Australian Shareholders' Association Limited
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Towards a healthier, more productive society.

Company/ASX Code	Cochlear Limited/COH
AGM time and date	10am AEDT Friday, 25 October 2024
Location	Cochlear Global Headquarters, Macquarie University and https://meetnow.global/M5674XV
Registry	Computershare
Type of meeting	Hybrid
Monitor	Patricia Beal, assisted by Gareth Eastwood
Pre-AGM Meeting	Yes, with Chair Alison Deans

Monitor Shareholding: The individuals involved in the preparation of this voting intention have shareholdings in this company.

1. How we intend to vote

No.	Resolution description	
2.1	Remuneration Report	For
3.1	Re-elect Ms Alison Deans	For
3.2	Re-elect Mr G Boreham	For
3.3	Re-elect Ms Christine McLoughlin	For
3.4	Elect Ms Caroline Clarke	For
4.1	Approve Long Term Incentives to CEO & President D Howitt	For

2. Summary of Issues and Voting Intentions for AGM

- Remuneration: no changes to conditions used last year. Consistent with ASA guidelines.
- Re-elections to Board: yes to all
- Long Term Incentives to CEO & President: yes

See ASA Voting guidelines and Investment Glossary for definitions.

3. Matters Considered

Accounts and reports

Financial performance

(As at FYE)	**2024**	**2023**	**2022**	**2021**	**2020**
NPAT ($m)	356.8	300.6	289.1	323.8	(238.3)
UPAT ($m)	386.6	305.2	277.0	234.0	153.8
Share price ($)	332.15	229.07	198.7	251.67	188.93
Dividend (cents)	410	330	300	255	160
Simple TSR (%)	46.8	16.9	(19.9)	33.8	(7)
EPS (cents)	544.5	457.0	439.6	493.6	(399.6)
CEO total remuneration, actual ($m)	5.076	3.900	4.360	5.385	2.816

Simple TSR is calculated by dividing (change in share price plus dividend paid during the year, excluding franking, by the share price at the start of the year.

A good year, with growth for all business units. Charts on p 8 of the Annual Report show a long track record of growth over 24 years, in sales, profits, dividends etc. There was only the blip in 2020 when Covid prevented sales and implants of devices. Cochlear now has a strong capital structure, with over $500m in net cash, and an ongoing buyback program to reduce the cash balance to around $200m over a number of years. This aligns with shareholders' interests by reducing the shares on issue, increasing the EPS and dividends over the long term.

Underlying profit (no effects of currencies variations) was up 15%. This is their preferred measurement for comparisons which affect incentives.

Investment in R & D stayed at 12% of sales revenue. Dividend was increased.

Governance and culture

Diverse workforce, with continuing high engagement, and support of the culture and goals of the company. Measurement is shown of diversity, equity and inclusion of staff over 4 years (p 53 of Annual Report).

Key events

Launch of Osia OS1300 provided strong growth in seniors market.

>47,000 new recipients overall.

Updates to latest processor for >50,000 implant recipients.

Acquisition of Demant's cochlear implants business completed, meaning more customers to service with updates.

Ageing of populations means more markets for managing hearing loss. That loss shown to diminish communication, and treatment shown to increase healthy ageing - an increasing market for cochlear / bone implants.

Continuing research being funded to increase the efficiency of implants, and a pathway for treating hearing loss in adults.

Key board or senior management changes

Non-Executive Directors (NEDs): Y Allen resigned from the board in March 2024, while A Denver retired in October 2023.

1 new NED, Caroline Clarke was appointed in September 2024.

No KMP changes.

Sustainability/ESG

Commitments shown and charted to reducing emissions and increasing efficiencies.

ASA focus issues (not discussed above or under remuneration report or re-election of directors)

Governance / Board skills: No Board members shown as having "expert" levels of knowledge of Sustainability (5 had "experience", 3 had "limited experience". No other category had less than 3 members with "expert" levels of knowledge.

4. Rationale for Voting Intentions

Resolution 2.1 Remuneration Report: for

No significant changes to the current remuneration plan, which ASA supports.

Resolution 3.1. Re-elect Ms Alison Deans: for
Resolution 3.2. Re-elect Mr Glen Boreham: for
Resolution 3.3. Re-elect Ms Christine McLoughlin: for

There is a good spread of years on the Board, amongst these directors; they have suitable qualifications, and have shareholdings aligned with those of shareholders. We support the re-election of all 3.

Resolution 3.4. Elect Ms Caroline Clarke: for

Ms Clarke was appointed in Sept 2024, with medical devices and equipment experience, and global expertise. Her appointment shows a well-operating renewal process within the Board. We welcome her appointment.

Resolution 4.1 Approve Long Term Incentives to CEO & President D Howitt: for

No significant changes to the current remuneration plan, which ASA supports

Appendix 1
Remuneration framework detail

CEO rem. Framework for FY24	Target* $m	% of Total	Max. Opportunity $m	% of Total
Fixed Remuneration	2.101	36%	2.101	25%
STI - Cash	1.26	21%	2.27	26%
STI - Equity	0.84	14%	1.51	18%
LTI	1.69	29%	2.61	31%
Total	5.89	100.0%	8.49	100%

The amounts in the table above are the amounts that are envisaged in the design of the remuneration plan. *Target remuneration is sometimes called budgeted remuneration and is what the company expects to award the CEO in an ordinary year, with deferred amounts subject to hurdles in subsequent years before vesting. Some remuneration framework set a maximum opportunity amount, but not all.

The remuneration framework (shown in table above) is unchanged from FY23.

STI is determined by a mixture of business and individual performances. 60% is cash, 40% as share rights, deferred over 2 years. Actual outcomes are shown on p 109 for STI (mostly exceeded expectations).

For LTI, the targets are set on 4-year averages of TSR and EPS, awarded as options and performance rights, also over 4 years. For LTI, the TSR exceeded the target but not the maximum; EPS exceeded both (p110).

More detail, clearly described, is in the Annual Report, pp 103 - 105.