

# Edwards Lifesciences

## 2021 Sustainability Report



**Edwards Lifesciences is the global leader** of patient-focused medical innovations for structural heart disease and critical care monitoring. Driven by a passion for patients, the company is dedicated to improving and enhancing lives through partnerships with clinicians and stakeholders across the global healthcare landscape.

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# Letter from the Chairman and CEO



As the world has faced extraordinary challenges over the last several years – whether referring to the pandemic, country conflicts, natural disasters or resource challenges and shortages – it has created moments, big and small, for Edwards Lifesciences to lead in ensuring healthy and sustainable relationships with all of our stakeholders as we focus on and serve patients.

When Edwards was established in 2000, we formed the company around a [Credo](#) and Aspirations to define our culture and guide our actions. We defined who we are, what we do and how we serve others: patients, employees, customers, suppliers, communities and shareholders.

We have always operated in a multi-stakeholder model because it is fundamental to our ability to grow the value of Edwards over the long term. Sustaining the long-term growth and value creation of our company requires us to integrate sustainability practices into every corner of Edwards. We are not singular in emphasis, for example, solely thinking about the environment, particular social issues or governance; rather, we align our global company with our strategy and processes to pursue this vision.

I am pleased to welcome you to Edwards Lifesciences' 2021 Sustainability Report, which details the continued progress and commitment of Edwards to address the needs of our stakeholders globally and to create shared value in the communities in which we operate, now and for future generations.

Throughout 2021, our nearly 16,000 employees worldwide continued to focus on patients and overcame the challenges of our dynamic environments to ensure our life-saving and life-enhancing therapies were delivered to patients in need. At the same time, our teams

achieved key milestones, such as research and development, clinical trials and evidence generation to support our future therapies, in support of our long-term innovation strategy.

Our Credo and Aspirations help us define our company's strategic priorities and objectives. As detailed in this report, our sustainability strategy, including our measurable [sustainability targets](#), is also fully aligned with our values and business strategy.

Following the United Nations Sustainable Development Goals (UN SDG), we focus our efforts on those goals where we believe we can have the greatest impact – UN SDG 3: Good Health and Well-Being; UN SDG 8: Decent Work and Economic Growth; and UN SDG 12: Responsible Consumption and Production.

We made marked progress over the last year in the growth of our global teams while also continuing a focus on diversity, inclusion and belonging, as well as community engagement, at our global facilities. Notably in this year's report, we are establishing a target to achieve carbon neutrality by 2030 and 1.5° C science-based targets. Through expansion of our global headquarters in Irvine, Calif., and construction or expansion of our manufacturing facilities in Ireland and elsewhere around the world, we have approached these projects with consideration for the environment. The new carbon neutrality target broadens our thoughtful focus to all areas of our operations as we deliver on our patient-focused innovation strategy.

We believe that by taking a long-term view and approach to our strategy and work, and continuing to maintain focused on the key stakeholders with whom we are engaged, we are creating a sustainable culture that will grow and thrive even when faced with unpredictable challenges. I am proud of our strong team, community-minded employees and patient-focused culture.

We look forward to continuing our journey at Edwards to focus, measure and communicate about the ways in which we make a sustainable impact. Thank you for your interest in our efforts, and we look forward to continued engagement with our global stakeholders to form trusted partnerships to act together with purpose, and help even more patients around the world.



**Michael A. Mussallem**

Chairman & Chief Executive Officer

# Our Approach



Edwards Lifesciences is the global leader in patient-focused medical innovations for structural heart disease and critical care monitoring. We are driven by a passion for patients and are dedicated to improving and enhancing lives through partnerships with clinicians and stakeholders across the global healthcare landscape.

Edwards Lifesciences continues to focus on investing in our people, our innovative technologies and our growth, and even with the challenges of the last several years, has remained dedicated to helping as many patients as possible. We recognize that our work impacts many stakeholders around the world, and we are committed to contributing value to the communities in which we operate.

At Edwards, our [Credo](#) defines our culture, strategic priorities, and our vision for sustainability and long-term value creation. Our environmental, social and governance (ESG) or sustainability targets are closely aligned with our corporate aspirations and are intended to address those topics that have been assessed to be of most importance to Edwards and its stakeholders. We are proud to share our progress toward those targets, shown in the table below.

The Edwards Lifesciences 2021 Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards and with reference to the [United Nations' 17 Sustainable Development Goals](#) (UN SDGs). Based on our assessment of the SDGs, we have focused our efforts on those areas where we believe we can have the most significant and meaningful impact:

**UN SGD 3:** Good Health and Well-Being – Ensure healthy lives and promote well-being for all at all ages

**UN SGD 8:** Decent Work and Economic Growth – Promote inclusive and sustainable economic growth, employment and decent work for all

**UN SGD 12:** Responsible Consumption and Production – Ensure sustainable consumption and production patterns.

## Our Aspirations



Transforming patient lives with breakthrough medical technologies

Edwards is driven by a passion to help patients, partnering with clinicians to develop innovative technologies in the areas of structural heart disease and critical care monitoring. We put patients first, working to produce better technologies that enable better outcomes for patients.

# Sustainability Targets

● met

● in progress

○ not met

Remove barriers along the patient journey to continuously increase treatment rates for all indicated severe aortic stenosis patients

**3** GOOD HEALTH AND WELL-BEING

**10** REDUCED INEQUALITIES


Ensure that our therapies are addressing the needs of patients through an increasingly collaborative patient engagement process

**3** GOOD HEALTH AND WELL-BEING


Empower and activate patients by meaningfully increasing awareness of structural heart disease globally by 2024

**3** GOOD HEALTH AND WELL-BEING

**10** REDUCED INEQUALITIES


**600K+**  
Patients treated with  
Transcatheter Therapies

## Our Aspirations



Excelling as a trusted partner through distinguished quality and integrity

Edwards conducts business ethically and with integrity, providing the highest level of care and respect for our partners. We are committed to the quality and safety of our products, driving innovation and promoting resource efficiency.

# Sustainability Targets

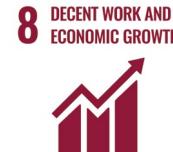
Drive continuous improvement efforts to ensure no patient safety-related class 1 product removals



No significant disruption of product availability



Achieve a 35% reduction in recordable injury rates by 2025



Achieve ISO 14001 and 45001 certification at all manufacturing plants by 2025



By 2021, aim to achieve information security and privacy certifications for our digital and connected medical device platforms:

- UL2900 certification for our new medical devices release, such as next generation HemoSphere monitoring platform
- HITRUST certification for our upcoming Cloud portal that will process regulated patient health information of our customers



## Our Aspirations



Fostering an inclusive culture where all employees grow and thrive

Fulfilling our mission to help patients requires a strong, healthy and talented workforce. Edwards recruits top candidates, offers employee wellness and engagement programs and fosters a diverse and inclusive culture to help employees deliver their best.

# Sustainability Targets

● met

● in progress

○ not met

By 2022, all global employees to have completed unconscious bias training, and new hires within six months of employment



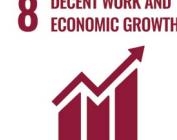
Year-over-year positive trending globally of women in leadership positions



Year-over-year positive trending in U.S. of ethnically diverse talent in leadership positions



Annual top talent retention resulting in voluntary turnover less than high performing benchmarks



Highly engaged workforce that exceeds industry, region and high performing benchmarks for employee engagement



## Our Aspirations



Passionate engagement that strengthens our communities

Edwards is committed to strengthening the health of our global communities. With patients as our top priority, we work to increase access to our innovative therapies, improve efficiency of healthcare processes, improve awareness of and treatment for life-threatening diseases and provide opportunities for our employees to give back.

# Sustainability Targets

Drive Edwards' aspiration of 100% global employee participation in charitable activity with participation goals of 100% for the Senior Leadership Team (SLT) and an increase in global participation as measured by the Employee Engagement survey

**3** GOOD HEALTH AND WELL-BEING

**17** PARTNERSHIPS FOR THE GOALS


Every Heartbeat Matters will improve the lives of 2.5 million more underserved structural heart and critical care patients by the end of 2025

**3** GOOD HEALTH AND WELL-BEING

**10** REDUCED INEQUALITIES


Electronic instructions-for-use roll-out to all applicable business regions by end of 2022

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION


By 2025, reduce our environmental footprint according to Edwards' EHS plan:

- 10% reduction in waste generation intensity
- 10% reduction in water withdrawal intensity

**6** CLEAN WATER AND SANITATION

**7** AFFORDABLE AND CLEAN ENERGY

**8** DECENT WORK AND ECONOMIC GROWTH

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION


## New Targets

Achieve carbon neutrality by 2030 and 1.5°C science-based targets

**7** AFFORDABLE AND CLEAN ENERGY

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION

**13** CLIMATE ACTION


Reduce product distribution air miles traveled by an additional 1.5 million by 2023 vs 2018 baseline

**8** DECENT WORK AND ECONOMIC GROWTH

**12** RESPONSIBLE CONSUMPTION AND PRODUCTION

**13** CLIMATE ACTION


## Our Aspirations



Delivering exceptional shareholder value

By delivering on our focused company strategy and implementing sustainability practices, Edwards positions itself for long-term profitability that will benefit our stakeholders and also our bottom line.

# Sustainability Targets

Integrate sustainability factors in the strategic planning process annually



Include sustainability targets in the CEO's performance goals annually



## New Target

Incorporate sustainability targets into the Senior Leadership Team annual performance objectives by 2022



While acting as a trusted partner in a responsible manner has always been a key tenet at Edwards, we began formally reporting our sustainability progress in 2014. To guide our ESG strategy and disclosure, in 2015, we established a Sustainability Council comprised of senior leaders from across the organization. Each council member has a sponsor from the Edwards Leadership Team who oversees the inclusion of sustainability within their part of the company. In 2016, we conducted our first ESG materiality assessment, which allowed us to identify and prioritize our management of key environmental, social and governance topics. We then set sustainability targets for each of our most important topics, which align naturally with our Aspirations. Our team continues to assess and report progress on our targets annually.

In 2019, we refreshed the materiality assessment using the Six Capitals of Integrated Reporting in prioritization of the identified important topics. More information on our materiality refresh can be found in our [Materiality & Stakeholder Engagement](#) section.

In 2021, we further integrated sustainability factors, including our target setting process, into our overall corporate strategic planning process and initiated a readiness assessment for integrated reporting.

This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards (Core option). This report covers all global Edwards subsidiaries. We also evaluated the SASB Standards for Medical Equipment and Supplies and have incorporated certain metrics into this year's report. Please see our [Content Index](#) for more details. We annually report our climate and water impacts to CDP and respond to several sustainability rating and ranking surveys, including DJSI. We publish periodic [philanthropy reports](#) on our corporate giving initiatives. In addition, we publish our [Sustainability Metrics at a Glance](#), which offers a multi-page snapshot of the metrics most used by external stakeholders. We use an interactive [Governance Map](#) that outlines our accountability process for material topics.

# Organizational Profile

Edwards was established as an independent public company in 2000, and since then the company has grown to more than \$5 billion in revenue in 2021 with product sales in approximately 100 countries. We are dedicated to the development of medical technologies that improve both patient outcomes and speed of recovery. Our technologies include transcatheter and surgical heart valve therapies and critical care technologies, such as:

- Transcatheter Aortic Valve Replacement (TAVR)** – In partnership with physicians worldwide, Edwards continues to lead the development of minimally-invasive heart valve technologies enabling a streamlined procedure with excellent outcomes, rapid discharge and improved quality of life for patients with aortic stenosis. Through significant investment in technology advancement and clinical evidence, Edwards strives to further expand the treatment options for patients with aortic stenosis.
- Transcatheter Mitral and Tricuspid Therapies (TMTT)** – Edwards is making significant investments in the development of a differentiated portfolio of therapy options designed to treat mitral and tricuspid valve diseases.
- Surgical Structural Heart (Surgical)** – Edwards is committed to being the partner of choice for cardiac surgeons and helping transform patients' lives by advancing surgical structural heart innovations. Edwards is the world's leading manufacturer of tissue heart valves and surgical heart valve repair therapies, which are used to treat a patient's diseased heart valve.
- Critical Care** – Edwards is a world leader in advanced hemodynamic monitoring systems used to measure a patient's heart function and fluid status in surgical and intensive care settings. Its complete hemodynamic portfolio helps clinicians make proactive clinical decisions and plays an important role in enhancing patient recovery.

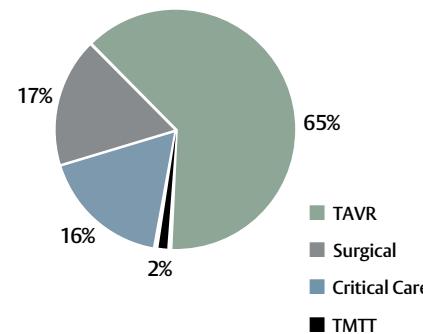
Every year, Edwards Lifesciences continues to innovate life-saving therapies. In 2021, Edwards Lifesciences introduced several products for commercial use.

- Chinese sales initiated for the INSPIRIS RESILIA aortic surgical valve
- Japanese approval of the MITRIS RESILIA Mitral Valve
- Japanese approval to begin treating patients at low surgical risk with the SAPIEN 3 valve

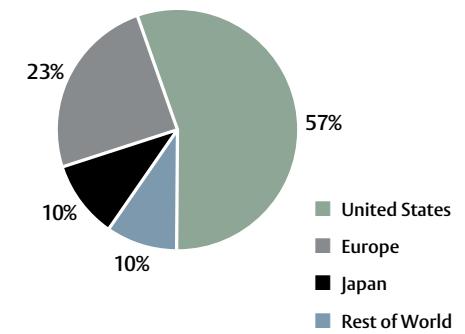
- U.S. Food and Drug Administration (FDA) clearance for Hypotension Prediction Index software for noninvasive Acumen IQ Cuff
- FDA approval for the use of the Edwards SAPIEN 3 transcatheter valve with the Alterra adaptive presten (SAPIEN 3 with Alterra) for patients with severe pulmonary regurgitation.

Edwards has continued our focus on innovation. Please see our [Newsroom](#) for updates on our latest innovations and approvals, as well as our [Investor Relations](#) site for quarterly Fact Sheets.

**2021 Sales by Product Line**



**2021 Sales by Geographic Region**



Edwards is incorporated in Delaware and headquartered in Irvine, California, USA. We operate major manufacturing facilities in the United States, Puerto Rico, the Dominican Republic, Costa Rica, Singapore and Ireland. We also have a significant employee presence at regional locations in Europe and Japan, with an office in Ireland where a manufacturing facility was opened in 2021 with plans to increase the workforce to 850 people in the coming years. None of our North American employees are represented by a labor union. In various countries outside of North America, we interact with trade unions and work councils that represent a limited number of employees.

## Edwards by the Numbers

Total Number of Operations	<b>65 (7 manufacturing locations)</b>
Total Number of Employees as of December 31, 2021 (Including Part-Time and Temporary Employees)	<b>15,700</b>
Global Employees by Gender in 2021	<b>59% Female</b> <b>41% Male</b>



## Customers

Across the U.S. and international markets, our customers include physicians, medical professionals, hospitals and group purchasing organizations. In 2021, we derived 57 percent of our sales from the U.S. and 43 percent from international markets.

## Direct Suppliers

Our primary direct materials suppliers provide:

- Bovine pericardial tissue
- Chemicals
- Contract manufacturing
- Electronic assemblies and cables
- Extruded tubing and extrusions
- Guidewires
- Injection molded components
- Packaging materials
- Precision machining components

We source about 70 percent of our manufacturing materials from key and strategic suppliers. We only add suppliers if new technology or capability is required for our business and not already present in our supplier base. New suppliers undergo a thorough due diligence process, including screening for adverse conditions or events. We prioritize partnerships with suppliers headquartered in countries that enforce stringent standards and regulations to help reduce risks of non-compliance in our supply chain. For example, we source bovine pericardial tissue exclusively from the U.S. and Australia. Our largest indirect suppliers provide telecommunication services, food and catering services, office supplies, uniforms, lab products and cloud software. Please see our topic disclosures and governance map for more on Supply Chain management.

# Governance Map

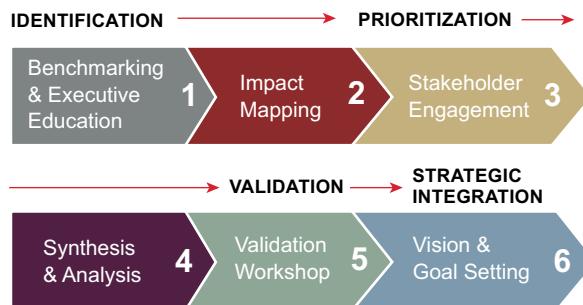


We use a Governance Map to show the process used to establish accountability for each material topic in one overarching, interactive graphic. Each section describes who is involved when we set, execute and communicate our strategy for each of our material topics.

*Review our governance structures and practices on our website by clicking on the pie chart.*

# Materiality & Stakeholder Engagement

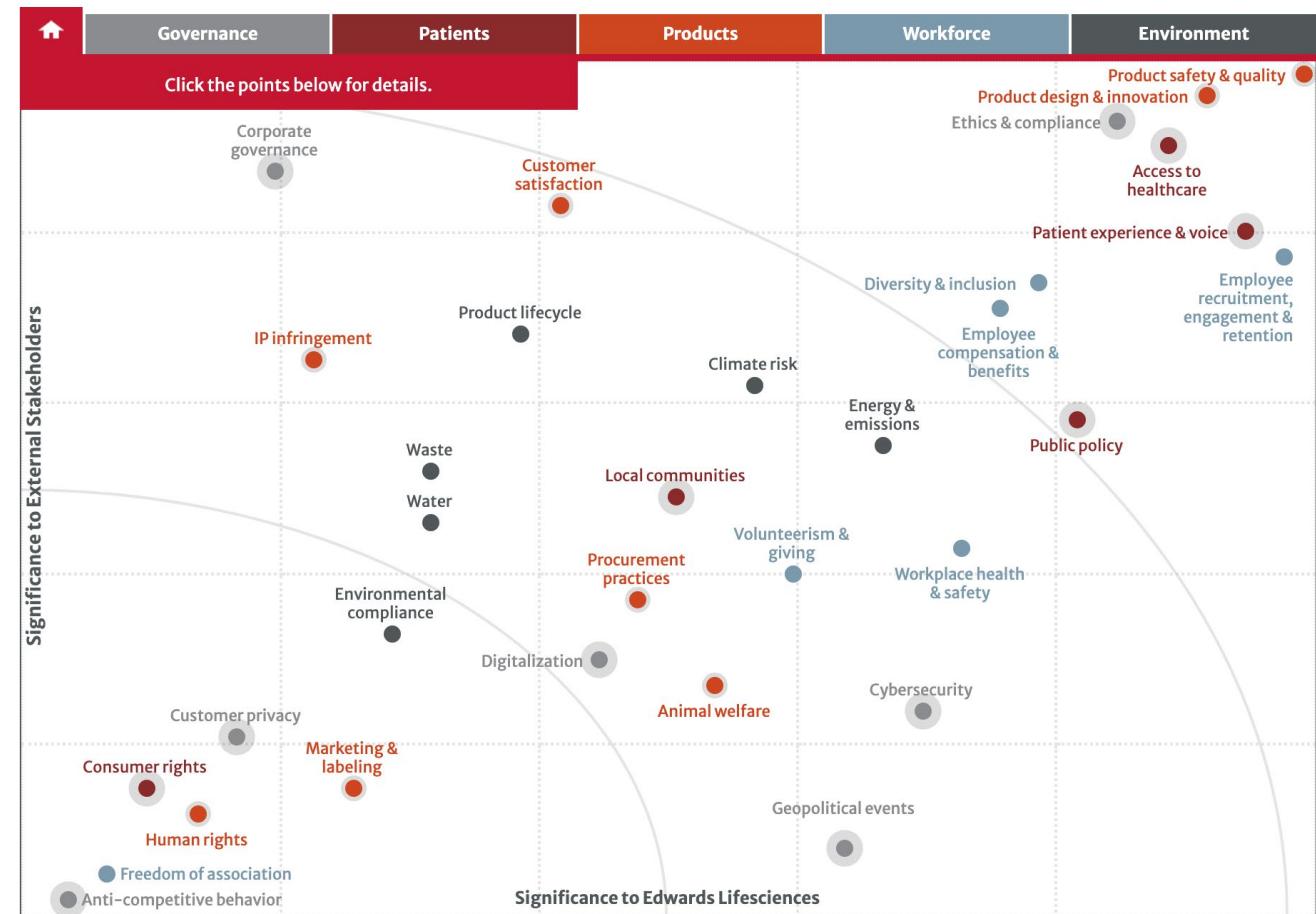
Edwards' Aspirations guide us in our work to positively impact patient lives. In 2016, we conducted a materiality assessment to objectively determine what ESG topics were important to our stakeholders, and to inform and drive our sustainability strategy, reporting, and actions moving forward. This assessment engaged more than 60 internal and external stakeholders. In 2019, our Sustainability Council completed a refresh of that assessment to identify and prioritize the most important topics for achieving our ESG commitments. We engaged multiple stakeholder groups and conducted surveys for employees and patients and received nearly 1,000 responses. Such in-depth analysis delivered a comprehensive materiality assessment, which provided confidence in the results and insight into areas of importance and emphasis. Our materiality process:



Note: To learn more about our original materiality assessment process, please see our [2017 Sustainability Report](#).

## Materiality Matrix

Learn more about the results of our assessment on ESG topics of importance to our stakeholders, and our business, by clicking on the matrix below.



## Value Chain

Edwards Lifesciences' [Credo](#) reinforces our dedication to providing innovative solutions for people fighting cardiovascular disease. We believe that the management of our material topics supports this mission through our [aspiration](#) focused on delivering exceptional value to

our stakeholders. For each topic, Edwards also considers where impacts directly occur throughout our manufacturing processes, geographic footprint and stakeholder relationships. The map demonstrating our understanding of our impacts across our value chain can be found on pages 18 and 19 in our [2017 Sustainability Report](#).

# Governance



Edwards Lifesciences is committed to responsible and ethical business practices. The Governance section of our 2021 Sustainability Report contains our management approach and annual performance for the following material topics:

- Ethics & Compliance
- Corporate Governance

## Ethics & Compliance

Edwards Lifesciences' global ethics and compliance program supports our commitment to excelling as a trusted partner through distinguished quality and integrity and delivering exceptional value to our stakeholders.

### Definition

Driving a culture of integrity that promotes ethical behavior and compliance with our code of conduct, as well as with relevant laws and regulations, including anti-bribery and corruption.

## Management Approach

At Edwards Lifesciences, our business, strategy and aspirations are built upon a strong culture of integrity. Edwards is committed to conducting our work according to the highest standards of business ethics. We value trusted relationships with our many stakeholders and recognize that our ability to improve patient lives around the world is dependent upon our reputation and credibility.

### Governance Map

[click to view](#)



## Global Ethics and Compliance Program

Our Global Ethics and Compliance Program (the Program) establishes a comprehensive framework for promoting compliance with applicable laws, regulations, and standards of conduct, and reinforces our culture of integrity. Our Board of Directors and senior leadership are committed to upholding our ethical culture and to supporting our Global Ethics and Compliance Program.

1. **Governance.** Edwards' Senior Vice President and Chief Responsibility Officer (CRO) leads Edwards' Global Ethics and Compliance Program as well as its Sustainability Program. The CRO reports directly to the Audit Committee of the Edwards Board of Directors and provides regular updates on the Program to the Compensation and Governance Committee and the Executive Leadership Team (ELT). A Corporate Compliance Committee chaired by the CRO and comprised of a cross-section of senior leaders is tasked with assisting the CRO with implementation of the Program and meets regularly to discuss matters related to compliance risk and program effectiveness. Each region also has a dedicated regional compliance officer (RCO) who reports to the CRO and has responsibility for implementation and oversight of the Program. Each RCO chairs a regional compliance committee of regional leaders.
2. **Global Business Practices Standards.** Edwards' Global Business Practices Standards (known as the "[Titanium Book](#)") serve as the foundation for Edwards' Global Ethics and Compliance Program. The Titanium Book is considered our "Credo in action" and sets forth our values and expectations of all employees with regards to:
  - **The Marketplace:** We will conduct our business with honesty and integrity, as well as obey all laws and regulations.
  - **Our Employees:** We will treat our colleagues with fairness and respect in a safe work environment.
  - **Our Community:** We are committed to being productive and respectful members of the communities where we do business.
  - **Our Company and Shareholders:** We will act in the best interests of Edwards and its shareholders, communicate effectively with our shareholders and protect the Company's assets.

The Standards apply globally to all Edwards businesses and subsidiaries and to all employees, members of the Boards of Directors and agents of Edwards. The Standards are available in eight languages; and all professional employees are required to certify annually that they have read and agree to follow the Standards.

3. **Edwards' Speak-Up Program.** The Titanium Book clearly states that ethical business conduct is the responsibility of every Edwards employee and that our employees are expected to raise any questions or concerns they may have about potential misconduct. Employees have several communication channels available to them for raising ethical questions or concerns, which are outlined not only in our Standards but also on the employee intranet, posters, wallet cards and other communications. Our Speak Up tool, the [Edwards Integrity Helpline](#), is available to both employees and external parties, and allows for anonymous reporting. It can be accessed globally by telephone or a web portal and is available 24 hours a day, 7 days a week. Edwards strictly prohibits retaliation against any employee who raised a concern in good faith.

4. **Training and Communications.** Edwards employees must complete a training program designed to ensure they understand and comply with our Global Business Practices Standards, policies and procedures, and Anti-Bribery and Corruption Training. We expect our employees to be able to recognize and appropriately respond to potential compliance risks and ethical issues. Training is delivered through a combination of live sessions and targeted on-line training modules that are regularly reviewed and updated.
5. **Risk Assessments, Auditing & Monitoring.** Edwards regularly assesses the compliance risks that are facing the company and continuously updates and improves its Global Ethics and Compliance Program to address those risks. In addition, Edwards implements audit and monitoring plans to assess overall compliance and to identify any potential weaknesses in the program and/or need for corrective actions.

## Anti-Corruption

Edwards adheres to all applicable anti-corruption laws and regulations, including but not limited to the US Foreign Corrupt Practices Act and UK Bribery Act, and we expect all third parties doing business on our behalf to uphold the same high standards. Edwards' employees must complete annual training on anti-bribery and corruption. Edwards has also established a number of other internal controls to prevent bribery and corruption, including:

- Risk assessments and related monitoring
- Internal audits on financial controls pertaining to anti-bribery and corruption
- Investigations of all reports of potential violations

## Third-Party Management

Our third-party management program includes rigorous due diligence, training and monitoring to ensure compliance with anti-corruption laws and to promptly identify and remediate any potential issues.

## Interactions with Healthcare Professionals

Edwards' collaboration with physicians is essential for the safe and effective use of our products as well as the continued innovation of our technologies and therapies. We have implemented a comprehensive framework of policies and procedures intended to ensure that our interactions with healthcare professionals are ethical, professional and free from even the appearance of improper inducement. We never want the actions of our employees (or third parties) to interfere with the independent medical judgment of healthcare professionals or the best interests of patients.

Edwards complies with all applicable disclosure requirements and is transparent about its relationships with healthcare professionals. In 2008, Edwards became the first of our peer group to disclose payment voluntarily and publicly to physicians in the United States. Now, in accordance with the U.S. Affordable Care Act, we report all financial relationships with U.S. physicians and teaching hospitals through the [Open Payments](#) system on the Centers for Medicare and Medicaid Services' website. We also comply with all tracking and disclosure requirements that apply to medical device manufacturers around the world.

## Responsible Marketing

As a global leader, we deliver advanced products and services that are valued for their innovation, features, quality and performance. We comply with all applicable legal and regulatory requirements and ensure that our marketing and promotional communications are truthful, accurate and not misleading. We do not promote products for uses that have not been approved by the appropriate regulatory authority and we do not disparage the products or services of our competitors.

## Annual Performance

### Global Business Practice Standards

We require all professional employees to complete an annual online certification of their commitment to follow the Global Business Practices Standards. In 2021, 99.6 percent of Edwards' professional employees completed the certification.

### Global Ethics and Compliance Program

In 2021, we held our ninth annual Titanium Day event. On this day, we celebrate Edwards' [Credo](#) by reinforcing our commitment to conducting business according to the high standards of business integrity and ethics through education and awareness. Although typically these events are conducted live at multiple sites around the world, in 2021 we moved to an online platform due to COVID-19 related precautions. Nonetheless, we connected with thousands of employees across multiple geographies through leadership presentations, panel discussions, videos and engaging educational activities focused on our Global Business Practices Standards (or "Titanium Book"). In early 2022, we received our sixth consecutive recognition as one of the [World's Most Ethical Companies](#).

### Leadership Training

In 2019, we developed an online learning module on ethical decision-making for managers, rolling out the training in the U.S. in early 2020, and achieved a 94 percent completion rate. We then met our target to have 100 percent of managers complete the learning module on ethical decision making by 2020. This course was assigned to all new managers at Edwards hired in 2021.

### Corruption and Bribery

In 2020, we launched a comprehensive review of our Global Ethics and Compliance Program with particular emphasis on anti-bribery and anti-corruption. Learnings from that review identified opportunities for training enhancements. In 2021, we developed an enhanced online global learning module on anti-bribery and anti-corruption required for all professional employees. We will continue to further enhance and improve our program, while also ensuring we are well positioned for sustainable growth.



# HIGHLIGHT STORY



## Edwards Receives Top Ethics and Citizenship Recognitions

**World's Most Ethical Companies:** For the sixth year in a row, Edwards Lifesciences was recognized by the Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices, as one of the [Ethisphere's World's Most Ethical Companies®](#). Edwards is the only honoree in the medical technology industry, underscoring our commitment to leading with integrity and prioritizing ethical business practices.

**Newsweek's America's Most Responsible Companies:** Newsweek partnered with global data research firm Statista Inc. to publish its third ranking of [America's Most Responsible Companies 2022](#). Statista worked from a universe of 2,000 public companies to determine which firms were top-performing when it came to doing good. Results are based on publicly available key performance indicators derived from Corporate Social Responsibility Reports, Sustainability Reports, and Corporate Citizenship Reports as well as an independent survey among 11,000 U.S. citizens about their perceptions of the companies related to corporate social responsibility. The final list recognizes the top 499 most responsible companies in the United States, spanning 14 industries. Edwards ranked #277 overall.

## Edwards Named One of America's Most JUST Companies

Edwards Lifesciences was honored by being recognized as one of [America's Most JUST Companies](#), according to [JUST Capital](#), a non-profit that ranks the largest publicly traded corporations in the United States on the issues Americans care about most. Edwards ranked #86 overall out of 954 for America's best corporate citizens. Edwards was recognized, for the fifth consecutive year, for outperforming its peers on the criteria deemed to be most important, including providing workers with good benefits and supporting work-life balance; giving back to local communities; diversity, equity, and inclusion; leadership integrity and more.



# Corporate Governance

Edwards Lifesciences' work to improve corporate governance supports our aspiration of delivering exceptional shareholder value.

## Definition

Corporate governance is a system of rules, procedures, practices, policies, and relationships by which a company is controlled and operates.

## Management Approach

It is important to be accurate, clear, and transparent in disclosures regarding corporate decision-making, organizational process, and company operations. Good corporate governance involves balancing the interests of a company's many stakeholders, including shareholders, employees, customers, the community and a vital stakeholder group for Edwards—patients.

Through our corporate governance practices, the Board of Directors and management create a responsible organization from the top, setting the tone of our patient-focused culture, and supporting our strong reputation. This begins with our Chairman and CEO, who regularly meets with key stakeholders, including investors, customers, patients, employees and legislators, to discuss their needs and share our progress. In addition, our CEO includes sustainability targets in his performance goals annually. Our Board of Directors and management strive to implement policies and processes that promote ethical and sustainable corporate governance practices for the benefit of all stakeholders.



## Our Board of Directors

A talented and knowledgeable team of directors oversees our organization. Our [Corporate Governance Guidelines](#) outline expectations for Board service that demonstrate our commitment to ethical and effective corporate governance. These guidelines cover topics, such as:

- Board size and composition
- Director selection and qualification
- Director responsibilities and operation of the Board
- Director access to management and independent advisors
- Responsibilities of Board committees
- Board oversight for strategic planning and fiduciary responsibility
- Director compensation
- Director orientation and continuing education
- Succession planning
- Recoupment of performance-based compensation
- Process for performance and annual evaluations of the Board

Our Board members oversee corporate strategy, financial and operational risk, information security and cybersecurity, and sustainability, among other matters.

At Edwards, the directors evaluate the Board's leadership structure on a regular basis to ensure that the approach continues to provide independent oversight of the company and serves the best interests of all stakeholders. This includes a robust director evaluation and Board refreshment process. Our Board strives to maintain a highly independent, balanced and diverse group of directors that collectively possesses the expertise to provide proper oversight of management. After the company's 2021 annual stockholders' meeting, 87.5 percent of the Board was independent, 37.5 percent of the Board were women, and 25 percent of the Board were ethnically diverse. The average age of our directors was 65 years and the average tenure was seven years.

Our Chief Executive Officer also serves, and has served, as the Chairman of the Board of the company since the company went public more than 22 years ago. Our Board believes this has been, and continues to be, an effective approach for our company as Edwards has experienced strong financial and operational growth under this leadership structure, most recently providing a cumulative total shareholder return of 315 percent to shareholders from 2016 to 2021. Edwards' [2022 Proxy Statement](#) further describes our corporate governance policies and practices.

Our Board has established two committees:

1. [Audit Committee](#) – assists our Board in fulfilling its oversight responsibilities relating to, among other matters, the following:

- Integrity of the company's financial statements;
- Compliance with legal and regulatory requirements;
- Monitoring the independent registered public accounting firm's qualifications, performance and independence;
- The performance of the company's internal audit function;
- The company's investment and hedging activities; and
- Enterprise-wide risk and management practices related to those risks, including, but not limited to, manufacturing processes and supplier quality, product development processes and systems, continuity of the company's operations and information technology infrastructure and cybersecurity and information security risks.

2. [Compensation and Governance Committee](#) – is responsible for, among other things, the following:

- Determining the compensation of executive officers and recommending to our Board the compensation of nonemployee directors;
- Overseeing management of succession planning, attraction and retention of talent, and risks related to the design of executive compensation programs and arrangements;
- Developing and recommending to the Board corporate governance guidelines;

- Identifying, evaluating and recommending individuals qualified to be directors to the Board;
- Overseeing the evaluation of the Board and management;
- Overseeing the company's principles, programs and practices on sustainability topics, including environmental and social affairs; and
- Overseeing the company's program for engaging with shareholders on corporate governance and other matters relating to the meetings of the company's shareholders.

Additionally, our Board, led by the Compensation and Governance Committee, is responsible for assessing, identifying, evaluating, and, ultimately, recommending to shareholders, individuals qualified to be directors of the company. The Compensation and Governance Committee maintains formal criteria for selecting director nominees who will best serve the interests of Edwards and its stakeholders. These written membership criteria state that Edwards "seeks a board with diversity of background among its members as determined by the Board in its business judgment, which may include diversity of experience, gender, race, ethnic or national origin, age or other factors as the Board determines appropriate." The director nominations process also includes a review of current director skills against an established skills matrix and consideration of each director's retirement horizon, as well as the feedback received through the Board's self-evaluation and peer evaluation. Please see pages 6–7 of our [2022 Proxy Statement](#) for a more in-depth description of the criteria.

Visit our [Governance](#) page to find the written charters, including a description of the full responsibilities of the committees.

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**ESG targets included  
in 100% of ELT  
performance goals**

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## CEO Pay Ratio

Edwards believes incentive-based executive compensation programs can mitigate risks and foster long-term value creation and sustainable growth. We design our compensation programs to align with the interests of our shareholders. Pursuant to the Securities Exchange Act of 1934, as amended, our Proxy Statement contains the ratio of the total annual compensation of our CEO to the median of the total annual compensation of all our employees (excluding our CEO), which is reported in the annual performance section of this report. Page 60 of our [2022 Proxy Statement](#) specifies our methodology for calculating this figure.

## Governance for Sustainability

Our Compensation and Governance Committee maintains formal oversight responsibilities over Edwards' sustainability principles, environmental and social affairs and regularly reports and discusses the company's progress on these topics with the full Board. Our Chairman and CEO also has performance management objectives for improving our sustainability strategy, metrics and disclosures. A cross-functional Sustainability Council develops and drives the implementation of these initiatives using a robust management framework. Led by our CRO, the Council is comprised of senior leaders from various functions across the organization.

Council members represent their areas of responsibility and collaborate to identify priorities, set sustainability targets and implement strategies to improve performance against achieving those targets. They meet regularly to review Edwards' progress and develop implementation strategies. Our CRO reports on the Council's activities to our Compensation and Governance Committee, and to our ELT. This year we are also aiming to incorporate sustainability targets into the Senior Leadership Team's annual performance objectives.

## Enterprise Risk Management

Enterprise risk is assessed and prioritized using quantitative and qualitative inputs on multiple key dimensions, including, among other things:

- Patient safety
- Business and financial metrics
- Operational risks (disruptive events)

- Reputation and brand
- Legal and regulatory
- Talent and employee wellness

Our Strategic Planning process, in part, considers risks and opportunities to Edwards on a seven-year time horizon. Our Enterprise Risk Council reviews and prioritizes our top risks quarterly and reviews updates provided to the Board and management. The Council discusses enterprise risk at each regularly scheduled Board meeting to inform the Board on the latest posture of key risks. We have a strong business continuity program with standardized plans across global manufacturing sites. We routinely run exercises to test readiness. Incorporating sustainability factors into our risk assessments provides us with a more robust understanding of potential risks to the company. We have an agile crisis management process that leverages insight and leadership from an experienced and cohesive management team. Please see our [Governance Map](#) for more details.

Annually, and as needed, the Audit Committee, the CFO and the Senior Vice President of Enterprise Risk Management consider various potential risks to the company, including those related to financial reporting, product development, continuity of operations, regulatory compliance, succession planning, physical facilities and other topics. The full Board of Directors and the Senior Vice President of Enterprise Risk Management also consider potential risks to the strategic plan in connection with the annual strategic review.

Edwards is aware that changing weather patterns may cause business interruptions. In response, we incorporate the potential impact of floods, wildfires and other weather events into our assessments. We have established emergency response systems and business recovery processes and test them regularly. We work with our insurance provider to ensure our global facilities have appropriate weather damage-prevention features and resilient infrastructure. We continue to review and assess the risk factors outlined in the Task Force for Climate-related Financial Disclosures (TCFD) for material relevance to Edwards and, where needed, to shape appropriate mitigation strategies. For more information, please see "Risk Factors" on page 12 of our [2021 Annual Report](#) and "Board Role in Risk Oversight" on page 14 of our [2022 Proxy Statement](#).

## Cybersecurity

Our Audit Committee regularly reviews cybersecurity and information security risks, and our Information Security team, overseen by the Chief Information Security Officer, works to maintain best-in-class cyber and information security practices with the objective of strengthening cyber resiliency. The team operates our Information Security Program, which follows the principles of industry standards such as the NIST Cybersecurity Framework, ISO 27002 Standard, CIS Framework, SANS Top 20 Controls and OWASP Top 10, among others. These frameworks allow us to apply our priorities in a consistent and risk-based manner. We leverage these frameworks to ensure security controls aligned with best practices are consistently deployed across the business. In addition, we work with trusted and leading third parties to help us assess and strengthen our cybersecurity program maturity and continually enhance our processes.

To prepare for potential cybersecurity incidents, we maintain both a business continuity plan and cyber incident response plan with formalized workflows, playbooks and simulation exercises conducted periodically and involving our CEO. We also engage external partners in conducting various audits and tests on our IT infrastructure to proactively identify potential vulnerabilities.

The Information Security team is an affiliated member and active contributor to improvements in the information security industry through the following Information Security Committees:

- National Health Information Sharing and Analysis Center (NH-ISAC)
- Medical Device Innovation, Safety and Security (MDISS)
- Advanced Med Tech (AdvaMed) Security Group

We achieved UL2900 certification for our new medical devices release, such as our next generation HemoSphere monitoring platform. We further aim to achieve HITRIST certification for our upcoming Cloud portal for our digital and connected medical device platforms, which will process the regulated patient health information of our customers and patients.

Edwards works to further strengthen our response and recovery mechanisms as a part of our cyber resiliency strategy.

Our Information Security policies are published in an employee handbook and on our web portal. Every new employee receives these policies, and Edwards conducts regular robust information security awareness and training campaigns for our employees regarding cybersecurity. We also provide [communication hotlines](#) for employees and external users to report any security incidents they see and escalate them right away. In addition, we provide [product security disclosures](#) and contact information to report any product vulnerabilities.

### Respecting the General Data Protection Regulation

Edwards respects the privacy rights of everyone who interacts with us and we are committed to compliance with applicable privacy and data protection requirements.

### Privacy

Edwards does not sell or otherwise provide personal information to third parties for the third parties' marketing purposes. For more information, please see our [Privacy Statement](#).

## Approach to Taxation

Edwards is committed to responsible tax management and transparency across our extensive global operations and business activity. With sales in more than 100 countries, our tax contribution is substantial and global in scope, which has a significant impact on communities throughout the world.

Our approach to taxes is grounded in three principles: 1) compliance with local and international laws and regulations; 2) a commitment to business excellence that aims to maximize efficiencies and competitiveness; and 3) consideration of the interests of multiple stakeholders, including governments and tax authorities, customers, shareholders and the communities where we operate our business. For more information, please see our [Position Statement on Tax](#).

## Annual Performance

Edwards continually strengthens our governance structures to promote business success and drive our culture of responsibility.

### Board of Directors

Our Board remains committed to ensuring we have the appropriate skills, experience and diversity to independently guide and oversee Edwards' long-term strategy. The diverse range of qualifications and skills represented by our directors are provided on page 7 of our 2022 Proxy Statement. None of our directors serve on more than two other public companies and all are committed to fulfilling their board responsibilities. For more information, please see our [2022 Proxy Statement](#).

### Engaging our Shareholders

Throughout 2021, we continued our stakeholder engagement practices with our shareholders and incorporated feedback into our decision-making processes. For information on Edwards' engagement with shareholders, please see our [2022 Proxy Statement](#). Additional information about Edwards' corporate governance practices can be found in our Bylaws, Corporate Governance Guidelines and the Charters of the Audit Committee and the Compensation and Governance Committee. Visit our [Governance page](#) to find the written bylaws, guidelines and charters.

### Status of Pay-for-Performance, Executive Compensation and CEO Pay Ratio

In 2021, approximately 91 percent of the target total direct compensation of our CEO, and an average of 79 percent of the target total direct compensation of our other Named Executive Officers, was performance-based. For more information, please see our [2022 Proxy Statement](#).

Based on the SEC rules for CEO pay ratio disclosure and applying the methodology described on page 60 of the [2022 Proxy Statement](#), we determined that our CEO's total compensation for 2021 was \$13,613,305, and the median of the total 2021 compensation of all our employees (excluding our CEO) was \$73,036. Accordingly, we estimate the ratio of our CEO's total compensation for 2021 to the median of the total 2021 compensation of all our employees (excluding our CEO) to be 186 to 1.

## Governance for Sustainability

We continue to align our sustainability efforts with our patient-focused innovation strategy, guided by our Aspirations and our Credo. In 2021, we again met our target to integrate sustainability factors into the strategic planning process annually, furthering our alignment of sustainability targets with our overall corporate goals.

### Enterprise Risk Management

Edwards' Board of Directors and ELT continually refine and strengthen our enterprise risk management (ERM) process, aiming to better identify emerging risks and minimize impact. In 2021, we continued to integrate sustainability factors into our ERM process by incorporating ESG considerations into our Strategic Planning process, reviewing our climate risks, and refining business continuity plans. Using the TCFD's risk assessment framework, we assessed risks and provided an overview to our enterprise risk council. Additionally, Edwards conducted multiple business continuity exercises in 2021, which focused on natural disaster risk. For more information, please see "Risk Factors" on page 12 of our [2021 Annual Report](#).

In 2021, the COVID-19 pandemic continued to be a key risk that has impacted companies and organizations around the world. Edwards' ERM program continued to provide risk leadership as the company has managed through the pandemic. In this capacity, the ERM program has provided insight into the company's COVID-19 road map, response plans and protocols.

### Cybersecurity

Edwards experienced no cyber breaches or incidents that had a material impact in 2021. Attempted cyber-attacks on our network were detected and responded to in a timely manner. We have not incurred material expenses from information security breaches or security breach penalties or settlements over the last three years.

In March 2022, we achieved UL2900 certification for our new medical devices release, such as our next generation HemoSphere monitoring platform. Looking forward, our Information Security Program is focusing on implementing new digital products with HITRUST certification. We are also focusing on further building cyber resiliency throughout our value chain. We are closely monitoring new and emerging cybersecurity regulations around the world, assessing their potential impacts to our business and responding accordingly.

# Patients



## Access to Healthcare

Edwards Lifesciences' work to improve access to healthcare supports our [Aspirations](#) of transforming patient lives with breakthrough medical technologies and passionate engagement that strengthens our communities.

### Definition

Supporting the provision of quality care to underserved and diverse patients in global communities; helping to remove regulatory, geographic and economic barriers to treatment, ensuring patients have access to new therapies; participating in public policy development; providing financial contributions in support of Edwards' goals and aspirations; and developing innovations that allow our products to improve the efficiency, safety and effectiveness of healthcare processes.

## Management Approach

Edwards Lifesciences believes patients should have access to high-quality care and new therapies that deliver value, and that patient care can always be improved. Unfortunately, patients in today's global healthcare system often face numerous barriers to treatment. These can include lack of disease awareness, restricted access to coverage, geographic barriers or challenging referral pathways. Edwards' focus on improving access to care contributes to a more sustainable healthcare system and addresses unmet patient needs.

It is our goal to make the patient experience better, reduce overall healthcare costs and continuously improve quality of care. We address this in our target to remove barriers along the patient journey to continuously increase treatment rates for all indicated severe aortic stenosis patients. This target aligns with the UN SDG 3: Good Health & Well-Being.

Our programs began with the recognition that patients, providers and healthcare systems have come to increasingly recognize the value of non-clinical health outcome measures such as quality of life, which can lead to meaningful changes in healthcare status.

Furthermore, with a growing aging population, longer life-expectancy, growth of evidence-based treatment options and constrained budgets, governments and other payers globally are increasingly focused on covering and paying for technologies that are cost-effective and/or cost-saving.

## Global Health Economics & Reimbursement (GHER)

Edwards envisions a future where all patients in need have access to cardiovascular care. To that end, it is important that our treatments are cost effective for healthcare systems. Cardiovascular care innovations can pose a challenge when healthcare systems are unequipped to quickly adopt new technologies. Edwards seeks to bridge this gap by providing health economic data and tools to hospitals and healthcare systems implementing our therapies.

Edwards employs a GHER team whose mission is to increase patient access by developing and defining the related clinical and economic data that healthcare decision-makers need. Our dedicated GHER staff supports customers' and healthcare systems' efforts to improve patient outcomes and reduce costs. We work directly with healthcare systems to provide the clinical and economic data that supports equitable access, coverage and payment so that our technologies can be available to patients in need.

## Improving Access to Care

Together with continued support from Edwards Lifesciences, the American Heart Association's (AHA) quality improvement initiative addresses the need for improvements in identification of patients with aortic stenosis and adherence to treatment guidelines. This initiative around structural heart disease has an intensive approach to aortic stenosis in a [select number of communities](#). These locations are the front lines to identify best practices for in-patient and out-patient settings alike. The goal is to improve the patient experience from symptom onset to appropriate diagnosis and follow-through, to timely treatment and disease management. The program consists of evidence-based measurement development to better identify and treat patients, as well as multi-media educational resources and self-management care plans for people living with structural heart disease. This initiative addresses our target to remove barriers along the patient journey to continuously increase treatment rates for all indicated symptomatic aortic stenosis patients. This target aligns with UN SDG 3: Good Health & Well-Being. For more details, please see [AHA's website](#).

## Philanthropic Support

Edwards is proud to serve patients from diverse backgrounds, all around the world. Through the Edwards Lifesciences Foundation, we support many philanthropic initiatives that increase access to healthcare for underserved patients. The Foundation works to expand access to therapies in all geographic areas, including those in emerging markets, through support of clinical education and medical mission work. We aim to reach underserved regions all around the world, such as Africa, Brazil, China, Dominican Republic, Haiti, India, Jamaica, Peru, Puerto Rico, Russia and Vietnam. Please see our [Volunteerism & Giving](#) section for more information on Edwards' philanthropic efforts.

### Every Heartbeat Matters

Our signature philanthropic initiative is [Every Heartbeat Matters](#) (EHM). Launched in 2014, EHM partners with more than 50 charitable organizations to support the humanitarian needs of underserved patients globally. We are committed to improving the lives of 2.5 million additional underserved structural heart and critical care patients by the end of 2025. This target aligns with UN SDG 3: Good Health & Well-Being. More on this initiative can be found on our [EHM](#) page. A complete list of grantees is available on our [website](#). Each partner is required to adhere to our [program and reporting guidelines](#).

In addition to cash donations, we partner with an experienced organization, [MAP International](#), to offer EHM partners donated products to perform humanitarian treatment for underserved structural heart and critical care patients outside the U.S.

## Political Activities

As a highly regulated medical technology company, public policy influences our ability to help patients. We are active in the policy making and political process through regular and constructive engagement with government officials, policymakers and stakeholder groups. Our goal is to advance sound public policy on areas related to patient-focused medical innovations for structural heart disease, critical care and surgical monitoring, and to improve patient outcomes and enhance lives.

We outline our approach in our [Policy on Political Activities](#) and disclose all federal and state [political contributions](#) on our corporate website, which we update twice per year.

## Annual Performance

### Global Health Economics & Reimbursement

Our GHER program strives to provide reimbursement education to individual hospitals or health systems providing TAVR and other Edwards technologies. While working with TAVR programs in support of their efforts to deliver quality care remained a top priority for Edwards throughout 2021, we also focused efforts supporting the appropriate access for our new Surgical Structural Heart technologies. For example, global markets provide a significant opportunity to impact patient care. In 2021, we first launched our MITRIS RESILIA valve for mitral valve replacement in Japan. Just six months post-launch, the MITRIS RESILIA valve became the leading mitral valve replacement therapy in Japan. In early 2022, the MITRIS RESILIA valve also received approval from the U.S. FDA.

We also furthered our work with hospitals on understanding and adopting best demonstrated quality practices and realizing care efficiencies associated with TAVR and Surgical Aortic Valve Replacement. These efforts continue to increase overall patient access to care and significantly reduce the costs of care. In 2021, Edwards [announced](#) that a cost-effectiveness analysis comparing TAVR to surgery demonstrated that TAVR with the SAPIEN 3 valve is an economically dominant treatment strategy, offering improved outcomes and reduced cost. Treatment with the SAPIEN 3 valve resulted in cost savings of more than \$2,000 per patient through the two-year study period.

In 2021, Edwards also announced clinical and economic results from the 3M (multidisciplinary, multimodality, but minimalist) TAVR Economic Study. The 3M-TAVR study demonstrated positive findings supporting similar clinical outcomes and substantial cost savings associated with minimalist TAVR when compared with conventional TAVR in patients at intermediate risk for surgery. For example, index hospitalization costs for patients in the 3M cohort were \$10,843 lower per patient, driven by reductions in procedure duration, anesthesia costs and length of stay. Cumulative cost differences out to 30 days post procedure were \$11,305 lower in the 3M cohort compared to traditional TAVR. Please see the [press release](#) for more details.

In support of our Critical Care business, we continued the [generation of evidence](#) necessary to understand how intra-operative hypotension (low blood pressure) can lead to poor patient outcomes and that our Hypotension Prediction Index (HPI) technology has proven to reduce intraoperative hypotension. In 2021, we initiated a new study, HPI SMART BP, to evaluate HPI's impact on patient outcomes with the first patient enrolled in the fourth quarter of 2021.

Social value analysis is a health economics approach that seeks to monetize the health benefits of a therapy and assess the relative share of those benefits going to society (as health gains) versus returning to manufacturers (as profits). Published in 2021, Edwards supported a white paper by the USC Schaeffer Center for Health Policy & Economics titled "[The Social Value of Disseminating Transcatheter Aortic Valve Replacement](#)", which estimates TAVR will generate cumulative social value of about \$115 billion between 2011 and 2040 for patients who were medically managed.

### Improving Access to Care

As a national sponsor, Edwards continues to support the AHA's quality improvement initiative Target: Aortic Stenosis. This patient-centered initiative is dedicated to driving efforts for timely diagnosis and treatment of [aortic stenosis](#), appropriate treatment and improved quality of care by raising awareness and understanding of aortic stenosis signs and symptoms, and positively empowering people to better manage their risks and self-management with patient and caregiver resources. According to AHA, the comprehensive and scalable program raises patient awareness and deepens patient engagement while delivering guideline-directed, optimal-care standards education.

#### Educational Initiatives for Better Care

Following our online "Reach for the Heart" Direct-to-Consumer Disease Awareness Campaign, Edwards recently launched a nationwide direct-to-consumer unbranded television advertising campaign, [Just Getting Started](#), to drive awareness of patients to TAVR therapy. This advertisement directs the viewer to our educational website offering a free TAVR Info Kit, which includes:

- Education on severe aortic stenosis
- Information on TAVR as a treatment option
- Videos of patients sharing their experiences with TAVR
- Discussion guide for talking with your doctor
- List of hospitals in your area that perform TAVR

To learn more about the Just Getting Started campaign visit: [JustGettingStarted.com](#)

To learn more about the Reach for the Heart campaign visit:

Campaign Website: [ReachForTheHeart.com](#)

Facebook Page: [Reach Out: Heart Valve Disease](#)

YouTube Channel: [Reach Out: Heart Valve Disease](#)

## Philanthropic Support

Through our philanthropic initiative, EHM, we are committed to improving the lives of 2.5 million additional underserved structural heart and critical care patients by the end of 2025. Since announcing this new commitment in 2020, we have impacted more than 400,000 underserved patients and we are on track to meet our goal. This impact includes each stage of the patient journey:

- Detecting nearly 160,000 underserved structural heart disease patients
- Treating more than 135,000 underserved structural heart disease patients
- Recovering more than 100,000 underserved cardiac and high-risk patients

This success during a particularly challenging time is due to the innovation of our partners. For example, clinicians stayed up into their nights to connect via video to guide healthcare workers as they treated patients in other parts of the world; clinical education forums shifted to virtual learning platforms; and new programs were established to meet the needs of the world today. By partnering with more than 60 patient- and cardiac-focused [charitable partners around the world](#), we have invested more than \$30 million and countless hours of employees' dedication to creating the EHM community. For more on the EHM initiative, please see our [Volunteerism & Giving](#) section of this report.

## Political and Lobbying Expenditures

In 2021, Edwards made \$90,000 in [state political contributions](#), and the Edwards PAC made \$203,000 in [federal contributions](#). A full list of recipients, contribution amounts, and policy is available on our [website](#). Additionally, a portion of our industry association membership dues were spent on federal lobbying. These include:

- Advanced Medical Technology Association: \$30,284
- California Life Sciences Association: \$14,490

Edwards received the highest score in the [2021 CPA-Zicklin Index](#) for political disclosure and accountability. Edwards is designated as a "CPA-Zicklin Trendsetter." The CPA-Zicklin Index benchmarks the political disclosure and accountability policies and practices of leading U.S. public companies. The Center for Political Accountability in conjunction with the Zicklin Center for Business Ethics Research at The Wharton School at the University of Pennsylvania produce the Index annually.



## HIGHLIGHT STORY



### EHM Partner Performs Life-Saving Heart Surgeries in Mongolia

Our Every Heartbeat Matter's partner, Heart Saving Project (HSP), is a Japanese non-profit organization in which Japanese pediatric cardiologists and anesthesiologists travel to Mongolia to conduct heart screening and catheterization for children and to educate local doctors. A long-term goal of HSP is to train and support pediatric cardiologists in Mongolia on how to perform life-saving heart surgeries. When COVID-19 prevented in-person missions, they created new ways to assist in vital surgeries through live, video-sharing technologies and telemedicine. Pictured is a surgery in process in the city of Ulaanbaatar.

# Patient Experience & Voice

Edwards Lifesciences works to improve the patient experience and engage the patient voice to support our aspiration of transforming patient lives with breakthrough medical technologies. As one of Edwards' most material sustainability topics, we continue to evolve our program to better meet the needs of our patients. Understanding the patient experience and listening to patient voices strengthens our innovation, production, and delivery of solutions to help those fighting cardiovascular disease.

## Definition

Continuously improving the patient experience with therapies developed with feedback and input from patients while empowering patients to support and aid each other.

## Management Approach

We understand that too often patients do not have influence over the diagnosis of their condition, the type of treatment they receive or how their care is delivered. Edwards Lifesciences focuses on providing patient-focused innovations that save and enhance patient lives. Patient experience and voice is one of our most material sustainability topics—excelling in being patient-first is consistent with our Credo.

Edwards' vision to improve the quality of care for millions is led by technology, clinical evidence and innovative solutions to improve patient care.

Edwards is a leader among medical technology companies in establishing a formal patient engagement function designed to lead and empower everyone in the company to engage with, learn from and support patients and their families to improve the healthcare experience. We are a leader in our industry in best practices, including being the first medical device company to [publish global guidance](#) on how and why we work with patient organizations. This helps provide disclosure and transparency into our relationships to prevent potential conflicts of interest.

While Edwards Lifesciences throughout its history has always had a “patients first” culture and organizational focus, Edwards’ CEO has a performance management objective tied to increasing employee exposure to patients, which further promotes a strong culture consistent with the Credo and our Aspirations.

The Vice President of Medical Affairs and Patient Engagement is responsible for ensuring that all patient engagement activities are aligned with our Aspirations to transform patient care through innovative technologies and to attract and engage talented employees. Our global Patient Engagement team creates opportunities to better incorporate the patient perspective into our business strategy. They enable meaningful patient-driven innovation by authentically empowering patients, advocates and healthcare stakeholders to broaden access to treatments and transform quality of life.

**Evidence** indicates that empowered, engaged patients experience better clinical outcomes. For this reason, Edwards' Patient Engagement function maintains and consistently updates an approach to empowering patients, including sponsoring patient listening sessions, conducting Science of Patient Input (SPI) studies, supporting patient advocacy groups who represent the patient voice and collaborating with patients to exercise their voices within the healthcare system.



Edwards Lifesciences

**Our vision is to improve the quality of care for millions**

- Leading Smart Recovery with **AI enabled technologies**
- Reaching more patients with compelling **clinical evidence**
- Improving patient care with **adoption** of innovative solutions



## Growing the Patient Voice through Partnerships

When patients use their voices, they do more than just advocate for themselves—they inspire others to speak up and support each other in working toward healthier outcomes. We believe in the work undertaken by patient advocacy groups, and we are proud to support those organizations through resource sharing and charitable contributions.

Edwards Lifesciences provides [charitable grants to the American Heart Association for their Heart Valve Ambassador](#) Program, which connects heart valve patients to a group of dedicated individuals who offer resources and support, as well as the Heart Valve Education Center, where patients can connect with and learn from other patients. We also partner with the AHA on Target: Aortic Stenosis. This program enhances the patient experience from symptom onset to appropriate diagnosis and follow-through, to timely treatment and disease management. The program consists of evidence-based measurement development to better identify and treat patients, as well as multi-media educational resources and self-management care plans for people living with structural heart disease.

The company supports Heart Valve Voice US – a patient-led non-profit that focuses on improving the diagnosis, treatment and management of heart valve disease and elevating the patient voice. Heart Valve Voice US is part of Edwards' international support of Global Heart Hub, a growing global patient advocacy non-profit federation of heart valve patient organizations reaching patients in Canada, the United Kingdom, Ireland, Italy, Germany, France, Japan, Australia, Brazil and several other countries.

Other patient advocacy programs Edwards supports include:

- Mended Hearts Trained Accredited Patient Visitor and Peer-to-Peer Advocate programs
- Mended Hearts Clinical Trial Awareness campaign that educates, empowers and encourages valve patients to explore all options
- Alliance for Aging Research's annual Heart Valve Disease Awareness campaign
- Disease awareness programs led by patient organizations Sepsis Alliance and Conquering Congenital Heart Disease

Additional global patient organization support can be found on our [Patient Voice](#) web page.

## The Patient Experience

The experience for those suffering from cardiovascular disease remains complex and filled with obstacles. The treatment process can be inconsistent from one patient to the next and [evidence](#) indicates that empowered, engaged patients experience better clinical outcomes. For this reason, Edwards' Patient Engagement function maintains and consistently updates the company's approach to empowering patients, including sponsoring patient listening sessions, conducting Science of Patient Input (SPI) studies, supporting patient advocacy groups who represent patients' voices and helping patients and their care partners exercise their voices to improve the healthcare system.

Annually, Edwards hosts The Patient Experience. This event brings together patients and their care partners to connect and share their experiences with our employees and other patients. Before the global COVID-19 pandemic, these events were held on an annual basis in multiple Edwards locations around the world. During the pandemic, Edwards' team pivoted to virtual engagements to ensure the continuity of engagement between patients, care partners and Edwards employees. Through this program, Edwards gains important insights into the patient journey, from symptoms and diagnosis through treatment and recovery, as well as the concerns and challenges that are faced along the diagnosis and treatment pathway.

This approach supports our target to ensure that our therapies are addressing the needs of patients through an increasingly collaborative patient engagement process. This target aligns to UN SDG 3:Good Health & Well-Being.

## Addressing Patient Needs and Connection Along the Journey to Heart Health

Edwards strives to ensure all patients have a voice in shaping their treatment experience, and we recognize that many patients benefit from minimally invasive procedures. To increase access to minimally invasive procedures, Edwards drives innovation in TAVR. TAVR allows physicians to replace heart valves with a catheter instead of surgically opening the chest. To learn more about patient experiences with Edwards' heart valves, browse our collection of [patient stories](#).

## With TAVR as a treatment option to treat progressive AS disease, we believe the current paradigm needs a deeper look



<sup>1</sup> Mack M, Leon M, Thourani R, et al. Transcatheter aortic-valve replacement with a balloon-expandable valve in low-risk patients. *N Engl J Med* 2019;380:1695–705.

<sup>2</sup> Wood, D.A.; Lauck, S.B.; Cairns, J.A. et al. The Vancouver 3M (Multidisciplinary, Multimodality, But Minimalist) Clinical Pathway Facilitates Safe Next-Day Discharge Home at Low-, Medium-, and High-volume Transfemoral Transcatheter Aortic Valve Replacement Centers: The 3M TAVI Study. *J Am Coll Cardiol Intv.* 2019

Our Edwards PatientConnect program extends our support for patients beyond their TAVR procedure, empowering them through information, resources and opportunities to participate in peer support, educational programs and advocacy. By cultivating a community of patients who want to stay informed and to share their experience with others, together we are improving the lives of people living with heart valve disease.

### Patient Resources

After the launch of Edwards' newly created Patient Support Center (PSC) in 2020, we saw the need for this patient resource continually increase. The PSC is a dedicated resource for patients or their care partners who have questions related to Edwards' products or services.

We continue to focus on raising patient awareness and ensuring patients have the resources and access to the therapies they need. To read more about our educational initiatives for better care and our work to improve access, please see our Annual Performance in the Access to Healthcare section of this report.

[Edwards.com](#) offers information on heart valve disease and treatment, as well as FAQs and a glossary of terminology. Additionally, our [Reach for the Heart](#) disease awareness website, along with [NewHeartValve](#) and [YourTissueValve](#) websites provide comprehensive information on aortic stenosis and options for treatment.

Edwards places a priority on gathering patient insights across the total product lifecycle, so we invest in patient preference studies among various patient groups to determine the benefit-risk trade-offs for new therapies. Using qualitative and quantitative methods, Edwards ensures the patient voice is heard from development to commercialization of new technologies.

### Patient Voice in Product Design and Development

Edwards works to incorporate patients' input into every stage of our product development. By listening to patients and capturing their input through both qualitative and quantitative methods, we can provide care that meets individual needs and preferences. From early-stage product design to early feasibility studies and clinical trials, integrating patient input makes our products more effective. This aligns with our Aspiration to ensure that our therapies are addressing the needs of patients through an increasingly collaborative patient engagement process, and that we will also continue to evolve how patient input is integrated into product development.

We look to continue developing quantitative data to evaluate the relative importance and value of products through the eyes of the patient community. We are the first medical device company to develop and publicly publish these kinds of studies, leading the charge in improving the patient experience. Some of our most recent work studied [patient preferences when choosing between aortic stenosis \(AS\) treatments](#), taking into account the risk-benefit analysis that is done when choosing between two types of valve replacements. The study focused on the patient experience and how patients weigh the decision on what valve replacement to pursue, which informs Edwards' future product development approach. In 2021, we broadened our approach globally, studying AS patient preferences in Australia and Japan to incorporate patient perspectives into market access decisions. We also completed a [study aimed to quantify patients' preferences for benefits and risks associated with treating degenerative mitral regurgitation](#) via open heart surgical repair versus a beating-heart surgical approach.

## Annual Performance

As Edwards continues to grow our business and expand across the globe, we consider it a top priority to maintain a consistent patient-focused culture. We recognize that patient engagement provides a powerful sense of purpose in our work for many of Edwards' employees, and we continue to prioritize facilitating connections between patients, caregivers and our employees.

### Patient Support Center

The Patient Support Center (PSC) was created to provide compassionate, responsive support that contributes to a consistent, positive experience with the company. During 2021 as awareness of the PSC grew, inquiries more than doubled compared to the prior year, with growth in particular in questions about post-procedure topics. Those inquiring are directed to their physicians for any questions that relate to medical advice. In 2021, the PSC also began supporting patient inquiries about Edwards' clinical trials.

The PSC continued providing an early signal of patient interest and activity for "hot" topics. For example, when COVID-19 vaccines were approved, we quickly learned that patients had questions about vaccinations and their heart valves.

### Patient Engagement and Events

As a result of COVID-19, we converted our 2020 Patient Experience event to a global, virtual model in 2021, allowing employees to safely engage with patients through live videoconferencing. While the experiences were different than our in-person Patient Experience events, the virtual format allowed for more employees to participate, resulting in more employees hearing patient stories and nearly doubling year-over-year employee exposure to patients.

As part of this inspired pivot, in 2021 we launched a new hybrid patient listening session framework and hosted six sessions reaching 2,000+ employees. This increased our employee engagement with patients by 29 percent and allowed us to learn directly from patients about their journeys with structural heart disease, and better guide a number of our internal workstreams and efforts to improve patient access, experience and outcomes. In May 2022, we were pleased to be able to host The Patient Experience (TPE) in person at our global headquarters in Irvine, Calif. – the first live event of this type since 2019.

True to our Credo of creating a community unified in improving the lives of patients all around the world, TPE has become an important way for us to hear from those who are directly impacted by our therapies. During TPE, we learn valuable insights from this community of patients and caregivers – lessons that ultimately impact what we do at Edwards, every day. In early 2022, we returned to our in-person model that was especially unique because this group of patients included many who were scheduled to attend in 2020. More than 80 patients, care partners and guests attended from around the U.S. and Canada.

### Elevating Partnerships Focused on Patient Voice

Throughout 2021, we were challenged to find new, creative ways to continue our work in amplifying patient voices in what was largely a virtual engagement environment. To maximize impact, we focused on our established partnerships as an area of opportunity to increase impact. The pandemic continued to provide unique opportunities to grow these partnerships and reach even more patients, including:

- Through financial support from Edwards, Mended Hearts trained more peer-support ambassadors to provide support to heart valve patients online and virtually, expanding their ability to reach more patients than prior years (typically, ambassadors connected with other patients in the hospital or over the phone)
- With a grant from Edwards, Heart Valve Voice US, the Global Heart Hub and scores of patient organizations continued working to reach patients through social and earned media to educate them on the risks of avoiding heart disease care in the pandemic
- Patient organizations supported through Edwards Foundation grants voiced their support for public policies to allow for increased patient access to telehealth services



## HIGHLIGHT STORY



### Transforming Lives, One Patient at a Time

May 2022, Edwards Lifesciences welcomed 80 visitors, including patients, their care partners and guests to our Irvine, Calif. corporate headquarters to get an insiders' look into our more than 60-year history, meet the teams who made their heart valves and share their inspirational journeys with our employees.

Sarah Sue, a 20-year-old Ohio State University student who attends school on a volleyball scholarship, was among them. She and her parents, Mike and Carole, spent an emotional two days getting to know the company behind the heart valve technology that has forever changed their daughter's life.

Sarah Sue is a congenital heart patient who had her first open-heart surgery soon after birth. She had to have subsequent surgeries, and, in December 2020, she made the decision to have her pulmonary valve replaced in order to

continue playing volleyball. The transcatheter heart valve therapy had her back on the court just a few weeks after surgery, playing the game she loves.

Now, every time she steps onto the volleyball court, she thanks her new heart valve, which she affectionately calls Valerie. Sarah Sue has become a patient advocate through her collaboration with the AHA and is able to bring hope to other families by sharing her journey.

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**Employee-to-patient engagement up 29% with hybrid events**

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# Products

Edwards Lifesciences is a leader in patient-focused innovations for structural heart disease and critical care technologies. The products section of our 2021 Sustainability Report contains our management approach and annual performance for the following material topics:

- Product Safety & Quality
- Supply Chain Management
- Product Design & Innovation

## Product Safety & Quality

Edwards Lifesciences' work to maintain product safety and quality supports our aspiration of excelling as a trusted partner through distinguished quality and integrity. Creating safe, quality products is the foundation of both our business success, our culture, and our purpose. Our reputation rests on delivering innovative, trustworthy products that save patient lives.

### Definition

Monitoring, managing and reducing negative health and safety impacts of Edwards' products. Maintenance of product quality and ensuring Edwards' products are free from any deficiencies or defects.



## Management Approach

Our products are the essence of our business and enable patients to enjoy long and healthy lives. In order to remain a trusted partner to patients and healthcare professionals, we are committed to maintaining the high quality of our products.

Employees are trained on product safety as part of our Quality Management System through LearningPath Learning Management Systems or in-person classes. The duration of the training is dependent on each employee's role and how much impact they have over product safety.

Employees receive annual training and recertification based on potential risk of the process on product or patient safety associated with their role. We also require re-training based on different trigger events such as training or document content change, prolonged absence from executing the task or process, and process or product non-conformance that requires employee training.

Edwards communicates our quality and safety standards to suppliers through the specifications and requirements in every purchase order as well as in our Supplier Quality Agreements. To learn more about how we manage product safety and quality in our value chain, please visit the [Supply Chain Management](#) section.

The [Governance Map](#) on the next page illustrates our management structure for product quality and safety.

## Governance Map



## Regulatory Compliance for Quality

As a medical technology company, Edwards must comply with strict regulation requirements regarding the design, development, manufacture and distribution of our products and services. These include U.S. FDA regulations as well as those set by international regulatory bodies. We undergo frequent audits by these agencies to confirm compliance with all applicable standards and regulations.

We have established a companywide Quality System defined in our Edwards Lifesciences Quality Manual. Edwards' products and services satisfy customer requirements while complying with regulatory requirements in every country where Edwards sells products. The regulatory requirements we adhere to include, but are not limited to:

- ISO 13485 Medical Devices – Quality Management Systems – Requirements for Regulatory Purposes\*
- ISO 14971 Application of Risk Management to Medical Devices
- U.S. Food, Drug and Cosmetic Act:
  - 21 CFR part 11 – Electronic Records; Electronic Signatures
  - 21 CFR part 820 – Quality System Regulations
- (EU) 2017/745, European Medical Device Regulations

- Canadian Medical Device Regulations (CMDR)
- Medical Device Single Audit Program (MDSAP)
- Japan Pharmaceutical Affairs Law (JPAL)
- Australian Therapeutic Goods Act 1989 and associated regulations
- Brazilian Good Manufacturing Practices (RDC ANVISA 16/2013)
- China Regulations on Supervision and Administration of Medical Devices (Decree No. 739)

Our Quality System enables us to meet regulatory requirements as applicable.

\*For manufacturers of medical devices, ISO 13485 is a widely accepted model for demonstrating compliance to worldwide laws and regulations. The ISO standard meets the comprehensive requirements for a Quality Management System and ensures a consistent output. The Edwards Lifesciences LLC ISO 13485 Certification includes the design, development, production and distribution of:

- Biological Surgical Heart Valves and Accessories (Delivery System and Inflation Device, Handles, Sizers, Trays, Suture Fastener, Heart Support Device)
- Transcatheter Heart Valve Systems (Biological Heart Valves, Delivery Systems, Balloon Catheters) and Accessories (Access Devices, Inflation Devices and Crimpers)
- Transcatheter Valve Repairs and Replacement Systems (Implants, Delivery System) and Accessories (Insertion Accessories, Loading System, Dilator Kit, Stabilizer, incl. Base Plate)
- Annuloplasty Rings and Accessories (Handles, Sizers, and Trays)
- Biological Pericardial Patches for the Area of Heart Valve Replacement, Repair and Reconstruction
- Catheters, Cannula and Occlusion Devices and Accessories (Introducers Sheaths, Percutaneous Insertion Kits)
- Hemodynamic Monitoring Equipment and Disposables; Medical Devices used for the Diagnosis of Coronary Artery Disease; Medical Devices used in the Diagnosis and Treatment of Peripheral Vascular Disease; and Medical Devices for the Treatment of Diseases of the Heart and the Central Circulatory System

## Internal Quality Controls

Please review the strategy execution section of our Product Safety & Quality governance map for information on internal quality controls.

Our Global Product Complaint Handling System collects, analyzes and manages customer feedback regarding Edwards' products. We educate all Edwards employees regarding their reporting responsibilities, and we require every individual to report complaints no more than 48 hours after receipt. We assess all feedback with the aim of continually improving our products to meet customer and patient needs.

## Manufacturing Execution System

Edwards has additional quality system and manufacturing initiatives to streamline and improve our product manufacturing processes. Our Edwards Production System aims to reduce waste, inventory and cycle times while improving quality, efficiency and overall product performance. This includes key initiatives to our Quality and Global Supply Chain programs including Smart Factory and Next Gen Quality. These are deployed in each of our business units and operation sites that implement a proactive quality focus through device performance and process controls, with an aspiration of achieving 6 Sigma productivity. These programs help increase compliance at our facilities and prepare us for external audits.

## Managing Product Recalls

Our Quality System focuses on the implementation of strong design and development work in our manufacturing processes. Please refer to our governance map for information on how Edwards uses feedback mechanisms and conducts corrective actions.

If we determine a field corrective action is necessary, the Vice President of Quality for the impacted unit is responsible for promptly executing this action to remediate all affected products appropriately. In addition, we have systems in place for necessary actions to correct and prevent the recurrence of the issue.

Edwards is committed to resolving any recall issues by following regulations of the markets/countries impacted and using our expertise in quality management to implement required actions. We have a target to achieve no significant disruption of product availability, which aligns with UN SDG 3: Good Health and Well-Being.

In the U.S., the FDA categorizes recalls into [three classes](#):

- **Class I:** Reasonable probability that the use of the product will cause severe adverse health consequences or death
- **Class II:** Use of the product may cause temporary or medically reversible adverse health consequences
- **Class III:** Use of the product is not likely to cause adverse health consequences

Within the European Union (EU), manufacturers must submit a field safety notice to inform the National Competent Authorities of any action taken to reduce risk of death or serious deterioration in health associated with the use of a medical device already on the market.

A team of Edwards engineers handles requests for information from customers regarding product quality and safety. The Vice President of Product Safety or regional delegates conduct customer visits to monitor product performance and to track customer and patient satisfaction.

## Managing Clinical Research

Edwards is committed to following all ethical considerations and regulatory requirements while conducting clinical research. We carry out our research, including the use of any outsourced third-party vendor, in accordance with the recommendations guiding physicians in biomedical research involving human subjects adopted by the 18th World Medical Assembly, Helsinki, Finland, 1964, and all subsequent updates. We conduct research in accordance with Good Clinical Practice and applicable regulatory requirements to ensure patient safety. Examples of such regulations include, but are not limited to:

United States of America:

- 21 CFR: Part 50 (Protection of Human Subjects), Part 803 (Medical Device Reporting), Part 812 (Investigational Device Exemptions), Part 814 (Premarket Approval of Medical Devices), Part 822 (Post Market Surveillance)
- ICH E6 – Good Clinical Practice

European Union:

- ISO 14155 Clinical Investigation of Medical Devices for Human Subjects – Good Clinical Practice
- (EU) 2017/745, European Medical Device Regulations MDD 93/42/EEC
- MEDDEV 2.7.1 revision 4 Clinical Investigations: Serious Adverse Event Reporting under Directives 90/385/EEC and 93/42/EEC

Japan:

- Japan Pharmaceutical Law (JPAL) Medical Device Ordinances

China:

- National Medical Products Administration (NMPA)

Edwards requires all applicable clinical research to have independent Ethics or Institutional Review Board approval and oversight as well as patient authorization to participate in research – via a signed patient informed consent form – prior to initiation of research activities. We employ the routine use of independent Data Safety Monitoring Boards and Clinical Event Committees in accordance with FDA Guidance for Clinical Trial Sponsors – Establishment and Operation of Clinical Trial Data Monitoring Committees. Edwards also follows Section 801 of the FDA Amendments Act (FDAAA 801 and the Final Rule) for public protocol registration of clinical trials and subsequent reporting of clinical trial results. There are multiple ways to report product or research grievances directly to Edwards, including the Edwards.com [contact us](#) webpage. This page also provides a way for patients and healthcare providers to find privacy information and request product information or removal of personal data.

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~2,000 Engineers  
7 Manufacturing Locations Around the World  
Resilient Supply Chain

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## Annual Performance

Edwards Lifesciences' performance highlights our relentless focus on managing and improving our quality control systems. Our target is to drive continuous improvement efforts to eliminate patient safety-related Class I product removals. This target aligns to UN SDG 3: Good Health & Well-Being.

## Improving Patient Safety through Device Tracking

In 2013, the U.S. FDA established a [Unique Device Identification](#) (UDI) system that enables more comprehensive tracking of medical devices. UDI system implementation will continue according to established compliance dates based primarily on device classification. Using UDI numbers reduces the chance of patient misidentification of products.

## Next Generation Quality

In 2021, Edwards launched the Next Gen Quality program, which will strategically transform our quality system to support growth and drive scalability, adapt quickly to the changing regulatory landscape, and deliver innovative technologies with unparalleled quality and speed. Next Gen Quality focuses on several processes including: streamlining design control processes to be fit for purpose; improving new material qualification through the use of automation and standardization; optimizing incoming components inspection process; and simplifying our internal regulatory approval process.

Throughout 2021 and in 2022, Edwards has made significant progress in advancing our Next Gen Quality objectives. We standardized roles and responsibilities; made procedural updates to simplify product development workflows; and improved the quality training curriculum and certification standards. Our Quality Labs focused on automating systems to shorten the timeline for approval while adopting new industry standards. Quality control inspection process improvements were made across many of our manufacturing sites, utilizing risk management, Critical Control Point methodology, and automated data capture technology. With a strong culture of quality, all Edwards employees are empowered to challenge our systems, identify opportunities, and prioritize continuous improvement.

Our commitment to Edwards' patient-focused innovation strategy remains top of mind as we continue to transform our quality system for the future.

## Product Recalls

In 2021, Edwards did not have any Class I recalls resulting in device retrievals. Edwards provides complete information on recalls through the FDA's [publicly available database](#) for medical device recalls.

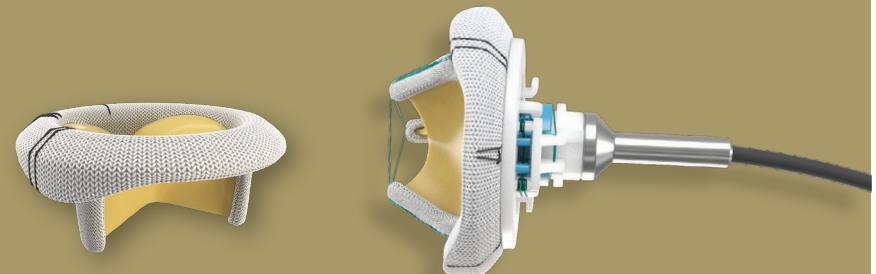


## HIGHLIGHT STORY

### Edwards MITRIS RESILIA Valve Receives FDA Approval for Mitral Replacement Surgeries

In early 2022, Edwards Lifesciences received approval from the U.S. Food and Drug Administration (FDA) for the MITRIS RESILIA valve, a tissue valve replacement specifically designed for the heart's mitral position. This therapy is the company's latest innovation offering advanced RESILIA tissue with an anti-calcification technology that also allows devices to be stored under dry packaging conditions, facilitating ease of use.

RESILIA tissue is bovine pericardial tissue and serves as the platform for Edwards' new class of valves. "For patients who need mitral valve replacement, the advanced MITRIS RESILIA valve is based on a trusted pericardial valve platform, designed to mimic the native valve and incorporating tissue with integrity-preservation technology that will potentially allow the valve to last longer," said Kevin Accola, M.D., Cardiovascular Surgeon, AdventHealth Orlando.



Edwards is dedicated to partnering with clinicians to develop patient-centric innovations for complex surgical structural heart procedures that improve long-term care and outcomes for patients. The introduction of the MITRIS RESILIA valve completes the portfolio of surgical heart valve innovations incorporating the advanced RESILIA tissue, including an aortic valve, an aortic valved conduit and now a mitral valve. Edwards continues to invest in innovations in the surgical structural heart field.

In addition to FDA approval, the MITRIS RESILIA valve has also received regulatory approval in Japan, Canada, and other countries globally.

For more information, please see the related [press release](#) and [product page](#).

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This highlight story and referenced news release includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These forward-looking statements include, but are not limited to, statements made by Dr. Accola and Mr. Chopra and statements regarding expected product benefits, patient outcomes, future plans related to the product lines, objectives and expectations and other statements that are not historical facts. Forward-looking statements are based on estimates and assumptions made by management of the company and are believed to be reasonable, though they are inherently uncertain and difficult to predict. Our forward-looking statements speak only as of the date on which they are made, and we do not undertake any obligation to update any forward-looking statement to reflect events or circumstances after the date of the statement. Investors are cautioned not to unduly rely on such forward-looking statements.

Forward-looking statements involve risks and uncertainties that could cause results to differ materially from those expressed or implied by the forward-looking statements based on a number of factors as detailed in the company's filings with the U.S. Securities and Exchange Commission, including its Annual Report on Form 10-K for the year ended December 31, 2021. These filings, along with important safety information about our products, may be found at [Edwards.com](#).

Edwards, Edwards Lifesciences, the stylized E logo, Carpentier-Edwards, Carpentier-Edwards PERIMOUNT, MITRIS, MITRIS RESILIA, PERIMOUNT, and RESILIA are trademarks of Edwards Lifesciences Corporation. All other trademarks are the property of their respective owners. This statement is made on behalf of Edwards Lifesciences Corporation and its subsidiaries.

# Supply Chain Management

Edwards Lifesciences' supply chain management practices focus on product lifecycle, design and innovation, and product stewardship, supporting our aspiration of transforming patient lives with breakthrough medical technologies.

## Definition

Monitoring and assessing the product quality, safety, social and environmental performance of Edwards' suppliers, and maintaining responsible procurement practices.

## Management Approach

### Supply Chain Management

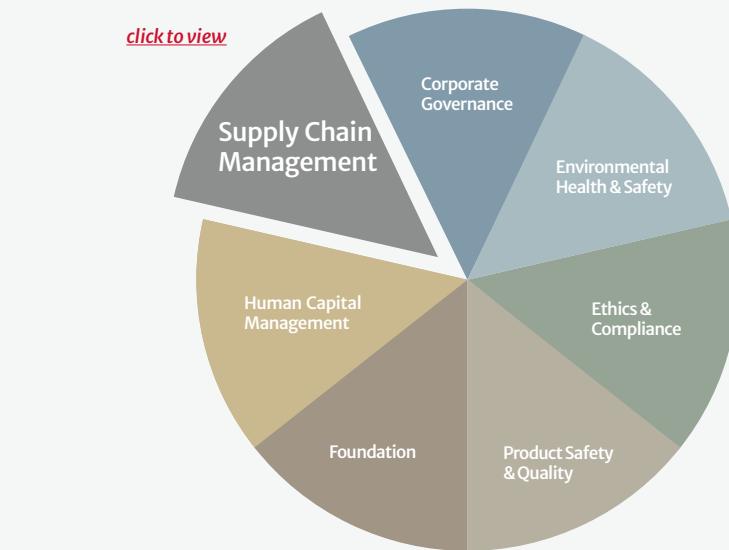
We create industry-leading therapies for cardiovascular disease through partnerships with our suppliers. We strive to improve our supplier base annually by ensuring our best suppliers work on our new products, continuing to rationalize and reduce our supply base and improving performance.

We know supply chain performance directly impacts innovation and the quality of our products, so we insist on high product quality and safety at every level. Our Global Supply Chain and Product Quality departments collaborate with our key partner suppliers on risk management, improvement action plans and consistent high product quality. Our supplier partnerships are essential in delivering the quality products that drive Edwards' success. We continuously strive to improve our procurement practices and expand supplier engagement.

Edwards' Supply Chain segmentation has established the top 15 strategic direct materials suppliers. Edwards Supply Chain holds an annual Partner Forum to facilitate sustainability reviews and further alignment, share progress on sustainability targets and practices, and set expectations for the coming year.

## Governance Map

The governance map illustrates our Supply Chain Management structure.



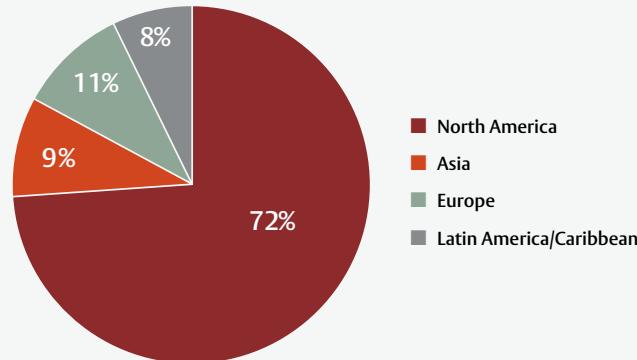
### Procurement Practices

With more than 300 direct material suppliers for all of our global products, Edwards is selective when evaluating and adding new suppliers to our portfolio. To limit risk exposure, we avoid adding new direct materials suppliers, only adding them when there is a clear business case, such as new technology or new capability or capacity needs. In the few cases where we add suppliers, we follow a rigorous process that includes extensive due diligence. As a result, we have designated and prioritized a significant reduction of our direct materials supplier base over the upcoming years.

In 2021, Edwards developed a [Supplier Code of Conduct](#) that sets forth expectations for suppliers working with Edwards. As a next step, we are working toward supplier acknowledgement of the requirements of the Code. The Code also ties our expectations to our Credo and the importance of business integrity, in addition to the following:

- Labor and employment standards, prohibition of child labor, human trafficking, and fair working conditions
- Data privacy and confidentiality
- Environmental standards

#### Direct Suppliers by Region



With our global Part Qualification Process, we collaborate with suppliers on product manufacturability, while improving product quality and cost. Our global supplier capacity framework helps our suppliers plan their capacity for growth. We also review sustainability and business continuity planning in Quarterly Business Reviews with our top strategic and key suppliers to align on key initiatives. These processes keep our strategic and key suppliers engaged and informed on our goals and expectations.

### Assessing and Monitoring Supply Chain Risk

Before partnering with any new suppliers, Edwards conducts a comprehensive supplier evaluation and supplier on-boarding process. Direct materials suppliers also require on-site assessment of facilities, quality control systems, and Quality System audits. Once Edwards approves a supplier, we periodically conduct follow-up supplier audits and performance reviews to promote continual adherence to our standards. For every new part, the supplier completes a form through which they disclose the material content of the products.

Edwards also has a global supply risk management and governance process that includes a global risk assessment process to evaluate potential supply risks on key components and suppliers. These include risks due to location, material content and country regulations, as well as sole source risks. We prefer doing business in countries with higher ethical standards and protections for information technology and

intellectual property, reducing the chance that sustainability violations will impact our stakeholders and business. Approximately 80 percent of Edwards' annual spend comes from lower-risk locations.

We assign all suppliers in our system a Risk level by our Quality organization. Suppliers are designated either a Risk level 1, 2 or 3 rating. Risk level 1 represents the "highest risk" for suppliers that could impact patient safety or product performance. We must classify Risk level 1 suppliers as "Approved" in our Quality System to conduct any business with them.

We conduct audits in accordance with our quality system requirements. These audits target the highest-risk suppliers to assess their quality systems, supporting Edwards' compliance with applicable regulations for medical device production. Approval is granted upon completion of an audit, a corrective action plan and a part qualification process. Our established decision tree process considers the potential impact of supplied materials to patient safety and product performance, assigning the risk level per part number sourced. Additionally, we established similar decision trees for service suppliers falling within the requirements of our quality management system, to receive qualification and monitoring.

### Localizing Supply and Distribution

Edwards strives to protect both the environment and our bottom line by sourcing materials as close as possible to our manufacturing sites. Where feasible, we strategically align distribution facilities with the global markets we serve, reducing transportation costs and environmental impacts. Our new target for 2023 is to reduce product distribution air miles traveled by an additional 1.5 million compared to our 2018 baseline, to decrease freight and distribution costs.

### Supplier Sustainability

We have a number of sustainability considerations throughout Edwards' supply chain:

- Product Quality – Across all sites, we continue to focus on improved process capability, yield improvement and scrap reduction, allowing for a smaller amount of product disposal on an annualized basis.
- Patient Safety and Impact – We upgraded our new product development process and simplified our Quality System, allowing for continued focus on product improvement and building quality at the source during product development and launch.

- Lean Manufacturing Efforts – We identify manufacturing lines each year for reconfiguration to determine where and how we can eliminate waste and increase outputs with the same number of people, reducing environmental impact.
- Product Design & Innovation – We build collaborative, long-term relationships with strategic and key suppliers who support our vision for innovation and engage our partner suppliers during the product innovation stage.

Because we want our suppliers to be long-term partners, Edwards values suppliers who exhibit sustainable practices. Edwards requires all suppliers to employ ethical and responsible business practices. We adhere to the [California Transparency in Supply Chains Act of 2010](#) by disclosing our actions to prevent human trafficking and slavery. Our [Responsible Supply Chain Policy](#) outlines our approach and expectations for suppliers, including:

- |  |   |
|--|---|
| <ul style="list-style-type: none"> <li>• Fair labor practices</li> <li>• Environmental responsibility</li> <li>• Workplace health and safety</li> <li>• Ethical practices</li> </ul> | <ul style="list-style-type: none"> <li>• Protection of human rights</li> <li>• Socially responsible behavior</li> <li>• Legal compliance</li> </ul> |
|--|---|

Edwards has developed supplier metrics to measure quality levels and other expectations for each of our preferred suppliers. These include:

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>• ISO 13485 Certification where applicable</li> <li>• Completion of comprehensive quality audit with no critical findings</li> <li>• Minimum lot acceptance rates</li> </ul> | <ul style="list-style-type: none"> <li>• Minimum scar-free rates</li> <li>• Minimum performance on good delivery and service levels</li> </ul> |
|---|--|

We gather supplier metrics through the Due Diligence Questionnaire (DDQ). All Regulated Suppliers and high-spend Non-Regulated Suppliers must undergo an additional evaluation through the DDQ. The DDQ requires suppliers to respond to questions in four main topic areas: environmental considerations, public disclosures, employee health & safety, and other topics of concern. We accept or deny suppliers based on their responses to the DDQ.

There are four questions in the DDQ that we consider “drop out” criteria. These questions must be answered favorably in order for the supplier to be considered an Edwards supplier partner. A negative response on these criteria will result in an automatic “drop out.” These “drop out” minimum criteria are:

- Environment. The supplier must comply with all product-related hazardous materials and trade regulations, such as WEE, RoHS, REACH, TSCA, BPA, DEHP, ODS and others.
- Employment and Safety. The supplier must comply with all employment laws and regulations and industry employment practices, as applicable to the countries in which they operate.
- Human Rights. Per our [Code of Conduct](#), Edwards respects the human rights of all workers and does not tolerate any form of human rights or labor abuses in its supply chain. The supplier must comply with the UK Modern Day Slavery regulations, U.S. Human Trafficking regulations and California (USA) Transparency in Supply Chains Act.
- Child Labor. The supplier must not employ children under 16 years of age in job tasks that may have higher safety and health risks than adults.

Any other DDQ responses that are answered unfavorably will be evaluated on an individual basis with consideration for overall company reputation and risk. To read more about the Supplier EHS Assessment approach, please refer to our [2021 EHS Report](#).

## Supplier Partnerships for Innovation

Edwards builds collaborative, long-term relationships with strategic and key suppliers who support our vision for innovation and engage our partner suppliers during the product innovation stage. Through our Value Engineering capability, we ask our strategic and key suppliers to provide insight into the design and manufacturing of new products. This includes supply chain employees on most research and development product teams to facilitate supplier selection and early supplier involvement. In this way, we enable our research and development teams to collaborate with suppliers throughout the product development process.

Edwards is a member of the Medical Device Industry Supply Chain council, an informal network that identifies opportunities to improve the medical devices supply chain. Edwards provides in-depth views of supply chains, sharing strategic and tactical approaches to address challenges and opportunities, and positively influences the industry standard for operational efficiency and effectiveness. To read more about the supply chain council, please visit their [website](#).

## Intellectual Property

Protecting intellectual property is important to maintaining Edwards' leadership position in medical technology innovation. The strength of our proprietary technology

fuels our research and the development of new, patient-focused solutions. Edwards owns more than 6,000 issued patents and pending patent applications in both the U.S. and foreign jurisdictions. We monitor our competitors to identify possible infringement, protect our patents and take appropriate action when required. We actively generate new intellectual property (IP) and pursue the acquisition of complementary IP across our businesses. We consider safeguarding [Edwards' IP](#) in awarding business to preferred partner suppliers.

## Chemical and Material Stewardship

Edwards Lifesciences is committed to the long-term health of patients. Our goal is to ensure that our products are fully compliant with chemical regulations and requirements. Our procedures assess the materials in our products and allow for continuous improvements in removing banned materials. Safety procedures protect our employees by limiting exposure to potentially harmful chemicals.

The Product Stewardship team provides quarterly updates on the status of each business unit's activities and updates on new or revised chemical regulations that will impact Edwards Lifesciences.

Edwards strives for 100 percent compliance with various materials regulations ranging from restricting the use of certain hazardous substances in medical devices to product labeling. For example, Europe's [Restriction of Hazardous Substances](#) (RoHS) directive restricts hazardous substances used in electrical and electronic equipment, whereas China's RoHS requires these products to be labeled appropriately.

Our focus extends to our supply chain, where we require compliance with all applicable regulations for chemical and materials use.

Hazardous materials regulations can evolve quickly. For example, [REACH](#) adds new substances of very high concern to its list every six months. Edwards monitors these changes and, when we identify a pending restriction that might impact our business, we act immediately by briefing our Steering Committee for Product Stewardship and begin assessing our products.

## Conflict Minerals

We use 3TG (tantalum, tin/tungsten and gold) for the functionality and production of certain of our parts and products. We have issued a Conflict Minerals Policy Statement and established a conflict mineral program to identify 3TGS in our products, to obtain responses from our direct and indirect suppliers to assess where the materials have been



## HIGHLIGHT STORY



### 2021 Edwards Annual Supplier Partner Forum

At its annual Partner Forum, Global Supply Chain hosted key and strategic suppliers for information sharing and networking and to hear about current and upcoming business priorities at Edwards. Awards were also presented to suppliers based on performance.

The Partner Forum topics included updates from each of the Edwards Business Unit's R&D departments including live demonstrations of our new products. There was a Listening Session where a patient talked about her experience before and after receiving an Edwards valve replacement. Suppliers who directly contributed to the patient's implant were invited on stage. There were also presentations discussing planned initiatives for 2022 and our expectations of suppliers for the year.

After the Forum, supplier feedback expressed excitement about the direction Edwards is heading and clear expectations on how each can contribute to raising the bar going forward.

sourced and publish an annual Conflict Minerals Report disclosing our findings. Each year, we work with a third-party consultant to monitor our progress, analyze data and identify strategies to improve our program. Please see our [Responsible Supply Chain](#) page for supply chain policy statements and conflict minerals reports.



## HIGHLIGHT STORY

### Edwards Sets Carbon Neutrality Target

As we pursue our patient-focused innovation strategy, Edwards understands the importance of addressing climate change and is committed to driving a meaningful reduction in our greenhouse gas (GHG) emissions. In early 2022, Edwards set a new target to achieve carbon neutrality by the year 2030 and a commitment to set and achieve SBTi-recognized reduction targets for both our Scope 1, 2 and Scope 3 GHG emissions.

As part of our commitment to achieve carbon neutrality by 2030, we plan to transition the majority of our global electricity demand to renewable sources over the course of the next seven years through a variety of methods, including onsite and offsite renewable energy generation.

We intend to establish a science-based target with SBTi in line with a 1.5°C scenario and are currently engaged with SBTi for approval on specific reduction targets for GHG emissions from our Scope 1 and 2 direct operations and Scope 3 value stream.



Carbon neutral by 2030 and 1.5°C science-based targets<sup>1</sup>



10% reduction in waste generation intensity by 2025<sup>2,3</sup>



10% reduction in waste withdrawal intensity by 2025<sup>2,3</sup>



ISO 14001 & 45001 certification at all manufacturing plants



35% reduction in recordable incident rate by 2025<sup>2</sup>

## Annual Performance

### Supply Chain Management

In 2021, we continued to focus on strengthening our procurement practices. We put forth a significant effort to uplift supplier performance in our top strategic and key suppliers, who account for a significant percentage of our direct material spend. We completed and documented technical assessments to help identify gaps in supplier capability and maturity. These technical assessments then allowed us to develop improvement plans to bolster supply chain resilience and partnership.

In 2020, we engaged a third party to evaluate our direct suppliers and multiple diversity categories were identified, such as small, disadvantaged businesses. We are now tracking our U.S. suppliers utilizing a diversity metric dashboard. Going forward, we are working closely with Edwards' VP of Diversity, Inclusion & Belonging to set new goals specific to supplier diversity. We also achieved our target of successfully deploying our Sustainability Program and Review process to strategic suppliers in 2020 and 2021. We look forward to engaging our key suppliers in this process throughout 2022.

In 2021, we completed the integration of MedAccred into our quality system, a medical device industry-managed supply chain oversight program that identifies and verifies compliance to critical manufacturing process requirements. This quality improvement program aims to enhance patient safety, improve device quality, and reduce recalls. We will also begin leveraging MedAccred existing audits for sterilization. Additionally, through MedAccred, Edwards has been asked to participate in an FDA working group focused on supply chain resiliency in medical devices, which kicked off in 2022.

In 2021, our top strategic suppliers completed supplier management training initiatives for improved quality performance, including development of improvement and implementation plans. In 2022, we will expand the program to our top 40 suppliers.

### Supply Chain Resilience

Edwards responded quickly and efficiently to supply chain needs in response to the COVID-19 pandemic. Like many companies, our team had to adjust to remote working environments when necessary, leveraging technology to keep us connected with each other and our suppliers. We focused on resilience and communication to ensure stability and long-term partnership.

<sup>1</sup> Includes commitment to set and achieve SBTi-recognized Scope 1 and 2 and Scope 3 science-based targets

<sup>2</sup> 2020 baseline year

<sup>3</sup> Waste and water targets were achieved in 2021; new targets currently under evaluation

Risk mitigation methods included enhancements of supply network systems and continuity during uncertain times for many of our suppliers. Additionally, our strategic and key suppliers keep us informed of any potential impacts to the supply chain during Quarterly Business Reviews. We also presented three suppliers with a formal award at our annual supplier forum recognizing their responsiveness to Edwards during the pandemic.

## Distribution Network Optimization

During 2021, Edwards continued to address climate-related risks through our global product distribution strategy. Our medical device products have low energy demand; however, we continued to transform our distribution network to provide our products to global customers through more efficient delivery methods. In 2021, we exceeded our target to reduce product distribution air miles traveled by 3 million compared to our 2018 baseline despite pandemic-related logistical challenges. We have since established a new target to reduce product distribution air miles traveled by an additional 1.5 million by 2023.

**New Goal:** By 2023, reduce product distribution air miles traveled by an additional 1.5 million vs. our 2018 baseline. Total air miles reduced in 2020 were 7.9 million, achieving an 80% overall reduction (as compared to 2018 baseline)

We continue to focus on long-term changes in the way we distribute products globally. Our product distribution strategy aims to improve normal business shipments by shifting away from air shipments or sourcing closer to the point of demand. This includes utilizing more localized ground transportation and ocean liners with temperature-controlled containers. Through these methods, we can achieve cost efficiencies and carbon footprint reduction, and we expect further optimization in product lines through 2023.

## Conflict Minerals

For the 2021 reporting period, Edwards conducted two stages of reasonable country of origin inquiry (RCOI), supplier and smelter, in accordance with the Conflict Minerals Rule and the [Organization for Economic Cooperation and Development](#) (OECD) Due Diligence Guidance.

We designed our supplier RCOI process to identify the smelters in our supply chain and to determine whether the 3TG in our in-scope products originated in a covered country.

Edwards' suppliers that provided product level responses identified 15 smelters in their CMRT responses during the 2021 reporting period that included 3 gold refiners, 1 tantalum smelter and 11 tin smelters. All the smelters and refiners identified by our suppliers for the 2021 reporting period have been audited and recognized as conformant by the Responsible Mineral Assurance Process. Please see the [Edwards' Conflict Minerals Report](#) for the 2021 fiscal year, as filed with the Securities and Exchange Commission on May 31, 2022.



## HIGHLIGHT STORY



### New Ireland Manufacturing Facility LEED Gold Certified

In 2021, Edwards opened its newest manufacturing plant in Limerick, Ireland. The facility operates on 100% renewable electricity, primarily from wind energy, and is Edwards' first LEED Gold certified, carbon neutral, and zero waste-to-landfill manufacturing plant, and Ireland's first medical device manufacturing plant to achieve LEED Gold V4 certification.

The new Ireland plant combines innovative design with critical functionality and features obstacle-free clean rooms and recreational spaces for our employees to enjoy. The building has capacity for three ISO 7 clean rooms, laboratories, a cafeteria, gym, and external athletic courts.

We continued our extensive expansion to our Irvine headquarters during 2021, including the completion of our new LEED Platinum Entry Pavilion, LEED Gold Dream Big Complex, and LEED Gold Café and Conference Center. LEED, Leadership in Energy and Environmental Design, is the most widely used green building rating system in the world and provides a framework for healthy, highly efficient, and cost-saving green buildings.

# Product Design & Innovation

At Edwards, we constantly innovate to better meet the needs of patients with cardiovascular disease. Our focus on innovation allows us to develop life-saving products and therapies that transform the lives of patients around the world.

## Definition

Designing products to better meet the needs of patients; investing in research and development; and employing innovative methods and solutions to improve design and performance of products.

## Management Approach

Product design and innovation continues to set Edwards apart. Our patient-focused innovation strategy is unwavering, differentiated and global. We are uniquely focused. At a time when medical technology companies are diversifying, we remain laser-focused on innovations for structural heart disease and critical care monitoring. We bring our decades of expertise and clinical knowledge to better advance potential solutions.

Another key element of our strategy is bold innovation, and we are pursuing a rich pipeline. We know that change doesn't come easily and must be supported with strong evidence. We are focused on innovations that change the practice of medicine, supported by rigorous clinical trials to achieve best-in-class outcomes.

Leadership is the third key component of our innovation strategy. We believe that when you are the first, you become a key contributor to shaping value creation and tackling unknown problems from multiple perspectives, including patient needs, regulatory issues, commercial and time constraints and more. Our products and services address patient illnesses that are vastly undertreated. Developing the safest, most efficacious products grounded with robust evidence is at the heart of our mission to improve patients' lives.

Edwards is a highly cross-functional organization that strives to include and respect diverse perspectives and is willing to explore novel solutions. Our culture allows us to be patient focused and employ a global innovation mindset while remaining agile and curious. Dreaming big, owning failures and challenging the system must also include a tolerance of risk, whether it be to new approaches to product design, cutting-edge trial methodologies allowing us to go to market faster or new proctoring techniques to support heart valve implants during a pandemic.

Our approach to a patient-focused innovation strategy is outlined through our commitment to innovation, leadership, and our singular focus.

## Patient-Focused innovation Strategy

To deliver on our commitments to high-quality products, Edwards employs a rigorous design and product development process that incorporates multiple design and management reviews as stage gates when designing new products. Quality Management System requirements are also integral to the design process to ensure quality and manage risk. To learn more about the Quality Management Systems, please visit the [Product Safety & Quality](#) section.



## Strategy and Execution

The Executive Leadership Team (ELT) critiques our portfolio strategy in various annual meetings, including strategy meetings, our Annual Operating Plan (AOP) reviews and other ELT meetings that occur throughout the year. Annually, the Board approves the Company's Strategic Imperatives, and it is from these Strategic Imperatives that our key operating drivers (KODs) – quantifiable strategic milestones that include financial objectives and are tracked using a points system across our entire organization – are derived. The KODs contemplate near and long-term objectives of our multi-year strategy, which outlines our portfolio, pipeline innovation and overall innovation strategy. We use KODs to translate these strategic goals into quantifiable metrics to be achieved in any given year.

Product design and innovation goals are central to our strategy execution. Excluding the sales representatives out in the field, all Edwards employees in every business unit, region and function, including our ELT, have compensation tied to our KODs, a key component in our annual employee incentive plan. All employees are updated on KOD progress quarterly through all-employee meetings and separate business team meetings. We report on our KOD progress in the Annual Performance section of this report.

Throughout the design and innovation process from conception, prototype, first in human, clinical trials, regulatory approval and product launch or roll out, each business leadership team is deeply involved in our pipeline innovation strategy as well as detailed design decisions. Through our product development process, these leaders participate in all stages of product development from concept selection through to launch.

At Edwards, we regularly evaluate the need for new policies, procedures and programs to improve our approach to design and innovation. We must continue to develop and commercialize new products and technologies to remain competitive in the cardiovascular medical technology industry. We believe that we are competitive primarily because we deliver excellent clinical outcomes that are supported by extensive data, and innovative features that enhance patient benefit, product performance and reliability. These differentiated clinical outcomes are in part due to the level of customer and clinical support we provide.

## Product Development Process

Our product development process is a streamlined and flexible approach to accommodate the needs of each business area and all new products. The process includes a core team comprising an independent reviewer and delegates from multiple functions, if applicable. When sufficient technical information is available, a design review can take place. After the design review approval, and when all design and development plan deliverables are completed and approved, a gate review is held at the end of each phase.

## Managing Regulatory Changes

The cardiovascular segment of the medical technology industry is dynamic and subject to significant change due to cost-of-care considerations, regulatory reform, industry and customer consolidation and evolving patient needs. The ability to provide products and technologies that demonstrate value and improve clinical outcomes is becoming increasingly important for medical technology manufacturers.

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In 2021 Edwards invests  
17%+ of annual sales  
into product innovation

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Notable new challenges include a changing regulatory landscape, such as Europe's conversion from the outdated 1992 Medical Device Directive to the 2021 Medical Device Regulation. The updated regulations present new timeline considerations when introducing innovation to Europe, historically and most likely first region for market entry.

## Packaging Design & Innovation

Product protection of life-saving devices is essential, and we realize that packaging solutions can be optimized as we continue to deepen our understanding of our global supply chains and expand on our knowledge of materials and designs. Edwards strives to maximize the value and function of our products from design to end-of-life. We continue to strengthen our packaging design process to enable safer, more efficient and cost-effective product delivery. This includes exploring sustainable solutions that decrease environmental impact.

Our medical device products (primarily the heart valves and implantable devices) have low direct energy and emissions impact and the choice of materials from which they are constructed is limited and stringently regulated. In addition, these devices remain in the patient, therefore, there is little opportunity for product takeback. However, we have initiated new measures to minimize packaging waste associated with our products, which has the impact of reducing waste and cost, as well as indirect emissions. We are actively working on sustainable packaging projects focused on reducing the use of foam on a few existing commercialized cardiovascular product packages.

Edwards realizes that collaboration is the key to driving sustainability within the medical packaging ecosystem and our commitment and aspirations to lead and develop sustainable packaging solutions has resulted in Edwards joining the Health Care Packaging Recycling Council (HPRC) in 2022.

We remain on track to roll out electronic instructions-for-use to all applicable business regions by the end of 2022. Both targets align to UN SDG 12: Responsible Consumption and Production.

The Edwards Product Stewardship Team also evaluates and ensures product compliance with chemical disclosure and material content regulations such as REACH, RoHS, California Proposition 65, and WEE. This includes evaluation of product compliance with regard to specific chemicals or substances of concern, such as DEHP, PFOA, BPA, Persistent Organic Pollutants (POPs) and similar adverse compounds. For more details, please see our [Environmental, Health and Safety](#) report.

## Annual Performance

### Incentivizing Strong Product Design and Innovation

Performance measures for incentive compensation are linked to our Strategic Imperatives through the achievement of KODs. These measures are designed to create long-term value for all stakeholders and hold executives accountable for their individual and Edwards' performance.

In 2021, there were four Strategic Imperatives from which the KODs were derived. We do not disclose our KODs in detail because we believe doing so would cause a meaningful competitive disadvantage. However, we provide additional transparency on the structure and outcomes of the 2021 Annual Incentive Plan KODs with specific illustrative examples of milestones below to indicate the nature and types of milestones included in our KODs.

- 1.** Our first imperative was to lead the global expansion of TAVR and accelerate the treatment of aortic stenosis. Since 2020, we have achieved milestones on two TAVR clinical trials which will lead to expanded indications over time, the EARLY TAVR and PROGRESS trials. We have also reached milestones on the advancement of our next-gen product portfolio and have strong OUS TAVR growth.
- 2.** Our next imperative was to transform the treatment of mitral and tricuspid valve disease. We have completed enrollment of the CLASP IID pivotal trial, achieved clinical enrollment milestones for tricuspid therapies and technical milestones advancing next-gen mitral and tricuspid therapies
- 3.** Our third imperative was to extend our global presence in surgical heart valves and critical care. Since then, we have extended our leadership position in Surgical Structural Heart through the adoption of premium technologies, developed strong global growth in Critical Care and Surgical Structural Heart despite the impact of COVID-19 on hospital staffing. We have also carried out advancements of Critical Care technologies including hardware, algorithm development, and smart recovery technologies.
- 4.** Our final imperative was to strengthen capabilities and talent to execute key initiatives and fortify culture. Substantial progress has been accomplished on building or expanding manufacturing facilities to prepare for future growth and patient needs. Additionally, we have reached global supply chain milestones through innovative efforts that enabled continuous production of life-saving heart valve therapies and critical care technologies.



## HIGHLIGHT STORY

### Edwards Receives Clearance for Hypotension Prediction Index Software for Noninvasive Acumen IQ Cuff

In June 2021, Edwards received U.S. FDA clearance of its Acumen Hypotension Prediction Index (HPI) software with the Acumen IQ finger cuff. This is the first noninvasive solution that unlocks Acumen HPI software and uses machine learning to alert clinicians of the likelihood a patient is trending toward hypotension, or low blood pressure. Until now, Acumen HPI software has only been available for patients using an invasive arterial line.



“Numerous studies, including our research, have demonstrated an association between intraoperative hypotension and increased risk of acute kidney injury, myocardial injury and even death,” said Kamal Maheshwari, M.D., MPH, anesthesiologist from Cleveland Clinic Foundation. “The noninvasive Acumen IQ cuff provides the opportunity to reduce hypotension in a broader range of patients, including those who do not require an invasive arterial line. The cuff, along with the predictive capabilities of Acumen HPI software to proactively manage hypotension, will have a meaningful impact on patients.”

In addition to unlocking predictive capabilities, Acumen IQ cuff provides access to automatically calculated, beat-to-beat hemodynamic parameters including mean arterial pressure and cardiac output.

“This latest predictive technology demonstrates our commitment to patient care and providing clinicians with ‘smart’ monitoring tools that allow for better prediction and management,” said Katie Szyman, Edwards’ corporate vice president, critical care.

For more information, please see the related [press release](#) and [product page](#).

Underlying these Strategic Imperatives are approximately 80 specific KOD metrics and milestones relating to, among other things, research and development, commercial and financial milestones in each of the four business units, key initiatives to increase patient access to our therapies and specific milestones for global supply chain as it relates to launches of products, supply, capacity, quality, productivity, service and capabilities. Approximately 25 percent of the KODs include a financial component.

## Stakeholder Collaboration

Edwards is also dedicated to collaborating with clinicians to develop patient-centric innovations for complex surgical structural heart procedures that improve long-term care and outcomes for patients. For example, in 2021 we launched the HARPOON Beating Heart Mitral Valve Repair System, which can help transform care for many patients with degenerative mitral regurgitation. We believe the demand for surgical structural heart therapies is growing worldwide and that our innovation strategy will continue to extend our leadership and patient impact.

## Product Design & Innovation in a Pandemic

Our manufacturing operations have continued to respond to impacts related to COVID-19, and we have been able to supply our technologies around the world. Across the organization, we are proactively managing inventory, assessing alternative logistics options, and closely monitoring the supply of components. In 2021, we continued to advance our portfolio of catheter-based solutions, such as SAPIEN 3, which has an [estimated cost savings](#) of more than \$2,000 per patient and a significant improvement in quality-adjusted life expectancy through the two-year study period. This improvement reflects a disciplined approach for advancing the technology, procedural techniques, and partnership with regulators.



## HIGHLIGHT STORY

### Edwards Receives Approval for SAPIEN 3 with Alterra Preistent for Transcatheter Pulmonic Valve Replacement

In December 2021, Edwards received approval from the U.S. FDA for the use of the Edwards SAPIEN 3 transcatheter valve with the Alterra adaptive preistent (SAPIEN 3 with Alterra) for patients with severe pulmonary regurgitation.



The Edwards SAPIEN 3 Transcatheter Pulmonary Valve (TPV) system combines the proven SAPIEN 3 transcatheter heart valve and the Alterra adaptive preistent to expand transcatheter therapy options for congenital heart valve disease patients. The Alterra preistent compensates for variations in size and morphology of the right ventricular outflow tract to provide a stable landing zone for the SAPIEN 3 valve.

"The FDA approval of the SAPIEN 3 with Alterra is great news for patients around the world, many of whom have endured numerous surgical procedures to treat their congenital heart disease," said Dr. Evan Zahn, M.D., Director of Guerin Family Congenital Heart Program at the Smidt Heart Institute, Cedars-Sinai Medical Center, and principal investigator for the ALTERRA clinical trial. "The outstanding outcomes achieved by SAPIEN 3 with Alterra will expand the range of patients who require pulmonary valve replacement that we can now treat with minimally invasive therapy. This will result in significant improvements in quality of life and a reduction in the number of surgeries and procedures that a congenital heart patient requires over the course of their lifetime."

While pulmonic heart valve replacements represent a small fraction of the heart valve replacements done each year, it is generally required to replace valves in adolescent and adult patients suffering from Tetralogy of Fallot or other congenital heart valve defects. "Many of these patients endure repeated open-heart surgeries to address heart conditions present since birth, which takes a huge toll on their ability to lead normal lives. The SAPIEN 3 with Alterra provides a new treatment option that can reduce the number of invasive procedures these patients face in their lifetimes," said Larry Wood, corporate vice president, transcatheter aortic valve replacement.

For more information, please see the related [press release](#) and [product page](#).

# Workforce



Edwards Lifesciences' employees drive our work with their passion for helping others. The Workforce section of our 2021 Sustainability Report covers all of our business operations and contains our management approach and annual performance for the following material topics:

- Human Capital Management
- Diversity, Inclusion & Belonging
- Volunteerism & Giving

## Human Capital Management

Edwards Lifesciences focuses on initiatives that continuously innovate and improve employee recruitment, engagement and retention to support fostering an inclusive culture where all employees grow and thrive.

### Definition

Developing strategies for attracting, developing and retaining talent. Edwards Lifesciences strives to maintain and enhance a culture reflective of our Credo and Aspirations. We believe that fostering a diverse, inclusive culture is critical to our long-term success as we help more patients around the world. Our commitment to promoting workplace health and safety serves our Aspiration of fostering an inclusive culture where all employees grow and thrive, while providing Edwards employees with health resources and safe working conditions.

## Management Approach

Edwards Lifesciences unites our employees around a common passion for improving the lives of our patients. Our top priority is to execute our work with the utmost precision and care because we know that our therapies have the power to impact patients' longevity and quality of life. Edwards is a growing company, and our [culture](#) is an important factor in attracting and retaining top talent that will continue to advance our innovative technologies for the patients we serve.

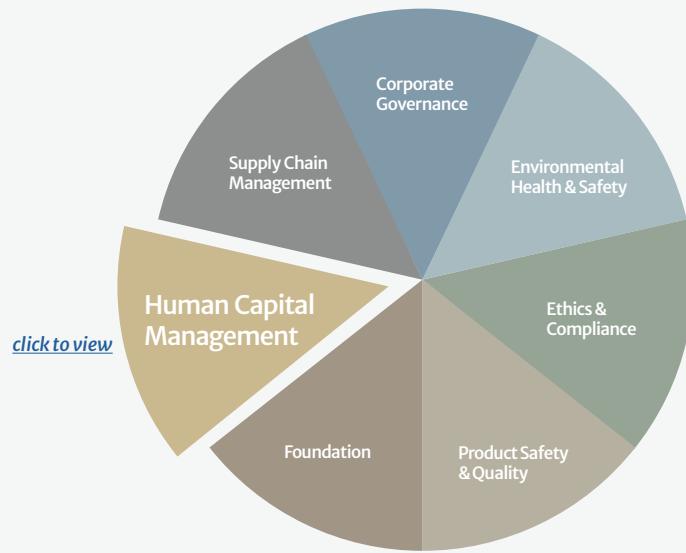
Diversity is a vital part of our company culture, and foundational to Edwards' work to innovate life-saving therapies for patients. Diverse talent is crucial for driving innovation. We foster a company culture that actively values diversity and is inclusive of people from a variety of backgrounds and experiences. Please see our [Diversity, Inclusion and Belonging](#) section for more details.

Edwards believes our focus on helping patients begins with the well-being of our employees. Maintaining a strong and healthy workforce enables us to stay focused on our goals and dedicate our energies toward the development of life-saving therapies.

As we continue to grow our global footprint, we work to enhance our talent's ability to think and operate on a global scale. The high expectations of our partners and the patients we serve in the midst of a fast-changing world present a challenge as they require more agile methodologies and mindsets, and new technological skillsets. We aim to foster and recruit talent that can exceed these expectations in fulfilling the needs of patients.

## Governance Map

The governance map below illustrates our Human Capital Management structure.



## People Strategy

As we scale to reach more patients around the world, we have integrated our Talent & Organization (T&O) Strategy with our Edwards Strategic Planning process. The purpose of our T&O Strategy is to anticipate dynamic global trends related to our workforce, develop our talent to meet future organizational needs, and positions us to be well-poised for ongoing market success. The T&O Strategy enables us to explore external workforce signals, share insights, and identify and build emerging capabilities across our organization. The T&O Strategy framework takes a comprehensive approach that includes envisioning the future of our work (the “what” and “how” we deliver our patient-focused strategy), planning our workforce (the “who” joining our community of trusted partners), and designing our workplace (the “where” and “when” work gets done). This consistent and scalable approach looks across all our business units, regions, and significant functions to align and elevate priorities, critical capabilities, and organizational evolutions in line with our strategic plan. This integrated approach informs our yearly objectives and fuels our talent roadmap across the strategic horizon.

## Recruiting Top Talent

Attracting, developing, and retaining talent is fundamental to our success. The primary goals of our human capital strategy are to attract and maintain a motivated, professional workforce and to ensure alignment on our patient-focused innovation strategy. To attract and recruit top talent, Edwards leverages our strong culture in addition to providing competitive compensation and benefits packages, including offering performance-based incentives, stock options, retirement plan options, remote work options, paid time off, family leave and health, life and disability insurance. Our target is to have annual top talent retention resulting in voluntary turnover less than high-performing benchmarks.

Edwards [recruits top students from universities](#) across the world to join our team.

Our opportunities for students include:

- [Internships](#)
- [Edwards Summer Immersion Experience](#)
- [BS/MS Development Programs](#)
- [MBA Development Programs](#)
- [Professional Areas of Development](#)

## Employee Engagement Survey

We believe in empowering our employees and providing avenues that enable their voices to be heard. We conduct a multilingual global employee survey, called *myVoice*, to gather feedback in a confidential manner. We gain insights on various topics including patient focus, diversity, inclusion and belonging, quality, innovation, and engagement.

Edwards partners with a third party to assess how our performance, values and behaviors drive engagement. We collect concise and insightful results and put them into action to make Edwards an even better place to work. Our survey results often exceed external benchmarks, and the insights we uncover are used to take specific action, such as tailored leadership development training. Our favorable survey results have also been linked to employee retention.

## **Patients First**

Edwards' "Patients First" culture in action serves as a force multiplier enabling Edwards to attract, engage and retain the best and brightest. One of our priorities is to ensure all employees have exposure to patient stories and patient interactions annually to improve engagement and remind our team that working at Edwards means making a difference in people's lives. This target aligns with UN SDG 3: Good Health and Well-Being. Our CEO conducts quarterly employee meetings, and always concludes with a patient video or testimony. Many of the leaders throughout Edwards include in their all-hands meetings a patient video or story, as well. Patient videos are also shown in new hire orientations around the globe. For more information on other patient engagements, please see the [Patient Experience & Voice](#) section of this report.

## **Training and Leadership Development**

Our greatest asset is our employees, and the unique knowledge and skills they provide. We host several [Professional Development](#) programs designed to provide resources to support the growth of our company's talent, including:

- Tuition assistance for job-related continuing education and degree programs at higher educational institutions
- Edwards University, an online platform, offers our employees a wide variety of training, education and other resources, as well as learning partnerships with University of California, Irvine; eCornell; MIT; and Mind Tools
- Aspire, our global leadership development curriculum, offers skill-based open enrollment workshops, including topics such as critical thinking, strategic execution, career development strategy, effective conversations, powerful speaking, communicating among different personalities, leveraging diversity and emotional intelligence
- A variety of nomination-based programs, including our new Accelerated Development Program, are designed to build leaders for the future by offering emerging and senior leaders challenging programming, coaching and assessments
- Global Talent Management and Learning architects and develops career broadening experiences for critical talent populations across Edwards' businesses and globally

## Talent Development Review (TDR)

Our Human Capital Management (HCM) governance includes a global TDR process as well as an HCM dashboard. The purpose of our TDR process is to align our talent strategies with business strategy, assess talent against future organizational needs, evaluate critical talent populations, and enhance the strength of our succession planning. Our HCM dashboard is generated quarterly and provides insights on key metrics related to areas such as attraction and growth rates, retention trends, diversity, and employee sentiment. Our CEO meets with the Chief Human Resources Officer and Corporate Vice President of each business unit, function and region to conduct a full annual review of their respective organizations' talent and talent needs for Edwards to pursue its life-saving work and patient-focused strategy.

## Active and Expanding Mentoring Programs

Mentors can help employees identify personal and professional goals, access resources and reach individual potential. We leverage various mentoring approaches and programs across Edwards to build internal talent, share knowledge and increase employee engagement and satisfaction. In tracking our mentoring initiatives over the years, we found a strong correlation between mentorship participation and employee retention. Flash mentoring is also being utilized to drive development through less formal, more rapid mentoring connections.

## **Total Well-being at Edwards**

Edwards believes that better health leads to better performance, and the company ensures that we regularly sponsor wellness initiatives for employees. Edwards also offers a competitive employee benefits package that includes health and welfare insurance, health savings accounts and on-site programs.

Recognizing that mental well-being is as important as physical health, Edwards is dedicated to helping our global employees focus on their mental well-being. In October 2021, in alignment with World Mental Health Day, we launched Mind+, which is designed to elevate employee mindsets on mental well-being by helping to reduce the stigma surrounding mental health and creating awareness regarding the tools and resources Edwards has available to support them.

In early 2022, we re-branded Total Wellness to Total Well-being, which is designed to create a more holistic and unified approach to addressing the whole person. We encourage employees to leverage their comprehensive benefits package and the lifestyle programs and resources offered by Edwards as tools to support all aspects of their well-being.

Edwards' pillars for total well-being were updated in 2022: Prevention, Nutrition, Physical Activity, Mind+, Financial Fitness, and Community Service. The education pillar, which was critical when the wellness program launched to create more understanding and awareness, was removed as education now flows through all of the well-being pillars. The Mind+ pillar was added to reinforce the importance of mental well-being.

We offer many programs to support our team members within each pillar. Please see our [2022 Total Wellness Lookbook](#) for some of our offerings. All benefits and wellness programs are reviewed annually, and recommendations made to our Administrative and Investment Committee for their review and approval.

We aim to offer a high performing, cost-effective healthcare program that encourages a healthy workforce. We hope to move employees from passively consuming health care services to owning their health and wellness. We participate in custom industry surveys to benchmark our programs to ensure these programs remain competitive. In addition, each region prioritizes and reviews their risk factors and develops programs to address their specific health population needs.

## Wellness and Charity

Physical activity has been proven to enhance brain function, improve sleep, help protect against certain cancers and strengthen heart health. To help employees stay in motion, we offer several programs including our Global Movement Challenge, featured in our highlight story in this section. As part of this program, Edwards offers opportunities for employees to support charity as they work toward their movement goals. Those who reach the top two tiers within our global movement challenge will be entered into a raffle where two winners have the opportunity to direct a charitable contribution to a charity of their choice on behalf of the Edwards Foundation.

## Workplace Health & Safety

At Edwards, we are committed to providing a safe and healthy workplace for all of our employees, visitors and guests at our facilities. We believe that a safe and healthy workplace not only helps prevent injuries, but it also helps us recruit, retain and engage talented employees while driving employee satisfaction. To achieve a safe

and healthy workplace, we believe in establishing robust EHS management systems, implementing strong EHS governance and driving a culture of ownership and accountability. Please see our supplemental [Environment Health & Safety](#) (EHS) report for more information.

Our safety record is in the top quartile of performance for our industry. Our two safety targets are: 1) by 2025, achieve a 35 percent reduction in injury rates and 2) all manufacturing facilities achieve certification against the internationally recognized ISO 14001 Environmental Management System and ISO 45001 Occupational Health & Safety Management System standards by 2023. New manufacturing plants are given three years from date of start-up to achieve certification. These targets align with UN SDG 8: Decent Work and Economic Growth.

Edwards focuses on workplace design, early intervention and overall prevention of injuries and illnesses. We track and report injury rates and consistently perform favorably when compared with our industry benchmarks. We strive to ensure employees who are injured on the job receive appropriate medical care to help them recover and return to work in a healthy and productive manner. For example, while all of our locations provide access to off-site medical clinics, our larger locations also employ on-site nurses and medical professionals to assist in both work and non-work-related injury and personal health needs. Edwards has not experienced a work-related fatality by either full-time employees, temporary hires or on-site contractors since we began operating as an independent business in 2000. Please see our annual [EHS Report](#) for more detailed occupational injury and illness prevention strategies and the ergonomics program.

During the COVID-19 pandemic, there was heightened focus on keeping employees safe and healthy. To accomplish this, Edwards focused on a multi-layered effort, involving improved ventilation and sanitation in Edwards' facilities, masking requirements indoors, promotion of vaccination and onsite COVID-19 vaccination clinics, timely case management and contact tracing, and heightened efforts to educate employees. Edwards' employees had far higher vaccination rates than their surrounding communities, exceeding 90 percent in much of the globe.



# HIGHLIGHT STORY



## Employee Programs Prioritize Staying Fit – Mentally and Physically

Now more than ever, emphasis on mental and physical well-being is critical to a healthy workforce. Our mental well-being is as important as physical health; in fact, the two are interconnected. Mental well-being includes emotional, psychological, and social well-being, and it affects how employees think, feel, and respond to life's stressors.

We recently launched two pivotal programs at Edwards to inspire and support our teams to nourish their mind and bodies.

### Mind+ Leader Video Series

The Mind+ Leader video series features Edwards Lifesciences senior leaders in a casual and open conversation with Dr. Tista Ghosh, Vice President of Employee Health, sharing unique advice for elevating their mindsets and those of their

teams. These leaders openly share real examples in their lives of how they think about mental well-being, tactics to nurture it, times they grappled with stress or well-being and how they recommend focusing on their own, and colleagues' mental health.

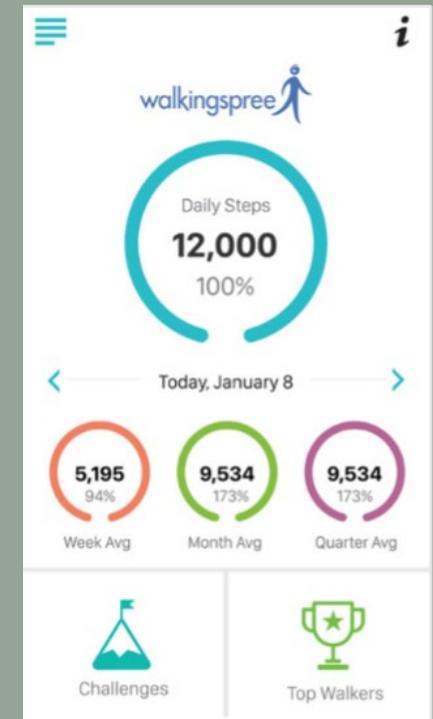
Videos are shared regularly with employees, along with other educational resources available to support their mental health.

### Global Movement Challenge

A partnership with Walkingspree has made staying active easy and engaging for Edwards employees as part of our Global Movement Challenge.

Walkingspree is a digital app that does the heavy lifting for employees who can set steps goals, track steps, log activity, challenge co-workers and earn prizes.

Employees simply engage in physical activity and the Walkingspree app automatically syncs from their device. Points are earned for different activities and achieving program milestones, all incentives for staying active. The camaraderie and competitive fun of tracking results against co-workers has had a ripple effect, with close to 80 percent of participating employees averaging more than 7,000 steps per day, better than the U.S. national average.



## Annual Performance

### COVID-19 Pandemic Response

As we entered the second year of the COVID-19 pandemic, Edwards' team continued to display its flexibility and resilience. Our resilient global supply chain team continued to come to work in-person at our manufacturing facilities around the world, ensuring that we could continue to uphold our companies' mission and bring our most important lifesaving technologies to patients in need. Our committed field teams continued to develop new ways to support physicians, and finally our engineers never ceased in their innovation of our array of technologies.

In 2021, Edwards continued to support our global employees in the face of the uncertainty of the ongoing pandemic. We have continued to do so through:

- Specific COVID-19 communication strategies for people leaders and employees, which were communicated on a regular basis
- A dedicated Edwards COVID-19 Global Information Website containing global and regional resources for all employees, such as news updates, internal policies and key announcements, guidebooks, videos, IT help resources, volunteer opportunities information, and HR resources
- A partnership with Providence to provide a facility, staff and funding to operate a COVID-19 vaccination clinic at the Edwards headquarters campus over several months, giving approximately [9,000 vaccine doses for free](#) – and the promise of more as the effort turned mobile in local communities throughout Orange County, Calif.

### Remote Work During the Pandemic

Throughout the global pandemic in 2020, 2021 and into 2022, Edwards has provided continuing opportunities for employees to have flexible and, where needed and possible, remote work schedule options. While we continue to focus on ensuring collaboration to support our ability to serve patients worldwide, we are pleased to have employees working on site at our facilities around the world. We have also maintained flexibility in response to local conditions and regulations to promote the health and safety of our employees.

### Employee Engagement Survey and Charitable Activity

Eighty two percent of professional employees who responded to our 2021 employee engagement survey reported participating in charitable activities within the past 12 months. These results support our target to drive Edwards' aspiration of 100 percent global employee participation in charitable activity with participation goals of 100 percent for the SLT and an increase in global participation as measured by the employee engagement

survey. Not only are most of our employees having a positive impact on our community, but we have also detected a relationship between charitable activity participation and how our employees perceive working at Edwards. Those who indicated they participated in charitable activities have significantly higher engagement results than those that did not participate. In addition to being more engaged, those that participated in charitable activities also reported a higher sense of patient focus, culture and belonging. These results support our target to have a highly engaged workforce that exceeds industry, region and high performing benchmarks for employee engagement. This target aligns with UN SDG 8: Decent Work and Economic Growth.

Edwards is dedicated to the communities that matter most to employees and encourages employees to participate in charitable events and take advantage of our company matching donation program to increase charitable giving. For more information, please see our [Volunteerism & Giving](#) section.

### Patients First

In 2021, we shared patient stories and interactions with the vast majority of our employees through virtual meetings, as well as at Edwards' regional headquarters and manufacturing facilities as in-person gatherings were resumed. To estimate the number of employees who experienced a patient story, we rely on the leaders of each regional office and plant to assess the types of patient exposure methods used at their respective sites. We estimate that 97 percent of our global employees were able to experience at least one patient story in 2021, and believe the majority had the opportunity to interact with multiple stories or patient speakers during the year. This target aligns to UN SDG 3: Good Health & Well-Being. In our 2021 employee survey, 90 percent of employees agreed that at Edwards, we consider what is important to patients when making decisions. Below are some examples of our 2021 "patients first" activities:

- The annual meetings for field personnel are mandatory and patient stories and/or in-person patient testimonials are a content item at each
- During regional all-employee meetings, employees engage with patients through patient videos and panels featuring physicians and local Edwards representatives discussing patient care
- Professionals and Front Line Professionals at our regional offices and manufacturing facilities are provided time away from their roles to attend the employee meetings where patient stories are always featured
- Our online platforms including NewHeartValve.com and ReachForTheHeart.com include patient stories
- Dedicated internal website, Dose of Edwards Goodness, sharing uplifting stories from Edwards colleagues and patients around the world to all employees

## Training and Leadership Development Initiatives

In 2020, due to the COVID-19 pandemic all training and development continued as live virtual formats across the globe. New skills were required for leaders and employees in terms of new remote working environments. In 2021, we incorporated hybrid working environments and continued to enable training to go to the employees rather than have the employees come to the training. Our virtual training methodologies removed capacity and time zone constraints. We expanded upon existing programs, including:

- Global individualized coaching
- Remote worker training series
- Exploring leadership for individual contributors
- Webinars and targeted skills in live online development sessions

These programs continue to have a positive business impact. For example, through our TDP and University Engineering programs in 2021, 50 percent of eligible interns were hired for full-time positions with a 95 percent offer acceptance rate. We have found that these employees are more than twice as likely to become designated as top talent as those who did not intern. Individuals hired through the TDP and University Engineering programs have an 83 percent combined retention rate.

Also in 2021, we launched our newest global nomination-based development program, the Accelerated Development Program, which offers a unique opportunity to accelerate select employees' leadership capabilities through rich and targeted development and executive support. The program also includes a charitable leadership element that is focused on linking their future leadership behaviors with our patient-focused culture and innovation business strategy.

### Mentoring Programs

In 2021, we continued to expand our mentoring opportunities beyond the traditional programs, offering flash, speed and circles mentoring. These additional modes of mentoring allow employees to receive just-in-time and/or specific development without having to be in a formal program. Flash mentoring provides a fast and flexible option for one-time mentoring discussions. Speed mentoring is delivered as part of large team events, where participants are exposed to many different mentors in quick succession. Circles mentoring is coordinated in a small group cohort format over time that creates a support system for skill and leadership development and ideal for scaling across employee populations. We have implemented Circles programs in University Relations and in our women's ERG, Edwards Network of Women.

## Total Well-being

Every year, Edwards becomes stronger in our mission to improve health – starting with our workforce. In 2015 and 2016, 93 percent of U.S. Edwards employees participated in free biometrics screenings. Participation in this program increased to 94 percent for 2017/2018 and has remained steady at that participation rate for 2018/2019 and 2019/2020. In order to mitigate additional burden on the healthcare system during the pandemic, Edwards pivoted our biometric screening program for 2020/2021 to include only a voluntary Health Risk Assessment. The biometric screening program resumed as normal for 2021/2022. Please note that our benefit plan year runs from July through June.

### U.S. Well-being Numbers for 2020–2021

U.S. Employee Participation in Biometric Screenings <sup>1</sup>	94%
U.S. Employees Enrolled in an Edwards–Sponsored Medical Plan	90%
Health Costs Per Employee Per Year (PEPY)	2.6%

<sup>1</sup>The 2020–21 program was a voluntary HRA, so the reported number is the same as 2019.

We believe the well-being of our employees has a direct correlation with the success of our company. Each of our seven global manufacturing locations provide benefits associated with occupational health commensurate to their worker population, culture, and availability of such programs in their local communities. In 2021, our occupational health staff hosted numerous COVID-19 and flu shot clinics across our global locations to ensure our employees had convenient access to vaccinations. In addition, employee health benefits include weight-loss coaching, lactation consulting, and smoking cessation programs, among others. At some of our locations we provide on-site fitness centers, basketball courts, bicycle facilities and large fields for soccer and other outdoor activities.

## Workplace Safety

We continue to invest in the development of tools, systems and our EHS professionals to help us achieve our EHS objectives. Our commitment to preventing injury and illness and promoting well-being extends to both manufacturing and non-manufacturing operations and includes all employees, as well as contractors and visitors present at our facilities. In 2021, Edwards' recordable incident rate was 0.68 and our lost time incident rate was 0.28, continuing an overall declining trend in work-related injuries over the course of the last several years.

Cumulative trauma illnesses represent 51 percent of Edwards' work-related injuries and illnesses. The majority of our cumulative trauma illnesses come from our valve network manufacturing locations, where manual sewing of tissue valves introduces the ergonomic risk factors of repetition, force, and sustained postures. As such, we pursue aggressive strategies in our manufacturing plants and engineering departments that aim to address ergonomic risks with appropriate prevention and control measures throughout the design and manufacturing process. In 2021, 164 new ergonomic workstations were installed at our Irvine, Calif., manufacturing plant. The new workstations include adjustable microscopes and chairs to adjust posture-related injury risks from valve sewing. Please see our [2021 EHS Report](#) for more information.

## Global Lost Time Injury Rate for 2011–2021

2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Global Lost Time Injury Rate Over Time (Days away from work cases per 100 employees)										
0.20	0.62	0.42	0.32	0.36	0.35	0.51	0.49	0.33	0.32	0.28
Global Recordable Case (Injury) Rate Over Time (Cases per 100 employees)										
0.78	1.83	1.42	1.28	1.13	1.23	0.99	1.04	0.79	0.63	0.68

Edwards defines a recordable injury as any work-related injury requiring treatment beyond first aid, as defined in the U.S. OSHA recordkeeping standard 29 CFR 1904. For corporate reporting purposes, this definition is applied at all Edwards locations, regardless of local agency reporting guidelines. Edwards defines a lost-time case as any work-related injury that results in a full day or more away from work, in accordance with the U.S. OSHA recordkeeping standard 29 CFR 1904.

## ISO Certification

As of 2021, six of our seven manufacturing sites are certified to ISO 14001, with our newest manufacturing plant in Ireland expected to achieve certification in 2023. In addition, our European Field and Commercial Region also holds ISO 14001 certification. Our manufacturing plants are now working toward achieving ISO 45001 certification. Currently, four of our seven manufacturing sites are certified, with our Irvine plant recently achieving certification in 2021. The remaining three sites are on schedule to become certified on time with our internal deadlines.

## External awards and recognition received for 2021:

- Most Sustainable Companies (*Barron's*)
- Management Top 250 (*Wall Street Journal*)
- America's Most Responsible Companies (*Newsweek*)
- America's Most Just Companies "JUST 100" (*JUST Capital/Forbes magazine*)
- Top 100 Companies Supporting Healthy Families and Communities (*JUST Capital*)
- World's Most Ethical Company (*Ethisphere*)
- America's Best Large Employers (*Forbes magazine*)
- Best Employers for New Graduates (*Forbes magazine*)
- World's Top Female-Friendly Companies (*Forbes magazine*)
- Trendsetter in Corporate Political Disclosure and Accountability (CPA Zicklin Index)



# Diversity, Inclusion & Belonging

Edwards Lifesciences' diversity, inclusion, and belonging initiatives uplift our employees and customers, while supporting our aspiration of fostering an inclusive culture where all employees grow and thrive.

## Definition

Promoting diversity in Edwards' leadership, employee population, and suppliers by fostering an inclusive culture; evaluating and providing fair pay and equal opportunity for all employees regardless of background.

## Management Approach

At Edwards, our **Diversity, Inclusion and Belonging** (DIB) mission is to ensure that we foster a culture that embraces diversity through inclusion and belonging. Our goal is to improve patient care and business results through the attraction, development and retention of great talent. Our culture of inclusion and belonging, along with the retention of great talent, also enhances our brand and reputation, and supports overall employee engagement.

## Diversity, Inclusion and Belonging Programs

Fostering a diverse, inclusive culture where all of our employees can grow and thrive is central to who we are as an organization. We are deeply committed to passionate employee engagement that strengthens our communities. Edwards' vision is to foster a culture that actively and consistently values diversity. We aim to become a leading workplace for diversity and inclusion.

We consider diversity critical to our mission of transforming patient care through medical breakthroughs. At Edwards, we understand that there is true value in diversity of thought. Companies with diverse talent have a wider range of perspectives, which can foster a stronger pool of ideas, creativity and innovation. Embracing a diverse workforce helps drive Edwards' commitment to innovation and allows our company

to be more adaptable in the evolving business environment. We have created a culture that understands the strength of diversity, the power that comes from an inclusive environment and the impact that we can have on so many patients if we listen to the ideas and diverse thinking of those around us.

In 2019, Edwards signed the [CEO Action Pledge for Diversity and Inclusion](#).

This pledge demonstrates our commitment to advancing diversity and inclusion within our organization and recognizing that change starts at the executive level.

Every year, we expand our diversity and inclusion through programs focused on attracting, engaging and developing diverse talent. Sample activities include:

- Career fairs for engaging traditionally underrepresented groups at conferences and university chapters (e.g., [National Society of Black Engineers](#) and the [Society of Women Engineers](#))
- Active engagement with [MedTech Color](#) and [MedTechWomen](#), and in the [MedTech and BioTech Veterans Program](#), which connects transitioning military professionals with careers in lifesciences companies
- Project Search partnership program provides internship opportunities for young adults with intellectual and developmental disabilities to foster career development and work experience with a goal of transitioning into permanent employment
- Panel discussions about managing career opportunities at Edwards featuring guests from our executive or senior leadership teams
- Global individualized coaching
- Leadership development classes, in-person and virtual
- Hospital observation opportunities to see our products in clinical use
- Monthly networking events
- Variety of remote work opportunities
- Employee listening sessions
- Virtual interview, assessment, and on-boarding capabilities

## Engaging Employees in Diversity, Inclusion and Belonging

Our Employee Resource Groups (ERG) provide resources and support to Edwards employees. The four focus points of the ERG program are professional development, networking and mentoring; education and awareness; recruiting; and community outreach. Our employees are welcome and encouraged to participate in ERGs that celebrate and advance diversity, inclusion and belonging. These include:

ERGs improve employees' experiences – research has shown that ERG and mentor program participants are more likely to perceive Edwards positively. The ERGs also provide avenues for Edwards employees to engage with communities, particularly groups within communities with whom we might not have otherwise connected. Overall, ERGs deepen our understanding of different cultures, people and experiences. They allow us to support and empower employees to expand their networks and accelerate their own growth and development.

Employee Resource Group	Description
<b>Network of Women</b> (E.NOW)	Informs, involves and inspires all employees on the value of gender diversity and inclusion to the Edwards culture, where employees grow and thrive.
<b>MultiCultural</b>	Fosters a community that attracts and enables Edwards' employees across cultures to be connected and empowered and reach their full potential. This ERG includes our African Heritage Forum (AHF), Asian Society for Inclusion and Awareness (ASIA), Hispanic Organization for Leadership and Advancement (HOLA), and Middle Eastern Employee Resource Group (MEERG) chapters.
<b>Friends of Veterans Network</b>	Fosters a community of veterans and veteran-minded employees at Edwards to enhance employee engagement, drive veterans' talent strategy and serve the veterans community.
<b>Generations</b>	Supports issues around work/life integration, parenting, elder care and family caregiving. Chapters include Fertility, Adoption, and Fostering HOPE; Working Parents; and NexGen (early career professionals).
<b>Rainbow Alliance</b>	Creates a community of LGBTQ+ members and allies that fosters employee engagement and diversity of thought within Edwards through education, support, visibility and advocacy; together, striving to cultivate an environment of acceptance and respect for all employees.
<b>enable</b>	Supports employees directly and indirectly affected by disabilities, identify ways to recruit and employ individuals affected by disabilities.

## Preventing Unconscious Bias

Unconscious bias refers to the underlying beliefs, perceptions and assumptions we develop based on our past experiences and can frame the way we look at the world. As Edwards advances our culture of inclusion, it is important we educate employees around the identification and adjustment of unconscious biases in the workplace.

Achieving Edwards' patient-focused innovation strategy requires an inclusive culture where our employees can bring their best ideas to solve challenges and achieve business goals. The role of our leaders is to understand the power of leveraging diversity of thought within teams to encourage innovation to emerge at every level of the company.

- Our Cultivate Curiosity: Unconscious Bias e-learning module gives employees flexibility in modality and location. Objectives of the course include:
- Identify Bias: Understand the neuroscience behind bias, build awareness and recognize the impact of bias on behavior and decision-making
- Choose Courage: Increase cultural competency skills to work effectively across similarities and differences
- Cultivate Curiosity: Develop the skillset of curiosity and empathy to build connections, mitigate bias and accelerate performance and that of others

## Edwards' Commitment to Employees and Fair and Equitable Pay

Edwards tracks remuneration patterns among our employees worldwide, and we continually look for ways to ensure fair and equitable pay practices. Our ELT and Board recognize that fair and equitable pay is integral to achieving our goal of being a preferred employer. Please review [Edwards' Commitment to Fair and Equitable Pay](#) policy for information on our approach, governance and the Global Career Framework. We have taken steps toward our efforts on pay equity in the U.S. and developed plans that detail our strategy for working toward pay equity in our global locations.

## Annual Performance

### Diversity, Inclusion and Belonging Programs

In 2021, DIB bolstered its program with additional resources and a new DIB leadership role, a Vice President of Diversity, Inclusion & Belonging, to drive strategy throughout the organization. This role is responsible for the vision, leadership, and strategic planning of initiatives that promote DIB as essential elements of our culture and Credo. The Vice President is also a member of our Sustainability Council, which is described more in depth in the [Corporate Governance](#) section of the report.

This year we have continued to build upon our strong foundation and focus on longer-term DIB strategy development and actions. In 2021 we created an internal online Community of Support offering tools and resources designed to provide support for employees to engage in meaningful discussions. Edwards recognizes the importance of inclusion and understanding diverse perspectives and this Community offers resources and materials to help employees learn tactics and take action to build an even more inclusive culture at Edwards.

In 2021, we further expanded the ERG network within the six ERG categories: Multi-Cultural, Friends of Veterans, Generations, Edwards Network of Women, Edwards Rainbow Alliance and Enable. Generations chapters now include Boomers; Caregivers; Fertility, Adoption, and Fostering HOPE; NexGen (early career professionals); Working Parents and Let's Talk (mental wellbeing). We now have 13 ERGs and 39 chapters with established budgets and enhanced tools and resources. Each month, our ERGs are the driving force behind several recognized commemorative month activities, such as Black History Month, AAPI Month, Women's History Month, Pride Month and Autism Acceptance Month. These are opportunities to celebrate the cultures, identities and backgrounds of employees and patients. Building awareness and promoting initiatives across a variety of affinity groups, our ERGs held more than 125 global events in 2021.

New in 2021, ERGs power our Connection Groups, which provide support and deepening our work in the community and include:

- In support of Attention Deficient Hyperactivity Disorder (ADHD) and Autism Spectrum Disorder (ASD), monthly connections providing support and opportunity to share, listen and learn
- Raising Rainbows, a support group focused on parents of those who are members of the LGBTQ+ community
- Fertility, Adoption and Fostering HOPE, monthly connections for a time of sharing and support with others who have similar journeys

We continue to expand our ERG programs, initiatives and resources, particularly in alignment with our diversity and inclusion goals. We aim to achieve year-over-year positive trends globally of women in leadership positions, and to achieve year-over-year positive trends in ethnically diverse talent in leadership positions in the U.S. As of 2021, the E.NOW Amplify Global Development program has had nearly 800 global participants. The Amplify program is a learning journey focusing on the habits and behaviors that help women grow their careers. Through self-driven learning, targeted topics and peer mentoring, participants clarify their vision, plan intentional actions and widen their influence, impact, and network.

During the year, we also refined and expanded our ENOW mentoring program to include peer-to-peer Mentoring Circles. These are small peer groups that meet monthly to share experiences, create an environment for growth and empowerment, keep each other accountable and offer support and coaching for one another. Each circle has one to two moderators and six to eight participants with a six-month commitment. In 2021, we had 13 circles piloted in the U.S with approximately 130 participants. In 2022, we are expanding this program to all our global ENOW regions.

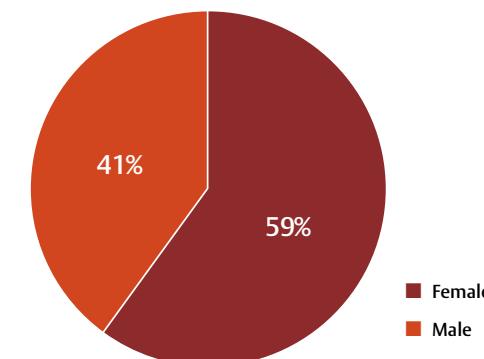
### Edwards' Social Impact Investment Fund

In 2021, Edwards announced the Social Impact Investment fund, to expand access to capital in underserved communities. The \$100 million fund aims to advance racial equity through economic development, especially in predominantly Black and underserved communities in the U.S. Edwards committed to a range of investments to provide additional capital for targeted programs, economic initiatives and community development projects. For example, in October 2021, \$25 million was [allocated](#) to the Providing Real Opportunities for Progress by Edwards Lifesciences (PROPEL) Fund, a New Markets Tax Credit (NMTC) equity fund focused on advancing progress towards racial equity by closing the health, wealth, and opportunity gaps in communities of color. To read more about the Social Impact Investment Fund, please see the [press release](#) and an [interview](#) with Scott Ullem, CFO.

### Edwards' Workforce Representation

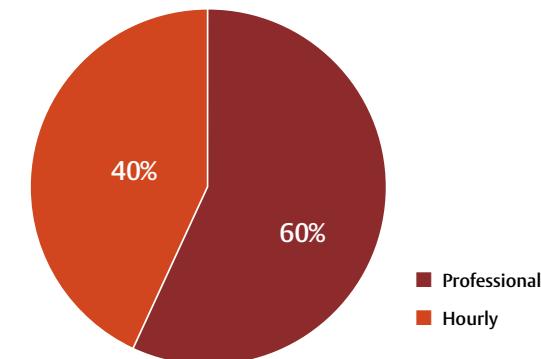
Edwards hires top talent, offers employee wellbeing and engagement and fosters a diverse and inclusive culture to help employees deliver their best. We are proud that our talented and passionate workforce exceeds industry, region and high performing benchmarks for employee engagement. More in-depth information on our workforce can be found in our [2021 EEO-1 statement](#).

### Global Employees by Gender in 2021



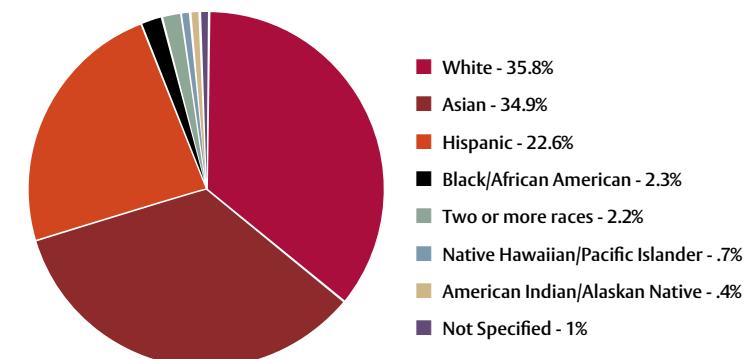
■ Female  
■ Male

### Global Employees by Type in 2021



■ Professional  
■ Hourly

### U.S. Employees by Ethnicity in 2021\*



\*In 2021, we included ethnicity data for Puerto Rico along with the rest of the United States.

## Women's Ranks in Leadership Globally\*

As part of our CEO's performance management objectives, we measure the number of female people leaders that are at the level of Sr. Manager and above with the target of year-over-year positive trending globally of women in leadership positions. We monitor this specific population because these roles have strong influence over the culture and future success at Edwards. Our people leaders at Sr. Manager and above are responsible for leading and making decisions regarding our talent. These people leaders impact company culture through their leadership responsibilities related to hiring, engagement and development of our employees. We consistently monitor our performance on this metric to ensure that we have the diverse perspectives necessary among our leadership ranks to fuel our innovation, solve patients' unmet healthcare needs, and continue to stay agile in a rapidly evolving industry.

### Percent of Women in Leadership

2021	2020	2019	2018	2017
34.3%	33.7%	33.1%	31.8%	30.9%

\*Senior manager and above female people leaders globally. Note the percentage change also reflects a year-over-year growing employee population.

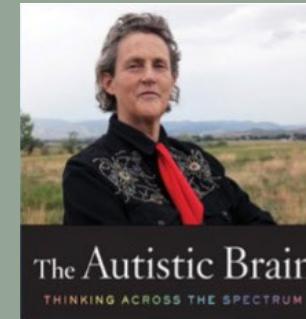
In addition, we annually benchmark our performance utilizing select McKinsey data sets. While we include the proportion of female people managers in our CEO's performance objectives, the McKinsey report includes all women in management (including those who do not manage people). For 2021, our comparable female leadership population was equal to or exceeded the benchmark average in four of five levels when compared to the McKinsey Women in the Workplace Report 2021.

### Preventing Unconscious Bias

As of 2019, 100 percent of ELT, SLT and their Director and above direct reports completed the Unconscious Bias Training. Our current target states: by 2022, all global employees will have completed unconscious bias training, and new hires complete the training within six months of employment. At the end of 2021, 100 percent of Associate Managers and above were trained, and we are on track to achieve this goal in 2022.



## HIGHLIGHT STORY



The Autistic Brain  
THINKING ACROSS THE SPECTRUM

### Creating Community and Encouraging Authenticity

Edwards aspires to be a global leader dedicated to fostering an inclusive culture where all employees grow and thrive. Our Employee Resource Groups (ERGs) bring employees with common interests together and play a central role in advancing Diversity, Inclusion & Belonging (DIB). These groups typically represent a marginalized community and support our workforce with a sense of belonging.

### Enable ERG – Autism Spectrum Disorder and Attention-Deficit/Hyperactivity Disorder

The Edwards Enable ERG celebrated Autism Awareness Month in a profound way, hosting an education and awareness event featuring guest speaker, Temple Grandin. Diagnosed with autism in 1950, she is a renowned professor, autism activist, and author of *The Autistic Brain*, among other books.

This flagship event was co-hosted with another ERG, Edwards Network of Women. Grandin's message – those on the autism spectrum are valuable contributors to society and the working world – was inspiring for all. Parents can teach their autistic child at various ages to develop important skills for life and work. The event had the largest online attendance of all Edwards ERG programs and was recorded for future viewing by all global employees.

Our Enable ERG provides education and support for employees directly and indirectly affected by disabilities, including Autism Spectrum Disorder and attention-deficit/hyperactivity disorder. Enable strives to identify ways to recruit and employ individuals with disabilities and focuses on ways to contribute to the company and community-at-large. In 2021, Enable's partnership with [Project Search](#) helped to place several employees with disabilities in meaningful careers at Edwards.



# HIGHLIGHT STORIES

## Fertility, Adoption & Fostering HOPE (FAFH)

“The road to parenthood can be a rollercoaster with many ups and downs ... the journey can be such an isolating experience, and even those with the best of intentions, can’t relate. But having the support of those who have been in your shoes is like a warm blanket wrapped around you to keep you warm in your coldest moments,” one FAFH member shared.

FAFH connects and supports those whose lives have been touched by fertility, adoption and/or fostering. Not only do they share their own personal journeys

of building their families; the group also provides resources, education and awareness, and guest speakers, and the group participates in community events to give back to fertility, adoption and foster organizations.

Recently, guest speakers from [Holt International](#) shared how to meet the needs of vulnerable children, barriers to attachment, intercountry adoption perspectives and insights from an adoptee.

## Rainbow Alliance / Raising Rainbows

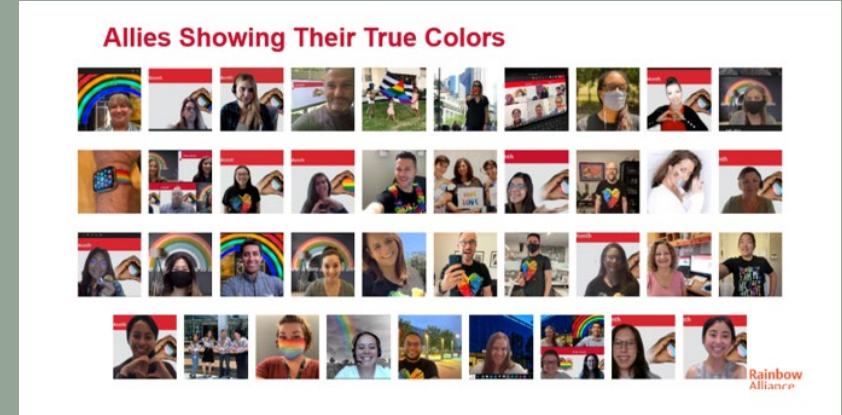
The mission of the Edwards Rainbow Alliance is to create a community of LGBTQ+ members and their allies that fosters employee engagement and diversity of thought through education, support, visibility, and advocacy.

Within this resource group is a unique body of support, Raising Rainbows, dedicated to parents and others whose loved ones are either young adult members of the LGBTQ+ community or whose children are exploring their sexuality or gender. The purpose is to offer encouragement and empathy to one another so that employees can bring their best selves home to the ones they love.

The monthly meetings include informal sharing and, frequently, guest speakers from the community who can offer education and advice for those navigating a new or challenging chapter in their family's story. In early 2022, LGBTQ Center OC shared tips and resources to help our employees support their young loved ones on their journeys.

### Allyship for Pride

Allyship (noun) – efforts by a group to advocate for the interests of marginalized groups in society.



Edwards launched a 20-day ally challenge in support of Pride month to deepen employees allyship and understanding of LGBTQ+ communities. Employee teams took on daily micro-challenges, each about 10 minutes, which underscored LGBTQ+ equity and identity. There were videos, coming out stories, pronoun education, insights on LGBTQ+ laws, a day to wear pride and more. Employees were encouraged to share reflections after each challenge, with many responses including messages of inspiration and insight.

# Volunteerism & Giving

Edwards Lifesciences' work to encourage employee charitable activity and giving supports our culture and [aspiration](#) of passionate engagement that strengthens our communities.

## Definition

Dedicating time, talent and resources to communities where Edwards' employees live and work and supporting community health and well-being. Our charitable activities and giving efforts focus on impacting underserved structural heart and critically ill patients through our Every Heartbeat Matters initiative which increases [access to healthcare](#) via humanitarian care, as well as strengthens the communities where we live and work.

## Management Approach

Our commitment to charitable giving and participation in philanthropic causes is one of the defining elements of Edwards Lifesciences' culture. We believe our work can inspire hope and contribute to better lives for our patients, employees and communities. Many of our employees feel personally connected to our philanthropy and identify this commitment as a key reason why they are proud to work at Edwards.

## Philanthropy at Edwards Lifesciences

At Edwards, we champion important health-related and community causes to improve the lives of underserved patients and strengthen communities. Through our [Global Corporate Giving](#), Edwards Lifesciences Foundation supports advancements in knowledge and improvements in quality of life. We leverage our expertise in structural heart disease and critical care monitoring to elevate the impact of our philanthropic efforts. Some examples of initiatives include [grants from the Edwards Lifesciences Foundation](#), [passionate employee charitable activity](#), [donation of our medical innovations](#), [corporate donations](#) and [employee gift matching](#) from our Foundation. We also sponsor several employee matching gift programs including dollar-for-dollar match programs, an additional match for employees serving in leadership positions with non-profits, and a match for our United Way Giving Campaign. The purpose and goals of our philanthropy include:

- Improve the lives of underserved patients by increasing access to healthcare and our donated technologies
- Execute our [Every Heartbeat Matters](#) philanthropic initiative with a target to improve the lives of 2.5 million additional underserved structural heart and critical care patients by the end of 2025
- Inspire passionate employee engagement in charitable activity
- Strengthen the communities where our employees live and work
- Live by the principles of Edwards Lifesciences' [Credo](#)

Edward continues to make serving our local communities a top priority of our giving efforts. At our offices around the world, we open our facilities to host programs, fundraisers and meetings for local non-profit organizations, such as United Way and American Heart Association. We also provide externships for members of local organizations such as Girls Inc. and Achievement Institute of Scientific Studies and regularly bring students onto our campuses to tour and learn about what it means to work in medical technology and understand the paths our employees took to get where they are today.

Our foundation and philanthropy work to navigate international granting dynamics, laws and regulations, and maintain compliance with reporting requirements related to healthcare professionals.

## Employee Charitable Activity and Giving

Our employees embody Edwards' focus on improving lives and our communities. The authentic commitment to giving and charitable activity spans from leadership across all employee populations, cultivating a strong, employee-led culture of helping others.

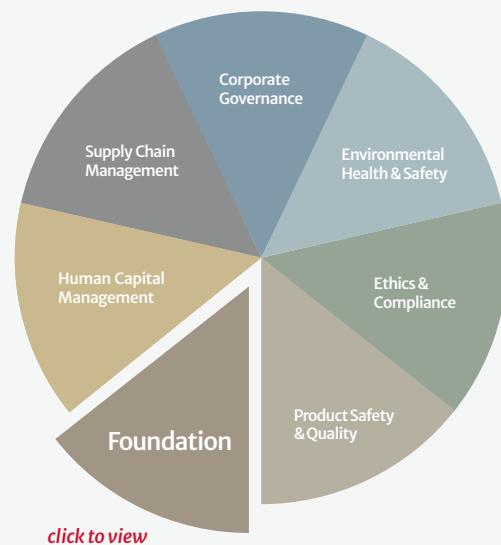
Edwards' commitment to this culture is shown by providing the infrastructure for employees to feel supported and encouraged to participate in charitable activities. We provide monthly opportunities for participation in charitable activities during their workday and encourage employees to give a few hours of Edwards time a few times a year.

Our more than 25 global [Strengthen Our Community](#) committees are cross-functional groups of passionate employees dedicated to living Edwards' Credo of "creating a community unified in its mission to improve the quality of life around the world." These committees organize our global volunteerism efforts, connecting Edwards' volunteers with organizations that are addressing community needs, often funded by the Edwards Foundation. Each committee is empowered to give their time and talents according to both local community needs and the interest of employees in their region. Notably, Edwards provides platforms, tools and resources for our employees to find a way to give back that is meaningful and relevant to them.

Edwards' culture of giving also comes to life through our ERGs, organizations that lead communities of employees from similar backgrounds or interest areas. Please find more information about our ERGs in our [Human Capital Management](#) section of this report.

## Governance Map

The governance map below outlines the Foundation's governance structure.



## Annual Performance

During 2021, our employees have continued to show up and give more. Amid unprecedented challenges for underserved patients and communities, the Edwards Foundation provided \$21 million to charitable causes around the world, including:

- Approximately \$8.5 million in donated Edwards technologies for urgent humanitarian patient support
- Launch of the Heart-to-Heart Employee Relief Fund, supporting employees during times of financial hardship or natural disaster
- Employees supporting the needs of our EHM partners via the first-ever EHM Pro Bono Corps, providing knowledge and expertise
- Foundation funding focusing on increasing healthcare access and equity
- Amplified employee giving through our Employee Matching Gift program
- Increased in-kind donations including food, refurbished computers and personal protective equipment

## Employee Charitable Activity and Giving

Edwards is energized by our work to support those in need, and we seek to embed this spirit throughout our culture by encouraging our employees to support others and give back.

In 2021, we had a 90 percent response rate on our engagement survey with over 13,000 employees responding. We found that Edwards employee engagement scores outpaced the global top performing companies benchmark and those in our industry. Coming in above this benchmark showcases our workforces' high level of engagement.

Not only are our employees incredibly engaged, but they are also firm believers in giving back to the communities we serve. According to the same survey, 82 percent of our employees stated they participated in charitable activities over the prior 12 months, through volunteering Edwards' or their personal time, or donating money or goods to non-profit organizations. This brings us closer to our company-wide aspiration to have 100 percent employee participation in engagement in charitable activities each year. Across the Senior Leadership Team, 100 percent stated they participated in charitable activities. Of those individuals who participated in a charitable activity, they reported having a higher level of patient focus, engagement, culture, belonging, empowerment, and innovation than individuals who did not participate in charitable activities. This is a testament to how integral philanthropy is to Edwards and our workforce.

Highlights of 2021 global employee community giving activities and in-kind donations:

- Our Edwards New Zealand team provided one classroom with books and equipment for the entire school year, providing 40 backpacks with books, pencils, glue and other essentials for the school year
- Members of our University programs in Orange County, Calif., worked with elementary aged students to complete a STEAM “supertower” project, supporting the next generation of STEAM leaders
- Employees from our office in Germany built a garden and benches at a facility that supports families with children who are suffering with mental health issues
- Our Irvine employees individually decorated and filled 144 holiday food boxes to be passed out to families at our adopted elementary school with predominantly at-risk students, Washington Elementary
- Edwards employees in the Dominican Republic uplifted a local community center and library by doing wall repairs and painted the center for local children to have a new space
- Employees from India cooked and served 76,000 nutritious meals to patients, staff and caregivers who were treating COVID-19 patients

## The Edwards Lifesciences Foundation

In 2021, Edwards' global giving totaled nearly \$21 million with over \$8 million in [cash grants from our Foundation](#), and approximately \$8.5 million in donations of technologies for humanitarian aid. Additionally, we align our Foundation giving with employee engagement through our foundation's employee matching gift program, which matches donations to non-profit organizations up to \$5,000 per employee each year.

[View list of partners and grants.](#)

## Every Heartbeat Matters

Our philanthropic initiative, [EHM](#) focuses on improving the lives of underserved patients. Between 2014–2020, the EHM community impacted the global burden of heart valve disease by educating, screening and treating over 1.7 million underserved people, surpassing our initial goal of 1 million.

Based on the accumulated knowledge and experience over the previous six years on how to have the greatest impact on patients, Edwards is now focused on its next phase of EHM: we will improve the lives of 2.5 million additional underserved structural heart and critical care patients by the end of 2025. This target aligns with UN SDG 3: Good Health & Well-Being.

Together with more than 50 current charitable partners we have:

1. Broadened the initiative's focus from heart valve disease to all structural heart diseases and critical care support;

2. Impacted each stage of the patient journey from detection to treatment, with an additional emphasis of recovery, and;

3. Established an enhanced product donation program that provides EHM partners and others doing humanitarian care with access to donated Edwards products to provide humanitarian treatment for underserved patients outside the U.S. in partnership with [MAP International](#); this includes donations of our most advanced surgical heart valves, heart valve repair rings, and critical care monitors and sensors.

Since launching this new phase of EHM in 2020, the charitable partners of this philanthropic community have impacted over 400,000 underserved patients. Despite the challenges faced by the COVID-19 pandemic in providing global humanitarian care for underserved patients, our charitable partners have preserved and innovated opportunities to improve patient lives. From virtual clinical education platforms to distance mentorship and support of clinicians from under-resourced institutions as they treat complex patient cases, to pushing forward with global travel as the opportunity becomes available, this charitable community remains committed to its patients.

For more on EHM, including stories of impact, please see our [dedicated web page](#).



## HIGHLIGHT STORY



### Meeting Partner Needs with Edwards' Expertise: EHM Pro Bono Corps

Through our EHM initiative, we worked with our partners--including Cincinnati Children's Hospital, Pyxera Global and the incredible medical team at Fort Apache Native American Indian Reservation – to launch the first ever EHM Pro Bono Corps in Whiteriver, Arizona. As a part of this initiative, a dedicated group of Edwards employees is giving Edwards' time and their talents in communication, clinical knowledge, economics and research to analyze opportunities for the Reservation to provide a cardiac echo screening program to all the residents of the community. In June 2022, the team returned to the Reservation to continue their charitable work, that began in 2021. We are excited to continue to identify potential opportunities to bring Edwards' knowledge and expertise to our EHM partners and increase impact for the humanitarian patients they serve.

# Environment



Edwards Lifesciences conducts business with care and respect for the environment. Our environmental annual performance is captured in our [Environmental Health & Safety \(EHS\) Report](#). This report covers all of our business operations and contains our management approach and annual performance for the following material topics:

- Energy & emissions
- Waste
- Water
- Environmental compliance

## EHS Policy

At Edwards Lifesciences, we recognize that safe and environmentally responsible operations bring shared value to our patients, our employees, our stakeholders, and the communities in which we operate.

We are committed to providing a safe and healthy workplace by identifying and controlling hazards and risks, minimizing our impact on the environment through pollution prevention efforts, and operating in compliance with legal requirements and applicable standards. Through a culture of engagement and ownership, we will set goals and communicate our progress on a journey of continual improvement.

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Achieve carbon neutrality  
by 2030 and 1.5°C  
science-based targets

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## Governance Map

Our [Governance Map](#) illustrates the accountability structure for managing Environmental Health and Safety, including Energy and Emissions, Waste, Water and Environmental Compliance.

