

Insulet



2020

Sustainability Report

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Message from the CEO



We are passionate about our mission to simplify and improve the lives of people with diabetes. Along with our unwavering focus on positively impacting the diabetes community, we are committed to responsible and sustainable growth as a Company. As such, I am pleased to share our 2020 Sustainability Report, which details our efforts to implement a comprehensive sustainability strategy, building on the Company's existing capabilities while holistically addressing the environmental, social, and governance (ESG) issues that impact our business.

This important work is being led by our newly appointed Chief Sustainability Officer and supported by a Global Sustainability function to foster deeper collaboration across the entire business. Our sustainability strategy focuses on three pillars: Resilient Operations, Sustainable Product Innovation, and People and Communities. Targeted areas address sustainable operations and supplier responsibility, product design and packaging, and our inclusivity and inspirational culture.

Together, these focus areas do more than just align key initiatives for responsible growth. They create differentiated opportunities to help set ambitious goals for the future while we continue to break barriers with consumer-focused innovations such as Omnipod®, Omnipod DASH®, and our latest product generation Omnipod® 5 Automated Insulin Delivery System, expected to launch in 2021.

Our pursuit of sustainability took on a broader meaning for Insulet during the pandemic as the impact of COVID-19 changed our Company and the world. Within Insulet, our response meant not only completely changing how we work, but also a heightened focus on ensuring that our customers maintained uninterrupted access to our life-changing products. Overnight, Insulet made significant adjustments across all of our key activities to mitigate and address these challenges.

I believe our customer-first mindset and unrelenting commitment to quality, value, and service unified our employees. Our team brought the same spirit of innovation as seen in our products to every challenge, implementing countless new initiatives. These included an enhanced customer financial assistance program and virtual customer training to ensure access, availability, and successful use at critical times. I invite you to read [our special section on COVID-19](#), which fully details our efforts.

Insulet's unified response to the pandemic gave each of us a sense of pride and purpose amidst unprecedented circumstances. Moreover, this work intensified our commitment to work in a more collaborative, empathetic, and comprehensive way as we address the business impacts on our people and the planet. I am so proud of the adaptability and total engagement of all employees.

In the midst of these adjustments during the pandemic, we also celebrated Insulet's 20th year in business. We have much to be proud of, with an average annual revenue growth of 20% over the past five years. This increase not only highlights our accomplishments, but it clearly demonstrates that how we operate is just as important as the bottom line. Hypergrowth warrants hyper attention to sustainability, and Insulet is committed to responsible business practices that help our customers, employees, and communities thrive.

Thank you for joining us on this journey and learning more about sustainability at Insulet.

Sincerely,

Shacey Petrovic
President and Chief Executive Officer

Message from the CSO



As we reflect on our progress and continue to shape our sustainability roadmap, we are cognizant of our increasing responsibilities and opportunities to address and bring awareness to global imperatives and create lasting value for our diverse set of stakeholders. I am honored to lead this charge as Insulet's first Chief Sustainability Officer and partner with my colleagues and larger ecosystem to focus on Insulet's sustainability vision to "Deliver growth with purpose: innovating to improve lives and preserve our planet."

Change needs to happen now. Therefore, driven by our leadership team, we embarked on our effort with a sense of urgency and purpose to develop a comprehensive strategy that considered our most important ESG issues.

We accelerated our work by undertaking a research and stakeholder-focused process to both validate our understanding and illuminate new opportunities about our most important sustainability topics. You can learn more about these results by reading the [Materiality and Stakeholder Engagement section](#) of this report.

Leveraging the results of this exercise, we took the next step by conducting an even deeper dive on our business, our long-term goals, and most importantly, our stakeholders' key expectations, to develop a comprehensive sustainability strategy.

The challenges and opportunities of 2020 further demonstrated the need for a holistic, Company-wide approach to sustainability. Never has it been clearer that companies must be focused on strong, resilient operations, sustainable products and innovation, and their people and communities. In real time, we saw how our business model and work-to-date prepared us to continue serving our customers, find new and better ways to foster collaboration, and ensure access for the global diabetes community.

At Insulet, our success will be measured by how we are improving lives and outcomes for people with diabetes. Our "North Stars" of product quality and safety, affordability and accessibility, customer centricity, and more are authentic to who we are today and will help us continue transforming our business moving forward.

Our next steps on strategy implementation will focus on establishing foundational programs and baselines for both immediate advancements and long-term goals aligned with leading frameworks and best practices. Moreover, our inclusive culture will continue to strengthen our capabilities to empower strategic action and engagement in new business models.

Together, we are focused, we are driven, and we are inspired. As an organization poised to continue our growth as we deliver life-changing products in innovative ways, we are incorporating sustainability best practices in everything we do. So much of what we already do has social impacts on a broad scale as we simplify life and improve outcomes for our customers and work relentlessly to bring advanced technology to the market.

Our 2020 Sustainability Report details where we are today and looks ahead to where we desire to be in the future. Your input and feedback will be key along the way as we hold ourselves to the highest standards, deliver on our goals, and enable our customers to enjoy simplicity, freedom, and healthier lives. Thank you for your support throughout this exciting and important journey.

Thank you,

Lisa Brady
Vice President, Global Sustainability and Chief Sustainability Officer

About Insulet



Insulet Corporation (Insulet or the Company), headquartered in Massachusetts, is an innovative medical device company dedicated to simplifying life for people with diabetes and other conditions through its Omnipod product platform. The Omnipod® Insulin Management System (Omnipod System) provides a unique alternative to traditional insulin delivery methods. Founded in 2000 (NASDAQ: PODD), Insulet operates with a customer-centric focus to supply high-quality products and expand the use of insulin pump therapy.

The first generation of our Omnipod portfolio improves on traditional insulin pumps by being the first tubeless device to deliver insulin for up to three days with no tubes or multiple daily injections. Eliminating the necessity of handling insertion needles, the waterproof^[1] Pod provides automated, virtually pain-free insertion, holds up to 200 units of insulin, replaces up to 14 daily injections, and delivers continuous insulin through customizable basal rates and bolus amounts. The Pod is wirelessly controlled by a handheld device called a Personal Diabetes Manager (PDM) that is simple and intuitive to use.

Eliminating the necessity of handling insertion needles, the waterproof^[1] Pod provides automated, virtually pain-free insertion, holds up to 200 units of insulin, replaces up to 14 daily injections, and delivers continuous insulin through customizable basal rates and bolus amounts.

The Omnipod DASH® Insulin Management System (Omnipod DASH or DASH) took the foundation of Omnipod and embedded Bluetooth® low energy technology into the Pod, enabling it to communicate with other devices, including the new and modernized touchscreen PDM. With Bluetooth wireless technology in the Pod, Omnipod DASH is capable of offering two mobile applications (Omnipod DISPLAY™ and Omnipod VIEW™) which allow users quick and easy access to their PDM data on their smartphone and the option to share therapy status information with up to 12 friends or family members. Omnipod DASH also has complimentary Omnipod iPhone widgets, which give users the ability to see their Continuous Glucose Monitoring (CGM) data and insulin delivery information together on a single screen on their personal iOS mobile device. Omnipod DASH simplifies insulin control for people diagnosed with Type 1 or insulin-requiring Type 2 diabetes and is the only insulin pump to receive both the Diabetes Technology Society (DTSec) Cybersecurity Standard for Connected Diabetes Device Security certification and International Organization for Standardization (ISO) 27001 certification for information security and safety.

^[1]The Pod has an IP28 rating for up to 25 feet for 60 minutes. The PDM is not waterproof.

Omnipod DASH

A simple, smart, discreet way to control your insulin and manage your diabetes

The Omnipod DASH System simplifies insulin management for people with Type 1 diabetes or insulin-dependent Type 2 diabetes. It combines a tubeless, wearable, waterproof^[1] Pod that provides up to 72 hours of non-stop insulin with an easy-to-use touchscreen, Bluetooth®-enabled PDM that looks like a normal smartphone.



Our more recent Omnipod innovation is the Omnipod® 5 Automated Insulin Delivery System (Omnipod 5),^[2] which is currently under review with the U.S. Food and Drug Administration (FDA). Our submission included positive clinical results from our pivotal study which was completed in 2020.



Omnipod 5

Our more recent Omnipod innovation is Omnipod 5,^[2] which is currently under review with the FDA. Our submission included positive clinical results from our pivotal study which was completed in 2020.

Our products provide unique clinical and lifestyle benefits compared to other types of insulin therapy currently available on the market, including multiple daily injections (MDI) therapy and the traditional and automated insulin delivery pump options. A majority of people with diabetes select MDI today because of the complexity, cost, and inconvenience associated with conventional pump therapy. However, research demonstrates the advantages of insulin pump therapy, including better glycemic control, fewer hypoglycemic events, reduced glycemic variability, and improved quality of life. With the Omnipod System, Insulet removes the barriers to insulin pump therapy, providing an alternative approach that delivers simplicity for those with diabetes.

Access and Affordability: Pay-As-You-Go Model

Available in the U.S., Insulet's innovative pay-as-you-go business model is disrupting the industry and giving customers more convenient access to their insulin therapy devices. Instead of large, upfront costs and long-term lock-in periods that have been common to the industry, Insulet's pay-as-you-go model provides easy, affordable access to more customers. By working to expand access to our products through pharmacies, we make it easier for healthcare providers to issue prescriptions. In addition to low, more predictable out-of-pocket costs, customers enjoy the added convenience of one-stop shopping at pharmacies. Our 30 Days of Freedom free trial, which is offered in the U.S. for Omnipod DASH, allows customers to see the health and lifestyle benefits of our tubeless, waterproof^[1] pods, and provides peace-of-mind in their decision-making process.

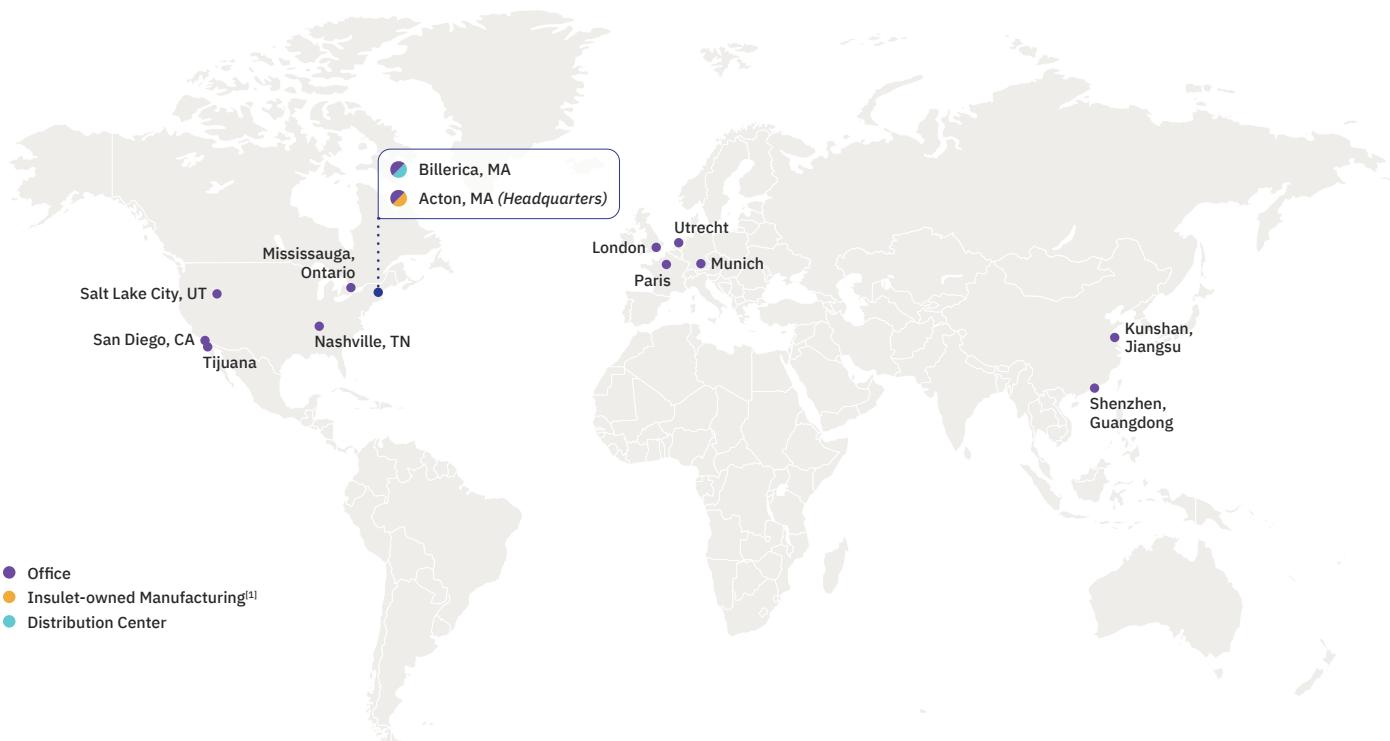
Through our innovative business model and advanced technology, we will improve accessibility and support healthy lives for people with diabetes. We continue to explore new opportunities for enhancing our designs, increasing efficiencies in our operations, and driving product development as we embrace an exciting period of sustainable growth at Insulet.

^[1]The Pod has an IP28 rating for up to 25 feet for 60 minutes. The PDM is not waterproof.

^[2]This system is currently under review with the U.S. Food and Drug Administration and not authorized for sale in the U.S. at this time.

Locations

Based in Acton, Massachusetts, Insulet continues to experience steady growth and expand to markets across the globe. As of our first quarter of 2021, we supply Omnipod products to the following countries: Austria, Belgium, Canada, Croatia, Denmark, Finland, France, Germany, Greece, Israel, Italy, Kuwait, Netherlands, Norway, Qatar, Sweden, Switzerland, Turkey, United Kingdom, and United States.



Our Mission

Enable our customers to enjoy simplicity, freedom, and healthier lives through innovative technology.



^[1]We have contract manufacturing sites in China.

Our Guiding Principle

We will be an outstanding company by exceeding customer expectations, with amazing people, guided by shared values.

Customer Focus

Unrelenting commitment to quality, value, and service

Winning Culture

Inspired people who love what they do, and have fun achieving the remarkable

Shared Values

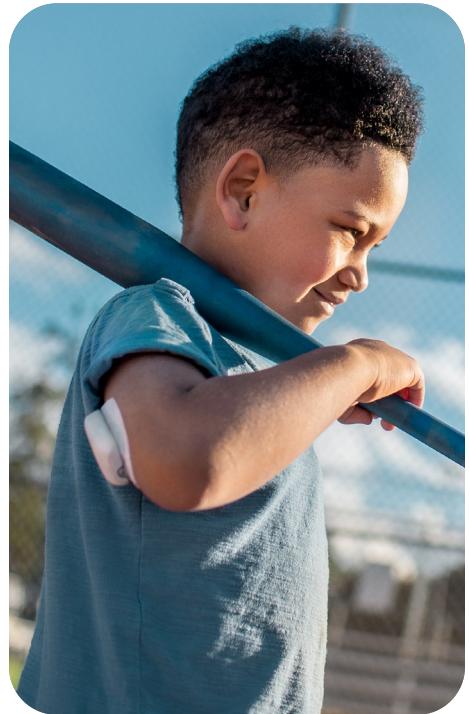
Foundation principles that guide our actions and decisions

Respect...We treat everyone with dignity

Integrity...We do what we say we will do

Teamwork...We collaborate for the greater good

Excellence...We hold ourselves to the highest standards



Cultural Objectives

We seek to maintain alignment throughout our Company by focusing on our goals and priorities to advance our mission. To accomplish this, we center on the customer first and build customer enthusiasm and loyalty through outstanding quality, value, and service. We have high aspirations to build something remarkable and long-lasting for our stakeholders. We also focus on mobilizing our efforts to address our strategic imperatives.

Our objectives also incorporate performance because we strive to build value for our stakeholders. We focus on execution to raise our standards, accept accountability, and meet commitments. We integrate a sense of urgency to respond swiftly to issues and opportunities. In addition, we find a way to reach our objectives by leveraging innovation and creativity to overcome any obstacle. We continue to improve ourselves and our business in our efforts to grow and develop.

We value our community and culture. We communicate with transparency and trust as we actively share information and seek input from others. Throughout our journey, we maintain optimism and find enjoyment in winning together, and continue to value each other by celebrating our people and rewarding their contributions.

External Initiatives

We support the following initiatives that align with our principles and our dedication to the wellbeing of workers along our value chain:

- UN Guiding Principles on Business and Human Rights
- International Labor Organization (ILO) Standards

Memberships of Associations

Our memberships in the following associations reflect our continued commitment to improve access to innovative medical technology and maintain the highest standards of conduct:

- The Advanced Medical Technology Association (AdvaMed)
- Medical Device Innovation Consortium (MDIC), which includes our Chief Executive Officer on its Board of Directors
- MedTech Europe
- MA Medical Device Industry Council (MassMEDIC), which includes our Chief Operating Officer on its Board of Directors

Responding to COVID-19



We design our products to simplify the lives of people who live with the burden of diabetes on a daily basis. In 2020, this goal became even more critical, and we quickly adapted to leverage technology and provide effective solutions for the well-being of our customers, employees, and communities. Forcing people across the world to alter their behaviors, the COVID-19 pandemic created unprecedented complications and intensified risk factors for people living with diabetes. We handled this difficult year by strengthening our commitment to deliver on our mission and enable our customers to enjoy simplicity, freedom, and healthier lives through innovative technology. We demonstrated resilience and continued to serve our customers without compromising the safety of our employees, and we approached every obstacle as an opportunity to innovate. Insights from our response also influenced our new sustainability strategy, which focuses on Resilient Operations, Sustainable Product Innovation, and People and Communities.

Caring for Our Customers

We recognize that the pandemic has further burdened people who already face the challenges of diabetes, so we strive to alleviate that burden for our customers. To provide unwavering support during the economic downturn, we expanded our financial assistance program to offer up to a nine-month supply of products (90 pods) free of charge to existing customers in the U.S. and Canada who signed up in 2020. Preventing interruptions to service is essential, especially during these demanding times, because we understand the heightened health risks our customers face during a pandemic. Diabetes is a lifelong disease that does not rest, so we will not pause in our dedication to provide the Omnipod System to those who depend on it.

Additionally, our teams expanded virtual trainings so new customers could safely learn about the features of our products and how to manage critical insulin delivery from the comfort of their own homes. In the U.S., customers can easily receive Omnipod DASH through our pharmacy distribution model, which offers more predictable costs and greater convenience. Our overall commitment to accessibility became critical, because the routines of our customers were suddenly changed overnight. We have always operated with our mission at the forefront, and this pandemic illustrated the increasing importance of flexibility and convenience. As we innovate and adapt, we remain dedicated to serving our customers, striving to remain dependable even in unpredictable times.



Operational Resilience and Business Continuity

We organized an internal cross-functional Coronavirus Task Force to manage our response to the pandemic and maintain business continuity while aligning with safety protocols recommended by the World Health Organization (WHO), the U.S. Centers for Disease Control and Prevention (CDC), and other local health agencies. Our teams collaborated to address production risks and provide a continuous supply of Pods for our customers, who depend on our products for managing their diabetes. During the pandemic, our employees illustrated their dedication to supporting our mission:

- **Our manufacturing and supply chain teams** ensured we were able to meet product demand levels for our global customers.
- **Our sales and clinical teams** transitioned to virtual training, so that individuals could start using our product without requiring an in-person training session.
- **Our commercial and marketing teams** implemented a financial assistance program to help those most in need.
- **Our research and development teams** continued to innovate and support opportunities for future products.
- **Our post-market quality assurance team** achieved their best performance metrics ever and provided us with helpful feedback for improving product performance.
- **Our human resources team** adopted a virtual on-boarding program so we could continue to scale our business and recruit top talent.
- **Our information technology team** provided us with the platforms and tools to remain effective and connected to our customers and healthcare professionals in a virtual setting.

Our Coronavirus Task Force, in coordination with our human resources and operational teams, immediately responded to support our employees during these unprecedented times.

Employee Wellness

Our Coronavirus Task Force, in coordination with our human resources and operational teams, immediately responded to support our employees during these unprecedented times. We updated our internal processes and policies to ensure the success and wellness of our workforce. At our facilities, we implemented robust screening procedures for our essential employees who remained on-site during the pandemic. Manufacturing employees received daily meals in order to maintain separation from other employees during mealtimes, and we instituted contact tracing to monitor any possible exposures. In addition to on-site health screenings, all employees were required to complete training on social distancing, mask use, and sanitation practices. We also installed plexiglass dividers, updated signage, enhanced our cleaning efforts, and provided disinfecting wipes and face masks at all our facilities.

For our field employees, we provided high-quality cameras and monitors to enable effective virtual training for new customers, and we launched new resources to improve employees' ability to engage and support our customers through online learning sessions. We also developed thorough trainings to inform field teams how to most effectively maintain safe, in-person customer interactions during the phased return.

To support our office employees working from home, we created a new Global Flexible Working Arrangement Policy to allow adjustments in working hours and provided equipment to support effective remote work, including monitors, desks, and printers. With schools closed or engaged in remote learning, we also recognized the needs of parents with school-aged children and donated refurbished computers and iPads free of charge to our employees who needed the equipment for children learning virtually.

As we provided the tools to promote positive working environments during our transition to virtual work, we aimed to simultaneously strengthen our communication and engagement. Throughout the year, we addressed employee questions and concerns through our Town Hall meetings and our “Stay Connected” initiative, which included Company-wide virtual meetings with our executive team and weekly video updates. In our COVID-19 employee survey, the majority of respondents reported that they appreciated our communications and support for remote work, although some cited stress due to balancing responsibilities of family and work. To enhance the health and wellness of our employees, we instituted and provided access to the following:

- Emergency sick leave policy with 10 additional paid days for employees sick with COVID-19 or caring for a family member with COVID-19.
- Free in-home COVID-19 testing for all U.S. full-time, part-time, and temporary employees and contractors.
- A program to manage family care needs, such as childcare at home or in certified daycare centers; caregivers for seniors, adults, children, and pets; and other personal services.
- Virtual babysitting and tutoring, offered in multiple languages and for various levels, ages, and learning needs.
- Online programs to support employees with stress relief, mindfulness, finances, exercise, and other wellness activities.
- Social events to promote connections among employees and inspire discussions around shared interests and experiences.
- Virtual programs designed to teach people how to lead effective remote meetings, manage their teams remotely, and leverage collaborative learning tools.
- Mid-year check-ins with leadership that accounted for impacts from COVID-19 and focused on conversations to align priorities around goals.

We also recognized the impact of COVID-19 on the employees in our supply chain and took steps to maintain their health and well-being. When the shutdown was lifted for our contract manufacturers in China, we prioritized the safety of employees at the facility during production, and we monitored compliance with all regulations in the U.S. and China. We agreed to support additional operating costs to uphold the standards for health and safety, and we rewarded the contract manufacturers for following all procedures to prevent the spread of COVID-19.



This photo was taken before the COVID-19 pandemic.

Supporting Our Communities

In this challenging year unlike any other, we also focused efforts to support our local communities and reinforce our dedication to improving the lives of people with diabetes. Ensuring health and safety became a top priority in 2020 because of the pandemic, and we demonstrated our commitment through the following actions:

- Responding to the needs of the Commonwealth of Massachusetts, MassMEDIC, Massachusetts Emergency Medical Agency, and local Police and Fire Departments, Insulet donated face masks (over 125,000), wipes (10 cases), gloves (38,000), shoe covers (27,000), disposable lab coats (over 3,800), and coveralls (3.5 pallets, plus nearly 30,000 individual items) and supported efforts to provide personal protective equipment (PPE) to first responders, health care teams, and other essential workers.
- Providing iPads and laptops to non-profit agencies based in our local areas, such as the Boys and Girls Club of Lowell, Massachusetts, the Greater Lowell Community Foundation, and THRIVE Communities.
- Donating to the UN World Food Programme, which drastically scaled up its efforts to alleviate food insecurity as a result of COVID-19. This program provides lifesaving meals to more than 138 million people in more than 80 countries.



Looking Ahead

As our Company continues to undergo rapid growth, we will evolve the way we work based on our experiences during the pandemic. Because of COVID-19, we learned that virtual trainings for customers were convenient, and that technology could support effective on-boarding for new employees. We will leverage these insights to drive innovation and serve customers more efficiently. In addition, virtual on-boarding will ensure a consistent, high-quality experience for all new employees, regardless of geographic location. We are dedicated to removing barriers to insulin pump therapy, and we will continue to increase accessibility by offering flexible training, supporting the advanced design of Pods, and promoting our pharmacy distribution model.

As our Company continues to undergo rapid growth, we will evolve the way we work based on our experiences during the pandemic.

In this critical year, we were also able to perform a detailed materiality assessment and initiate our integrated sustainability strategy that will drive our responsible development. The pandemic showed us that we can maintain productivity in remote settings, which supports additional flexibility for employees and allows us to redesign our offices to enhance collaboration. As we scale our organization, we will adapt our products to deliver greater convenience and customer-focused innovation while continuing to improve clinical outcomes. We will continue to demonstrate leadership in the medical device industry by upholding our fundamental principles to protect the health and safety of our employees, preserve the well-being of the communities in which we live and work, and ensure that our customers have continued access to critical medical therapy.

Driving growth in unprecedented times for all stakeholders



Key Metrics

Strategic

- Recently achieved a milestone of 250,000 global customers using the Omnipod System.
- Completed the pivotal study for the Omnipod 5 Automated Insulin Delivery System.^[1]
- Served new customers with pump therapy, with approximately 80% of new customers switching to the Omnipod System from multiple daily injections for insulin management.
- Increased the number of Type 2 customers utilizing Omnipod DASH to manage their diabetes (1 in 3 new U.S. customers).
- Achieved 5th consecutive year of revenue growth over 20%.

Markets

- Increased availability and accessibility by entering five new countries (in Europe and in the Middle East) with plans to enter additional new markets in 2021.
- Completed the full commercial launch of Omnipod DASH in the international markets we serve.

Operations

- Maintained business resilience and met product demand levels for our global customers.
- Continued to ramp up the Company's first two highly-automated U.S. manufacturing lines and installed a third U.S. manufacturing line to increase production.

^[1]This system is currently under review with the U.S. Food and Drug Administration and not authorized for sale in the U.S. at this time.

People and Communities

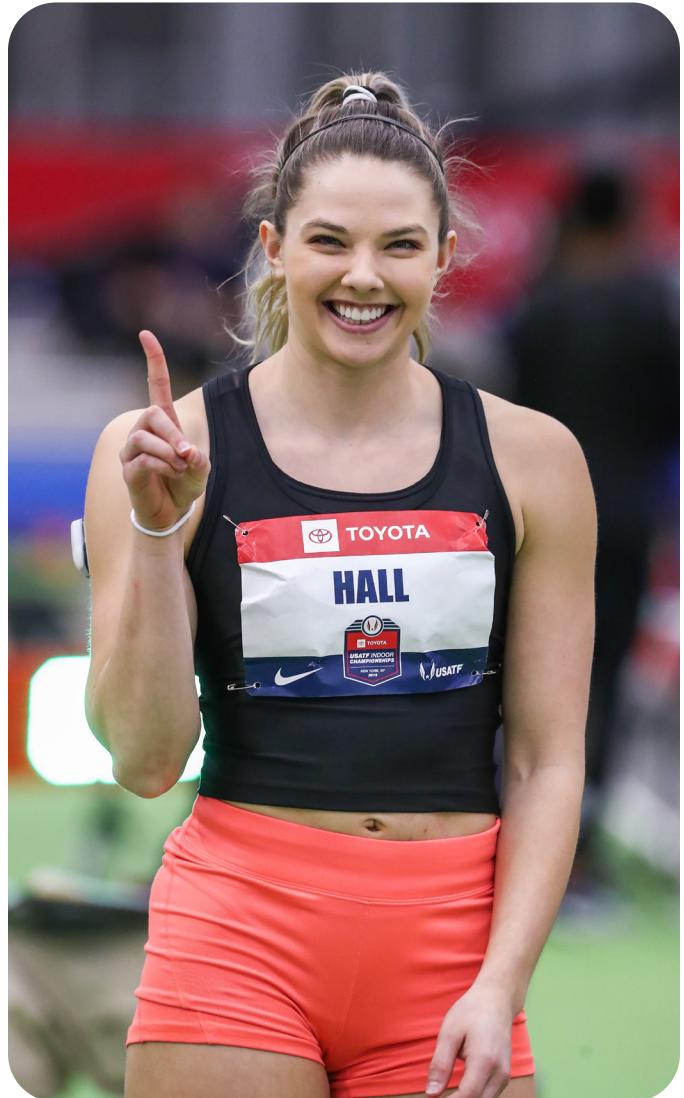
- Invested in our research and development function by doubling the number of our Product Development employees and implementing new programs to foster innovation.
- Created seven new employee resource groups, each with active membership and one or more executive sponsors, to foster our inclusive culture and provide opportunities for development and education.
- Trained and on-boarded more than 400 new employees virtually.
- Delivered nearly 6,000 hours of talent development programs and training for more than 650 employees.
- Donated over \$150,000 to our local communities.

Environmental

- Installed solar panels at our U.S. manufacturing facility in Acton, Massachusetts, producing more than 338,000 kWh of clean energy.
- Advanced Pod recycling efforts in France, collecting more than one million Pods for the first time, with 95% of the total material able to be reused or recycled. More than three million batteries and 27 tons of Pods were processed—all new highs in our efforts to innovate in the product takeback space.

Awards

- One of 10 recipients of the 2020 Corporate Heroes award for our response to COVID-19, presented by MassEcon
- Manufacturer of the Year, selected by Massachusetts Manufacturing Caucus
- Patriotic Employer, honored by the Massachusetts Employer Support of National Guard and Reserves
- Top Ten Wearable Medical Device Solution Provider, according to MD Tech Review
- #20 out of 50 on the Boston Business Journal 2020 Middle Market List
- Business of the Year, by Middlesex West Chamber of Commerce (MA)
- Ranked as one of U.K.'s Best Workplaces 2020 (Medium-sized company) by Great Place to Work
- Omnipod DASH named the 2020 Product of the Year in the Health Systems Category by 40,000 U.S. Consumers





Our Approach to Sustainability

Understanding our key sustainability impacts and opportunities

Materiality

We have embraced a holistic and comprehensive approach to sustainability that considers a full range of ESG topics and their related impacts on our operations, supply chain, internal and external stakeholders, and our planet. As part of the foundational efforts to build our sustainability strategy and enable current and future efforts, we conducted a research-intensive and stakeholder-inclusive process to determine our most important sustainability topics, known as a materiality assessment. In alignment with best practices, materiality assessments are intended to balance societal concerns and a company's operations and influence. The results allow a company to view and share all their key sustainability topics through a combined lens that provides clarity and insight on where to focus efforts and resources as they execute on their strategy.

Initiated in 2020 and completed in early 2021, our materiality assessment—Insulet's first—provides an evidence-based snapshot that captures our most important sustainability topics, including our top material topics for strategy and reporting efforts. All topics captured in the matrix will be key for the organization to manage as we advance our efforts, engage with our stakeholders, and foster transparency in the years to come. The priority of our material topics influenced the development of this sustainability report, which focuses on our significant ESG impacts and the key areas of interest for our stakeholders. The results of this materiality assessment also informed our sustainability strategy, and our findings drive our targeted approach to address significant impacts, increase engagement, and mitigate risks.

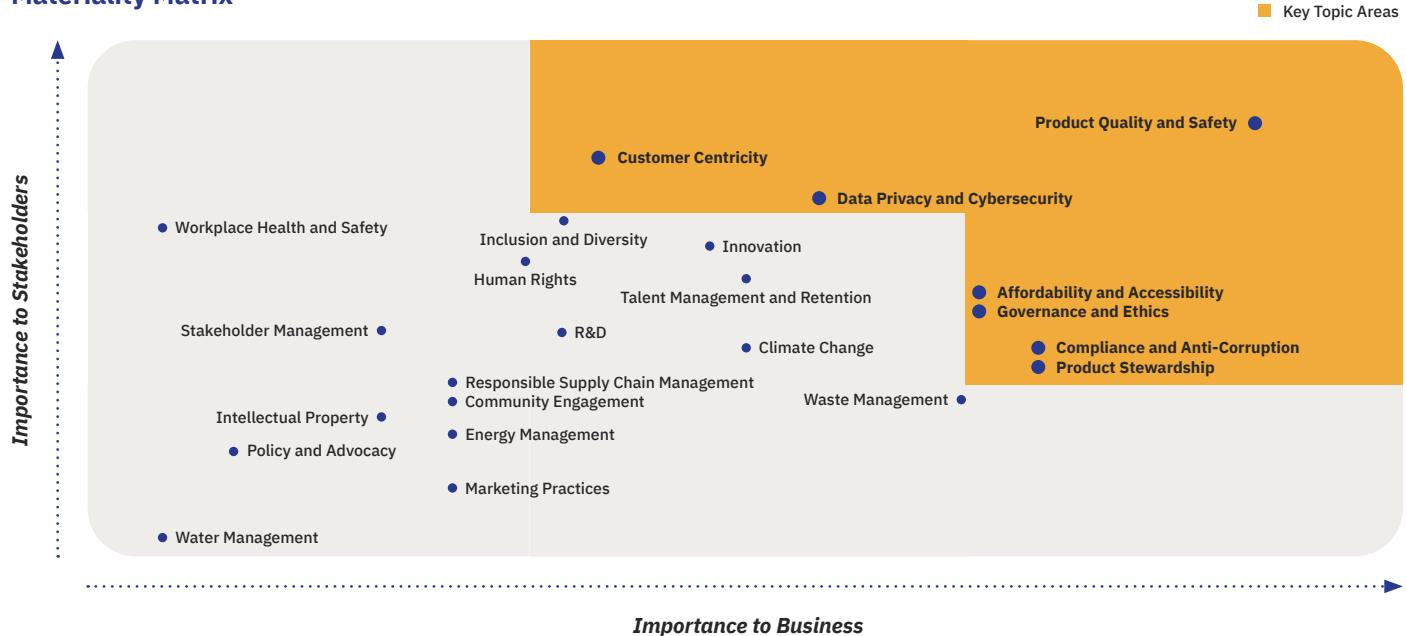
We worked with a third party to perform our materiality assessment and incorporate both internal and external stakeholder input. First, we benchmarked peer, partner, competitor, and leading companies to collect an extensive list of material issues across our industry. These issues were categorized and condensed into a medium list of issues to avoid duplication of similar topics. Then, we developed a short list of priority topics based on issue relevance to Insulet, number of mentions compared to all issues, and importance for leading peers. Next, we collected axis inputs by interviewing and surveying internal and external stakeholders, including employees, customers, suppliers, investors, payors, healthcare professionals, and advocacy groups. We performed a commercial analysis to effectively understand topics from a financial perspective. Key leaders participated in workshops, offering insight and feedback on material issues, priorities, and ambitions for future goal setting.

Materiality Assessment Process



Finally, we assigned scores to each issue and plotted the 23 priority topics on our materiality matrix. By identifying our key impacts, this analysis enables our strategic approach to concentrate our management and reporting efforts on our most material topics. Looking ahead, we plan to continuously evaluate our progress and update our materiality assessment at regular intervals to ensure our reporting and strategy efforts are aligned with our Company's growth, our dynamic industry, and the evolving considerations of stakeholders and customers.

Materiality Matrix



Top Material Topics

Definitions

Product Quality and Safety	Protecting customer health and safety by enforcing rigorous quality assurance systems throughout the full lifecycle of products, including design, sourcing, manufacturing, and sales.
Data Privacy and Cybersecurity	Deploying security systems and investing in people, process, and technology controls to ensure that the integrity, confidentiality, and accessibility of personal data is not compromised.
Affordability and Accessibility	Ability to make products and therapies accessible to customers, improving availability and affordability of products through partnerships, and investing in critical skills and infrastructure.
Governance and Ethics	Establishing clear governance processes, transparent reporting structures, well-defined code of conduct and monitoring systems to ensure personnel uphold the highest ethical standards in business operations and customer interaction.
Compliance and Anti-Corruption	Establishing clear leadership and accountability for compliance in line with all applicable anti-corruption and anti-bribery laws and regulations, as well as rigorous auditing and monitoring processes.
Product Stewardship	Driving sustainable product design and packaging choices and focusing on recycling/re-use options. Reducing the environmental impact and waste of products and making products more efficient.
Customer Centricity	An unwavering commitment to improving the lives of people with diabetes, with the best interests of our customers top of mind in everything we do.

By improving our management processes based on their feedback, we aim to improve our overall performance and our ESG impacts.



Stakeholder Engagement

Through both our materiality assessment and our regular engagement activities, we communicate with our stakeholders to understand their interests and address their concerns. By improving our management processes based on their feedback, we aim to improve our overall performance and our ESG impacts. To support relevant engagement, we select stakeholders who contribute to the success of our business and connect to our operations. We also update our reporting to increase transparency around topics that are most important to stakeholders.

Stakeholder Group	Key Topics	Method of Engagement
Employees	Product Quality and Safety, Customer Centricity, Data Privacy and Cybersecurity, Diversity, Equity, and Inclusion, Talent Development, Innovation	Surveys, intranet, virtual engagement events, development conversations, trainings, on-boarding
Customers	Affordability and Accessibility, Product Quality and Safety, Customer Centricity, Product Stewardship, Innovation	Surveys, focus groups, product trainings
Communities	Product Quality and Safety, Customer Centricity, Data Privacy and Cybersecurity, Human Rights	Conferences, volunteering, donations
Suppliers	Product Quality and Safety, Customer Centricity, Innovation, Workplace Health and Safety, Governance and Ethics, Human Rights, Diversity, Equity, and Inclusion, Product Stewardship, Climate Change	Audits, assessments
Investors	Diversity, Equity, and Inclusion, Talent Management and Retention, Workplace Health and Safety	Earnings calls and related reporting, industry and investor conferences, shareholder meetings, press releases on material updates, SEC filings
Payors	Affordability and Accessibility, Product Quality and Safety, Customer Centricity	Surveys, contract negotiations
Healthcare Professionals	Affordability and Accessibility, Product Quality and Safety, Customer Centricity	Market research, product development, product trainings
Advocacy Groups	Product Quality and Safety, Customer Centricity, Data Privacy and Cybersecurity, Human Rights	Meetings, conferences

Setting our pillars as we grow responsibly



Strategy Development

We are laser focused on continued execution driven by our sustainability strategy and vision to “Deliver growth with purpose: innovating to improve lives and preserve our planet.”

With significant opportunities to grow as an organization and, more importantly, reach more of the global diabetes community with products that offer added convenience and peace-of-mind, we identified the need to establish a global function dedicated to sustainability and develop a comprehensive sustainability strategy.

In 2020, we established our Global Sustainability function, appointed our first Chief Sustainability Officer, and quickly set into motion a thorough sustainability strategy development effort. We leveraged our evidence-based materiality assessment of top ESG topics, along with stakeholder interviews, executive workshops, and research on market, regulatory, and competitive landscape trends to fully inform our efforts.

Viewing our customer-focused products and business model as key differentiators, we embarked on this journey with the understanding that our sustainability strategy will unlock further opportunities for our Company as we implement new processes, set baselines for measurement and continuous improvement, and look to establish forward-looking goals based on key outcomes. Along the way, we ensured that our strategy would align with the Company’s growth plan, speak authentically to our aspirations and market position, and proactively address the needs and expectations of all stakeholders.

We are proud to share Insulet’s comprehensive sustainability strategy as a key milestone in our Company’s history. Our three pillars—Resilient Operations, Sustainable Product Innovation, and People and Communities—establish an integrated approach for growing responsibly, building on existing capabilities, and setting the foundation for even greater impact on behalf of the global diabetes community.

Deliver Growth With Purpose

Innovating to improve lives and preserve our planet

Resilient Operations

Growing responsibly across our business and supply chain as we scale our operations and minimize our environmental footprint



Sustainable Product Innovation

Ensuring environmentally conscious and inclusive design is embedded in our products and packaging across the lifecycle



People and Communities

Improving lives of people in the global diabetes community, driving an inclusive culture, and inspiring social impact



Resilient Operations

As we effectively respond to the needs of customers and consider the impact of our business on society and our planet, our strategic pillar of Reslient Operations will enable Insulet to grow responsibly through a dedicated focus on sustainable operations and supplier responsibility. This report details how we are considering emissions reductions, implementing safe and efficient manufacturing, and designing our supply chain through new standards and collaboration. Along with key achievements in 2020, including installing solar panels and implementing new, automated manufacturing operations, we are excited about the opportunities for future goals and targets in this area.

Sustainable Product Innovation

As a medical device company with a holistic approach to sustainability, we have a responsibility to ensure that environmentally conscious and thoughtful design is embedded in our products and packaging across the lifecycle. Through our Company-wide focus on quality and innovation, we seek to optimize our consumption of natural resources and develop products that are representative of the diverse diabetes community. We are committed to moving our Company and industry forward by tackling new opportunities to foster circular design, product takeback, and recycling. As part of our strategy, Insulet has implemented programs and is actively exploring new, innovative ways to keep products and components in use for as long as possible.

People and Communities

Our sustainability strategy fully considers the needs and expectations of our stakeholders, with a dedicated focus on the employees who bring our values and products to life and the customers and communities we have the privilege of serving. We are united by our calling to improve the lives of people in the global diabetes community, drive an inclusive culture, and inspire social impact. We are constantly working on expanding the availability and affordability of our products, raising awareness to the long-term benefits of the Omnipod System, and innovating to ease the burden of chronic disease. We fully execute on our strategy though holistic efforts to foster an inclusive, equitable workplace, provide opportunities for professional growth, and empower our people to be good corporate citizens in their local communities.

Strategy Implementation

Insulet's Leadership Team and Global Sustainability Team will own, implement, and track the Company's sustainability strategy and efforts, in collaboration with every major business function and with oversight from the Board of Directors. Our sustainability vision to "Deliver growth with purpose: innovating to improve lives and preserve our planet" will require capabilities across the business to implement programs and realize long-term value. From Strategy and Planning to Product Development, Supply Chain and Procurement, Manufacturing, Sales and Marketing, Product Use and Takeback, and more, Insulet is "all in" on sustainability across the entire organization.

Looking Ahead

Sustainability initiatives will be implemented in phases, with initial focus on quick results, expanding on existing programs and capabilities and setting the foundation for greater impact. Currently, we are focused on laying the groundwork and setting up the additional capabilities needed to enable our strategy. We are assessing our current state, baselining performance, and establishing foundational programs for immediate improvement. We will report on these efforts in alignment with leading sustainability frameworks and recommendations.

Our next phase will focus on transforming our business for value creation by developing business cases for sustainability investments, establishing differentiating programs, and identifying strategic partnerships.

Ultimately, our sustainability strategy is about scaling and sustaining programs for long-term success. We will ensure that sustainability is integrated across the entire organization, monitor our progress and metrics, regularly assess our efforts, and look for new opportunities to drive performance, transparency, and disclosure.

We put our customers first in everything we do. Making advanced diabetes management accessible to those who need it is our calling. That focus, and our unrelenting commitment to quality, value, and service, will drive our sustainability efforts. We are aiming high, working toward establishing ambitious goals and targets, and setting our path for a more sustainable future.

We put our customers first in everything we do. Making advanced diabetes management accessible to those who need it is our calling.



Maintaining the highest standards and upholding our values

Integrity and Compliance

Integrity is one of our shared values that guides our daily work. At all levels of the organization, we are committed to “doing what we say we will do” and communicating with all stakeholders with candor and transparency. Our customers entrust us to deliver high-quality products with life-changing impacts, and we continuously work to preserve this trust and reflect transparency in our business. We value the trust of our stakeholders and consistently enhance our practices to continue to meet and exceed their expectations. As our Company grows and evolves, we remain dedicated to the highest ethical standards while improving the lives of people with diabetes by delivering innovative, high-quality products.

Code of Business Conduct and Ethics

Our [Code of Business Conduct and Ethics](#) guides the actions and decisions of our employees, officers, and directors at Insulet. Acting in compliance with applicable laws and regulations, our employees perform their duties ethically and fairly when working with suppliers, partners, healthcare professionals, customers, and competitors. Throughout our international expansion, we will continue to comply with all regulations and align with the ethical standards of our Code. Our vigilance against corruption and bribery, and compliance with local laws and ethical practices is essential for our sustainable growth.

Our Code of Business Conduct and Ethics includes our standards of conduct for many areas, including:

- **Anti-Corruption.** All employees must comply with the U.S. Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act, and all other applicable anti-bribery/anti-corruption and anti-kickback laws and regulations.
- **Anti-Harassment and Anti-Discrimination.** We prohibit discrimination and harassment against employees and job applicants based on veteran status, race, color, religion, sex, sexual orientation, gender identity, age, national origin or ancestry, physical or mental disability, genetic information, or other consideration protected by law.
- **Political Contributions.** Company funds may not be used for political contributions without the approval of the Company’s Compliance Officer.

All employees receive training on our ethics program when they join Insulet and when there are updates to our policies and procedures. Our compliance team continues to implement controls to enforce our policy for annual certification to our Code. We encourage all employees to report any ethical concerns or violations to our Compliance Officer or by accessing the anonymous Compliance and Ethics Hotline, which is available 24/7. Our Code describes these available reporting mechanisms and forbids any retaliation against employees who report misconduct.

The Compliance and Internal Audit teams conduct assessments against government standards and regularly review and monitor compliance as part of our day-to-day operations. To further identify and mitigate risks, we are expanding our program for internal audits to monitor specific functions for relevant risks. If we identify issues, we develop appropriate actions to correct the problem, target causes of risk, and prevent concerns in the future. We continue to evaluate opportunities for improvement and report findings to leadership.

Human Rights

Our [Code of Business Conduct and Ethics](#) outlines our commitment to adhere with all laws and regulations that apply to our operations, including our supply chain and distribution chain, regarding fair labor and employment conditions. We maintain our dedication to ethical conduct across our locations and comply with local regulations. We support fundamental human rights and do not knowingly work with business partners that violate human rights. In our operations and supply chain, we prohibit child labor, forced labor, human trafficking, and slavery. Insulet complies with laws regarding human trafficking and slavery, including the [California Supply Chains Act](#) and the [U.K. Modern Slavery Act](#). To guide our commitment to human rights, we support the UN Guiding Principles on Business and Human Rights and ILO Standards to protect the rights of workers throughout our supply chain and operations.

Marketing Practices

We communicate with stakeholders in an ethical and responsible manner while operating with the interests of our customers in mind. Our teams collaborate and promote cross-functional dialogue to ensure that we maintain consistency and reflect transparency in our communications.

Ethical Standards

We maintain collaborative relationships with healthcare professionals to develop new products, determine and explain the benefits and risks of products, support medical research, and obtain feedback about our products from medical experts. In addition to applicable laws and industry guidelines, our Sales and Marketing Code of Ethics, modeled on the Code of Ethics of our industry association, AdvaMed, directs our interactions with healthcare providers and establishes mandatory standards for sales and marketing activities that all employees, consultants, contract workers, and temporary staff must follow when interacting with healthcare professionals and customers. To meet the highest ethical standards, the AdvaMed Code of Ethics—like our own code—is based on six cornerstone values: innovation, education, integrity, respect, responsibility, and transparency.

Our Sales and Marketing Code of Ethics also guides our communication about the safe and effective uses of our products in relation to on-label uses of medical technology and limits communications about off-label uses, or unapproved uses of approved products. The purpose of the code is to ensure that the Company and its employees do not interfere with the independent judgment of healthcare professionals, and refrain from using unlawful or unethical inducements, whether offered to healthcare professionals or certain customers with government-provided healthcare coverage, in the marketing and sale of company products and services. The code is intended to promote compliance with anti-kickback laws and other applicable federal and state laws, as well as the AdvaMed Code of Ethics.

All sales and marketing employees receive training on our ethical marketing policies and processes upon hire, and we continue to support our policy for annual training. Employees are clearly instructed to report any suspected violations by notifying their supervisor, the Compliance Officer, or our anonymous Compliance and Ethics Hotline. To ensure compliance with our policies, we also conduct periodic reviews and internal audits and investigate any issues through our Corrective and Preventive Action program.

Honesty and Transparency

Our Marketing, Legal, and Regulatory Affairs departments collaborate to thoroughly review and approve product marketing and labeling materials. We must achieve cross-functional agreement for our product claims, label use, and direct-to-consumer advertising, because we are dedicated to accurately describing our products with appropriate language. All promotional materials are reviewed and tracked via a digital marketing approval process. We continue to monitor our marketing practices and follow all regulatory labeling requirements for all markets where we distribute products. In 2020, we had no FDA 483 observations or warning letters of incidents of non-compliance related to product labeling or marketing communications.

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To align with our standards for payments, our Compliance department reviews and approves all expense reimbursements and other payments made to healthcare professionals. In addition, we continuously evaluate all payments to healthcare professionals to ensure compliance with our policies. We disclose all payments made to healthcare professionals as required at the U.S. national and state level, as well as in compliance with other national reporting requirements where we operate. Additionally, we are a Corporate Member of MedTech Europe and follow the MedTech guidelines, which outline ethical business practices to maintain appropriate interactions with healthcare professionals and organizations.

Governance

Our strong corporate governance prepares us for our continued growth and drives our long-term shareholder value. We regularly review our practices to build on our foundation and ensure effective oversight and governance. Our Board of Directors (Board) guides our strategy and fulfills responsibilities outlined in our [Corporate Governance Guidelines](#). At least annually, the Board reviews its overall composition to maintain a diverse set of skills, attributes, experience, and perspectives to effectively oversee our strategy. The Committee Charters for our Board can be found on our [website](#).



ESG Governance

Reporting to the Chief Operating Officer, our Vice President, Global Sustainability and Chief Sustainability Officer leads our sustainability strategy and maintains responsibility for our ESG practices. We established this role in 2020 to foster cross-functional collaboration and drive our commitment to deliver growth with purpose. Our Global Sustainability function, with oversight from the Board of Directors, will guide our strategy to reduce environmental impacts through innovative designs, develop a supportive and inclusive culture, and improve the lives of our communities as we scale our business.

Our Governance Best Practices

- Independent Chairman of the Board
- Eight of the Company's nine Directors are independent
- Audit Committee, Compensation Committee, and Nominating, Governance, and Risk Committee each consist solely of independent Directors
- A Director who does not receive a majority vote in an uncontested election must promptly tender his or her resignation to the Board, which will consider whether to accept the resignation
- Women constitute 44% of the Board. The Board's three standing committees—Audit, Compensation, and Governance—are Chaired by women Directors
- Regular executive sessions of independent Directors
- Executive and Director stock ownership guidelines
- No hedging or pledging of Insulet securities by executive officers or Directors is permitted
- Board refreshment—three new Board members added since 2019
- No shareholder rights plan (i.e., no "poison pill")



Resilient Operations

As we scale our business, our strategic pillar of Resilient Operations represents our focus on developing sustainable operations and fostering supplier responsibility while we minimize our environmental footprint and set further baselines and performance standards. We strive to grow responsibly and meet rising demand for our products through purposeful investment in our facilities, our supply chain, and our capabilities. Because we manufacture essential medical devices for people with diabetes, we recognize that any impacts to our operations or a lack of supply could impact the lives of customers who rely on our ability to continuously deliver Pods. Our focus on Resilient Operations is holistic and comprehensive, as we address the most important potential impacts in these areas, from climate change and resource consumption to data privacy and workplace health and safety. By strategically building resilience into our core business practices and value chain, we are able to provide high-quality products that are essential to the health, well-being, and quality of life of our customers.

Fueling our growth with optimized resource use and transitioning to a low-carbon economy

The strength and long-term sustainability of our operations and manufacturing lines are key determining factors in our ability to execute our plans, reach our target margins, and drive revenue growth. In 2020, we were able to continue to automate our processes and increase our manufacturing capacity; however, we understand that our rapid growth is accompanied by greater responsibility. With our new sustainability strategy, we aim to minimize detrimental effects on the environment, and the first step requires awareness of our current impacts. We have initiated the process of baselining our resource consumption, energy usage, and waste generation, so we can focus our reduction efforts on key areas in the future.

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Energy, Emissions, and Climate Change

We recognize our responsibility to protect the environment and reduce our contribution to climate change by improving the efficiencies of our facilities, reducing our emissions, and increasing transition to renewable resources. We continue to seek improvements in our highly automated manufacturing process and concentrate on enhancing our technology to minimize our energy consumption, which decreases our carbon footprint. Understanding the importance of this issue to all stakeholders, climate is a key area where we plan to enhance our efforts with a deep focus on metrics and targets, risk management, strategy, and governance in line with best practices and leading expectations. A comprehensive focus on climate will improve our resilience and ensure that our future growth considers the full implications of the transition to a low-carbon economy.

Efficiency in Our Facilities

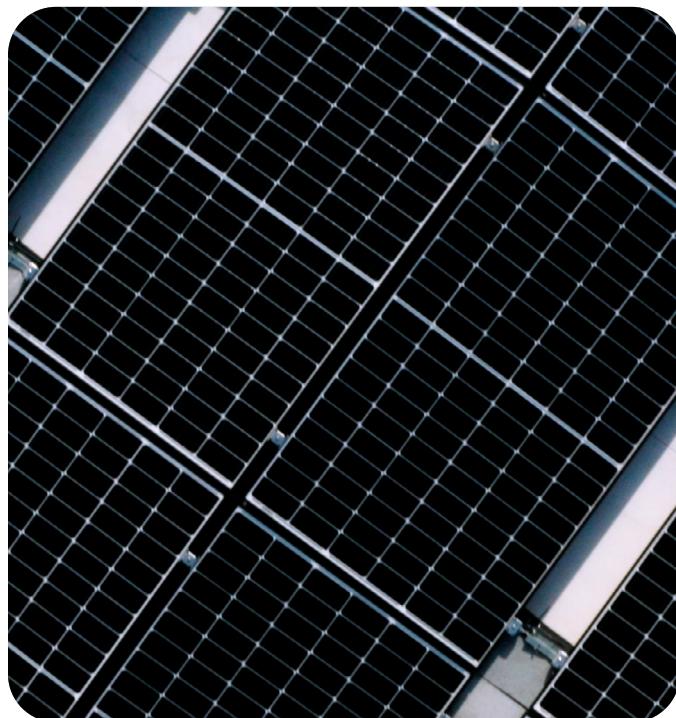
We built our facilities with state-of-the-art technology at our headquarters in Acton, Massachusetts. Our high-speed, highly automated production processes and facilities enable an increased output per direct employee. As we scale our business and continue to incorporate automation into our processes, we will increase our efficiency and support sustainable growth.

Energy Consumption ^[1]	2020
Total energy consumption (MWh)	34,234
Direct energy consumption (MWh)	9,303
Indirect energy consumption (MWh)	24,931

^[1]Direct energy consumption includes natural gas. Indirect energy consumption includes purchased electricity (24,930.149 MWh) and cooling (0.437 MWh).

Greenhouse Gas (GHG) Emissions ^[2]	2020
Scope 1 (Direct) GHG emissions (metric tons CO ₂ e)	1,845
Scope 2 (Indirect) GHG emissions, location-based (metric tons CO ₂ e)	3,034
Scope 2 (Indirect) GHG emissions, market-based (metric tons CO ₂ e)	4,529

^[2]The following gases are included in our GHG inventory: CO₂, CH₄, N₂O, HFCs, PFCs, SF₆, and NF₃; however, our operations do not emit PFCs, SF₆, or NF₃.



Solar Power

By installing solar panels on our manufacturing facility, we are supporting the greening of our local grid. As we expand, we continue to identify opportunities to switch to renewable sources of energy to support our operations and manufacturing process. In 2020, we installed and activated approximately 2,800 solar panels, which have an energy capacity of 900 kilowatts, at our corporate headquarters in Acton, Massachusetts. This comprised the first phase of a multi-year solar installation project. Pursuing renewable sources of energy, such as solar power, is a key component of our strategy to mitigate the effects of climate change.

338,599 kWh

*generated in 2020 from solar panels at
our Acton facility (activated in July)*

To optimize our shipments to distributors, we aim to ship full pallets, to the extent possible, to maximize the amount of product that is delivered at once.

Optimizing Transportation

Greater efficiencies in logistics allow us to reduce energy consumption throughout our supply chain. As part of our efforts, we have transitioned our main mode of transport from air freight to ocean freight for inbound shipments from our contract manufacturers. Because of the lower emissions generated by ocean transport versus air transport, this shift contributes to our emissions reduction strategy for our supply chain. We purposefully designed this shift to minimize the fuel consumption associated with deliveries from our contract manufacturers to our facilities. For 2021, our goal is to ship over 90% of inbound freight by ocean transport.

To optimize our shipments to distributors, we aim to ship full pallets, to the extent possible, to maximize the amount of product that is delivered at once. This allows us to reduce the overall number of trips and therefore minimize our emissions and costs of transportation. In the U.S., we are able to distribute to pharmacies less frequently by maximizing the shipping space through this method. Because of our strategic optimization, we limit our transportation footprint and promote efficiencies across our network.

Waste and Water Management

As we expand our manufacturing footprint, we continue to identify opportunities to improve our processes for waste and water management. In the medical device industry, we must maintain high-quality products and therefore eliminate materials or components that do not meet our standards, which can generate significant waste. We have implemented structured problem-solving tools to identify the causes of scrap and have set improvement targets for 2021. We are currently developing a baseline for both our waste and water generation in our facilities to understand our impacts and monitor our performance as we implement changes to increase our efficiencies.

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Water Footprint (Acton, Massachusetts) ^[1]	2020
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Water usage (cubic feet)	380,745
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^[1]This only reflects water usage at our facility in Acton, Massachusetts.

Waste Footprint ^[2]	2020
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Total waste generated (metric tons)	642
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Office: Total waste generated (metric tons)	277
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Manufacturing: Total waste generated (metric tons)	365
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^[2]This data reflects a comprehensive waste footprint for 2020, but as it was our first waste inventory it does include estimated data. We are committed to working with our waste haulers to improve the level of data they report to us in the future.

Data Privacy and Cybersecurity

We continue to improve convenience for our customers and enhance their ability to monitor and control their insulin delivery through their personal devices. As our products evolve to become more connected to wireless networks, the dynamic of security threats grows more advanced. To combat these risks, we design cybersecurity into our products from the earliest stages of development and continue to integrate data privacy into our own operations. Protecting our systems from external threats is part of our commitment to our stakeholders, because our customers trust our products to reliably maintain their health without interference. Therefore, we prioritize safety and security for our customers and their personal health data throughout our business and our products.

Product Security

Families facing diabetes trust us to deliver innovative and intuitive technology that improves their quality of life, so we have taken critical steps to maintain that dependability and diligently serve our customers. Our global information technology operation leads our cybersecurity program and manages our robust practices for product security. As our technology becomes more complex, we employ advanced encryption methods to protect the connections of our products. We use static code analysis and dynamic testing to evaluate vulnerabilities of our software and devices, and we continue to embed cybersecurity risk into our product development. We are constantly evaluating standards to maintain the highest level of security and currently align with the following frameworks:

- International Electrotechnical Commission's (IEC) 27000 series (ISO/IEC 27000) with ISO 27001:2017 Information Security Certification for all global products and services
- National Institute of Standards and Technology (NIST) "Framework for Improving Critical Infrastructure Cybersecurity"
- ISO 27001 certification and the DTSec Cybersecurity Standard for Connected Diabetes Device Security certification for the Omnipod DASH Insulin Management System
- BS EN (British Standard and European Standard) ISO 27001:2017, which incorporates the requirements of BS ISO 27001:2013 to confirm information security

Enterprise Security

Cybersecurity is one of the key risks that we monitor through our Enterprise Risk Management system. The Board of Directors and Senior Management maintain oversight of our processes to mitigate cybersecurity risks and plan countermeasures against potential threats.

To maintain the integrity of our own operations, we recently implemented innovative software to enhance our capabilities to further safeguard our systems. All Company laptops are encrypted, and a third party manages our security operations center 24/7 to maintain enterprise security and protect against any potential risk exposures. We continue to update our programs to prevent data loss and integrate multiple layers of defense into our systems to protect our ability to provide high-quality, innovative products.

We also train our employees to identify cybersecurity issues, which allows us to build on our foundation of security and significantly reduce internal attacks. We provide a formal training on cybersecurity and privacy during the new hire orientation, and employees are expected to renew their certification twice a year. In addition to striving for 100% compliance with the trainings, we send out monthly training questions and operate an internal discussion board to promote cybersecurity, and we plan to supplement this with a quarterly newsletter to engage our employees on these issues. To remind our employees to remain cautious of external links, we regularly update the tagline on external emails to prompt employees to pause before clicking any links. As cybersecurity rises in importance in the digital age, we have also offered panels with leading industry experts in our annual Quality and Compliance Week.

Workplace Health and Safety

We maintain an occupational health and safety management system that covers all our employees and contractors, because we are committed to the safety and wellbeing of our workforce. By minimizing risks at our factories and implementing training to enhance awareness of hazards, we are able to promote safe practices and preserve the health of our employees.

Enhancing Safety in Our Facilities

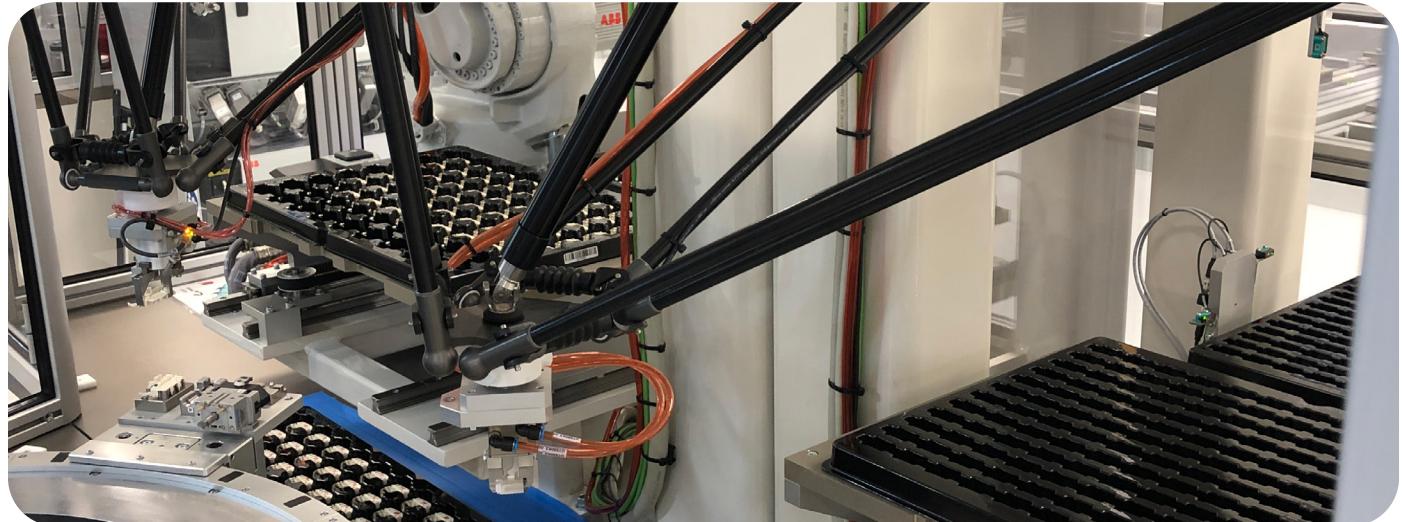
Modern manufacturing enables efficiency and automation, which reduces exposure to health and safety risks throughout the production process. At our facilities, the majority of our equipment is fully automated to minimize human involvement in the operations of machines and therefore reduce the risk of injury. We maintain high standards for workplace safety, and our orientation for technicians includes training about safe procedures, such as lockout/tagout. All employees working in our machine shop must also attend training to understand and comply with safety protocols. In our corporate offices, we continue to include trainings to address injuries related to ergonomics and proper handling of products.

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At our facilities, the majority of our equipment is fully automated to minimize human involvement in the operations of machines and therefore reduce the risk of injury.

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In 2020, we completed an assessment of our health and safety procedures at our manufacturing plant as part of our effort to update our approach to health and safety in our operations. We will continue to implement these procedures throughout 2021.



Health and Safety Performance	2020
Number of fatalities for employees	0
Number of fatalities for contractors	0
Number of injuries for employees	10
Number of injuries for contractors	0
Lost Time Incident Rate (LTIR) for employees	0
Number of reports of work-related ill health for employees	0
Number of reports of work-related ill health for contractors	0



This photo was taken before the COVID-19 pandemic.

Safety During COVID-19

To ensure the safety of our essential employees who work in our owned and contract manufacturing facilities during the pandemic, we implemented additional screening processes and provided masks, sanitizer, and other PPE. We also initiated contact tracing and offered COVID-19 testing for all employees in the U.S. We were able to quickly enhance our safety protocols to protect our employees while sustaining zero backorders to customers. For more information about our actions to maintain business continuity and care for our workforce, see the section [Responding to COVID-19](#).

Engaging our suppliers to ensure quality and responsibility as we grow

Our supply chain enables our growth and supports our ability to deliver essential products promptly to customers. We aim to partner with suppliers that share our commitment to quality and responsibility, and we continue to develop standards for supplier selection that consider environmental and social impacts. Throughout our expansion, we will also collaborate with suppliers to maximize their capabilities and innovate together to create a stronger supply chain. While maintaining ethical practices and worker health, we foster continuous improvement to minimize risks and enhance supplier performance.

Responsible Supply Chain Management

We are committed to delivering high-quality products to our customers while focusing on the environmental and social performance of our supply chain. We manage impacts by upholding fair labor practices and safety in supplier facilities, and we continue to increase visibility and monitor quality as we strategically source components. To guide our responsibility, we align with ILO Standards and support worker rights throughout our network. Our sustainable growth depends on our ability to source materials that reflect our ethical standards and do not jeopardize the safety of workers, so we monitor supplier conduct and prohibit child and forced labor. We develop programmatic risk assessments to assess performance and identify opportunities to enhance worker wellbeing, and we will incorporate environmental assessments to identify potential impacts. As we increase supplier accountability and collaboration in the future, we are strategically developing our procurement policy to mitigate risks of supply chain interruptions, and we continue to prioritize local sourcing to provide dependable components and support our commitment to customers.

Ethical Conduct

Our procurement team operates with a zero-tolerance policy for accepting gifts from any suppliers, because we strive to enforce strict adherence to our ethical standards. [Our Code of Business Conduct and Ethics](#) outlines our commitment to fair dealing when working with suppliers. In addition, we align with ILO Standards as part of our dedication to protecting health and safety, maintaining fair working conditions, and supporting human rights in our supply chain.

We also work with our suppliers to identify any conflict minerals in our supply chain and comply with requirements for alternative sourcing. Our [Conflict Minerals Policy](#) and most recent [Conflict Minerals Report](#) can be found on our website.

Strategic Sourcing

We build resiliency into our supply chain by minimizing risks and understanding that a strategic approach to procurement must be informed by our sustainability strategy and long-term business objectives. Our customers depend on our devices every day for necessary insulin delivery, and a lack of Pods would jeopardize their ability to maintain their health. Our customers' health directly depends on our ability to receive materials and manufacture products, so we concentrate on mitigating the risk of supply chain interruptions and enabling reliable sources of components. Our efforts focus on dual sourcing and our regional supply chain network to improve availability to components. Local sourcing also offers environmental benefits due to reduced emissions from transportation. At our manufacturing facility in Acton, Massachusetts, a significant amount of material comes from the surrounding region. Our facilities in China also have regional suppliers to support production. This access to high-quality goods improves our capability to deliver products regularly. To manage the risks associated with critical materials in our products, we continue to employ approaches related to dual sourcing and supplier diversification.

Our procurement team considers sustainability as a factor when assessing a potential supplier and ultimately awarding business. We will continue to formalize our supplier assessments to evaluate risk and develop measurements for performance.

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Quality Audits

We conduct quality audits every one to two years for all direct, Tier 1 suppliers and evaluate their compliance with quality requirements. These audits include physical walk-throughs of supplier facilities to review and test their processes, and they are supplemented by desk evaluations of documented evidence and self-assessments. We audit suppliers against the ISO 13485 medical device standard, and we require our suppliers to uphold the same certification and quality standards for their own supply chain, our Tier 2 suppliers. In addition to assessing our suppliers' Quality Management Systems, we document controls, validate the processes, and inspect equipment. We also monitor product documentation to maintain sufficient labeling and traceability. Through our rigorous quality audits, we identify any non-conformances that must be remediated, and we also suggest opportunities for improvement where possible. Our thorough auditing process supports our compliance with all regulations and standards for quality to contribute to high-quality products for our customers.

Maintaining Supply During COVID-19

In collaboration with our contract manufacturers, we maintained our production during the pandemic while prioritizing the health and safety of our workforce. We followed all local requirements to prevent risk of exposure for employees. In addition, we provided COVID-19 testing and performed intense cleaning and sanitation of facilities for our contract manufacturers. To ensure we maintained a safe and efficient workplace in the midst of COVID-19, we included performance metrics and rewards for contract manufacturers that encouraged a healthy work environment and upheld safety. For more information, see the section [Responding to COVID-19](#).

Our Distribution Chain

Our supply chain management includes complete component-level traceability in accordance with FDA regulations. To maintain traceability within our distribution chain, we currently have controls in place to systematically run batch reports that generate the traceability of all batches of products by their lot number. In the event of any recalls or issues related to quality, we are able to easily run a report that provides the full lot traceability. This includes our lot information for products that went directly to customers and to distributors. Our distributors also have similar mechanisms for traceability.

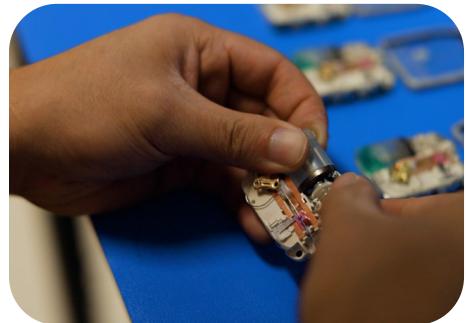


Sustainable Product Innovation

Through this pillar of our sustainability strategy, we strive to ensure our products embed environmentally conscious and inclusive design across their full lifecycle. While focusing on product and packaging design and product takeback, we leverage the state-of-the-art technology of our Pods to differentiate our business. We expect continued growth and also plan to launch the next evolution of our product, Omnipod 5.^[1] To safely advance our leading technology and effectively deliver customer-focused innovation, we validate our designs through comprehensive clinical trials, customer assessments, and standards for quality management. As we demonstrate our leadership through our development process, we also research opportunities to improve product sustainability by targeting the sterilant used in sterilization and the disposability of products. We strive to limit resource consumption and improve material usage because we care about providing the best outcomes for our customers and our planet. We will continue to drive innovation and revolutionize diabetes management to promote positive impacts across the entire lifecycle of our products.

^[1]This system is currently under review with the U.S. Food and Drug Administration and not authorized for sale in the U.S. at this time.

Innovating with customer centricity and the environment in mind



Our approach to sustainable product innovation begins with our customers, because we design our products with the goal to enhance their quality of life. The Omnipod System offers an alternative for customers who prefer a simpler, more convenient product than traditional insulin pumps or MDI therapy. We have developed leading technology for insulin pump therapy on the market, and our continued innovation remains a differentiating factor for our products. We integrate customer feedback into our designs and continue to build on our existing capabilities by evolving our products for simpler insulin delivery.

As we develop smarter products, we also emphasize sustainability in our research and development process. The medical device industry contributes a significant amount of waste due to the disposable nature of many products, but innovation can change our impact on this global issue. Our design process aims to minimize environmental impacts by limiting material usage, incorporating more sustainable materials, and increasing opportunities for recyclability. Guided by our culture of quality, our innovation integrates sustainability and customer convenience while maintaining our commitment to ensure our product functions as expected for every customer, every time.

Customer Centricity

We keep the interests and needs of our customers in mind in everything we do, and this focus starts with our products. Our Pods allow customers to experience what they love to do without their insulin pump slowing them down, and we strive to enable greater freedom, well-being, and health outcomes with every improvement of our products. As we incorporate feedback into our innovation and design process, we continue to listen to the voice of our customers because customer satisfaction remains essential to our mission. Simplifying diabetes management for all our customers is front and center in our designs, so we continue to leverage technology and build inclusivity into our product development to improve usability.



Inclusive Design

Diabetes impacts a diverse group of people, so the devices used to manage diabetes should reflect that diversity. Our hardware and software teams operate with a focus on customer centricity and account for a range of lifestyles and personal preferences. We recognize all demographics and develop products that enhance ease-of-use for every individual. Therefore, our products on the market are smaller than previous generations, which makes them less noticeable and more manageable. To improve the convenience of insulin delivery, our Pods are tubeless and waterproof^[1] to accommodate active lifestyles. We also offer options for alarms and visual indicators to support preferred interactions for our customers, particularly those who are hearing- and vision-impaired. In addition, our Omnipod DASH PDM in the U.S. offers a Spanish interface as an alternative language choice for users. We will continue to consider potential improvements to enhance inclusivity in our future designs.

Adapting Our Trainings

Diabetes management can become complex as customers balance other factors in their lives. In 2020, these factors included a global pandemic that disrupted regular behavior and further intensified health risks. Even simple actions were no longer possible, and this limitation also applied to in-person training sessions. To ensure that new customers could still access and understand the features of the Omnipod System, our teams created virtual training sessions to answer questions and ensure that customers were fully supported. As we continue to embrace flexibility, options for both in-person and virtual trainings will enable customers to choose sessions that best fit their needs.

^[1]The Pod has an IP28 rating for up to 25 feet for 60 minutes. The PDM is not waterproof.

Customer-Focused Technology

As we advance our designs, we leverage technology to drive down costs and anticipate customer needs. In the past, medical devices simply focused on function in diabetes management. Our foundation of high-quality products has enabled Insulet to shift our focus to software innovation for the next advancements in medical devices. With our Omnipod DASH PDM, the Bluetooth® wireless technology and a modern display enables intuitive control so a user can easily check insulin levels and adjust doses based on activity and diet. We are proud of our updated systems, but we are still working to innovate and provide the next generations of Omnipod technology. As more people want to manage their diabetes using their personal smartphones and devices, our teams continue to build the software to enable this shift in the industry and support control that is more convenient than ever while delivering improved outcomes.

Our evolution in technology also offers important health outcomes that reduce the burden of insulin management for our customers. Omnipod 5,^[1] which is currently under review with the FDA, showed positive clinical results in our pivotal study which was completed in 2020.

Design Innovation: Driven by Customer Voice

We drive continuous improvements and implement new features and products based on input and feedback from customers, who share details about their daily experiences.

Form factor: To address requests for a Pod that supports active lifestyles, we introduced PodPals®, an adhesive overlay that helps keep the Pod onbody better for highly active users, to the U.S. in 2019, and we expanded PodPals to Europe in 2020.

Technology: Customers asked for a device to control their Pod that didn't look so "medical." In response, in 2019 we introduced Omnipod DASH, which includes a more discrete PDM that operates as a simple smartphone. In addition, customers shared that they wanted to check their Pod status on their own phones and devices. Released with Omnipod DASH, an app enables this functionality, while also giving followers (such as parents) the ability to see how a user's therapy looks from afar. Omnipod DASH is the only DTSec and ISO 27001 certified insulin pump for cyber and information security and safety.

Customer Satisfaction

To build customer loyalty through outstanding quality, value, and service, we must listen to our customers and incorporate their feedback into our designs. Our marketing and commercial teams complete regular engagement surveys and extensive customer research to receive input from stakeholders, including healthcare providers, payors, and Omnipod customers. These responses inform our customer requirement specifications in our design process, so we can create products that fulfill the needs of consumers.

We also receive feedback through our customer call centers. Additionally, these call centers provide an opportunity for customers to obtain information about our products to ensure that they can support their lifestyles.



95%

of Omnipod DASH users would recommend the product to a friend

^[1]This system is currently under review with the U.S. Food and Drug Administration and not authorized for sale in the U.S. at this time.

Product Quality and Safety

We prioritize quality in product development, because our products need to deliver insulin safely and effectively for our customers. Therefore, we integrate quality excellence into our culture and remain dedicated to compliance with all laws and regulations regarding quality, safety, and performance requirements.

Quality Policy

Customer safety and product quality are at the core of everything we do, beginning with product design and continuing throughout the full product lifecycle. Quality excellence is achieved through an effective quality management system compliant with all applicable laws and regulations. Our quality excellence culture empowers all employees to take positive action to ensure continuous improvement while never compromising on product quality, performance, or customer safety.

Quality Management

Because quality is paramount, we maintain robust governance, management systems, and certifications to deliver the best product that we can. Our Vice President, Quality Systems and Operations, who reports to our Executive Vice President and Chief Operating Officer, manages our processes for quality management and supports global distribution and production. Our Board of Directors oversees our overall quality performance and receives regular updates on our processes and performance.

Our Quality Management System (QMS) drives quality excellence in our operations while enabling continuous improvement as our organization evolves. To align with the QMS standards for medical devices, we require all manufacturing facilities, including the facilities of our contract manufacturers, to be ISO 13485 certified. We maintain our certification through the BSI Group, which periodically audits our facilities. We are registered with the FDA, which performs regular inspections of our QMS and associated facilities to confirm compliance with regulations. Our robust audit system adheres to the Medical Device Single Audit Program and involves both internal and external auditors.



100%

of our manufacturing facilities and contract manufacturing facilities have achieved ISO 13485 certification, which evaluates the effectiveness of a company's Quality Management System and prioritizes the safety and efficacy of medical devices

We conduct risk assessments in accordance with ISO 14971, the standard for risk management of medical devices. Analysis from these assessments contributes to our Corrective And Preventive Action (CAPA) program, which mitigates defects as part of our QMS. Through the CAPA program, we identify, investigate, and correct any QMS or manufacturing issues in our facilities. We set strict targets for product quality related to customer complaints, supply continuity, and our manufacturing process, because we remain dedicated to continuous improvement and performance management. We monitor our progress and report trends in product safety and quality during monthly cross-functional meetings with senior leadership.

Training

Our employees support our commitment to quality by upholding our high standards and remaining vigilant for opportunities to enhance results. To enable their success, new employees must complete our R.I.T.E. (Respect, Integrity, Teamwork, and Excellence) Start program, which includes a session on quality and regulatory requirements. We use a virtual system to circulate updates on quality documents across the organization, and we also provide supplementary trainings for employees based on their roles. These programs focus on topics such as continuous improvement, advanced problem solving, and operational excellence.

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Our employees support our commitment to quality by upholding our high standards and remaining vigilant for opportunities to enhance results.

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In 2020, we launched an Operational Excellence (OpEx) program, which included trainings associated with systematic problem solving using the DMAIC (Define, Measure, Analyze, Improve, and Control) and Kepner Tregoe processes. We will complement our Six Sigma approach with training on Lean Principles and 8D problem solving in 2021. Through the OpEx program, we align our focus across our teams and provide monthly updates for executives about our pipeline of OpEx projects. The first round of training began in July 2020, and five projects were completed by the end of the year, which delivered an annual savings of \$4 million. Projects focus on operational and quality improvements in manufacturing, as well as supply chain opportunities.

Clinical Trials

Guided by our commitment to product integrity, we also maintain quality by conducting clinical trials that align with Good Clinical Practice, an international standard for ethical and scientific quality. These procedures protect the rights and confidentiality of trial subjects. We also regularly discuss our trial designs with regulatory bodies to ensure robust testing for the safety and efficacy of our products, and the FDA reviews and approves our protocols before execution. As part of our principles, we do not conduct or outsource any testing on animals.

Our Senior Vice President and Medical Director is responsible for the ethical conduct of our clinical trials, which are also monitored by an Independent Review Board (IRB) that protects the welfare of research subjects. After a trial concludes, we publish results as soon as the data is available and provide the information in peer-reviewed scientific journals and conferences.

Eliminating Waste and Promoting Quality

Paper waste remains a challenge because of the documentation involved in the healthcare industry for medical devices. In 2020, we began to modernize our QMS by eliminating paper usage and shifting to electronic management systems and submissions. In the past, our compliance with regulations required printed submissions, which generated a significant amount of paper due to the necessary documentation. During the year, we developed 13 electronic processes in our eQMS, each one representing one to three paper forms that were no longer required. We also reduced the Insulet QMS level two documentation by 60%.

As we transition to electronic processes, we are training people to adjust their behaviors and embrace updated practices to contribute to a more sustainable system. By the end of 2022, our goal is to switch completely from paper to electronic processes, which will improve efficiency and reduce waste.

Packaging

To preserve the integrity of our products during transport to customers, our Quality Department determines sufficient packaging to adequately protect each device and maintain sterility to avoid contamination. We align with international standards to ensure consistency, including:

- **ISO 11607-1 and ISO 11607-2** – Packaging for terminally sterilized medical devices
- **ISO 11135** – Sterilization of healthcare products
- **ISO 10993** – Biological evaluation of medical devices

We continue to analyze packaging improvements while maintaining the sterility assurance required to uphold quality. We have also performed assessments to reduce material usage and optimize packaging for transportation in our supply chain. Our growing sustainability efforts will continue to influence our designs in the future as we incorporate environmental considerations into our development process.

Quality and Compliance Week

In 2020, our fifth annual Quality and Compliance Week provided employees with the opportunity to learn about Insulet, our priorities for the year, and our culture of product and operational innovation. For employees who do not interact with our customers or work directly with our products, this annual event provides a deeper understanding of our strategic imperatives and how each role and function contributes to our mission. In 2020, the theme was Moving Forward Together, reflecting our plan to grow and continue to serve our customers with reliable products. Due to the pandemic, the event was conducted remotely, creating networking opportunities and a sense of community at a time when everyone was working remotely. Throughout the sessions and conversations, our employees were able to discuss the culture of quality that drives competitive advantage at Insulet. The collaboration and learning activities in Quality and Compliance Week also enabled greater awareness of our individual impacts on the overall customer experience.

Our Focus

Compliance is our expectation, and quality is one of our differentiators. We have a service-oriented focus to offer consistent performance, build trust for our stakeholders, and ensure safety throughout our operations. Quality connects to our mission and our unique commitment to our customers, so we developed Quality and Compliance Week to educate and empower our employees to build on our foundation of quality excellence. By enhancing our collective understanding, we contribute to a corporate culture that prioritizes quality and operates with the goal to continually improve our performance.

Building Relationships

As we worked to support our culture of quality, we also reflected on the themes of the year and how we could cultivate a more inclusive, nurturing community as we grow our business. Multiple sessions focused on employee health and wellness, as well as an appreciation for the diversity of our employees and customers. We encouraged engagement in various games and competitions and rewarded employees for their involvement. By increasing interactions across our teams, we strive to improve collaboration and build this sense of community into our culture.

Our President and Chief Executive Officer, our Vice President, Quality Systems and Operations, and our Senior Vice President, Regulatory Affairs and Compliance, led our closing event to connect with our employees and convey the importance of quality at Insulet. The week also included executive chat sessions so our employees could engage with them on a personal level. The fully remote setting enabled these connections and other conversations in a unique way throughout the week. All sessions were recorded so employees could view recordings at their convenience, and translations were available in multiple languages to support a more inclusive event.

Quality and Compliance Week (Cont.)

Topics of Discussion

In addition to opportunities for personal development and wellness, our Quality and Compliance Week offered a greater appreciation for the business. Sessions covered various topics, including:

- A discussion on culture and diversity that educated employees on how to listen, understand privilege, and be an ally
- Education on racial disparities in diabetes and implicit bias in health care, highlighting African American adults as more likely than non-Hispanic White adults to have been diagnosed with diabetes
- Panels comprised of customers who use our products regularly, including international customers, to remind our employees of how we impact people's lives and health
- A cybersecurity keynote panel with experienced information technology professionals leading the discussion around security
- A virtual manufacturing tour through our facilities
- Education on Sarbanes-Oxley compliance and financial reporting
- A review of the development process for our innovative technology
- Wellness sessions to encourage mindfulness and proper ergonomics

Key Metrics

965
attendees

12
external speakers

51
sessions

4,300+
total attendance hours

Poster Competition

Employees participated in daily puzzles and submitted designs for our poster competition as part of Quality and Compliance Week. We received 325 puzzle submissions, 11 poster submissions, and 105 poster votes. The winning poster is shown here:



Innovation

We strive to drive our strategic growth and remain a leader in the medical device industry by continuing to create innovative products that challenge the currently available technology. In 2020, we doubled the number of employees in our Product Development team to support this innovation. Our devices offer new solutions and set the standards for customer expectations because we do not set limitations on our creativity. We welcome original ideas and encourage explorative thinking. Fueling our success, this approach strengthens our ability to consistently capture market share with unique designs centered on health and comfort. By focusing on efficiencies and hiring top talent to support our product development, we maximize our investments, transition to more sustainable designs, and generate value for our stakeholders. Throughout our process, our commitment to improve the lives of people with diabetes and enable positive outcomes motivates our research and innovation.

Research and Development

Our approach to innovation starts with hiring and retaining the very best talent in the industry. We enable our teams to conduct in-depth research, collaborative design, and thorough testing to ensure that the product meets the needs of our users, while providing them with a superior experience that is both safe and effective for their therapy needs. As we explore possibilities for sustainable designs and technological advancements, we consider the demands of the modern world and anticipate the impacts on our customers and our environment.

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We doubled the number of employees in our Product Development team in 2020.

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Insulet's staged and strategically managed technology product development process aligns with best practices and FDA regulations:

- **Stage 1: Product Definition**

The innovation process at Insulet starts with commercial and clinical teams identifying unmet user needs or significant opportunities to offer product solutions that significantly enhance insulin therapy and experience for users.

- **Stage 2: Early-Stage Feasibility**

Unmet needs will tend to create a program in which further research and technical feasibility will be investigated. In this phase, the team will start broadly to solve the core problem(s) and any peripheral problems in the space.

- Concepts are generated, prototyped, and tested to provide confidence in the solution space.
- Intellectual property is created and filed.
- Early user validation activities are conducted to ensure the product addresses core customer requirements and unmet needs targeted within the program.
- Business cases are established, and organizational alignment is achieved.

- **Stage 3: Design Controls**

Each phase will range in duration depending upon complexity of the program and product. The FDA will review the project's Design History File to see that we followed our process and met the objectives with evidence for each phase.

- **Phase A:** Concept and Initial Planning
- **Phase B:** Design Planning and Input
- **Phase C:** Design and Development/Output

- **Phase D:** Design Verification and Validation
- **Phase E:** Design Transfer
- **Phase F:** Release to Market and Post Market Surveillance

Firmware Over The Air

Our Firmware Over The Air (FOTA) project leverages advanced technology to wirelessly deliver software upgrades to customers by distributing information “over the air.” Using a wireless internet connection, this remote method for updating devices leads to reductions in shipping costs, replacement costs, and disposal costs. In 2020, we developed the processes to support this feature in our products and expect it to substantially improve our footprint, as well as enhance customer convenience. We started the first phase of FOTA in early 2021 for Omnipod DASH in the U.S. and will report on progress in the future.

Product Stewardship

The medical device industry faces many unique challenges that will continue to require innovative solutions to fully address global sustainability issues. Products consume significant amounts of raw materials during development and production. Sterilization of medical equipment also uses sterilants that can be toxic at high levels and therefore requires rigorous safety testing to meet strict requirements and mitigate the risk of exposure. At the end of the lifecycle, widespread product disposability in the healthcare industry generates substantial waste, which can contribute to pollution and impact local communities and ecosystems. However, advancements in design and manufacturing can contribute to greater product sustainability, which is increasingly important to our business and our stakeholders, while maintaining and improving quality and safety.

When we choose materials, designs, and packaging, we consider both environmental and health implications to create safe, effective products that limit resource use. Our teams continue to identify solutions related to efficient design and manufacturing processes that reduce waste and prolong product value as we respond to stakeholder expectations for sustainability and anticipate shifts in the industry. Increased efforts to promote recyclability and minimize lifecycle impacts continue to drive our innovation as we focus on preventing waste while maintaining the integrity of our products.

Design Factors

Product stewardship begins with design, the first phase of a product’s lifecycle. To ensure the health of our customers, we incorporate materials that are nontoxic to both users and the environment. The batteries within the Pod do not contain heavy metals, such as mercury, and our products comply with all Restriction of Hazardous Substances (RoHS) requirements to avoid hazardous substances in our devices. As our design teams strive to build components with more eco-friendly materials, we continue to uphold the quality of the products and focus on the safety of our customers.

By reducing the overall complexity of our products, we support future recyclability and decrease the number of materials necessary for production. Our Pods have become smaller over time, both to minimize waste and to respond to customer preferences. The packaging also includes low-cost, highly recyclable materials, such as cardboard and paper-based trays, and we continue to identify opportunities to improve recyclability through packaging choices in our designs. In addition, rechargeable batteries in the PDM, as well as the ability to extend the Omnipod experience to personal smartphones, will continue to promote longer lifecycles and reuse. We regularly research and test ideas for further improvements because intelligent design enables a reduction of impacts throughout the lifecycle of a product.

Production

Throughout our assembly process, we have improved our production yields to generate lower waste before our product even reaches the consumer. Our ability to consistently generate high-quality products minimizes the waste of Pods during production. In the past, we have recycled Pods that have not met critical requirements on the production line into Product Demo Kits, which allow customers to experience wearing a non-functional device. As production line yields have continued to improve and demand for product has grown, we have switched to a strategy that allows users to try the product for 30 days for free in the U.S. Our 30 Days of Freedom program allows customers to assess Omnipod DASH in actual use before they receive additional supply, which further prevents products from being wasted if customers choose not to use Pods after testing them.

Sterilization and Ethylene Oxide

Healthcare facilities and medical device companies continue to use ethylene oxide to sterilize equipment, because it can sterilize medical products in their final packaging without degrading materials or harming sensitive electronics, unlike other modalities. Sterilization necessitates the use of this unique compound, but the U.S. Environmental Protection Agency (EPA) has determined that ethylene oxide is a hazardous air pollutant, due to its potential effects on humans from chronic exposure. Because the safety of our workforce and communities remains a priority, we prevent harmful exposure, regularly test for ethylene oxide residuals, and continue to reduce our use of ethylene oxide.

Because the FDA requires all products to be sterilized prior to customer delivery, we maintain strong, long-term relationships with the companies that sterilize our products. Although we outsource ethylene oxide sterilization for all products, we ensure that our partners adhere to ISO 11135 to maintain the quality and integrity of the processes. These relationships are managed by the Quality Engineering team at Insulet, who set our requirements and focus on continuous improvements. Together with our partners, we consider the environmental and health risks of the sterilant used in our sterilization processes. To help address this industry-wide issue, our teams are working to actively reduce the amount of ethylene oxide concentration released during sterilization.

Recently, our partner set up a new sustainable facility for ethylene oxide sterilization in Europe. The advanced technology and equipment for sterilization limit the amount of ethylene oxide gas released throughout the sterilization cycles. The site still achieves the required sterility assurance while reducing the risk associated with exposure to ethylene oxide. Approximately 45% less ethylene oxide concentration is used to sterilize twice as many devices than the original process, and the new site successfully earned our highest score in our internal assessment of ethylene oxide sterilization. Additionally, we launched a project to upgrade the sterilization process in the U.S. and will strive to meet the same criteria at other existing sites.

Circular Economy

Our industry produces a substantial number of disposable products due to the nature of medical devices, which become biohazard waste after use and must be handled according to regulations. Therefore, waste generation continues to be a key issue, especially as more businesses confront the concept of a circular economy. A circular economy represents an alternative approach to traditional product consumption and disposal by focusing on systems without waste. Through this regenerative cycle, products minimize resource use and include renewable materials, and the design integrates a system for recovery and recycling. A circular economy plans for reuse to obtain the maximum value of resources and to prevent waste and pollution. This model also offers the potential to limit emissions and mitigate climate change by preserving natural resources, producing fewer particulates, and reducing landfill sizes. In addition, a circular economy can generate economic profit by capitalizing on the value of waste streams.

Circular thinking continues to gain traction and change business, and we recognize this opportunity. As a medical device company, we accept responsibility for our contribution to the global waste issue.

Circular thinking continues to gain traction and change business, and we recognize this opportunity. As a medical device company, we accept responsibility for our contribution to the global waste issue. We have just started our journey to circularity, but our motivation will drive our innovation in order to design away from a linear waste model and move toward a circular lifecycle model. Although our Pods do not currently sustain a circular economy, we are striving to adjust our strategy and eliminate waste throughout their lifecycles because maintaining human health should not require a tradeoff with environmental health. We focus on sustainable product innovation by considering circular concepts in our design process and evaluating the recyclability of our products. We continue to pursue opportunities to incorporate circular principles as we challenge the traditional mindset of disposability.

Minimizing the environmental footprint of our products across the full lifecycle



Product recycling and takeback is an essential component of our effort to manage waste at the end of the product lifecycle and represents a significant opportunity that we will continue to explore in the future. We comply with all safety measures for handling hazardous materials to enable this program for product takeback and overcome the issues associated with medical waste. Moving towards a circular approach requires the reclamation of materials after the initial use phase, so we strive to enhance recyclability of our products and extract value even after disposal.

Product recycling and takeback is an essential component of our effort to manage waste at the end of the product lifecycle and represents a significant opportunity that we will continue to explore in the future.



Recycling Programs

Our takeback and recycling efforts enable additional usefulness of Pod raw materials. In France and Canada, we have programs to encourage customers to return Pods instead of throwing them away. We supply return cartons to the customers, who drop off the cartons with used Pods at the nearest pharmacy. Our recycling partner facilitates the collection and recycling process in France, where product takeback is required by law. After the Pods are collected, the dismantling process includes steps to grind the Pods with a shredding machine and separate the metallic parts from non-metallic components. Then, an automated robot uses digital imaging to select the batteries from other electrical parts.

95%

of the collected Pod materials are recycled in France

Many batteries are delivered to a battery recycling facility. The non-metallic ore materials in the Pods are processed further to separate stainless steel, lead, copper, gold, plastic, and fiber, all of which are sent to specialized channels for recycling. In total, about 95% of the collected Pod materials are recycled in France, and the remaining 5% of glue and sealants are incinerated. Our partner in Canada facilitates a similar cycle for takeback and recycling.

We continue to study this process and explore opportunities to expand takeback and recycling for deployment across other locations. As we design the future generations of Pods, we are also researching potential components that support easier recyclability and improve optimization. By considering end-of-life management from the initial design stages, we aim to reduce the waste and associated environmental impacts across the lifecycle of Pods.

As we design the future generations of Pods, we are also researching potential components that support easier recyclability and improve optimization.

Pod Recycling	2018	2019	2020
Total amount of Pods accepted for takeback and recycling (metric tons)	16	22	39
Amount of Pods accepted for takeback and recycling in Canada (metric tons)	–	–	12
Amount of Pods accepted for takeback and recycling in France (metric tons)	16	22	27
Percentage of reclaimed Pods in France	20%	21%	23%



People and Communities

Our customers are at the heart of everything we do, and we are engaged members of the diabetes community. We understand that life with diabetes can be incredibly challenging, and we are dedicated to creating awareness of the physical and mental burden of diabetes and improving access to technology to make diabetes a smaller part of life.

This focus is also reflected in our sustainability strategy, which emphasizes our dedication to creating positive social impacts—both in the global diabetes community and in our own culture at Insulet. Motivated by our commitment to quality, value, and service, our employees share our goals and enable our success. Through our efforts, we improve the health and wellbeing of those affected by diabetes by alleviating the burden of this life-changing disease, and our inclusive and inspiring culture supports our ability to simplify the lives of our customers. To increase our impacts, we continue to grow with purpose by developing our own workforce and pursuing opportunities to expand access to convenient, affordable diabetes management.

Improving lives of people in the global diabetes community



Our goal to enhance the quality of life for our customers guides our actions at every step of our journey. We constantly work to expand the availability of our products and encourage adoption of our technology by raising awareness about the positive clinical outcomes of Pod therapy. As we promote the advantages of continuous insulin delivery, we also strive to increase affordability and coverage so more people will have access to our innovative products. We continue to operate with this inclusive mindset and differentiate our business through our innovative pricing model and supportive financial assistance.



Affordability and Accessibility

Affordability continues to be a dominant issue throughout the healthcare industry, and expensive care can place an immense burden on people who depend on medical devices. Families who manage diabetes already face complex challenges in their daily lives, so we provide an innovative approach to allow our customers to focus on their wellbeing first. At Insulet, we have revolutionized the industry with our strategy because we recognize that affordability should not prevent people from accessing medical devices that may improve their health. Aligned with our mission, we build our business model and products with a customer-centric focus and empower our customers to enjoy simplicity, freedom, and healthier lives.

Improving Health Outcomes

We strive to promote higher rates of adoption for our advanced technology because our products can enable increased control of diabetes that result in a significant improvement in quality of life. Compared to MDI therapy, insulin pumps offer simple delivery and flexibility to fit a variety of lifestyles, and the characteristics of our tubeless, waterproof^[1] Pods build further on the benefits of insulin pump therapy. Enhancing discretion and usability can drive improvement in overall satisfaction and mental health, because customers appreciate the convenience and comfort of products that streamline their diabetes management.

Studies have reported reductions in daily dose requirements and improvements in glycemic control after switching to the Omnipod System for users with both Type 1 and Type 2 diabetes. These benefits included fewer hypoglycemic episodes and improvements in A1c levels, which indicate blood glucose control. Every generation of the Omnipod System improves upon these outcomes, including Omnipod 5,^[2] and pivotal results during the Omnipod 5 clinical trials show increased time-in-range for users and prevention of episodes of severe hypo or diabetic ketoacidosis. To expand access to these better health outcomes, we employ an innovative approach to pricing and work to support affordability for our customers.

^[1]The Pod has an IP28 rating for up to 25 feet for 60 minutes. The PDM is not waterproof.

^[2]This system is currently under review with the U.S. Food and Drug Administration and not authorized for sale in the U.S. at this time.

Our Unique Pricing Model

We are leaders in the medical device industry with our dedication to market access based on our belief that convenient care should be affordable. Traditional companies deliver insulin pumps through a restricted channel for medical equipment that requires a significant upfront cost and a four-year lock-in period. The expensive costs to switch products deter people from selecting better pricing structures and innovative products. By requiring substantial down payments and extended commitments, this model limits affordability of diabetes equipment and prevents users from accessing the latest technology when they desire to make a change.

At Insulet, we disrupted the industry by implementing a pay-as-you-go business model, primarily through the pharmacy channel, and enabling easier, more affordable access to our unique products that are designed to dramatically improve people's lives. To remove the barriers to our products, we eliminated the upfront fee and the lock-in period that previously limited customers from switching products. In the U.S., customers receive their Pods with a simple prescription, and the majority pay a monthly copay of less than \$50 through the pharmacy channel. This approach provides greater visibility around prices of products by avoiding hidden fees and allowing the customer to anticipate their costs. We continue to focus on improving positive health outcomes as we set prices that enhance affordability for our customers. In 2020, over 60% of all new customers chose the pay-as-you-go model for Omnipod DASH.

Critical Differentiators for Omnipod DASH

- Low, predictable cost through the pharmacy channel
- No lock-in period
- Access for customers with Type 2 diabetes



Financial Assistance Program

To further promote access to our products, we offer our [Financial Assistance Program](#) to support customers in the U.S. and Canada who meet certain financial criteria. Customers who are uninsured, have insurance that does not cover the Omnipod System or one of its individual components, or cannot afford their insurance out-of-pocket obligations can apply for this program.

Enhancing Convenience

Where available, Omnipod DASH is accessible to anyone living with diabetes, including Type 2 diabetes. Our collective approach to affordability contributes to increased access to our innovative technology and enhances quality of life. We recognize the challenges and expenses of managing a lifelong disease, and we continue to address these issues by creating a simplified, high-quality user experience. Our industry-leading retention rate and customer loyalty reflect our commitment to our customers and their satisfaction.

Our Market Approach

In the U.S., our prices continue to promote affordability while reflecting stakeholder input, cost of goods sold, and product value. Internationally, the majority of our customers receive their healthcare coverage from the government in their jurisdictions. We currently operate within established frameworks in those markets and align our pricing levels to reflect the value of our product line. Our international team drives our launch into new markets and thoroughly evaluates expansion opportunities. When we enter a new country, we make a long-term commitment to provide life-changing devices that customers depend on for insulin management, so we do not expand into new markets without verifying that we can economically and reliably deliver our products in the future. In 2020, we began operating in five new countries that met our criteria for expansion.

When COVID-19 abruptly impacted many of our customers, we quickly expanded our Financial Assistance Program in the U.S. and Canada. If our existing customers experienced an insurance disruption due to COVID-19, we provided up to six months of free products, and then we extended that guarantee for an additional three months to ensure continued access to Omnipod products. To learn more about our commitment to this responsibility and our actions during the pandemic, see the section [Responding to COVID-19](#).

Policy and Advocacy

We continue to advance our approach to advocacy to influence policies at the national and international levels to drive innovation and increase product accessibility. Our stakeholders, including customers, healthcare providers, suppliers, advocacy groups, and trade associations, all note the critical importance of this focus on affordability and accessibility in the medical device and healthcare industries. Our advocacy to make products and therapies more accessible and affordable for our customers represents one of our Company's most significant opportunities to make a positive global impact. As we evaluate public policy and regulations, we support advocacy organizations that promote the mission of our Company and align with our goals to enhance diabetes management and product affordability.

Advocacy for Access

As engaged members of the diabetes community, we provide an online portal, [Advocacy for Access](#), that educates and empowers individuals, caregivers, and healthcare professionals to advocate for affordable access to the latest diabetes technology with commercial insurance companies. We offer resources to educate people about advocacy and improve their ability to create change because we believe that the latest advancements in treatment should be readily available to those who need it. We encourage people to make a difference by concentrating on three strategies to advocate for accessibility—learning how to speak out and demand change, taking action to spread awareness, and using available resources to understand how to effectively manage health and insurance plans. This portal offers tips, video testimonials, and a call-to-action that generates either an email or tweet to the user's commercial insurance company. In 2020, 1,425 people sent emails to their respective commercial insurance plans and 177 people tweeted.

We continue to sponsor this portal and remain involved in advocacy because we are committed to partnering with the diabetes community for greater access. In 2020, the portal won the bronze medal at the Digital Health Awards. This program is organized by the Health Information Resource Center and recognizes high-quality health resources for consumers and health professionals.

Partnerships

We partner with multiple organizations to further drive product accessibility and strategically focus our advocacy efforts. Our corporate sponsorships enable these partners to improve access to positive health outcomes, advocate for those with diabetes, and advance innovative research. Throughout 2020, we continued to collaborate with many advocacy groups both in the U.S. and internationally. Examples of our partners include:

- **Association of Diabetes Care & Education Specialists** – Improving diabetes care through innovative education, management, and support.
- **Beyond Type 1/Beyond Type 2** – Leveraging social media and technology to educate the global community about diabetes and providing resources for those living with diabetes.
- **Children with Diabetes** – Empowering people of all ages living with diabetes and providing support, education, and inspiration for families affected by diabetes.
- **Diabetes Leadership Council** – Advocating for policy changes at the state and national level and improving the safety and quality of life for all people living with diabetes.

Empowering our people and taking action to support our local communities

Our people drive the success of our business and enable our sustainable growth as we expand to reach new communities. To foster a strong, engaged culture, we offer multiple development opportunities for our employees to build on their knowledge, and we promote their wellbeing by providing an extensive set of benefits that prioritize the health of our colleagues and their families. As our Company grows, we also focus on enhancing equity, welcoming talent with diverse experiences, and developing an inclusive workplace that empowers our employees to express themselves and channel their innovation. We encourage our people to extend positive impacts to their local communities by being good corporate citizens.



Diversity, Equity, and Inclusion

We aspire to create a diverse and inclusive global culture that reflects the diversity of the customers we serve and fosters an environment where all employees feel welcomed, respected, and valued. Celebrating our individual experiences and wide-ranging perspectives is essential to our business and a key strategic focus for our leadership and human resources team. Diabetes impacts people of all backgrounds and experiences, and we want our workforce to reflect the diverse diabetes community. As our organization grows and on-boards new talent to continue contributing to the development of life-changing products for insulin therapy, we have the opportunity to strengthen our strategy for inclusion and energize our efforts to make meaningful changes.

Strategy

To more effectively address diversity and inclusion, a key element of our values and culture at Insulet, we have developed a comprehensive strategy that considers our key stakeholders and opportunities for greatest impact. Focused on four main activities—Recruitment, Development, Culture, and External Engagement—our strategy outlines our plan to implement new initiatives and benchmark our performance in 2021. We strive to further integrate appreciation for diversity into our organization and improve our talent acquisition as we promote thoughtful engagement and build on our foundation. We recognize that these priorities are critical to the wellbeing of our employees and the long-term success of our Company, and this new strategy reflects our ongoing commitment to a diverse and inclusive culture at Insulet. We will continue to leverage insights from our initiatives to develop a stronger team in 2021, and we look forward to sharing progress on our focus areas in the future.



Promoting Equality

We have developed multiple initiatives for driving inclusivity and equality in support of our commitment to provide equal opportunity in all aspects of our Company culture and workplace. We review pay equity based on various factors, such as role, geography, years of industry-related experience, performance, and tenure. Where a discrepancy might be identified, there is an internal review process in place to evaluate it and, where appropriate, address it.

We have developed multiple initiatives for driving inclusivity and equality in support of our commitment to provide equal opportunity in all aspects of our Company culture and workplace.

As we expand our business, our talent programs recruit veterans and university students of diverse backgrounds to foster a talent pipeline that represents a variety of experiences. We will support our rapid growth with information technology tools that support blinded resumes and ensure representative candidate slates for open positions.

Employees	2019	2020
Total number of employees	1,952	2,988
Total number of permanent employees	1,354	1,904
Total number of permanent employees in the U.S.	1,172	1,598
Total number of permanent employees in other countries	182	306
Total number of temporary employees	598	1,084
Total number of temporary employees in the U.S.	527	816
Total number of temporary employees in other countries	71	268
Total number of full-time employees	1,351	1,901
Total number of part-time employees	3	3
Diversity	2019	2020
Staff		
Under 30 years old	20%	34%
30–50 years old	39%	29%
Over 50 years old	11%	16%
Not reporting ^[1]	30%	21%
Management		
Under 30 years old	14%	4%
30–50 years old	29%	27%
Over 50 years old	8%	16%
Not reporting ^[1]	49%	53%
Executives		
Under 30 years old	21%	0%
30–50 years old	15%	44%
Over 50 years old	12%	25%
Not reporting ^[1]	52%	31%

^[1]We do not collect diversity data for employees in Europe.



Employee Resource Groups

In 2020, we created seven Employee Resource Groups (ERGs) for our employees to connect over their experiences and drive greater appreciation for diversity across our organization. Each ERG has one or more executive sponsors and has identified leads within the Company. We had 217 employees join an ERG in 2020, which continue to gain traction and engage our workforce. The majority of our ERGs have developed charters to guide their actions as they advocate for an inclusive culture with opportunities for development and education. Our ERGs include:

- African Descent
- OmniPRIDE
- Young Professionals
- Veterans and First Responders
- Sustainability
- Women@Insulet
- Working Parents Support Network

In 2021, we plan to enhance our culture by adding a Hispanic/Latin ERG.

Our ERGs organized multiple events during 2020 to promote inclusion and support our employees. Activities included inviting guest speakers to discuss racial disparities in health care, starting a women's speaker series, selecting five young professionals to attend the One Young World Summit, highlighting veterans, and supporting LGBTQ-friendly health insurance benefits.

Talent Management and Retention

Our employees facilitate our success and drive our innovation, efficiency, and high-performance culture. As we embrace our growth mindset, we enhance our strategic approach to talent management by listening and responding to employee feedback. We recently welcomed our new Vice President of Talent Acquisition to direct our plan to meet our talent needs. To attract and retain top talent, we also support their wellbeing with competitive benefits and provide opportunities for professional development. We encourage open communication and strive to make people feel valued as we integrate an appreciation for talent management into our culture.

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Our employees facilitate our success and drive our innovation, efficiency, and high-performance culture.

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Communication

Employee engagement has always been a focus at Insulet, and the pandemic further motivated our efforts to increase and enhance communication in 2020 and beyond. We enhanced timely messaging, expanded our global Town Hall meetings, and developed surveys to gauge our employees' needs. To help our employees feel socially connected to their colleagues, we created our "Stay Connected" initiative, which includes weekly video updates from leaders around the world as well as virtual meetings with leaders.

As part of our initiatives, our executives host informal virtual Zoom meetings where employees can have casual conversations to discuss whatever is on their minds—either from a business or a personal perspective. We have hosted dozens of virtual sessions such as "Corner Office Conversations," "Fun with Finance," "Legal Learnings," and more. Employees appreciate the forum as a way to get to know the executive leaders and to connect with other colleagues from across the organization.

Our timely communications informed employees on the status of our business, and other online sessions offered opportunities to share stories and healthy habits. We also implemented new technology platforms to ensure our global employees are engaged and collaborate with one another. For example, we introduced Yammer, which is a social networking tool that allows colleagues to easily engage with one another around the globe.

2020 Employee Engagement Survey

We perform an annual engagement survey to understand opportunities to improve our strategy for talent management and create a supportive work environment for our employees. In 2020, we achieved 90% participation for employees responding to the questionnaire. Despite the global pandemic, aggressive deadlines, and a high-growth strategy, our ratings improved in all categories. Employees acknowledged that they felt connected to each other, maintained a clear sense of purpose, and felt supported by their managers and Insulet. Moving forward, our focus areas will concentrate on employee development, clearer connection between pay and performance, balance between work and home life, and increased collaboration across the organization. Employees cited these areas as opportunities for improvement, which we will factor into our management approach as we continue to evolve.

Talent Pipeline

As part of our talent pipeline development, our co-op program allows students to gain hands-on experience, supplement their academic education, and learn about the medical device industry. These partnerships also connect Insulet to innovative talent and encourage greater interest in our Company, which supports our ability to grow our workforce. In 2020, we partnered with multiple universities to host a total of 76 co-ops in our manufacturing, research and development, quality, and information technology departments. Because of our dedication to this program, in 2020 we were awarded the Outstanding Co-Op Employer of the Year by Northeastern University's Mechanical Engineering, Industrial Engineering, Electrical Engineering, and Computer Engineering Students for the 2019–2020 school year.

Employee Development

We offer multiple programs for training and professional development for our employees, so they can continue to learn and build proficiency in technical areas:

R.I.T.E. (Respect, Integrity, Teamwork, Excellence) Start New Hire Education – All new employees complete the R.I.T.E. Start program, which provides a holistic view of Insulet, our mission, our product, diabetes, our customers, and our business strategy. Due to the COVID-19 pandemic, our Talent Development team transformed our regional on-boarding program for new hires to a global, virtual program. We also offer intensive Customer Care New Hire Training and Sales (Field and Inside Sales) New Hire Training to help employees quickly become trusted experts.

Spot Coaching – The purpose of this workshop is to develop strong leaders who engage in on-the-spot coaching conversations to strengthen engagement and overall effectiveness of our individuals and teams. We endeavor to create a coaching mindset and encourage ongoing and timely feedback for direct reports to accelerate a team's development.

New Manager Expectations Workshop – This workshop teaches new managers, either promoted from within or hired as a people manager, about expectations of people managers at Insulet related to hiring, on-boarding, performance management, and manager resources.

Building a Professional Portfolio – Designed to give individuals the opportunity to assess their overall career goals and select career development experiences to help achieve those goals, this course provides the tools needed to help employees create a well-developed career plan that will support their interests and help them grow professionally. We offer this opportunity to all employees and provided the course six times in 2020.

Mentoring Program – We piloted this new program in 2020 with 14 sets of mentors and mentees. The six-month development program offered one-on-one partnering to teach participants about individual development, career development, collaboration, and leadership.

Insulet Learning – Our online, on-demand Insulet Learning platform, offered in partnership with a third-party microlearning partner, launched in June 2020 with over 45,000 micro-lessons viewed in 2020. Based in neuroscience principles, this microlearning delivers “right-sized” bursts of development content aligned to our professional and business priorities.

Professional Skills Education Series – In 2020, we offered six virtual classes for the development of professional business skills. These instructional sessions included lessons on presentation skills, handling difficult conversations, business acumen, managing remote teams, engaging virtual audiences, and mastering remote conferences.

Employees	2019	2020
Number of employees who participate in talent development	467	663
Number of hours for talent development	3,011	5,940

Every Podder, Every Time!

416

*employees received virtual
on-boarding in 2020*

Performance Reviews

We foster a high-performance culture where employees are focused on raising standards, accepting accountability, and meeting our commitments. To further enable this objective, we refreshed and formalized our process for annual performance assessments in 2020 to align with the introduction of our new human resources information system. Goals cascade down from leaders and employees then assess their own achievement of goals at the end of the year. Managers review the goals and performance to deliver personalized assessments for each employee. We provide an annual performance review for 100% of employees. In 2021, our leaders will collaborate and leverage feedback to make improvements and further develop our process based on employee needs. Looking ahead, we are focused on fostering a winning culture comprised of inspired people who love what they do, and have fun achieving the remarkable.

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We foster a high-performance culture where employees are focused on raising standards, accepting accountability, and meeting our commitments.

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Benefits

We prioritize the health and wellbeing of our employees at Insulet, and we always strive to provide them with the appropriate resources and benefits to improve their quality of life. In 2020, we recognized the impacts from COVID-19 and immediately responded to the changing needs of our employees. We offered extra support and benefits to employees as they balanced working from home and managing life in a pandemic. We moved quickly to keep people connected, support their mental and physical health, and enhance the flexibility of our Company. For more information on our pandemic-related support programs in 2020, see the section [Responding to COVID-19](#).

Reflecting our commitment to wellness, benefits available to our full-time employees include:

- Medical, dental, and vision insurance
- Retirement savings plan with Company match
- Health Savings Accounts and Flexible Spending Accounts for health care and dependent care
- Legal services plan
- Paid maternity and parental leave, including an option for non-birth parents
- Flexible working policy
- Adoption assistance
- Tuition reimbursement for job-related coursework
- Reimbursement for professional certification courses
- Life and disability insurance
- Employee Stock Purchase Plan with a participation rate of 50%
- Free identity theft protection and credit monitoring
- Employee Assistance Program, a confidential service that provides counseling to help employees cope with a variety of stress-related issues
- Free access to a fitness and wellness program with multiple types of online workout classes available to employees and their families
- Employee discounts on various services, including childcare
- PodPerks, which provides the Omnipod Insulin Management System, free of charge, to any benefits eligible, active Insulet employee or eligible dependent

In the U.S., our full-time intern and co-op employees are also eligible for medical benefits, PodPerks, sick time, paid holidays, and our Employee Assistance Program.

Company-Wide Equity Grant

At the end of 2020, we awarded eligible full-time employees with a grant of 20 shares of Insulet Restricted Stock Units to thank everyone for their dedication during this challenging year and to celebrate our Company's 20th anniversary. We are proud that we maintained continuity during the pandemic while still growing the business, and this success has only been possible because of our team. For more information about benefits specifically implemented due to COVID-19, see the section [Responding to COVID-19](#).

Community Engagement

In alignment with our guiding principles, we believe in operating with candor and trust, serving as a good corporate citizen, and strengthening the communities where we live and work by volunteering, donating, and participating in community service events. Our external partnerships and philanthropic efforts also reflect our commitment to improve the lives of people with diabetes. We continue to support multiple organizations that share our mission to enable simple, healthy lives for those families affected by diabetes.

\$150,000+
donated to our communities



Our Involvement

We continue to serve our communities through charitable donations and partnerships with organizations that align with our focus areas. Employees also become involved in our efforts to help those in need and support local communities. Among other contributions, our engagements in 2020 included the following:

- We made a charitable contribution to the Satcher Health Leadership Institute, which advocates for health equity in policy, leadership development, and research by focusing on the political determinants of health, health system transformation, and mental and behavioral health.
- We donated to Partners in Health, a social justice organization driven by its belief that everyone deserves the right to health care and working to bring the benefits of modern medicine to those most in need, particularly by developing strong partnerships to support global change.
- We donated to American Diabetes Association (ADA) and JDRF, and employees also participated in annual events, such as the ADA Tour de Cure North Shore, based in Massachusetts, and the JDRF OneWalk, focused on raising funds for research advancements that will help improve the lives of people living with diabetes.
- We supported local, non-profit community organizations in Acton, Massachusetts, such as the Discovery Museum, a hands-on museum that blends science, nature and play for children and families; Household Goods, which provides donated furniture and household items, free of charge, to help people in need; and the Acton Community Supper and Food Pantry, which helps alleviate food insecurity in Acton and the surrounding area.

For more information about our contributions to our communities specifically during the COVID-19 pandemic, please see the section [Responding to COVID-19](#).

Recognition for Our Community Partnerships

Territory Manager knighted by the King in the Netherlands for work with the Children's Diabetes Foundation



Appreciation for Our Support During COVID-19

Recognized by the Acton Police Department for contributions Insulet made to the community and the Commonwealth of Massachusetts from the beginning of the COVID-19 pandemic





Appendix

About This Report

We are proud to present our 2020 Sustainability Report, which references the Sustainability Accounting Standards Board (SASB) Medical Equipment and Supplies Standard and the Global Reporting Initiative (GRI) Standards. This report covers our performance from January 1, 2020 to December 31, 2020, unless otherwise noted.

SASB Index



Material Topic	Disclosure	Description	Location or Response
Affordability and Pricing			
Affordability and Accessibility	HC-MS-240a.1	Ratio of weighted average rate of net price increases (for all products) to the annual increase in the U.S. Consumer Price Index	Data unavailable for disclosure
	HC-MS-240a.2	Description of how price information for each product is disclosed to customers or to their agents	Affordability and Accessibility
Product Safety			
Product Quality and Safety	HC-MS-250a.1	Number of recalls issued, total units recalled	We had two recalls for DASH in 2020; further information is provided on the FDA website .
	HC-MS-250a.2	List of products listed in the FDA's MedWatch Safety Alerts for Human Medical Products database	Zero products
	HC-MS-250a.3	Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	Zero fatalities
	HC-MS-250a.4	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	Zero actions

Material Topic	Disclosure	Description	Location or Response
Ethical Marketing			
Marketing Practices	HC-MS-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	Data unavailable for disclosure
	HC-MS-270a.2	Description of code of ethics governing promotion of off-label use of products	Marketing Practices
Product Design and Lifecycle Management			
Product Stewardship	HC-MS-410a.1	Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	Product Stewardship
	HC-MS-410a.2	Total amount of products accepted for takeback and reused, recycled, or donated, broken down by: (1) devices and equipment and (2) supplies	Recycling Programs
Supply Chain Management			
Responsible Supply Chain Management	HC-MS-430a.1	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in third-party audit programs for manufacturing and product quality	Data unavailable for disclosure
	HC-MS-430a.2	Description of efforts to maintain traceability within the distribution chain	Responsible Supply Chain Management
	HC-MS-430a.3	Description of the management of risks associated with the use of critical materials	Responsible Supply Chain Management ; We plan to expand our reporting in the future to further explain our management approach.
Business Ethics			
Compliance and Anti-Corruption	HC-MS-510a.1	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	Data unavailable for disclosure
Marketing Practices	HC-MS-510a.2	Description of code of ethics governing interactions with health care professionals	Marketing Practices
Activity Metric			
	HC-MS-000.A	Number of units sold by product category	Data unavailable for disclosure

GRI Content Index

General Disclosures

Disclosure	Description	Location or Response
Organizational Profile		
GRI 102: General Disclosures 2016	102-1: Name of the organization	Insulet Corporation
	102-2: Activities, brands, products, and services	About Insulet
	102-3: Location of headquarters	About Insulet
	102-4: Location of operations	About Insulet
	102-5: Ownership and legal form	About Insulet; 2020 10-K
	102-6: Markets served	About Insulet
	102-7: Scale of the organization	About Insulet; Diversity, Equity, and Inclusion; 2020 10-K
	102-8: Information on employees and other workers	Diversity, Equity, and Inclusion
	102-9: Supply chain	Responsible Supply Chain Management
	102-10: Significant changes to the organization and its supply chain	No significant changes
	102-11: Precautionary principle or approach	Insulet does not formally follow the precautionary principle
	102-12: External initiatives	External Initiatives
	102-13: Memberships of associations	Memberships of Associations
Strategy		
GRI 102: General Disclosures 2016	102-14: Statement from senior decision-maker	Message from the CEO
	102-15: Key impacts, risks, and opportunities	Message from the CEO
Ethics and Integrity		
GRI 102: General Disclosures 2016	102-16: Values, principles, standards and norms of behavior	Integrity and Compliance
	102-17: Mechanisms for advice and concerns about ethics	Integrity and Compliance

Disclosure	Description	Location or Response
Governance		
GRI 102: General Disclosures 2016	102-18: Governance structure	Governance
	102-20: Executive-level responsibility for economic, environmental, and social topics	Governance
Stakeholder Engagement		
GRI 102: General Disclosures 2016	102-40: List of stakeholder groups	Stakeholder Engagement
	102-42: Identifying and selecting stakeholders	Stakeholder Engagement
	102-43: Approach to stakeholder engagement	Stakeholder Engagement
	102-44: Key topics and concerns raised	Stakeholder Engagement
Reporting Practices		
GRI 102: General Disclosures 2016	102-45: Entities included in consolidated financial statements	2020 10-K
	102-46: Defining report content and topic Boundaries	Materiality
	102-47: List of material topics	Materiality
	102-48: Restatements of information	No restatements of information from previous reports
	102-49: Changes in reporting	In 2020, we performed a materiality assessment and formed our sustainability strategy, and both influenced the development and structure of this report.
	102-50: Reporting period	About This Report
	102-51: Date of most recent report	May 2020
	102-52: Reporting cycle	Annual
	102-53: Contact point for questions regarding the report	sustainability@insulet.com
	102-54: Claims of reporting in accordance with the GRI Standards	About This Report
	102-55: GRI Content Index	GRI Content Index

Topic-Specific Disclosures

Material Topic	Disclosure	Description	Location or Response
Procurement Practices			
Responsible Supply Chain Management	GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary 103-2: The management approach and its components 103-3: Evaluation of the management approach	Responsible Supply Chain Management Responsible Supply Chain Management Responsible Supply Chain Management
Compliance and Anti-Corruption	GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary 103-2: The management approach and its components 103-3: Evaluation of the management approach	Integrity and Compliance Integrity and Compliance Integrity and Compliance
Product Stewardship	GRI 205: Anti-Corruption 2015	205-2: Communication and training about anti-corruption policies and procedures	Integrity and Compliance
Materials			
Energy, Emissions, and Climate Change	GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary 103-2: The management approach and its components 103-3: Evaluation of the management approach	Product Stewardship; Recycling Programs Product Stewardship; Recycling Programs Product Stewardship; Recycling Programs
	GRI 301: Materials 2016	301-3: Reclaimed products and their packaging materials	Product Stewardship; Recycling Programs
Energy			
Energy, Emissions, and Climate Change	GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	Energy, Emissions, and Climate Change

Material Topic	Disclosure	Description	Location or Response
Energy, Emissions, and Climate Change	GRI 103: Management Approach 2016	103-2: The management approach and its components	Energy, Emissions, and Climate Change
		103-3: Evaluation of the management approach	Energy, Emissions, and Climate Change
	GRI 302: Energy 2016	302-1: Energy consumption within the organization	Energy, Emissions, and Climate Change
Water and Effluents			
Water Management		103-1: Explanation of the material topic and its Boundary	Waste and Water Management
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Waste and Water Management
		103-3: Evaluation of the management approach	Waste and Water Management
	GRI 303: Water and Effluents 2018	303-3: Water withdrawal	Waste and Water Management
Emissions			
Energy, Emissions, and Climate Change		103-1: Explanation of the material topic and its Boundary	Energy, Emissions, and Climate Change
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Energy, Emissions, and Climate Change
		103-3: Evaluation of the management approach	Energy, Emissions, and Climate Change
GRI 305: Emissions 2016		305-1: Direct (Scope 1) GHG emissions	Energy, Emissions, and Climate Change
		305-2: Energy indirect (Scope 2) GHG emissions	Energy, Emissions, and Climate Change
Waste			
Waste Management		103-1: Explanation of the material topic and its Boundary	Waste and Water Management
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Waste and Water Management
		103-3: Evaluation of the management approach	Waste and Water Management
	GRI 306: Waste 2020	306-3: Waste generated	Waste and Water Management

Material Topic	Disclosure	Description	Location or Response
Employment			
Talent Management and Retention		103-1: Explanation of the material topic and its Boundary	Talent Management and Retention
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Talent Management and Retention
		103-3: Evaluation of the management approach	Talent Management and Retention
	GRI 401: Employment 2016	401-2: Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Management and Retention
Occupational Health and Safety			
Workplace Health and Safety		103-1: Explanation of the material topic and its Boundary	Workplace Health and Safety
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Workplace Health and Safety
		103-3: Evaluation of the management approach	Workplace Health and Safety
		403-1: Occupational health and safety management system	Workplace Health and Safety
		403-5: Worker training on occupational health and safety	Workplace Health and Safety
	GRI 403: Occupational Health and Safety 2018	403-6: Promotion of worker health	Talent Management and Retention
		403-8: Workers covered by an occupational health and safety management system	100% of workers
		403-9: Work-related injuries	Workplace Health and Safety
		403-10: Work-related ill health	Workplace Health and Safety
Training and Education			
Talent Management and Retention		103-1 : Explanation of the material topic and its Boundary	Talent Management and Retention
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Talent Management and Retention
		103-3: Evaluation of the management approach	Talent Management and Retention

Material Topic	Disclosure	Description	Location or Response
Talent Management and Retention	GRI 404: Training and Education 2016	404-2: Programs for upgrading employee skills and transition assistance programs	Talent Management and Retention
		404-3: Percentage of employees receiving regular performance and career development reviews	Talent Management and Retention
Diversity and Equal Opportunity			
Inclusion and Diversity	GRI 103: Management Approach 2016	103-1: Explanation of the material topic and its Boundary	Diversity, Equity, and Inclusion
		103-2: The management approach and its components	Diversity, Equity, and Inclusion
		103-3: Evaluation of the management approach	Diversity, Equity, and Inclusion
Local Communities	GRI 405: Diversity and Equal Opportunity 2016	405-1: Diversity of governance bodies and employees	Diversity, Equity, and Inclusion ; We are developing processes to report our gender and racial diversity in the future.
		103-1: Explanation of the material topic and its Boundary	Community Engagement
Community Engagement	GRI 103: Management Approach 2016	103-2: The management approach and its components	Community Engagement
		103-3: Evaluation of the management approach	Community Engagement
		103-1: Explanation of the material topic and its Boundary	Policy and Advocacy
Policy and Advocacy	GRI 103: Management Approach 2016	103-2: The management approach and its components	Policy and Advocacy
		103-3: Evaluation of the management approach	Policy and Advocacy
		415-1: Political contributions	We made zero political contributions.

Material Topic	Disclosure	Description	Location or Response
<i>Customer Health and Safety</i>			
Product Quality and Safety		103-1: Explanation of the material topic and its Boundary	Product Quality and Safety
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Product Quality and Safety
		103-3: Evaluation of the management approach	Product Quality and Safety
	GRI 416: Customer Health and Safety	416-2: Incidents of non-compliance concerning the health and safety impacts of products and services	We received zero warning letters in 2020.
<i>Marketing and Labeling</i>			
Marketing Practices		103-1: Explanation of the material topic and its Boundary	Marketing Practices
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Marketing Practices
		103-3: Evaluation of the management approach	Marketing Practices
	GRI 417: Marketing and Labeling 2016	GRI 417-2: Incidents of non-compliance concerning product and service information and labeling	Marketing Practices ; we received zero warning letters in 2020.
		GRI 417-3: Incidents of non-compliance concerning marketing communications	Marketing Practices ; we received zero warning letters in 2020.
<i>Customer Privacy</i>			
Data Privacy and Cybersecurity		103-1: Explanation of the material topic and its Boundary	Data Privacy and Cybersecurity
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Data Privacy and Cybersecurity
		103-3: Evaluation of the management approach	Data Privacy and Cybersecurity
	GRI 418: Customer Privacy 2016	418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	We received zero substantiated complaints in 2020.

Material Topic	Disclosure	Description	Location or Response
<i>Customer Centricity (non-GRI topic)</i>			
Customer Centricity		103-1: Explanation of the material topic and its Boundary	Customer Centricity
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Customer Centricity
		103-3: Evaluation of the management approach	Customer Centricity
	Self-Selected Metric	Percentage of Omnipod DASH users who would recommend the product	Customer Centricity
<i>Affordability and Accessibility (non-GRI topic)</i>			
Affordability and Accessibility		103-1: Explanation of the material topic and its Boundary	Affordability and Accessibility
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Affordability and Accessibility
		103-3: Evaluation of the management approach	Affordability and Accessibility
<i>Governance and Ethics (non-GRI topic)</i>			
Governance and Ethics		103-1: Explanation of the material topic and its Boundary	Integrity and Compliance; Governance
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Integrity and Compliance; Governance
		103-3: Evaluation of the management approach	Integrity and Compliance; Governance
<i>Innovation (non-GRI topic)</i>			
Innovation		103-1: Explanation of the material topic and its Boundary	Innovation
	GRI 103: Management Approach 2016	103-2: The management approach and its components	Innovation
		103-3: Evaluation of the management approach	Innovation

Material Topic	Disclosure	Description	Location or Response
<i>Stakeholder Management (non-GRI topic)</i>			
		103-1: Explanation of the material topic and its Boundary	Stakeholder Engagement
Stakeholder Management	GRI 103: Management Approach 2016	103-2: The management approach and its components	Stakeholder Engagement
		103-3: Evaluation of the management approach	Stakeholder Engagement





Our cover image shows Joy Shaikh, a customer since 2014. Throughout the report, we are proud to use images of real customers.

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