


## DENTSPLY INTERNATIONAL INC.

MEETING DATE	Wed, 20 May 2015 9:30 am	TYPE	AGM	ISSUE DATE	Mon, 18 May 2015
MEETING LOCATION	Company's World Headquarters, 221 West Philadelphia Street, in York, Pennsylvania				
CURRENT INDICES	S&P500				
SECTOR	Dental equipment and supplies				

PROPOSALS		ADVICE
<b>1a Elect Michael C. Alfano</b>	Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the board.	<b>Oppose</b>
<b>1b Elect Eric K. Brandt</b>	Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the board.	<b>Oppose</b>
<b>1c Elect Willie A. Deese</b>	Independent Non-Executive Director.	<b>For</b>
<b>1d Elect William F. Hecht</b>	Lead Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the board. He is chair of the Nomination committee and less than 20% of the Board are women which Triodos does not support.	<b>Oppose</b>
<b>1e Elect Francis J. Lunger</b>	Non-Executive Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the board. He is chair of the Audit committee which is not fully independent which Triodos does not support.	<b>Oppose</b>
<b>1f Elect Director Bret W. Wise</b>	Chairman and CEO. Combined roles at the head of the Company which Triodos does not support. There should be a clear division of responsibilities at the head of the Company between the running of the board and the executive responsibility for the running of the Company's business. No one individual should have unfettered powers of decision. Combining the two roles in one person represents a concentration of power that is potentially detrimental to board balance, effective debate, and board appraisal.	<b>Oppose</b>
<b>2 Appoint the auditors</b>	PricewaterhouseCoopers proposed. Non-audit fees represented 85% of audit fees during the year under review and 77.81% on a three-year aggregate basis. This level of non-audit fees raises concerns about the independence of the statutory auditors. Furthermore, the current auditor has been in place for more than ten years. There are concerns that failure to regularly rotate the audit firm can compromise the independence of the auditor. Triodos opposes this resolution.	<b>Oppose</b>
<b>3 Advisory vote on executive compensation.</b>	The Company has submitted a proposal for shareholder ratification of its executive compensation policy and practices. The voting outcome for this resolution reflects the balance of opinion on the adequacy of disclosure, the balance of performance and reward and the terms of executive employment. The compensation rating is: BDD. As the Company grants time-based (ie no performance conditions) stock options and restricted stock unit and the stock options have an annual vesting rate, Triodos opposes this resolution.	<b>Oppose</b>

#### 4 Amend 2010 Equity Incentive Plan

Oppose

The Board is seeking shareholders' approval of the Company's 2010 Equity Incentive Plan, as amended and restated.

Under the Plan, the Company can grant stock options, restricted stock, restricted stock units and stock appreciation rights (SARs). Outside Directors are eligible to participate in the Plan in the same manner as key employees and other participants in the Plan. The Compensation Committee can initially, and from time to time thereafter, select those officers and other key employees of the Company, including members of the Board who are also employees, and consultants and advisers to the Company, to participate in the Plan. The Plan is to be administered by the Compensation Committee of the Board. The Committee shall have sole discretion concerning all matters relating to the Plan and awards granted. The Committee, in its sole discretion, shall determine the key employees, consultants and advisers to whom, and the time or times at which, awards will be granted, the number of shares to be subject to each award, the expiration date of each award, the time or times within which the option may be exercised or forfeiture restrictions lapse, the cancellation or termination of the award and the other terms and conditions of the grant of the award. The maximum amount of shares that may be granted cannot exceed 13,000,000. At the Committee's discretion, awards of restricted stock and restricted stock units may be made subject to the attainment of performance goals which are intended to satisfy the qualified performance-based compensation exception from the tax deductibility limitations of Section 162(m) of the Code.

There are concerns that stock options and restricted stock units are not subject to robust enough performance measures and are solely based on continued employment. Performance conditions may be attached to shares at the Committees' discretion; the Committee may also select participants to the Plan and may subjectively decide on vesting schedules. Based on these concerns, Triodos opposes this resolution.

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#### SUPPORTING INFORMATION FOR RESOLUTIONS

##### **Proposal 3 - Advisory vote on executive compensation.**

**Disclosure: B** - There is no disclosure of named executives' pension entitlements as of the end of the fiscal year.

**Balance: D** - Performance targets attached to the annual bonus are considered to be reasonably challenging, as most named executives were awarded below target. The Company grants time-based (ie no performance conditions) stock options and restricted stock units. The stock options have an annual vesting rate.

**Contract: D** - The Company does not have a clawback policy in place. Named executives are entitled to a settlement in the event of a termination for cause. Disclosed severance and change in control awards are considered to be potentially excessive.

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