

Dexcom



DEXCOM, INC. SUSTAINABILITY REPORT

March 2020

A LETTER FROM OUR CEO



Since its inception in 1999, Dexcom's mission has been to make a positive impact on people's lives. And while this impact starts with our industry-leading Continuous Glucose Monitoring (CGM) technology, it does not end there.

We advance the interests of all our stakeholders – including patients, caregivers, employees, investors, and our communities – by operating in an ethical and sustainable way. We do this by holding true to our core values: Listen, Think Big, Be Dependable, and Serve with Integrity. These values are at the heart of Dexcom's Sustainability activities that span the globe.

Whether it is charitable giving, employee wellbeing, waste reduction or ethical conduct, we firmly believe that Dexcom's corporate citizenship investments are both the right choice for our long-term success of the business and the right thing to do. With this in mind, I am pleased to share Dexcom's inaugural sustainability report. As you will see, together we're making a positive impact on the world around us.

I look forward to keeping you updated on our progress.

Kevin Sayer

Chairman, President & CEO

dexcom

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We use our Sustainability Report to share how we are managing our sustainability goals, as well as to respond to a broad set of stakeholder expectations and inquiries we receive throughout the year.

This report covers fiscal year results for the period ended December 31, 2019, unless otherwise noted. Data includes our operations around the world, unless otherwise stated. Some data has been rounded. Monetary figures are in U.S. dollars unless otherwise noted. Dexcom undertakes no responsibility to update this information after the date of this report.

LISTEN

The pursuit of continuous improvement and impact drives our global efforts at Dexcom. We pay attention to the evolving needs of our customers, healthcare providers, employees, researchers, payers, and broader set of stakeholders to exemplify **"Listen,"** one of our four core values.

Listening to our Customers

While Dexcom strives to design, manufacture and sell the best continuous glucose monitoring (CGM) technology, we also understand that the customer experience involves more than providing data and insights. Therefore, we have structured our company to listen to our customers and address their needs and interests.

The following initiatives are examples of the ways in which we actively participate in the diabetes community, and include some of the strategic initiatives and product developments that we've pursued in response to stakeholder feedback.



Dexcom Warriors

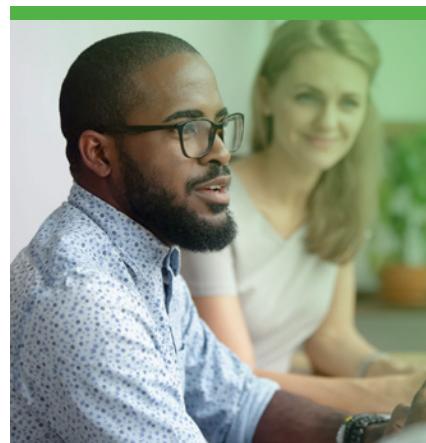
We believe that providing a forum for our customers' voices is one of the best ways to learn from the diabetes community. In 2015, we established the Dexcom Warriors program and have quickly expanded it from 35 to more than 5,000 Warriors. Our Warriors are individuals with type 1 and type 2 diabetes who have raised their hands, ready and eager to help increase awareness for diabetes and advocate for Dexcom. Warriors include social media influencers, athletes, celebrities, and 'everyday' people as well—parents, students, community leaders, and more.

**PROJECT 50-IN-50**

The brainchild of Michael Shelves and Patrick Mertes, two outdoorsmen, living with type 1 diabetes (T1D), dedicated to proving to the world that anything is possible with T1D.

<https://project50in50.org/>

The Warrior program revolves around the inspirational stories that define each of our Warriors. By providing a platform for the incredible people who use our technology every day, we hope to educate the diabetes community and spark additional awareness of the benefits of using our CGM system to help manage diabetes.



Dexcom and the Diabetes Community

We also listen to the needs of the diabetes community by advocating for their efforts. This commitment includes our own direct support of non-profit organizations and clinical research, as well as our active encouragement of Dexcom employee participation within the diabetes community. Below are some of the highlights of our recent efforts:

- **Partnering with leading diabetes advocates:**

For many years, Dexcom has stood alongside the Juvenile Diabetes Research Foundation (JDRF) in their efforts to fund research, advocate to regulatory bodies, and provide community to people with Type 1 Diabetes. We have provided significant financial support to JDRF over the years and expect to continue to advocate with them as they advance their worldwide mission.





- **Encouraging our employees to give back to the community:**

We actively encourage employee support of the **JDRF One Walk** fundraiser and event in San Diego, a 3K and 5K walk in support of JDRF's ongoing research effort for the Type 1 diabetes community. In 2019, our employees raised more than \$84,000 in support of this great cause.

In support of **Beyond Type 1**, an organization dedicated to uniting the global diabetes community and providing solutions that improve the lives of people with Type 1 and Type 2 diabetes, we partnered with Tandem Diabetes to co-sponsor the Beyond Type 1 New York City marathon team. This inspiring team included 30 runners, who have lived with Type 1 diabetes for 385 years combined.

We continue to support the efforts of **Children with Diabetes (CWD)**, a non-profit organization that provides education and support for families living with Type 1 Diabetes. In 2019, our employees went beyond the corporate sponsorship of CWD's Friends for Life Conferences (FFL), helping provide children and their families with an incredible experience at the FFL events and donating more than \$40,000 of additional support.

Employee-funded grants have provided additional support to the diabetes community, offering assistance to the following organizations in recent years: **American Youth Understanding Diabetes Abroad (AYUDA)**, **College Diabetes Network (CDN)**, **DiabetesSisters**, and **Riding on Insulin**.

- **Enabling ongoing research and innovation:**

We maintain an active research program that not only manages our clinical efforts, but supports Investigator Initiated Studies, industry-sponsored studies using Dexcom CGM systems, and studies conducted by non-profits or research consortiums. For additional information on our ongoing research support as well as our publicly available diabetes education tools, please visit our [provider site](#).



Advocating for Patient Choice

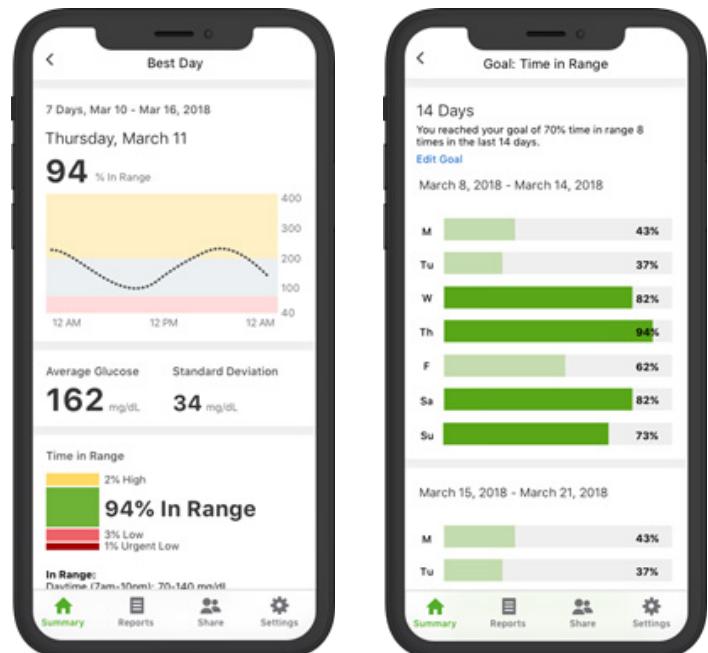
We recognize the value of patient choice in the diabetes technology community and have made significant efforts to integrate our CGM technology with multiple third-party insulin delivery options. This means that whether a customer chooses to use an insulin pump or an insulin pen, we want to enable them to monitor their glucose levels with a Dexcom CGM system. We have formed agreements with leading insulin delivery companies to deliver high-quality, integrated devices designed to improve the lives of those we serve.



"On the Bright Side" Notifications

Despite recent technological advancements, diabetes remains a burdensome disease. Through our ongoing engagement with our customer community, we repeatedly heard that people with diabetes were aware that they had features to warn them of danger and advise on next steps for diabetes management. However, users reported a lack of positive reinforcement within the technology platforms.

Dexcom introduced "On the Bright Side" notifications in 2019 to address this emerging concern. The "Best Day" and "Time in Range" features (shown on the right) provide two examples of this initiative to reinforce positive behavior, while attempting to reduce the emotional burden of managing diabetes.



Listening to our People

We understand the importance of working at companies that value each person's unique skillsets. In order to foster this culture and continue to attract—and retain—top talent throughout the organization, we must continue to listen to the unique needs of our people.

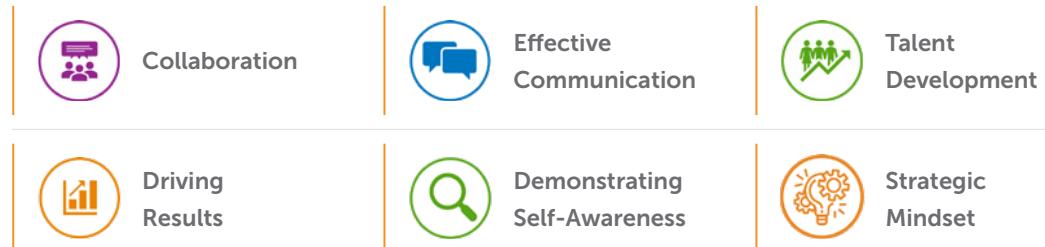
Dexcom employs a diverse group of leaders, innovators, and creators who find common ground in our mission: to empower people to take control of diabetes. But we are also individuals with deeply personal aspirations. For that reason, our leadership strives to grow and inspire from the top down as we collectively embrace the Dexcom mission.

Investing in our People

We believe that investing in our talent's growth and development will directly enhance our overall company performance. In 2019, we launched a comprehensive career development site called DexcomGO that includes employee resources focusing on the advancement of six core competencies that we identify as essential for our workforce:

"We're Listening":

Each year, we reinforce our commitment to our people by offering a survey titled "We're Listening." In 2019, 81% of our global workforce completed the survey, up from 79% in 2018. In the most recent survey, we trended positively in every question related to direct management. This encouraging result demonstrates the importance of the employee voice in our relentless pursuit of continuous improvement.



The DexcomGO site currently includes more than 200,000 training videos on a wide variety of topics, providing necessary resources for employees to grow in accord with their personal goals. The site also serves as a hub for our virtual and in-person sessions that align with the development of the six core competencies. Some of our popular, current course offerings include: emotional intelligence (EQ), self-leadership development, and strength deployment inventory (SDI) assessments for understanding motivation and conflict style.

Supporting Our Employees and Their Families

Dexcom strives to provide choices and flexibility through comprehensive and competitive global benefits, retirement plans and wellbeing programs that support our employees and their families. We strive to offer consistent benefits across our global locations, including the following offerings for full-time employees in most of the countries in which we operate:

**Retirement Savings:**

We offer Dexcom-funded retirement plans to help retired employees maintain a comfortable standard of living.

Life/Death/Disability Insurance:

We offer life/death and disability insurance to provide employees and their families with financial assistance should they become disabled, unable to work, or pass away.

**Employee Assistance Program:**

Our increasingly fast-paced work environment can make it tough to balance responsibilities at work and home at times. We have implemented a no-cost, 24/7 employee assistance program that provides employees resources for improving communication, relationship counseling, coping with loneliness, understanding grief, dealing with stress, anxiety and depression, and crisis support. The program also offers work/life resources such as debt counseling, legal assistance, and childcare and eldercare options.

Recreation and Onsite Services:

We also offer recreational sports and social groups globally to foster a culture of physical fitness, teambuilding, creativity, and social activity. We've facilitated interest groups related to softball, volleyball, bowling, cycling, running, board games, ping pong and more.

*Note: Employee eligibility for certain non-salary benefits may be informed by and will follow local regulations and practices. In certain countries, this means we cover all full-time employees and certain part-time employees working more than a certain number of hours.



While the services and facilities at each location vary, they may include an onsite gym, instructor-led fitness classes, onsite services such as dry cleaning, hair salon, car wash, bike repair, and numerous wellness education-related programs throughout the year. We bring these types of services to the workplace, so employees have more time to spend with family and friends after work and on weekends.

In addition to these core global offerings, we continue to assess areas of improvement for our various global locations. As examples of this commitment, we've established the following:

Onsite Health Clinic – Manila: In our growing Philippines location, we offer a full-service, onsite clinic available to employees. This allows them to receive basic health care services without the inconvenience and disruption of an offsite appointment with a physician.

Paid Family Leave – U.S.: We noticed a gap in opportunities for child bonding and family care for our domestic employees, depending on the respective policies of their state. Therefore, we established a uniform and equitable paid family leave program nationwide. This supports employees across the United States who need to take time away from work to care for a covered family member, or bond with a newborn or newly placed child. Through the program, they have the means to do so while receiving a portion of their pay through wage replacement.

Paid Military Leave-U.S.: Our headquarters, San Diego, is home to the nation's largest military concentration with more than 150,000 active duty personnel in 2020. In addition to federal and state mandated military leave, Dexcom provides 100% pay for up to four weeks, in conjunction with military pay, for employees when called for military school attendance, annual field training, annual active duty training, and other short-term state or federal tours of active duty (deployment excluded).

We are also in the process of rolling out additional employee benefits, including:

Education Assistance: We support employees who wish to continue their education to prepare for increased responsibilities and growth within their professional careers. In keeping with this philosophy, Dexcom intends to establish a reimbursement program for expenses incurred through approved institutions of learning.

Inspire Wellbeing: Our upcoming wellness program, Inspire, intends to help employees and their family members that desire to take control of their physical, emotional, and financial wellbeing. Through the Inspire platform employees can invite up to ten family members and friends to participate in healthy habits, challenges, education and more. Dexcom organizes company-wide steps challenges each year and team-based experiences.

Building a Diverse Workforce:

Dexcom is a global company and we strive to understand the cultures and customs that define the countries in which we operate. We foster a stimulating, creative, and nondiscriminatory workplace for all our employees and business partners.

We promote diversity, practice fairness, and treat everyone with respect and dignity. Accordingly, Dexcom is committed to:

Promoting Diversity and Inclusion: The distinct identities of our people and business partners are a source of strength and a key ingredient of our success.

Supporting Equal Employment Opportunity: In recruitment, training access, compensation, welfare, and internal mobility and career development, we approach each employee or job applicant – without regard to any of the grounds listed below or other characteristics protected by applicable law. We consider the skills, experience, and personal aptitude of our employees and any job applicant.

Zero-Tolerance Policy: We believe in the dignity of every human being and respect individual rights. We contribute to the protection of human rights through compliance with laws and regulations in the locations in which we operate. We are also committed to workforce diversity and maintain a zero-tolerance policy for discrimination and harassment, including on the following grounds:

Race	Gender Identity	Physical Appearance
Color	Sexual Orientation	Health or Medical Condition
National Origin	Age	Genetic Information
Religion	Disability	Political Opinions
Sex	Citizenship Status	Military or Veteran Status
Gender	Physical Orientation	

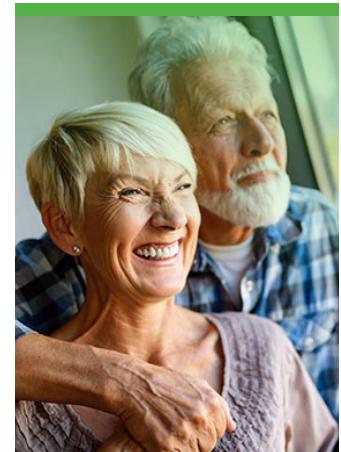
Our zero-tolerance commitment is supported by training on a regular basis and is clearly detailed in our [Code of Conduct](#).

THINK BIG

People with diabetes face unique challenges throughout their lives. Our efforts to understand their pain points go beyond listening, as we encourage all employees to think beyond their limits—to explore what's unprecedented, unpredictable, and unconventional.

This vision comes to life with our simple core value: **Think Big.**

This mindset led to an ambitious goal early in our history: **What if we could eliminate the need for people with diabetes to assess their glucose levels with painful fingersticks?** With the 2018 approval of our Dexcom G6 CGM system, we eliminated the need for customers to fingerstick[†] to calibrate their CGM. Based on internal estimates, we believe that the Dexcom G6 has enabled people with diabetes to safely monitor glucose levels while foregoing more than 2 billion fingersticks since its launch in 2018 (see <https://peaceoutfingerpricks.com/>).

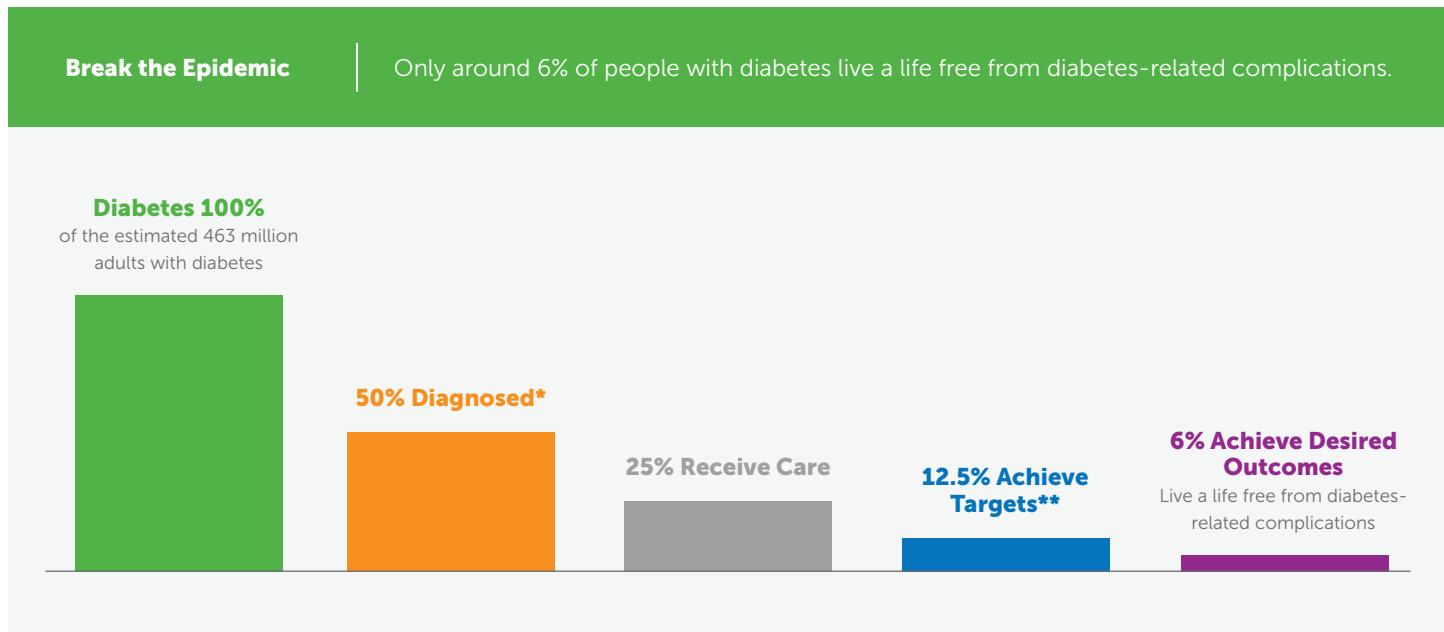


Our commitment to 'big-picture' thinking has not wavered since the launch of Dexcom G6. There remains a significant number of people with diabetes on intensive insulin therapy around the world who stand to benefit from our CGM technology. Therefore, we continue to assess efficient ways to drive access and extend the benefits of our technology to new populations.

Diabetes represents one of the most pressing healthcare challenges in the world today. The increasing prevalence of type 2 diabetes can lower the quality of peoples' lives while rapidly increasing global healthcare costs.

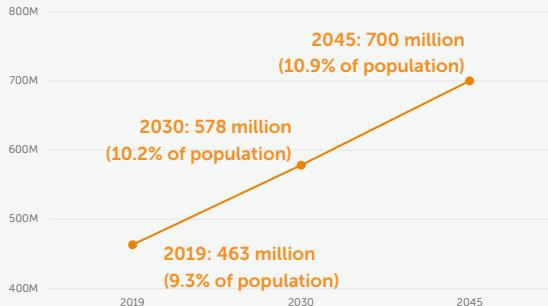
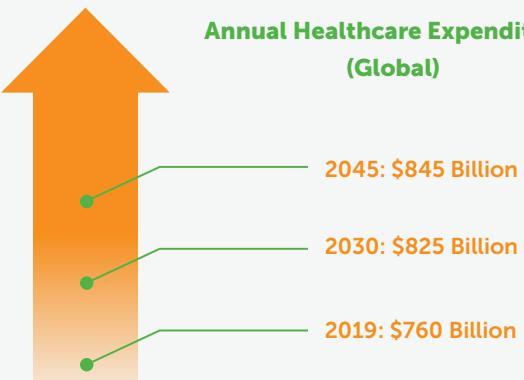
[†]If your glucose alerts and readings from Dexcom G6 do not match your symptoms or expectations, use your blood glucose meter to make diabetes treatment decisions.

As the statistics below demonstrate, it is truly a global epidemic that requires a commitment to innovative thinking:



*Actual rates of diagnosis, treatment, targets, and outcomes vary in different countries. **That is, recommended glucose levels. We believe the outcomes have not varied significantly since this framework was expounded by Hart JT, "Rule of halves: Implications of increasing diagnosis and reducing dropout for future workload and prescribing costs in primary care," *Brit J Gen Pract*. 1992, 42: 116-119.



Estimated Adults with Diabetes (Global)**Annual Healthcare Expenditures (Global)****>2X**

Healthcare Expenditures: People with Diabetes vs. Those without Diabetes:

4.2M

Diabetes Related Deaths (2019)

Sources: IDF Atlas, 9th Edition (2019). <https://www.diabetesatlas.org/en/>. American Diabetes Association, "Economic Costs of Diabetes in the U.S. in 2017."

Access to Healthcare

Given the scope of the problem, even within intensive insulin-using populations alone, Dexcom has identified access to its CGM systems as a core element of its sustainable growth initiatives. Our Global Access team regularly engages with government and private payers, as well as certain regulatory bodies, advocating for the millions of people with diabetes around the world by demonstrating the economic and quality of life benefits associated with covering Dexcom CGM technologies. We also continue to evaluate partnerships and strategies to broaden access to our technology in a manner that serves all stakeholders of the company.

The following initiatives represent core elements of our current strategy to expand access to Dexcom CGM technologies around the world:



Reducing Barriers to Therapy

In the United States, we have proactively engaged payers with offers to lower cost of treatment in exchange for broader access to our CGM technology.

We've advanced the following initiatives:

Pharmacy Access: We recognize that the pharmacy channel often offers a higher quality experience for Dexcom customers and prescribing clinicians. Dexcom customers can receive CGM supplies in as little as one or two days, compared to a process that can take multiple weeks through the durable medical equipment ("DME") channel. As our preferred long-term sales channel, we have taken significant steps to open this streamlined pharmacy experience to our customer base.

Removing Upfront Barriers: Certain insurance providers have historically required documentation before providing coverage for CGM. At the cost of lower reimbursement to us, we are advocating for the removal of such requirements to reduce the administrative burden of accessing our product.

Access for People with Type 2 Diabetes on Insulin Therapy: We have demonstrated significant clinical outcomes that document the value of Dexcom CGM to the type 2 intensive population[§]. Our Global Access team continues to work diligently to enable access for this sizable portion of people with diabetes.

Global Accessibility: We have obtained marketing authorization for Dexcom CGM in greater than 40 countries and plan to continue to broaden our geographic presence around the world, including in regions that do not currently have access to leading technology to help manage diabetes.



Advocating for Interoperability

Through longstanding collaborations with leading insulin delivery companies, Dexcom is a leading supporter of patient choice and open architecture platforms. Our strategy is driven by the belief that no customer should be restricted from using our CGM based on their preferred method of insulin delivery.

We continue to support device interoperability by maintaining an open architecture platform for [developers](#) and assessing options for additional collaborations with corporations and non-profit organizations.

[§]Beck RW, et al. Ann Intern Med. 2017;167:365–374. doi: 10.7326/M16-2855



Expanding Manufacturing

Since its launch, we have rapidly scaled Dexcom G6 manufacturing capacity. As the demand for Dexcom CGM continues to grow, our operations team has focused extensively on scaling additional capacity to enable further expansion of the markets that we serve. We believe that our product plays a significant role in addressing the diabetes epidemic, and we are working to establish the foundation to benefit more patients over the short and long-term future.



Designing Product for Scale

The commitment to expanding access requires thoughtful action throughout the organization. In order to meet our ambitious capacity expansion goals, our research and development and operations teams have collaborated extensively to adapt Dexcom G6 production and increase manufacturing yield.

We have specifically designed our next generation Dexcom G7 CGM system with the potential to scale efficiently as we look to expand the use of Dexcom CGM system for diabetes management around the world. We look forward to the continued development of this system as a key initiative for our access efforts.



Demonstrating Clinical Outcomes

As we scale production capacity, we also work diligently to demonstrate and expand awareness of the benefits of our technology. In 2019, the publication of full 3-year results of the COMISAIR study** showed that people with diabetes on real-time CGM experienced on average more than a 20% increase to optimal glycemic levels, or Time in Range (TIR; 70-180 mg/dL). Cohorts using either insulin pumps or multiple daily injections achieved these results, supporting the use of CGM as a first-line defense. The increase to TIR equates to nearly five hours per day of better control, a substantial improvement to the health of the CGM user.

** Soupal J, et al. Diabetes Care. 2019. †To view a list of compatible smart devices, visit Dexcom.com/compatibility



Environmental Impact

At Dexcom, thinking big also means committing to operate our business in a manner that is responsible to and protective of the environment. As a company at the forefront of continuous glucose monitoring technology, we embrace the opportunity to extend our commitment to all our stakeholders, suppliers and subcontractors.

We are committed to reducing the environmental impacts from our operations and products, managing environmental risks, and pursuing sustainability initiatives. Our overarching environmental policy is to: **"Respect and Protect the Environment"**.



Conserving Natural Resources

Dexcom is committed to minimizing the consumption of natural resources globally through proactive monitoring and sustainability training for all Dexcom employees. Wherever feasible, we try to reduce energy and water consumption to minimize our environmental footprint, while continuing to deliver world-class solutions to our customers, caregivers, and healthcare providers.

Our energy conservation program includes the replacement of older equipment with more energy-efficient models and the design of energy and water conservation systems into new or remodeled facilities.

Reducing Waste

On a global basis, Dexcom has been actively mapping the lifecycle of product waste at our facilities and has implemented programs to proactively reduce the amount of generated waste. Recycling and re-use initiatives have been initiated globally and include segregation systems to minimize waste and promote re-use.

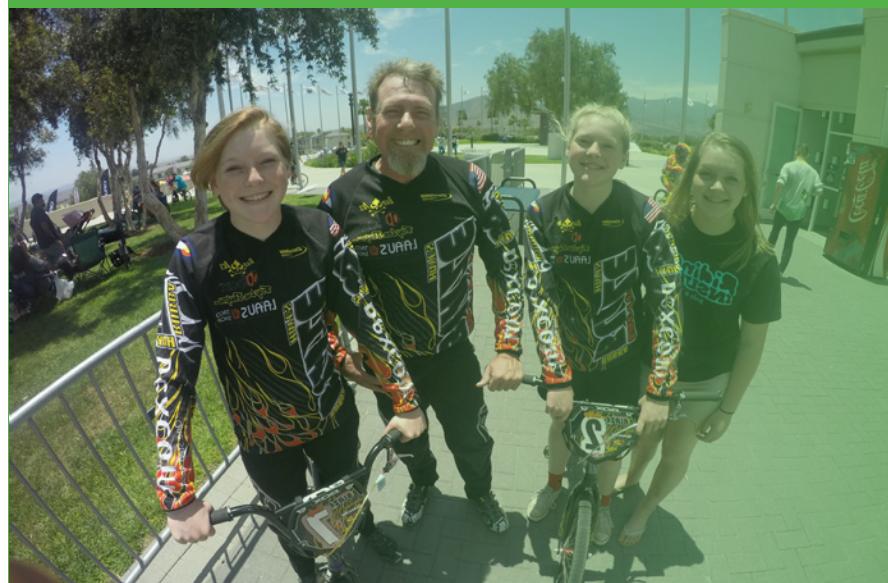
As our CGM systems continue to advance, we aspire to limit the need for incremental electronic equipment and thereby reduce waste volume for each user of our product. For example, although the receiver unit that accompanies our CGM system is still available for patient use and required in certain markets, our innovative software development teams have designed out the requirement for a stand-alone receiver and our programs allow for customers to use their existing, compatible[†] Apple or Android smartphones or watches to monitor their glucose levels in real time.

Our packaging and research teams have undertaken initiatives to reduce product packaging waste in future product launches. We are striving to reduce product packaging for our broad-based major product launch, the Dexcom G7 CGM System, and believe that the system can reduce packaging waste by nearly 50% per unit.



The Environmental, Health, and Safety (EHS) operations team has a goal of zero landfill of hazardous and medical regulated wastes from our manufacturing operations and internal use. We measured our performance against this goal and met our objective in 2019.

Other waste reduction initiatives have contributed to the reduction of our environmental footprint over the years and will continue under the supervision of our EHS operations team.



Reducing Emissions and Effluents

Dexcom is working to establish environmental benchmarks for the global reduction of emissions at our facilities and strives to implement initiatives to reduce our environmental footprint. We are actively evaluating opportunities to reduce Volatile Organic Compound (VOC) emissions from our manufacturing processes. We believe that our efforts to design and implement automated manufacturing processes will enable the reduction of VOC emissions even as we significantly scale our commercial operations.

Our efforts to reduce emissions extend beyond product design and manufacturing. We encourage and incentivize employees to use mass transit and provide a shuttle service between our San Diego locations to further reduce emissions from individual car trips.

We have established procedures and programs to monitor and minimize effluents and a stormwater pollution prevention program to protect the waters and beaches in the regions in which we operate. Our Spill Prevention Containment and Countermeasure Plan (SPCC) is updated annually to ensure that our production activities are considerate of the communities in which we operate.





Education, Monitoring and Improvement

The Dexcom EHS operations team trains employees globally on sustainability-driven best practices and procedures. The team maintains a portal where employees can access information on our EHS system, environmental and safety policies, and waste management and occupational health and safety programs can be accessed at any time.

We also actively monitor all EHS programs and initiatives and work with regulatory agencies to align on applicable standards. In 2019, we launched a new global EHS enterprise system to monitor injury rates, EHS risk assessment and reduction programs, and regulatory compliance, and identify and prioritize EHS program goals to promote continuous improvement in our EHS performance.

In line with our commitment to continuously improve our EHS program, we have recently undertaken the following efforts:

- Resourcing a dedicated department that oversees our environmental programs
- Establishing board oversight of our corporate social responsibility and sustainability initiatives
- Implementing practices that reduce and recycle manufacturing and packaging waste
- Initiating studies of volatile organic compound (VOC) use to reduce emissions through volume reduction and/or substitution with lower VOC materials
- Launching an EHS global enterprise system to develop meaningful metrics that track our progress against our operational goals.



BE DEPENDABLE

Quality

Dexcom seeks to exemplify quality in all aspects of the organization. While our end goal is the production of the highest caliber CGM devices that empower people to take control of diabetes, achieving this goal requires an even broader approach. It requires us to foster a culture where every Dexcom employee understands their essential role in the design, testing, and manufacturing of our devices that are used by our customers. We emphasize this commitment in the core value, **“Be Dependable.”**

Dexcom features the following key elements in its approach to organization-wide quality:

- **Education and Awareness:** People are critical to ensuring high quality products. We require all new employees to receive training on the company's quality policy and quality objectives. We provide continuing education and awareness to promote our quality culture and inform our employees about changes that have the potential to impact the quality of our products and the effectiveness of our quality policies. We also encourage our employees to continue their formal education and routinely benchmark against best in class companies. Together, these efforts support a holistic embrace of Dexcom quality standards.
- **Quality Management System (QMS):** We maintain a robust Quality Management System in compliance with applicable US and international regulatory requirements. This includes compliance with key standards such as the FDA Quality System Regulation (QSR) and International Organization for Standardization (ISO) 13485, a key international standard for medical devices to which we and our facilities are certified. We view our QMS as a foundation of sustainable business practices and a Dexcom core strength.
- **Continuous Improvement:** As a core element of our QMS, we undertake annual reviews of quality initiatives to ensure compliance with evolving standards and continual improvement of our processes and products. We enhanced our QMS by attaining certification to the globally recognized Medical Device Single Audit Program (MDSAP). Dexcom supports the program's goal of improving and oversight of global medical device production through a unified approach to auditing. With this new certification, Dexcom demonstrates compliance with regulatory requirements for Australia, Canada, Japan, and the United States.

Recent Initiatives

Every step of our development and manufacturing processes are intended to meet and exceed customer requirements.

We deploy robust and global processes aimed at monitoring and continuously improving:

- Innovation and development processes
- Supplier processes
- Customer experience

In late November 2019, we experienced a server outage that impacted US users of our Follow app. Although our CGM technology and core app were generally unaffected, the outage impacted the ability of followers to monitor the glucose levels of their friends and family. With an understanding of the importance of dependability, we addressed the issue, listened to our customers, and set out on a course to improve. We acknowledged the need to strengthen lines of communication with our customers and quickly established a [System Status Page](#) that provides 24/7 updates on system functionality. We are also rolling out in-app communication for all users of the Follow app to allow real-time notifications of any system disruption.

We invest to ensure that our QMS is built for scale and efficiency. Recently, we have implemented global automated solutions to enhance several of the core aspects of our QMS, including complaint handling, corrective and preventative action (CAPA), employee training, manufacturing, and supplier and inventory controls.



Employee Health and Safety

Dexcom is committed to creating a safe and healthy workplace and integrates occupational health and safety into our business planning, equipment design, decision making and daily activities. We establish internal measures for our safety performance initiatives and strive for continuous improvement in the reductions of injury rates.

Our EHS team built out a new communications system to enhance safety awareness, including an EHS Learning Center and safety intranet site, the launch of a global injury and safety concern reporting system, a new job hazard analysis program, and the implementation of safety standards for our new robotic manufacturing equipment. We continue to implement and expand these programs to further reduce the incidence of workplace injuries.

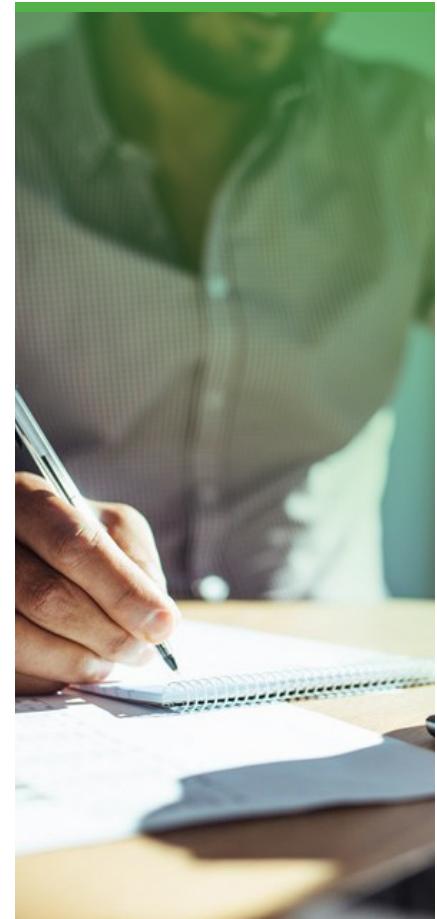
Through leadership commitment and investment of resources in support of workplace safety initiatives, our total US injury rate has consistently tracked below industry averages.

In addition, our EHS team has prioritized the scaling of both its office and industrial ergonomics programs. These initiatives include worker ergo-knowledge guides, enhanced training, an ergo-break program and new global ergonomic furniture standards. All new and renovated Dexcom global office facilities include adjustable sit-stand desks and monitor arms, and manufacturing equipment is designed with, and built to, specified ergonomic and safety standards.



SERVE WITH INTEGRITY

Dexcom is committed to operating with the highest standards of ethics, as captured in the core value, **"Serve with Integrity."** This commitment extends to all aspects of the organization, including: the safety and effectiveness of our products, the way we serve and empower our customers and employees, our focus on innovation as we seek to address issues of customer accessibility to our products, and the way we communicate our story to our stakeholders. While oversight of the company's ethics and governance structure begins with the Board of Directors and Executive Leadership Team, Dexcom expects all employees to foster a culture of accountability in line with its [Code of Conduct](#).



Board of Directors

The Board of Directors and Executive Leadership Team oversee the implementation and communication of company policies that constitute service with integrity. Given their engagement with and oversight of the company's strategy, culture, and risk management, we maintain high expectations for our Board members. In addition to the roles described in the [**Corporate Governance Principles**](#), our Board prioritizes the following:



Independence

We maintain a strong emphasis on director independence. Eight of our nine current directors are independent and all three of Dexcom's standing committees (audit, compensation, and nominating / governance) are comprised exclusively of independent directors. We also have designated a Lead Independent Director as a core principle of governance in order to maintain effective independent oversight of the Executive Leadership Team.



Sustainability Oversight

In recognition of the unique role that we play as global corporate citizens, we added Board oversight of our corporate social responsibility and sustainability initiatives in 2019 by formally designating this responsibility to the Nominating and Governance Committee. [**The Nominating and Governance Committee Charter**](#) provides for annual review of material issues, risk mitigation, and company performance with respect to corporate social responsibility and sustainability.



Diversity

We believe that representation of the company's diverse stakeholders is best achieved by a Board of Directors comprised of different genders, ethnicities, backgrounds and experiences. Our current Board consists of leading experts in endocrinology, internal medicine and digital health, as well as business leaders with financial, technical, legal and operational experience across healthcare, technology and consumer sectors.

Most recently, in 2019, Bridgette Heller joined the Board of Directors, bringing with her more than 35 years of global management experience at Fortune 100 companies. We believe her proven track record of leadership and brand management in both consumer products and healthcare will be a great asset to Dexcom as we seek to expand use of our CGM technology and improve global health outcomes.



Dexcom's Compliance Program

Our Compliance Department promotes an organizational culture that encourages ethical conduct and adherence to applicable laws and regulations. The recently revised [Code of Conduct](#), which is available in multiple languages, serves as the foundation for our program, providing a key resource for the development and accountability of our employee base. The Compliance Department also maintains several avenues that encourage employees to learn, speak up, and ask questions:

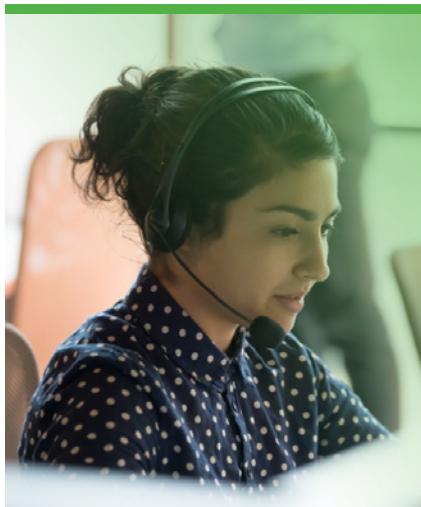
- **Employee Training:** All Dexcom employees are required to complete annual Compliance trainings, including training on our Code of Conduct and on applicable laws, regulations, and industry codes. This ensures that employees are equipped to meet or exceed our expectations for ethical business conduct. Employees can access Compliance training and applicable Compliance policies and procedures through our internally hosted compliance website.
- **Multiple Compliance Reporting Resources:** We promote a culture of ethics and integrity by welcoming questions and encouraging internal accountability. In addition to the internal compliance website, all Dexcom employees around the world can submit questions or file reports directly with any member of the Compliance Department, either through a dedicated Compliance email address, or anonymously through our third-party-hosted whistleblower hotline.
- **Commitment to Non-Retaliation and Confidentiality:** The Dexcom Compliance Department, in coordination with other relevant departments, investigates all reports of Code violations or unlawful activity. We also explicitly prohibit harassment and retaliation against anyone who seeks advice, raises a concern, reports misconduct, or provides information in an investigation.

Data Privacy

Our customers, employees, healthcare providers, and many others entrust Dexcom with their personal data. We are committed to preserving the confidentiality, integrity, and availability of personal data throughout its life cycle, from creation through disposition.

Employees help protect the privacy of personal data by following certain principles, including:

- Collecting and using the minimum amount of personal data necessary to achieve the business purposes for which the data was collected
- Keeping personal data only as long as necessary to achieve those purposes
- Sharing personal data only with individuals who have a legitimate need for it and are authorized to receive it



We are also committed to incorporating a privacy-by-design framework in our daily operations. This means that we proactively embed data privacy and protection principles into the design, operation, and management of all our products and systems. As we develop and maintain products and systems, we will continue to respect user privacy and keep our data collection practices open and transparent.

In order to implement the principles above and maintain the trust of our customers, we have established a [**Personal Data Privacy**](#) Program that requires annual training for our employees. This training serves to ensure that Employees understand their obligations with respect to personal data.

In addition to the core initiatives above, the following documents contain key information with respect to our commitment to integrity:

- **The Code of Conduct also contains information with respect to:**

Interactions with patients and healthcare providers

Anti-bribery and anti-corruption

Political contributions

Diversity and inclusion in the workplace

Discrimination and harassment

Safety and health

Environmental sustainability

Animal welfare and testing

- **Conflict Minerals Policy**

- **Board of Directors Committee Charters:**

[Nominating and Governance Committee](#)

[Audit Committee](#)

[Compensation Committee](#)

- **Corporate Governance Principles**

- **Stock Ownership Guidelines**

- **Clinical Research Program and Standards**







DEXCOM, INC. SUSTAINABILITY REPORT

March 2020

dexcom

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