	II	Operating Partner, Frazier Healthcare Ventures	February 2010
Howard E. Janzen <sup>*(1)</sup>	63	II	President and Chief Executive Officer, CoolPlanet Energy Systems	May 2007
Alexa King <sup>(2)(3)</sup>	49	II	Executive Vice President and General Counsel at FireEye	July 2016

\*

(1)

(2)

(3)

Lead Independent Director

Member of the Audit Committee

Member of the Compensation Committee

Member of the Governance and Nominating Committee

*Michael Burkland* has served on our board of directors since June 2016. He is the President, Chairman of the Board and Chief Executive Officer of Five9, a provider of cloud contact center software, serving in that role since January 2008. Prior to joining Five9, Mr. Burkland served as Chief Executive Officer of several enterprise software and cloud companies and also led three private companies through acquisitions by larger public companies. Earlier in his career, Mr. Burkland held positions at Oracle and BMC. Mr. Burkland has a Master of Business Administration degree and a Bachelor of Arts degree from the University of California at Berkeley. We believe Mr. Burkland should serve as a member of our Board of Directors based on his experience leading and providing strategic oversight for public and private technology companies.

*John B. Grotting* has served on our Board of Directors since February 2010. Since May 2010, Mr. Grotting has served as an operating partner for Frazier Healthcare Ventures, a provider of venture and growth equity capital to emerging biopharma, medical device and healthcare services companies. From January 2010 through April 2010, Mr. Grotting was an independent consultant. From 2006 to December 2009, Mr. Grotting served as

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chief executive officer of Ascent Healthcare Solutions, Inc. (now Stryker Corporation), a medical device reprocessor.

From February 2004 to December 2006, he served as chairman and chief executive officer of Alliance Medical Corporation (now Stryker Corporation), a medical device reprocessor. From May 1999 to December 2002, Mr.

Grotting served as chairman and chief executive officer of Bridge Medical, Inc., a medical software company. Mr. Grotting also served in senior executive positions at Minnesota based Allina Health System and Oregon based Legacy Health System. Currently, Mr. Grotting serves on the board of directors of Universal Hospital Services, Vizient, Solis Mammography, Provista and HonorHealth. Mr. Grotting earned a B.A. degree in Economics from St. Olaf College and a Master's degree in Hospital and Healthcare Management from the University of Minnesota. We believe Mr. Grotting should serve as a member of our Board of Directors based on his management and corporate governance experience with other healthcare companies.

*Howard E. Janzen* has served on our Board of Directors since May 2007. Since October 2002, Mr. Janzen has served as the president and chief executive officer of Janzen Ventures, Inc., a private investment business. From May 2012 to

December 2016, Mr. Janzen has served as president and chief executive officer and since December 2016 as

Executive Chairman of CoolPlanet Energy Systems, a clean energy technology company. From March 2007 through

April 2011, Mr. Janzen served as the chief executive officer of One Communications Corporation, a supplier of integrated advanced telecommunications solutions to business. From January 2004 to September 2005, Mr. Janzen served as president of Sprint Business Solutions, the business unit serving Sprint Corporation's business customer base. From May 2003 to January 2004, he was president of Sprint Corporation's Global Markets Group responsible for Sprint's Long Distance business. From 1994 until October 2002, Mr. Janzen served as president and chief executive officer, and chairman of the board of directors from 2001, of Williams Communications Group, Inc., a network solutions provider. Mr. Janzen has served on the board of directors of Sonus Networks Inc. since January 2006 and Global Telecom & Technology, Inc., since October 2006 and Bye Aerospace since November 2015. Mr. Janzen also served on the board of directors of MacroSolve, Inc. from April 2006 to May 2012. Mr. Janzen earned his B.S. and M.S. degrees in Metallurgical Engineering from the Colorado School of Mines and completed the Harvard Business School PMD program. We believe Mr. Janzen should serve as a member of our Board of Directors based on his extensive business experience and his experience on the boards of directors of other technology and communication companies.

*Alexa King* has served on our board of directors since July 27, 2016. Ms. King is the executive vice president and general counsel at FireEye, where she has led the legal team since 2012. Before FireEye, Ms. King was vice president, general counsel, and secretary of Aruba Networks, Inc. Her early career included working at Pillsbury Madison & Sutro (now Pillsbury Winthrop) and Fenwick & West. Additionally, Alexa served as founding director of Pathbrite, Inc. (formerly known as RippleSend, Inc.) from 2008 to 2009 and as advisor from 2009 to 2011. Alexa graduated magna cum laude from Harvard College with a degree in Eastern European Studies and received her J.D. from the University of California, Berkeley, Boalt Hall School of Law, where she was named to the Order of the Coif. We believe Ms. King should serve as a member of our Board of Directors based on her experience advising technology companies on legal, cybersecurity and strategic matters.

## **Director Resignation Policy**

Our Corporate Governance Guidelines provide that if a nominee receives a greater number of votes against than for election, such nominee will tender a resignation to our Governance and Nominating Committee, which will promptly make a recommendation regarding such resignation to our Board of Directors. The Board of Directors will act on the Committee's recommendation within 30 days following the certification of the stockholder vote.

The Board of Directors will only nominate for election or re-election as director candidates who agree to tender, promptly following the annual meeting at which they are elected or re-elected as director, irrevocable resignations that will be effective upon (i) the failure to receive the required vote at the next annual meeting at which they face re-election and (ii) Board acceptance of such resignation. In addition, the Board shall fill

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director vacancies and new directorships only with candidates who agree to tender, promptly following their appointment to the Board, the same form of resignation tendered by other directors in accordance with this Board practice.

## Continuing Directors

The directors who are serving for terms that end following the meeting, and their ages, occupations and length of board service are provided in the table below. Additional biographical descriptions of each such director are set forth in the text below the table. These descriptions include the primary individual experience, qualifications, qualities and skills of each of our nominees that led to the conclusion that each director should serve as a member of our Board of Directors at this time.

Name of Director	Age	Principal Occupation	Director Since
<b>Class I Directors:</b>			
Jeffrey H. Hillebrand <sup>(1)</sup>	63	Managing Director, JNH Consulting	February 2010
Brent D. Lang	49	President and Chief Executive Officer	June 2013
<b>Class III Directors:</b>			
Robert J. Zollars	59	Corporate Director	June 2007
John N. McMullen <sup>(2)</sup>	58	Executive Vice President and Chief Financial Officer, 3D Systems	June 2011
Sharon L. O'Keefe <sup>(3)</sup>	64	President, University of Chicago Medical Center	March 2012

(1) Member of the Compensation Committee

(2) Member of the Audit Committee

(3) Member of the Governance and Nominating Committee

*Jeffrey H. Hillebrand* has served on our Board of Directors since February 2010. Mr. Hillebrand has been the managing director at JNH Consulting since October 2012. Mr. Hillebrand worked at NorthShore University HealthSystem from 1979 to October 2012, including as chief operating officer from 1995 to 2012. Mr. Hillebrand is a fellow of the American College of Healthcare Executives, where he previously served as a regent. He has also served as a commissioner of the Certification Commission of Healthcare Information Technology. Currently, Mr. Hillebrand serves on the board of directors of Provista, and previously served as a board member of VHA, the National Association of Healthcare Information Technology, SilkRoad, Inc., Sage Medical Products and Neoforma, Inc. He is a member of the Madison Dearborn Healthcare RoundTable and he is on the Advisory Board of Reilly Partners and Becker Communications. Mr. Hillebrand earned a B.A. degree from Dartmouth College and an M.H.S.A. degree in Health Services Administration from the University of Michigan. We believe Mr. Hillebrand should continue to serve as a member of our Board of Directors based on his extensive corporate experience with other healthcare technology companies.

*Brent D. Lang* has served as our President and Chief Executive Officer and on our Board of Directors since June 2013. From October 2007 to June 2013, he served as our President and Chief Operating Officer. From February 2007 to October 2007, he served as our Executive Vice President, from January 2007 to June 2007, he served as our Acting Chief Executive Officer, and from June 2001 through January 2007, he served as our Vice President of Marketing and Business Development. From September 1995 to June 2001, Mr. Lang worked for 3Com Corporation, a networking company, where he served in a variety of roles including senior director of marketing responsible for 3Com's digital home products. From June 1991 to June 1993, Mr. Lang worked as a strategy consultant for Monitor Company, Inc., a consulting firm, advising Fortune 500 companies. Mr. Lang earned a B.S. degree in Industrial and Operations

Engineering from the University of Michigan and an M.B.A. degree from the Stanford University Graduate School of Business. We believe Mr. Lang should serve as a member of our Board of Directors based on his position as the Company's President and Chief Executive Officer and his extensive corporate management experience at Vocera and other companies.

*Robert J. Zollars* has served as our Chairman and Director since June 2014. From June 2013 to May 2014, he served as our Executive Chairman of the Board. For the period June 2007 through May 2013 he was our Chairman and Chief Executive Officer. Since November 2014, Mr. Zollars has served as an operating partner

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for Frazier Healthcare Partners, a provider of growth equity capital to emerging healthcare companies. From May 2006 to May 2007, he served as Chief Executive Officer of Wound Care Solutions, Inc., an operator of outsourced chronic wound care centers. From June 1999 to March 2006, Mr. Zollars served as Chief Executive Officer and Chairman of the Board of Directors of Neoforma, Inc., a healthcare technology company. From January 1997 to June 1999, Mr. Zollars served as Executive Vice President and Group President of Cardinal Health, Inc., a supplier of health care products and services, where he was responsible for five wholly-owned subsidiaries. From 1985 to 1997, Mr. Zollars served as a Division President of four different operating units at Baxter International, Inc., a medical instrument and supply company. From 1979 to 1985, Mr. Zollars served as Area Vice President and in various other capacities at American Hospital Supply Corporation, a medical supply company, which was acquired by Baxter International in 1985. Since December 2013, Mr. Zollars has served on the Board of Directors of Five9, Inc. a SaaS based software company serving call centers. Since February 2005, Mr. Zollars has served on the Board of Directors of Diamond Foods, Inc. a snack foods company and as its Chairman from February 2012 until its sale to Snyder's-Lance in March 2016. Since May 2004, he has also served on the Board of Directors of VWR International, LLC, a life science supplier of scientific products. Since January of 2015, Mr. Zollars served as Executive Chairman of Leiter's Pharmacy Compounding, a specialty compounding pharmacy. Since November 2015, Mr. Zollars has served on the Board of Directors of Kate Farms, a plant based food company serving the consumer and medical markets. Since March 2017, Mr. Zollars has served on the Board of Directors of Change Healthcare, a HCIT company. Mr. Zollars graduated magna cum laude with a B.S. degree in Marketing from Arizona State University, where he is now a Trustee and earned an M.B.A. degree in Finance from John F. Kennedy University. Mr. Zollars is a Board Leadership Fellow with the National Association of Corporate Directors. We believe Mr. Zollars should continue to serve as our Chairman of our Board of Directors based on his previous experience on our Board of Directors and as our Chief Executive Officer, as well as his over thirty years of experience in the healthcare and technology industries.

*John N. McMullen* has served on our Board of Directors since June 2011. In July 2016, Mr. McMullen was named Executive Vice President and Chief Financial Officer for 3D Systems. Prior to his position with 3D Systems, Mr. McMullen was the Executive Vice President and Chief Financial Officer of Kodak from June 2014 to June 2016. From March 2007 to July 2013, Mr. McMullen served as the Senior Vice President and Treasurer of Hewlett-Packard Company, an electronics and information technology company. From May 2002 to March 2007, he served as Vice President of Finance for Hewlett-Packard's Imaging and Printing Group. From June 1998 to May 2002, Mr. McMullen held a variety of executive positions with Compaq Computer Corporation, (now a division of Hewlett-Packard), including Vice President of Finance and Strategy, Vice President of Finance (North America Sales and Services) and Director of Finance. Over a seventeen year period, Mr. McMullen held a variety of finance positions with Digital Equipment Corporation, a computer manufacturer. Mr. McMullen earned a B.A. degree in Finance from the University of Massachusetts. We believe Mr. McMullen should serve as a member of our Board of Directors based on his extensive corporate management experience.

*Sharon L. O'Keefe* has served on our Board of Directors since March 2012. Since February 2011, Ms. O'Keefe has served as President of the University of Chicago Medical Center. From April 2009 through February 2011, Ms. O'Keefe served as President of Loyola University Medical Center. Prior to her role at Loyola, she served from July 2002 to April 2009 as chief operating officer for Barnes Jewish Hospital, a member hospital of BJC Healthcare, St. Louis. In addition, Ms. O'Keefe has served in a variety of senior management roles at Johns Hopkins Hospital, Montefiore Medical Center, University of Maryland Medical System and Beth Israel Deaconess Medical Center in Boston, a teaching affiliate of Harvard Medical School. She has also served as a healthcare consultant with Ernst & Young. In addition, Ms. O'Keefe has served on the National Institutes of Health Advisory Board for Clinical Research, the Finance Committee of the National Institutes of Health Advisory Board, the Board of Trustees of the Illinois Hospital Association, and an examiner for the Malcolm Baldrige National Quality Award. Ms. O'Keefe holds an M.S. degree in nursing from Loyola University of Chicago and a B.S. degree in nursing from Northern Illinois University. We believe Ms. O'Keefe should serve as a member of our Board of Directors based on her extensive management



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experience in medical institutions and experience in the healthcare sector.

There are no familial relationships among our directors and officers.

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## Director Compensation

We compensate our independent directors with a combination of cash and equity. The form and amount of compensation paid to our independent directors for serving on our Board of Directors and its committees is designed to be competitive in light of industry practices and the obligations imposed by such service. In order to align the long-term interests of our directors with those of our stockholders, a portion of the director compensation is provided in equity-based compensation. The value of total annualized compensation of our independent directors is targeted to be at approximately the median of a peer group of similarly-sized technology companies with similar business and financial characteristics. The director compensation practice of this peer group of companies was the benchmark used when considering the competitiveness of our independent director compensation. In 2016, our Compensation Committee's independent compensation consultant, Compensia, Inc., collected and developed the competitive data and analyses that the Committee used to benchmark and establish our independent director compensation.

*Annual and Meeting Fees.* Each director receives an annual base cash retainer of \$32,000 for such service, to be paid quarterly. Additionally, we compensate our Board of Directors for service on our committees and for service as our lead independent director as follows:

The chair of our Audit Committee receives an annual cash retainer of \$16,000 for such service, paid quarterly, and each of the other members of the Audit Committee receives an annual cash retainer of \$7,500, paid quarterly. The chair of our Compensation Committee receives an annual cash retainer of \$10,000 for such service, paid quarterly, and each of the other members of the Compensation Committee receives an annual cash retainer of \$5,000, paid quarterly. The chair of our Governance and Nominating Committee receives an annual cash retainer of \$7,500 for such service, paid quarterly, and the other member of the Governance and Nominating Committee receives an annual cash retainer of \$3,000, paid quarterly.

Our lead independent director receives an annual cash retainer of \$10,000 for such service, paid quarterly.

*Equity Awards.* In April 2016, the Compensation Committee approved the annual equity grant to non-employee directors effective June 1, 2016 of a number of restricted stock units calculated as \$125,000 divided by the average daily closing price of our common stock as reported by the New York Stock Exchange during May 2016 (rounded down to the nearest share). Each restricted stock unit will vest in full on June 1 of the next calendar year after the year of the award, subject to the director's continuous service through such vesting date, and will automatically vest in full upon a change of control of our company.

In 2016, the Compensation Committee approved the grant to Mr. Burkland and Ms. King, as new non-employee directors, of a number of restricted stock units calculated as \$200,000 divided by the average daily closing price of our common stock as reported by the New York Stock Exchange during the month prior to their award date (rounded down to the nearest share). The restricted stock units awarded vest over a three year period such that one-third of the total number of shares shall vest on each 12 month anniversary of the award date.

*Other.* We reimburse all of our directors for travel, director continuing education programs and other business expenses incurred in connection with their services as a member of our Board of Directors and its committees, and extend coverage to them under our travel accident and directors' and officers' indemnification insurance policies.

The following table provides information for the year ended December 31, 2016 regarding all compensation awarded to, earned by or paid to each person who served as a non-employee director during 2016. Mr. Lang, our current President and Chief Executive Officer did not receive any compensation for his service as director during the year ended December 31, 2016.



TABLE OF CONTENTS**2016 Director Compensation**

Name	Fees Earned or Paid in Cash (\$)	Stock Awards <sup>(1)</sup> (\$)	Total <sup>(2)</sup> (\$)
Brian D. Ascher <sup>(3)</sup>	34,250	129,044	163,294
Mike Burkland	23,042	206,471	229,513
John B. Grotting	43,500	129,044	172,544
Jeffrey H. Hillebrand	41,000	129,044	170,044
Howard E. Janzen	41,417	129,044	170,461
Alexa King	16,667	219,232	235,899
John N. McMullen	46,500	129,044	175,544
Hany M. Nada <sup>(4)</sup>	17,500		17,500
Sharon L. O'Keefe	33,750	129,044	162,794
Robert J. Zollars	56,000	129,044	185,044

Amounts shown in this column reflect the aggregate grant date fair value calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification (ASC) Topic 718 for awards granted during the (1) fiscal year. The valuation assumptions used in calculating the fair value of the stock options are set forth in Note 8 of our Notes to consolidated financial statements included in our annual report on Form 10-K for the year ended December 31, 2016.

(2) Our non-employee directors held the following number of outstanding stock options and restricted stock units as of December 31, 2016:

Name	Option Awards	Stock Awards
Mike Burkland		17,632
John B. Grotting		11,020
Jeffrey H. Hillebrand		11,020
Howard E. Janzen		11,020
Alexa King		14,803
John N. McMullen	27,428	11,020
Sharon L. O'Keefe	33,333	11,020
Robert J. Zollars	771,593	11,020

(3) Mr. Ascher resigned from our Board of Directors on July 27, 2016.

(4) Mr. Nada did not stand for re-election to our Board of Directors at the 2016 annual meeting of stockholders, and therefore he no longer served on our Board of Directors as of June 1, 2016.

**OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE ELECTION OF EACH OF THE FOUR NOMINATED DIRECTORS.**

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**PROPOSAL NO. 2**

**RATIFICATION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

Our Audit Committee has selected Deloitte & Touche LLP as our principal independent registered public accounting firm to perform the audit of our consolidated financial statements for the fiscal year ending December 31, 2017. As a matter of good corporate governance, our Audit Committee has decided to submit its selection of the principal independent registered public accounting firm to our company's stockholders for ratification. In the event that Deloitte & Touche LLP is not ratified by our stockholders, our Audit Committee will reconsider whether to retain that firm.

Even if the selection is ratified, our Audit Committee in its discretion may direct the selection of a different independent registered public accounting firm at any time during the year if it determines that such a change would be in the best interests of our company and stockholders.

Representatives of Deloitte & Touche LLP are expected to be present at the meeting, will be given an opportunity to make a statement at the meeting if they desire to do so, and will be available to respond to appropriate questions.

**Principal Accountant Fees and Services**

We regularly review the services and fees from our independent registered public accounting firm. These services and fees are also reviewed with our Audit Committee annually. In accordance with standard policy, Deloitte & Touche LLP will periodically rotate the individuals responsible for our audit.

In addition to performing the audit of our consolidated financial statements, Deloitte & Touche LLP provided various other services during fiscal 2016 and 2015. Our Audit Committee has determined that Deloitte & Touche LLP's provisioning of these services, which are described below, did not impair either firm's independence from us. The aggregate fees billed for fiscal 2016 and 2015 for each of the following categories of services are as follows:

Fees Billed to Vocera	Fiscal Year 2016	Fiscal Year 2015
Audit fees <sup>(1)</sup>	\$ 958,827	\$ 818,000
Audit related fees <sup>(2)</sup>	47,000	
Tax fees <sup>(3)</sup>	43,835	2,408
All other fees		
Total fees	\$ 1,049,662	\$ 820,408

*Audit fees* include fees for audit services primarily related to the audit of our annual consolidated financial statements; the review of our quarterly consolidated financial statements; registration statements, consents, and (1) assistance with and review of documents filed with the SEC; and other accounting and financial reporting consultation and research work billed as audit fees or necessary to comply with the standards of the Public Company Accounting Oversight Board (United States).

(2) *Audit related fees* include fees billed for assurance and related services reasonably related to the performance of the audit or review of our fiscal 2016 and 2015 consolidated financial statements.

*Tax fees* include fees for tax compliance and advice. Tax advice fees encompass a variety of permissible services, (3) including technical tax advice related to federal and state income tax matters; assistance with sales tax; assistance with tax matters related to acquisitions and assistance with tax audits.

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**Policy on Audit Committee Pre-Approval of Audit and Permissible Non-Audit Services of Independent Registered Public Accounting Firm**

Our Audit Committee's policy is to pre-approve all audit and permissible non-audit services provided by the independent registered public accounting firm. These services may include audit services, audit-related services, tax services and other services. Pre-approval is detailed as to the particular service or category of services and is generally subject to a specific budget. The independent registered public accounting firm and management are required to periodically report to the Audit Committee regarding the extent of services provided by the independent registered public accounting firm in accordance with this pre-approval, and the fees for the services performed to date. Our Audit Committee may also pre-approve particular services on a case-by-case basis. All of the services relating to the fees described in the table above were approved by our Audit Committee.

**OUR BOARD OF DIRECTORS RECOMMENDS A VOTE FOR THE APPROVAL OF PROPOSAL NO. 2**

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

The following table sets forth certain information with respect to the beneficial ownership of our common stock as of March 31, 2017, by:

each stockholder known by us to be the beneficial owner of more than 5% of our common stock;  
 each of our directors or director nominees;  
 each of our named executive officers; and  
 all of our directors and executive officers as a group.

Percentage ownership of our common stock is based on 27,908,895 shares of our common stock outstanding on March 31, 2017. We have determined beneficial ownership in accordance with the rules of the SEC, and thus it represents sole or shared voting or investment power with respect to our securities. Unless otherwise indicated below, to our knowledge, the persons and entities named in the table have sole voting and sole investment power with respect to all shares that they beneficially owned, subject to community property laws where applicable. We have deemed all shares of common stock subject to options, restricted stock units (RSUs) or other convertible securities held by that person or entity that are currently exercisable or releasable or that will become exercisable or releasable within 60 days of March 31, 2017 to be outstanding and to be beneficially owned by the person or entity holding the option for the purpose of computing the percentage ownership of that person or entity but have not treated them as outstanding for the purpose of computing the percentage ownership of any other person or entity.

Unless otherwise indicated, the address of each of the individuals and entities named below is c/o Vocera Communications, Inc., 525 Race St., San Jose, California 95126.

Name of Beneficial Owner	Number of Shares Beneficially Owned	Percentage
<b>5% or greater stockholders:</b>		
Brown Capital Management LLC <sup>(1)</sup>	4,303,558	15.4 %
Blackrock, Inc. <sup>(2)</sup>	2,041,772	7.3 %
<b>Officer and directors:</b>		
Michael Burkland		
John B. Grotting <sup>(3)</sup>	65,193	*
Jeffrey H. Hillebrand	65,193	*
Howard E. Janzen <sup>(4)</sup>	47,981	*
Paul T. Johnson <sup>(5)</sup>	159,792	*
Alexa King		
Brent D. Lang <sup>(6)</sup>	488,786	1.7 %
John N. McMullen <sup>(7)</sup>	57,288	*
Sharon L. O'Keefe <sup>(8)</sup>	57,155	*
Justin R. Spencer <sup>(9)</sup>	76,445	*
Robert J. Zollars <sup>(10)</sup>	745,685	2.6 %
<b>All officers and directors as a group (13 persons)<sup>(11)</sup></b>	<b>1,822,341</b>	<b>6.3 %</b>



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

(1) Based solely on the information set forth in a Schedule 13G filed with the SEC on February 9, 2017 by Brown Capital Management, LLC. Represents 4,303,558 shares beneficially owned by Brown Capital Management, LLC, over which it has sole voting power with respect to 2,456,173 shares and sole dispositive power with respect to 4,303,558 shares. Included in the shares beneficially owned by Brown Capital Management, LLC are 1,610,995 shares beneficially owned by The Brown Capital Management Small Company Fund, a registered investment company, which is managed by Brown Capital Management, LLC. The Brown Capital Management Small Company Fund has sole voting and dispositive power over the shares it beneficially owns. The address of Brown Capital Management, LLC is 1201 N. Calvert Street, Baltimore, MD 21202.

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- Based solely on the information set forth in a Schedule 13G filed with the SEC on January 30, 2017 by Blackrock, Inc. Represents 2,041,772 shares beneficially owned by Blackrock, Inc., over which it has sole voting power with respect to 1,983,821 and sole dispositive power with respect to 2,041,772 shares. The address of Blackrock, Inc. is 55 East 52<sup>nd</sup> Street, New York, NY 10055.
- (2) (3) Represents 65,193 shares held by the Grotting Family Trust 2004.
- (4) Includes 29,268 shares pledged as collateral for a third party loan.
- (5) Represents 52,411 shares held by Mr. Johnson and 107,381 options that are exercisable within 60 days of March 31, 2017.
- (6) Represents 104,855 shares held by the Lang Van Schaack Family Revocable Trust and 383,931 options held by Mr. Lang that are exercisable within 60 days of March 31, 2017.
- (7) Represents 29,860 shares held by Mr. McMullen and 27,428 options that are exercisable within 60 days of March 31, 2017.
- (8) Represents 23,822 shares held by Ms. O Keefe and 33,333 options held by Ms. O Keefe that are exercisable within 60 days of March 31, 2017.
- (9) Represents 32,695 shares held by Mr. Spencer and 43,750 options held by Mr. Spencer that are exercisable within 60 days of March 31, 2017.
- (10) Represents 23,573 shares held by Mr. Zollars and 93,771 shares held by ZoCo L.P. Also includes 25,629 options held by Mr. Zollars and 602,712 options held by ZoCo L.P. that are exercisable within 60 days of March 31, 2017. ZoCo L.P. is a family limited liability partnership pursuant to which Mr. Zollars and his wife are general partners and Mr. Zollars' children are limited partners.
- (11) Includes 1,266,417 options that are exercisable within 60 days of March 31, 2017.

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## **EXECUTIVE COMPENSATION**

### **Shareholder Feedback**

Prior to the preparation of our proxy statement for the meeting, we solicited feedback from stockholders of a substantial portion of our outstanding shares regarding executive compensation and the disclosures regarding compensation they find most helpful. We are providing the following discussion of our executive compensation in response to the feedback we received.

### **Approach to Executive Compensation**

We have designed our executive compensation program to reward our executive officers, including our named executive officers, at a level consistent with our overall strategic and financial performance and to provide remuneration sufficient to attract, retain, and motivate them to exert their best efforts in the highly-competitive environment in which we operate. We believe in providing competitive compensation packages consisting of a combination of base salaries, annual cash bonus, and long-term incentive opportunities in the form of equity awards that are earned over a multi-year period. We believe the approach that has been adopted by our Compensation Committee, with an emphasis on variable cash compensation and equity awards, enables us to attract top talent, motivate successful short-term and long-term performance, satisfy our retention objectives, and align the compensation of our executive officers with our performance and long-term value creation for our stockholders.

The Compensation Committee analyzes competitive market data on executive compensation levels and practices. This data is drawn from a select group of peer companies, as well as compensation survey data. Our Compensation Committee engaged Compensia, Inc., an outside compensation expert who provided an analysis of executive pay, including equity compensation, and an evaluation of the type of equity instruments being awarded.

The Compensation Committee, with the assistance of Compensia, developed a group of peer companies, as detailed below, to be used as a reference for market positioning and for assessing competitive market compensation practices. In developing this peer group, consideration was given to our industry sector, geographies of the locations where our executives are based, company size (based on revenues and market capitalization) relative to our size and growth rate, and the comparability of business model and focus.

Following this review, Compensia recommended and the Compensation Committee approved use of a peer group of 18 publicly-traded companies: BroadSoft, Carbonite, Castlight Health, Computer Programs and Systems, Control4, DTS, Evolent Health, Five9, HealthStream, Imprivata, LivePerson, Marin Software, MINDBODY, MobileIron, Model N, Omnicell and Zix. These companies had revenues for the most-recently completed four quarters ranging from approximately \$55 million to \$485 million, with a median of approximately \$137 million, and market capitalizations ranging from approximately \$114 million to \$974 million, with a median of approximately \$295 million.

This peer group was used by the Compensation Committee in connection with its annual review of our executive compensation program in April 2016. Specifically, the Compensation Committee reviewed the compensation data drawn from the compensation peer group, in combination with industry-specific compensation survey data, to develop a subjective representation of the competitive market with respect to current executive compensation levels and related policies and practices. The Compensation Committee then evaluated how our pay practices and the compensation levels of our executive officers compared to the competitive market.

In addition to the payment of salaries that it believes are competitive and assist in the retention of our executive officers, our Compensation Committee believes that a significant portion of our executive officers' cash compensation should be tied to corporate performance. Our cash bonus program, payments under which are included as Non-equity Incentive Plan Compensation in the Summary Compensation Table below, allows our executives to earn a target cash bonus if specified metrics are satisfied at the target level, to earn a reduced level of bonus if the metrics achieved are below the target level but above a specified threshold level, and to receive a larger bonus if metrics are achieved at a level above the target. The target bonus is set as a percentage of each officer's base salary.

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For 2016, the payment of cash bonuses was based on the achievement of a revenue target, with the bonus calculation being further conditioned on achievement of an adjusted EBITDA threshold. Our Compensation Committee and Board determined that the most important factor in increasing stockholder value in 2016 was growth of our revenue.

The Compensation Committee further determined that the inclusion of an earnings metric, such as the adjusted EBITDA threshold, would help to ensure that revenue growth was sought in a fiscally prudent manner. These revenue and adjusted EBITDA measures were established by the Compensation Committee based on the corresponding amounts in the annual financial plan approved by the Board of Directors.

Executives were eligible to receive the bonuses in two payments, based on company performance against the targets in the first and second half of the year. The following table presents the aggregate annual bonus that could be earned by each respective named executive officer if the metrics were achieved at the minimum threshold level, the target level and the maximum payout level, as well as the aggregate annual bonus that was paid for 2016.

Name	Cash Bonus at Minimum Threshold <sup>(2)</sup>	Cash Bonus at Target <sup>(2)</sup>	Cash Maximum Bonus <sup>(2)</sup>	Cash Actual Bonus
Brent D. Lang	\$ 80,000	\$ 400,000	\$ 800,000	\$ 694,262
Justin R. Spencer	36,300	181,500	363,000	315,021
Paul T. Johnson <sup>(1)</sup>	21,780	108,900	217,800	189,012

(1) Mr. Johnson is also compensated through a performance-based commission plan. Under that plan, his 2016 target commission was \$90,000 and his actual commission was \$100,446.

(2) The cash bonus amounts are based upon achievement of 90%, 100% and 110% of the Company's revenue targets for the relevant performance period to earn the minimum, target and maximum cash bonus respectively.

Equity-based compensation aligns the interests of our employees and stockholders to increase the value of our common stock. In 2016 equity awards were granted to our named executive officers in the form of restricted stock units, which help retain key employees because they typically are not fully vested for a specified period, and unvested awards are forfeited by the employee when employment ends. We believe that the vesting provisions also help focus our named executive officers on long-term performance. In June 2016, we granted 176,322, 66,121 and 59,950 restricted stock units to Messrs. Lang, Spencer and Johnson, respectively. Each of these restricted stock units vests in three equal annual installments with the first installment vesting on June 1, 2017.

## Executive Compensation Tables

The following table provides information regarding all compensation awarded to, earned by or paid to our principal executive officer and the two other most highly compensated executive officers serving as such at December 31, 2016 for all services rendered in all capacities to us during 2016 and 2015. We refer to these three executive officers as our named executive officers.

## Summary Compensation Table

Name and Principal Position	Year	Salary	Stock Awards <sup>(1)</sup>	Non-equity Incentive Plan Compensation <sup>(2)</sup>	Total
Brent D. Lang	2016	\$400,000	\$2,064,731	\$ 694,262	\$3,158,993

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President and Chief Executive Officer	2015	400,000	1,906,125	552,697		2,858,822
Justin R. Spencer	2016	330,000	774,277	315,021		1,419,298
Chief Financial Officer	2015	330,000	684,243	250,786		1,265,029
Paul T. Johnson	2016	330,000	702,015	289,458	(3)	1,321,473
Executive Vice President of Sales and Services	2015	330,000	684,243	228,506	(3)	1,242,749

(1) Amounts reported for fiscal year 2016 and 2015 represent the grant date fair value of the stock options

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and restricted stock units granted during 2016 and 2015, computed in accordance with ASC Topic 718. The valuation assumptions used in calculating the fair value of the stock options and restricted stock units are set forth in Note 8 of our Notes to consolidated financial statements included in our annual report on Form 10-K for the year ended December 31, 2016.

Represents performance-based incentive awards earned for services rendered under the executive incentive compensation plan, and in the case of Mr. Johnson, the 2016 and 2015 sales commission plan. For more information about the 2016 executive bonus plan compensation for our named executive officers, see Approach to Executive Compensation above.

Represents \$189,012 and 126,429, respectively, awarded pursuant to our 2016 and 2015 executive incentive plan and \$100,446 and \$102,077, respectively, awarded pursuant to our 2016 and 2015 sales commission plan. For more information see Approach to Executive Compensation above.

## Outstanding Equity Awards at December 31, 2016

The following table provides information regarding each unexercised stock option and unvested restricted stock unit held by each of our named executive officers as of December 31, 2016:

Name	Restricted Stock Awards <sup>(1)</sup>			Option Awards <sup>(2)(3)</sup>			
	Award Grant Date	Number of Units of Stock That Have Not Vested (#)	Market Value of Units of Stock That Have Not Vested (\$)	Shares Exercisable (#)	Shares Unexercisable (#)	Award Exercise Price <sup>(4)</sup> (\$)	Award Expiration Date
Brent D. Lang				67,000 <sup>(5)</sup>		5.04	5/5/2021
				47,500 <sup>(5)</sup>		24.15	5/31/2022
				141,298 <sup>(5)</sup>	16,430	14.76	5/31/2023
				98,562 <sup>(5)</sup>	59,137	12.92	6/1/2024
	6/1/2014	22,159	409,720				
	6/1/2015	115,839	2,141,863				
	6/1/2016	176,322	3,260,194				
Justin R. Spencer				33,333	41,667	9.01	9/1/2024
	9/2/2014	19,000	351,310				
	6/1/2015	41,583	768,870				
	6/1/2016	66,121	1,222,577				
Paul T. Johnson				46,537	13,463	17.31	11/1/2023
				46,382 <sup>(5)</sup>	27,829	12.92	6/1/2024
	6/1/2014	10,428	192,814				
	6/1/2015	41,583	768,870				
	6/1/2016	59,950	1,108,476				

Except as otherwise described in these footnotes, all restricted stock units granted under our 2012 Equity Incentive Plan vest in three equal installments commencing on the first anniversary of the first day of the month following the award grant date.

All options granted to our named executive officers under the 2006 Stock Option Plan or the 2000 Stock Option Plan are immediately exercisable, regardless of vesting schedule.

- Except as otherwise described in these footnotes, all options vest as to  $\frac{1}{4}$ <sup>th</sup> of the shares of common stock
- (3) underlying the options on the first anniversary of the vesting commencement date and as to  $\frac{1}{48}$ <sup>th</sup> of the shares of common stock underlying the option each month thereafter.
- (4) Represents the fair market value of a share of common stock, as determined by our Board of Directors, on the grant date.
- (5) Option vests as to  $\frac{1}{48}$ <sup>th</sup> of the shares of common stock underlying the option on a monthly basis.

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## **Employment, Severance and Change of Control Agreements**

*Brent D. Lang.* We entered into an offer letter agreement with Brent D. Lang, our President and Chief Executive Officer, dated June 8, 2012, which superseded an offer letter agreement, dated November 12, 2007. The offer letter agreement has no specific term and constitutes at-will employment.

In addition, in April 2013 our Compensation Committee authorized that we enter into a revised change of control severance agreement, in the form previously approved by our Board of Directors, with Mr. Lang to reflect his transition to our Chief Executive Officer in June 2013. The agreement with Mr. Lang provides that, in the event of Mr. Lang's termination without cause or resignation for good reason, he will be entitled to receive cash severance payments equal to one year of Mr. Lang's annual base salary, plus the greater of Mr. Lang's target bonus for the year of termination or the amount of bonus paid to Mr. Lang in the prior year, plus 12 months of acceleration of outstanding equity awards and 12 months of COBRA coverage. For a termination without cause or resignation for good reason occurring within two months prior to, or 12 months following, a change of control of Vocera, the agreement provides that Mr. Lang will be entitled to receive a cash severance payment equal to 150% of Mr. Lang's annual base salary plus 150% of the greater of Mr. Lang's target bonus for the year of termination or the amount of bonus paid to Mr. Lang in the prior year, plus acceleration of 100% of Mr. Lang's outstanding equity awards in addition to 18 months of COBRA coverage.

*Justin R. Spencer.* We entered into an offer letter agreement with Justin R. Spencer, our Chief Financial Officer and Executive Vice President, dated July 30, 2014. The offer letter agreement has no specific term and constitutes at-will employment.

In addition, we have entered into a change of control severance agreement with Mr. Spencer, which was approved by our Board of Directors in August 2014. The agreement with Mr. Spencer provides that, in the event of Mr. Spencer's termination without cause, he will be entitled to receive cash severance payments equal to 75% of Mr. Spencer's annual base salary, plus 12 months of acceleration of outstanding equity awards and nine months of COBRA coverage. For a termination without cause or resignation for good reason occurring within two months prior to, or 12 months following, a change of control of Vocera, the agreement provides that Mr. Spencer will be entitled to receive a cash severance payment equal to 100% of Mr. Spencer's annual base salary plus 100% of the greater of Mr. Spencer's target bonus for the year of termination or the amount of bonus paid to Mr. Spencer in the prior year, plus acceleration of 100% of Mr. Spencer's outstanding equity awards in addition to 12 months of COBRA coverage.

*Paul T. Johnson.* We entered into an offer letter agreement with Paul T. Johnson, our Executive Vice President of Sales and Services, dated September 27, 2013. The offer letter agreement has no specific term and constitutes at-will employment.

In addition, we have entered into a change of control severance agreement with Mr. Johnson, which was approved by our compensation committee in September 2013. The agreement with Mr. Johnson provides that, in the event of Mr. Johnson's termination without cause, he will be entitled to receive cash severance payments equal to 75% of Mr. Johnson's annual base salary, plus 12 months of acceleration of outstanding equity awards and nine months of COBRA coverage. For a termination without cause or resignation for good reason occurring within two months prior to, or 12 months following, a change of control of Vocera, the agreement provides that Mr. Johnson will be entitled to receive a cash severance payment equal to 100% of Mr. Johnson's annual base salary plus 100% of the greater of Mr. Johnson's target bonus for the year of termination or the amount of bonus paid to Mr. Johnson in the prior year, plus acceleration of 100% of Mr. Johnson's outstanding equity awards in addition to 12 months of COBRA coverage.

The severance payments under the change of control severance agreements with each of our executive officers are contingent upon such executive officer's execution, delivery and non-revocation of a release and waiver of claims satisfactory to us within 45 days of such executive officer's separation from service.

TABLE OF CONTENTS**EQUITY COMPENSATION PLAN INFORMATION**

The following table presents information as of December 31, 2016 with respect to compensation plans under which shares of our common stock may be issued. The category Equity compensation plans approved by security holders in the table below consists of the 2006 Stock Option Plan, 2012 Equity Incentive Plan and 2012 Employee Stock Purchase Plan.

Plan Category	Number of securities to be issued upon exercise of outstanding options (#)	Weighted-average exercise price of outstanding options (\$)	Number of securities remaining available for future issuance under equity compensation plans (#)
Equity compensation plans approved by security holders	4,284,430 (1)	10.71 (2)	2,322,150 (3)
Equity compensation plans not approved by security holders	281,150		
Total	4,565,580	10.71	2,322,150

(1) Excludes purchase rights accruing under our 2012 Employee Stock Purchase Plan.

(2) The weighted average exercise price relates solely to outstanding stock option shares since shares subject to restricted stock units have no exercise price.

(3) The number of shares reserved for issuance under our 2012 Employee Stock Purchase Plan will increase automatically on January 1 by the number of shares equal to 1% of the total outstanding shares of our common stock as of the immediately preceding December 31<sup>st</sup> (rounded to the nearest whole share).

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## **TRANSACTIONS WITH RELATED PARTIES, FOUNDERS AND CONTROL PERSONS**

From January 1, 2016 to the present, there have been no transactions, and there are currently no proposed transactions, in which the amount involved exceeds \$120,000 to which we or any of our subsidiaries was (or is to be) a party and in which any director, director nominee, executive officer, holder of more than 5% of our capital stock, or any immediate family member of or person sharing the household with any of these individuals, had (or will have) a direct or indirect material interest, except for payments set forth under Proposal One and Executive Compensation above.

### **Review, approval or ratification of transactions with related parties**

Our Board of Directors recognizes that transactions between our company and persons or entities that may be deemed related persons can present potential or actual conflicts of interest and create the appearance of impropriety.

Accordingly, our board has delegated authority for the review and approval of all related person transactions to the Governance and Nominating Committee of our Board of Directors. We have adopted a Related Person Transactions Policy to provide procedures for reviewing, approving and ratifying any transaction involving our company or any of its subsidiaries in which a 5% or greater stockholder, director, executive officer or members of their immediate family have or will have a material interest as determined by our Governance and Nominating Committee. This policy is intended to supplement, and not to supersede, our company's other policies that may be applicable to or involve transactions with related persons. The full text of this policy is posted on the investor relations section of our website at [www.vocera.com](http://www.vocera.com).

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## **REPORT OF THE AUDIT COMMITTEE**

*The information contained in the following report of the Audit Committee is not considered to be soliciting material, filed or incorporated by reference in any past or future filing by us under the Securities Exchange Act of 1934 or the Securities Act of 1933 unless and only to the extent that we specifically incorporate it by reference.*

The Audit Committee has reviewed and discussed with our management and Deloitte & Touche LLP our audited consolidated financial statements as of and for the year ended December 31, 2016. The Audit Committee has also discussed with Deloitte & Touche LLP the matters required to be discussed by Auditing Standard No. 1301 adopted by the Public Company Accounting Oversight Board (United States) regarding Communication with Audit Committees.

The Audit Committee has received and reviewed the written disclosures and the letter from Deloitte & Touche LLP required by applicable requirements of the Public Company Accounting Oversight Board regarding the independent accountant's communications with the Audit Committee concerning independence, and has discussed with Deloitte & Touche LLP its independence.

Based on the review and discussions referred to above, the Audit Committee recommended to our Board of Directors that the audited consolidated financial statements as of and for the year ended December 31, 2016 be included in our annual report on Form 10-K for the year ended December 31, 2016 for filing with the Securities and Exchange Commission.

## **Submitted by the Audit Committee**

John N. McMullen, Chair  
Michael Burkland  
Howard E. Janzen

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## **ADDITIONAL INFORMATION**

### **Stockholder Proposals to be presented at Next Annual Meeting**

*Requirements for Stockholder Proposals to be Brought Before an Annual Meeting.* Our bylaws provide that for stockholder nominations to our Board of Directors or other proposals to be considered at an annual meeting, the stockholder must give timely notice thereof in writing to the Corporate Secretary at Vocera Communications, Inc., 525 Race Street, San Jose, California 95126, Attn: Corporate Secretary.

To be timely for our company's 2018 Annual Meeting of Stockholders, a stockholder's notice must be delivered to or mailed and received by our Corporate Secretary at our principal executive offices not earlier than 5:00 p.m. Pacific Time on February 17, 2018 and not later than 5:00 p.m. Pacific Time on March 19, 2018. A stockholder's notice to the Corporate Secretary must set forth as to each matter the stockholder proposes to bring before the annual meeting the information required by applicable law and our bylaws. In no event will the public announcement of an adjournment or a postponement of our annual meeting commence a new time period for the giving of a stockholder's notice as provided above.

*Requirements for Stockholder Proposals to be Considered for Inclusion in our Proxy Materials.* Stockholder proposals submitted pursuant to Rule 14a-8 under the Exchange Act and intended to be presented at our 2018 annual meeting must be received by us not later than December 22, 2017 in order to be considered for inclusion in our proxy materials for that meeting. A stockholder's notice to the Corporate Secretary must set forth as to each matter the stockholder proposes to bring before the annual meeting the information required by applicable law and our bylaws.

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

Section 16 of the Exchange Act requires our directors, executive officers and any persons who own more than 10% of our common stock, to file initial reports of ownership and reports of changes in ownership with the SEC. Such persons are required by SEC regulation to furnish us with copies of all Section 16(a) forms that they file. Based solely on our review of the copies of such forms furnished to us and written representations from the directors and executive officers, we believe that all Section 16(a) filing requirements were timely met in 2016.

### **Available Information**

We will mail without charge, upon written request, a copy of our annual report on Form 10-K for the year ended December 31, 2016, including the financial statements and list of exhibits, and any exhibit specifically requested.

Requests should be sent to:

**Vocera Communications, Inc.**  
**525 Race Street**  
**San Jose, California 95126**  
**Attn: Investor Relations**

The annual report on Form 10-K is also available at <http://investors.vocera.com>.

## **Householding      Stockholders Sharing the Same Address**

The SEC has adopted rules that permit companies and intermediaries (such as brokers) to implement a delivery procedure called householding. Under this procedure, multiple stockholders who reside at the same address may receive a single copy of our annual report on Form 10-K and proxy materials, including the Notice of Internet Availability, unless the affected stockholder has provided other instructions. This procedure reduces printing costs and postage fees, and helps protect the environment as well.

We expect that a number of brokers with account holders who are our stockholders will be householding our annual report on Form 10-K and proxy materials, including the Notice of Internet Availability. A single Notice of Internet Availability and, if applicable, a single set of annual report on Form 10-K and other proxy materials will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from one or more of the affected stockholders. Once you have received notice from your broker that it will be

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householding communications to your address, householding will continue until you are notified otherwise or until you revoke your consent. Stockholders may revoke their consent at any time by contacting your broker.

Upon written or oral request, we will undertake to promptly deliver a separate copy of the Notice of Internet Availability and, if applicable, annual report on Form 10-K and other proxy materials to any stockholder at a shared address to which a single copy of any of those documents was delivered. To receive a separate copy of the Notice of Internet Availability and, if applicable, annual report on Form 10-K and other proxy materials, you may write or call our Investor Relations department at 525 Race Street, San Jose, California 95126, Attn: Investor Relations, telephone number (408) 882-5737.

Any stockholders who share the same address and currently receive multiple copies of our Notice of Internet Availability or annual report on Form 10-K and other proxy materials who wish to receive only one copy in the future can contact their bank, broker or other holder of record to request information about householding or our Investor Relations department at the address or telephone number listed above.

## **OTHER MATTERS**

Our Board of Directors does not presently intend to bring any other business before the meeting and, so far as is known to the Board of Directors, no matters are to be brought before the meeting except as specified in the notice of the meeting. As to any business that may arise and properly come before the meeting, however, it is intended that proxies, in the form enclosed, will be voted in respect thereof in accordance with the judgment of the persons voting such proxies.



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