

ResMed Pay Equity Statement

At ResMed, we are committed to our mission of transforming patient care in the out-of-hospital setting through innovative solutions and tech-driven integrated care, by continuing to build and foster a culture of **belonging, inclusion and diversity** for our **high performing, entrepreneurial** people. We engage and enable our people to be the best they can be, by embracing diverse perspectives that spark innovative healthcare solutions to improve millions of lives. We believe these solutions are best when the people designing and delivering these can be their authentic selves; and our core competencies: we are **all leaders**, we are **team players**, we are **innovative**, we are **customer-centric** and we are **inclusive**, capture the essence of our culture.



Equal opportunity and pay equity is integral to our people practices for us to develop, attract and recognize agile leaders who lead these solutions through transformative change. Our policy is to hire, retain, develop, promote and otherwise treat all our people on the basis of performance, capabilities, qualifications, competence and experience. We apply this policy regardless of an employee's gender or any other personal characteristics. Our board and executive team recognize the the importance of an inclusive and diverse workforce and are fully supportive of our commitment to **fair & equitable people practices including pay equity**.

ResMed takes a thorough approach to ensure pay equity within our compensation programs and to this end, we have internal processes and monitoring in place to assist the company in identifying and addressing any potential pay equity issues and will make adjustments where appropriate. Outlined below are key practices included in our approach to ensure pay equity and we are confident that our approach help prevents statistically significant pay gap issues, including with respect to gender:

- **Global grading framework:** To provide a consistent approach to assessing and aligning roles to grades and relevant compensation ranges based on the responsibilities, size, scope and impact of each role and not on any of the individual employee or candidate personal characteristics. Compensation ranges are defined for each role within this framework primarily on the basis of **local market practices and benchmark data** that is sourced through external compensation survey data providers and varies by country; this is to ensure there is consistency of compensation for roles of similar scope and complexity within a country. These compensation ranges are annually reviewed using external compensation benchmarking studies and adjustments are made as appropriate, such that our pay levels remain market competitive.
- **Global review process:** To review our employees' compensation on an annual and consistent basis. Managers responsible for the review are provided **detailed training** during the process to promote a comprehensive understanding of our compensation philosophy and approach including the importance of pay equity. We also provide managers with robust data points on where an employee's pay is relative to the market-aligned range for peers and jobs of similar size and complexity; also, our people business partners work with the managers throughout the process and all individual pay adjustments are reviewed by the next level manager before being approved to ensure consistency in methodology. Individual pay decisions including any adjustments are based

on factors such as job performance, experience, skills, tenure, budget and the relevant compensation range for the role. Given this an individual's compensation may be lower or higher in the compensation range applicable to their roles based on a number of these factors. Managers are encouraged to use the full range of options available including base pay, short term incentives and long term incentives, where applicable.

- **All eligible employees reviewed:** During compensation reviews we actively review employees on extended leave to ensure that those on **parental leave are considered**.
- **New hires:** In all markets/ countries we operate in, we use the external market based surveys to establish compensation range that is applicable to any role and the **compensation offered to new hires is within this range**, together with a candidate's qualifications and experience and relativity to internal peers to ensure our compensation levels are both externally competitive and internally equitable.
- **Multiple channels to report pay equity issues:** Employees can raise any issues to their manager, any member of the management team, or any member of the People team. We also have a **global hotline available 24/7** that enables anonymous reporting. If any pay equity issues identified, we work with the management and People business partners to take appropriate corrective actions to address the issues.

We also regularly solicit employee feedback and sentiment about our workplace through our **global engagement surveys** that provide our people to comment anonymously and freely on matters related to their employment experience, including pay equity. There is an active program following these engagement surveys to share findings openly and put in place action plans at global and local levels to address priority issues. In addition, we actively engage in social listening with our people through a variety of internal avenues such as Yammer, global all hands discussion forum with our Office of the CEO.

Beyond pay equity and in our ongoing commitment to a culture of belonging, inclusion and diversity, we have a dedicated Program Management Office (PMO) led by a senior business leader that works with our executive team and across ResMed to develop and manage many of our diversity initiatives, sponsorships and partnerships. We also have several employee resource groups (ERGs) for LGBTIQ, women and early career team members. We are excited to see these groups be a resource to all ResMedians as a community of belonging, networking and sharing, as well as to the organization as a whole. We are very proud of the progress we continue to make!