Triodos Investment Management

INSULET CORP

MEETING DATE	Fri, 29 May 2020 10:00 am	TYPE	AGM	ISSUE DATE	Fri, 05 Jun 2020
MEETING LOCATION	www.virtualshareholdermeeting.com/PODD2020				
CURRENT INDICES	PIRC Global				
SECTOR	Surgical and medical instruments and apparatus				
FYE	31 Dec 2019				

	PROPOSALS	ADVICE
1.1	**Elect Director Sally W. Crawford** Non-Executive Director. Not considered independent owing to a tenure of over nine years. However, there is sufficient independent representation on the Board. Support is recommended.	**For**
1.2	**Elect Director Michael R. Minogue** Independent Non-Executive Director. Support is recommended.	**For**
1.3	**Elect Director Corinne H. Nevinny** Independent Non-Executive Director. Support is recommended.	**For**
2	**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. The company uses adjusted performance metrics for most elements of compensation. For the year under review, annual bonus payouts are considered to be excessive as they represent more than 200% of base salary. Maximum long-term award opportunities are not limited to 200% of base salary, which raises concerns over the potential excessiveness of the remuneration structure. Performance measures attached to long-term incentives do not duplicate those attached to other awards, which is considered acceptable practice. Retention awards made up less than one-third of the awards granted to executives, which is considered best practice. Performance shares have a three-year performance period, which is a market standard. The compensation rating is: ACA While acknowledging the improvements on the previous year, there are still concerns regarding the excessiveness of the remuneration structure, for this reason Triodos opposes this resolution.	**Oppose**
3	**Appoint the Auditors** Grant Thornton proposed. Non-audit fees represented 8.55% of audit fees during the year under review and 4.81% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor. Support is recommended.	**For**

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 2 - Advisory Vote on Executive Compensation

Disclosure: A The company has provided the level of fees paid to the Compensation Consultants. The disclosure of these fees is encouraged in the interests of greater transparency. The peer groups used for the purpose of pay comparison have been fully disclosed by the company. The grant of performance awards was based on the achievement of set levels of specific performance targets for 2019 were based on adjusted EBIT and adjusted revenue. The performance-based long term incentive is subject to quantified performance targets for 2019 were based on adjusted EBIT and adjusted revenue performance targets.

Balance: C The company uses adjusted performance metrics for most elements of compensation. The use of non-GAAP metrics prevents shareholders from being able to assess fully whether the performance targets are sufficiently challenging. The company does not consider non-financial metrics in its assessment of performance. For the year under review, annual bonus payouts are considered to be excessive as they represent more than 200% of base salary. Maximum long-term award opportunities are not limited to 200% of base salary, which raises concerns over the potential excessiveness of the remuneration structure. Awards under the annual-incentive plans are tied to multiple performance conditions, which is considered best practice. Performance measures attached to long-term incentives do not duplicate those attached to other awards, which is considered acceptable practice. Retention awards made up less than one-third of the awards granted to executives, which is considered best practice. Performance shares have a three-year performance period, which is a market standard. However, a five-year performance period is considered best practice. Executive compensation is aligned with peer group averages. In addition, executive compensation is aligned with companies of a similar market cap

Contract: A The claw-back policy is considered appropriate as it applies to short- and long-term incentives, and is not limited to cases of financial misstatement. Equity awards are subject to pro-rata vesting, which is line with best practice. Good reason has been appropriately defined. Change-in-control payments are subject to double-trigger provisions. Cash severance is limited to three times base salary; which is welcomed. The company maintains a supplemental executive retirement plan for the benefit of certain officers; which is not in line with best practice.

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