Triodos Investment Management

INSULET CORP

MEETING DATE	Thu, 27 May 2021 9:00 am	TYPE	AGM	ISSUE DATE	Thu, 13 May 2021
MEETING LOCATION	Virtual-Only Meeting:, www.virtualshareholdermeeting.com/PODD2021				
CURRENT INDICES	PIRC Global				
SECTOR	Surgical and medical instruments and apparatus				
FYE	31 Dec 2020				

	PROPOSALS	ADVICE
1.1	**Elect Wayne A. I. Frederick - Non-Executive Director** Independent Non-Executive Director.	**For**
1.2	**Elect Shacey Petrovic - Chief Executive** Chief Executive.	**For**
1.3	**Elect Timothy J. Scannell - Chair (Non Executive)** Independent Non-Executive Chair.	**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. 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. The annual incentive award made during the year under review is not considered to be overly excessive as it amounts to less than 200% of base salary. Awards under the annual-incentive plans are tied to multiple performance conditions, which is considered best practice. Performance metrics are replicated under different incentive plans, raising concerns that executives are being rewarded twice for the same performance. Maximum long-term award opportunities are not limited to 200% of base salary, which raises concerns over the potential excessiveness of the remuneration structure. 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. The compensation rating is: ADA. Triodos opposes this resolution.	**Oppose**
3	**Ratify Grant Thornton LLP as Auditors** Grant Thornton proposed. Non-audit fees represented 7.46% of audit fees during the year under review and 6.31% on a three-year aggregate basis. This level of non-audit fees does not raise serious concerns about the independence of the statutory auditor.	**For**

SUPPORTING INFORMATION FOR RESOLUTIONS

Proposal 2 - Advisory Vote on Executive Compensation

Disclosure: A - The company has failed to provide the fees it paid 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 metrics that were weighted as follows: 75% Adjusted Revenue and 25% Adjusted Earnings Before Interest and Taxes (EBIT). The performance-based long term incentive consisted of 60% Performance Units, 20% Stock Options and 20% Restricted Stock Units (RSUs). The Performance Units were subject to the following performance metrics and weightings: 70% Adjusted Revenue and 30% Adjusted EBIT.

Balance: D - 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. The annual incentive award made during the year under review is not considered to be overly excessive as it amounts to less than 200% of base salary. Awards under the annual-incentive plans are tied to multiple performance conditions, which is considered best practice. Performance metrics are replicated under different incentive plans, raising concerns that executives are being rewarded twice for the same performance. Maximum long-term award opportunities are not limited to 200% of base salary, which raises concerns over the potential excessiveness of the remuneration structure. 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.

Contract: A - Cash severance is limited to three times base salary; which is welcomed. Change-in-control payments are subject to double-trigger provisions. Good reason has been appropriately defined. Equity awards are subject to pro-rata vesting, which is line with best practice. 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.

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