

MEETING DATE	Thu, 15 Nov 2018 10:00 am	TYPE	AGM	ISSUE DATE	Mon, 12 Nov 2018
MEETING LOCATION	1 Elizabeth Macarthur Drive , Bella Vista, New South Wales 2153 , Australia				
CURRENT INDICES	S&P500				
SECTOR	Surgical and medical instruments and apparatus				

PROPOSALS		ADVICE
1a Elect Director Peter Farrell	Non-Executive Director. Not considered independent founder and former CEO of the Company. There is insufficient independent representation on the Board.	Oppose
1b Elect Director Harjit Gill	Independent Non-Executive Director.	For
1c Elect Director Ron Taylor	Lead Independent Director. Not considered independent owing to a tenure of over nine years. There is insufficient independent representation on the Board.	Oppose
2 Appoint the Auditors	KPMG proposed. Non-audit fees represented 1.24% of audit fees during the year under review and 0.41% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. 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.	Oppose
3 Amend the Resmed Inc. 2009 Employee Stock Purchase Plan	The Board is seeking to amend the ResMed Inc. 2009 Employee Stock Purchase Plan. The amendment will make the following changes: An increase in the number of shares of our common stock available for future awards under the Current ESPP by 2 million shares, from 4.2 million shares to 6.2 million shares; Extend the term of the Current ESPP so that the ESPP will remain in effect until November 15, 2028; and Rename the Current ESPP as the "ResMed Inc. 2018 Employee Stock Purchase Plan." It is considered that it is in the best interests of the company and its shareholders to provide employees with an opportunity to benefit from business success and increase their share ownership through payroll deductions. The Plan is open to the majority of employees and is capped at purchase price of no less than 85% of fair market value. Triodos supports this resolution.	For
4 Advisory Vote on Executive Compensation	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. Fiscal 2018 annual bonus payouts are not considered excessive being below 200% of salary. The use of a sole performance condition, TSR, for PSU awards is not considered best practice. Best practice is to have at least two or more performance conditions, operating interdependently. The CEO's fiscal 2018 awards are considered excessive at 727.93% of salary. The compensation rating is: DDE. Based on this rating, Triodos opposes this resolution.	Oppose

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 4 - Advisory Vote on Executive Compensation

Disclosure: D- Annual incentives are paid out based on performance against adjusted net sales and adjusted operating profit as a percentage of revenue targets. Targets are disclosed. Long term incentives are provided in the form of Performance Share Units (PSUs) and time-vested options or restricted stock units (RSUs). PSUs are granted subject to performance against total shareholder return (TSR) targets. Performance targets are disclosed.

Balance: D- Fiscal 2018 annual bonus payouts are not considered excessive being below 200% of salary. The use of a sole performance condition, TSR, for PSU awards is not considered best practice. Best practice is to have at least two or more performance conditions, operating interdependently. The CEO's fiscal 2018 awards are considered excessive at 727.93% of salary. PSUs issued during fiscal years 2016, 2017, and 2018 are earned and cliff vest after the fourth anniversary of the grant after a four-year period.

Contract: E- Change-in-control payments are subject to double-trigger provisions. However, 'good reason' and 'cause' are not appropriately defined.

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