

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

- ☒ ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934, or
For the fiscal year ended December 31, 2024
- ☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission File No. 1-11083

BOSTON SCIENTIFIC CORPORATION

(Exact name of registrant as specified in its charter)

Delaware 04-2695240
(State or other jurisdiction of incorporation or organization) (I.R.S. Employer Identification No.)

300 Boston Scientific Way, Marlborough, Massachusetts 01752-1234
(Address of Principal Executive Offices) (Zip Code)

508 683-4000
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	BSX	New York Stock Exchange
0.625% Senior Notes due 2027	BSX27	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes: ☒ No ☐

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes: ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes: ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes: ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes: ☐ No ☒

The aggregate market value of the registrant's common stock held by non-affiliates was approximately \$113.1 billion based on the last reported sale price of \$77.01 of the registrant's common stock on the New York Stock Exchange on June 30, 2024, the last business day of the registrant's most recently completed second fiscal quarter. (For this computation, the registrant has excluded the market value of all shares of common stock of the registrant reported as beneficially owned by executive officers, and directors of the registrant; such exclusion shall not be deemed to constitute an admission that any such person is an affiliate of the registrant.)

The number of shares outstanding of Common Stock, \$0.01 par value per share, as of January 31, 2025 was 1,475,778,104.

Documents Incorporated by Reference

Portions of the registrant's definitive proxy statement to be filed within 120 days of December 31, 2024 with the Securities and Exchange Commission in connection with its 2025 Annual Meeting of Stockholders are incorporated by reference into Part III of this Form 10-K.

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PART I

ITEM 1. BUSINESS

Our Company

Boston Scientific Corporation is a global developer, manufacturer and marketer of medical devices that are used in a broad range of interventional medical specialties. Our mission is to transform lives through innovative medical solutions that improve the health of patients around the world. As a medical technology leader for more than 45 years, we have advanced the practice of less-invasive medicine by helping physicians and other medical professionals diagnose and treat a wide range of diseases and medical conditions and improve patients' quality of life by providing alternatives to surgery and other medical procedures that are typically traumatic to the body. We advance science for life by providing a broad range of high-performance solutions to address unmet patient needs and reduce the cost of health care. When used in this report, the terms "we," "us," "our" and "the Company" mean Boston Scientific Corporation and its divisions and subsidiaries.

Business Strategy

We operate pursuant to five strategic imperatives. We aim to: Strengthen Category Leadership, Expand into High Growth Adjacencies, Drive Global Expansion, Fund the Journey to Fuel Growth and Develop Key Capabilities. We believe that our execution of these strategic imperatives will help us deliver on our mission, drive innovation and increase value for our customers and employees, while strengthening our leadership position in the medical device industry and delivering profitable revenue growth.

We expect to continue to invest in our core businesses and pursue opportunities to diversify and further expand our presence in strategic, high-growth adjacencies and new global markets, including growth within the countries we define as emerging markets. Maintaining and expanding our international presence is an important component of our long-term growth strategy. Through our international presence, we seek to increase net sales and market share, leverage our relationships with leading physicians and their clinical research programs, accelerate the time to bring new products to market and gain access to worldwide technological developments that we can implement across our product lines. Our research and development efforts are focused largely on the development of next-generation and novel technology offerings across multiple programs and all divisions. In the past several years, we have completed numerous acquisitions in support of our growth strategy, both strengthening our core businesses and expanding into high growth adjacent markets. We continue to develop digital tools and technologies that enable us to compete more effectively and deliver first class remote physician education, drive deeper patient engagement and increase digitally-enabled sales force productivity.

We have a firm commitment to corporate social responsibility and living our values as a global business and global corporate citizen. This includes taking actions to advance diversity and inclusion, including through financial support of equity initiatives in the communities where we live and work, protecting the environment, investing in our employees' health and well-being, and many other initiatives that we believe ultimately help us create value responsibly. Refer to discussion of *Community Outreach* and *Corporate Responsibility* below for additional information regarding measures we are undertaking.

Product Offerings

Our core businesses are organized into two reportable segments: MedSurg and Cardiovascular. The following describes our key product offerings and new product innovations by reportable segment and business unit.

MedSurg

Endoscopy

Our Endoscopy business unit develops and manufactures devices to diagnose and treat a broad range of gastrointestinal (GI) conditions with innovative, less-invasive technologies. Our product offerings include the following:

- Resolution 360™ Clips, Resolution 360™ ULTRA Clips and MANTIS™ Clips, hemostatic clipping technology designed to stop and help prevent bleeding during endoscopic procedures,
- WallFlex™ Biliary Stent Systems, used for relieving biliary obstructions by providing bile drainage in both malignant and benign strictures,

- AXIOS™ Stents and Electrocautery Enhanced Delivery Systems, the first, and currently only stent systems in the U.S. indicated for endoscopic drainage of pancreatic pseudocysts and used to facilitate endoscopic drainage of the gallbladder for patients with acute cholecystitis,
- SpyGlass™ DS II Direct Visualization Systems and SpyGlass™ Discover Digital Catheters, the first single-use scopes to enable physicians to take a single-stage approach to diagnostic and therapeutic procedures in the pancreaticobiliary system, including treating patients with bile duct stones,
- EXALT™ Model D Single-Use Duodenoscopes for use in endoscopic retrograde cholangiopancreatography (ERCP) procedures, the first U.S. Food and Drug Administration (FDA)-cleared single-use (disposable) duodenoscopes on the market,
- our endoluminal surgery portfolio, including our OverStitch™ Endoscopic Suturing System, used to close gastrointestinal defects and our endobariatric portfolio, including our Orbera™ Intragastric Balloon System used to aid in weight loss for patients suffering from obesity and
- our infection prevention portfolio, designed to minimize the risk of infection transmission and improve operational efficiencies by streamlining manual cleaning or eliminating the need for cleaning and tracking.

Urology

Our Urology business unit develops and manufactures devices to treat various urological conditions for both male and female anatomies, including kidney stones, benign prostatic hyperplasia (BPH), prostate cancer, erectile dysfunction and incontinence. Our product offerings include the following:

- a comprehensive line of stone management products, including ureteral stents, catheters, baskets, guidewires, sheaths and balloons,
- LithoVue™ Single-Use Digital Flexible Ureterscopes, which deliver detailed high-resolution digital images for high-quality visualization and seamless navigation,
- Lumenis Pulse™ Holmium Laser Systems with MOSES™ Technology, complemented by a full line of laser fibers and accessories used in urology procedures,
- our prosthetic urology portfolio, which includes our AMS 700™ penile implant with the TENACIO™ pump to treat erectile dysfunction and our AMS 800™ Artificial Urinary Sphincter to treat male urinary incontinence,
- GreenLight XPS™ Laser System and Rezūm™ Systems for treatment of BPH and
- SpaceOAR™ Hydrogel Systems which help reduce side effects that men may experience after receiving radiotherapy to treat prostate cancer, together with our SpaceOAR VUE™ Hydrogel, providing clinicians with enhanced product visualization.

In the fourth quarter of 2024, we completed the acquisition of Axonics, Inc. (Axonics), a publicly traded medical technology company primarily focused on the development and commercialization of devices to treat urinary and bowel dysfunction. The Axonics product portfolio includes the Axonics R20™ and Axonics F15™ Systems used to deliver sacral neuromodulation (SNM) therapy for the treatment of over-active bladder and fecal incontinence.

Neuromodulation

Our Neuromodulation business unit develops and manufactures devices to treat various neurological movement disorders and manage chronic pain. Our product offerings include the following:

- WaveWriter Alpha™ Spinal Cord Stimulator (SCS) System, designed to provide improved pain relief to a wide range of patients who suffer from chronic pain, with proprietary features such as Multiple Independent Current Control, our Illumina 3D™ Proprietary Programming Software and FAST™ Therapy for profound parathesia-free pain relief in minutes, used by physicians to target specific areas of pain and customize stimulation of nerve fibers more precisely,
- our G4™ Generator and consumable portfolio in Radiofrequency Ablation (RFA) for pain management used by physicians to treat patients with chronic pain,
- Superion™ Indirect Decompression Systems, minimally-invasive devices used to improve physical function and reduce pain in patients with moderate lumbar spinal stenosis (LSS),
- our Intracept™ Intraosseous Nerve Ablation System, the only FDA-cleared system to treat vertebrogenic pain, a form of chronic low back pain and
- Vercise Genus™ Deep Brain Stimulation (DBS) System for the treatment of Parkinson's disease, tremor and intractable primary and secondary dystonia, a neurological movement disorder characterized by involuntary muscle contractions, utilizing Stimview™ XT, our proprietary DBS visualization software developed in collaboration with Brainlab AG, providing clinicians with real-time, 3D visualization and stimulation of brain anatomy.

In the first quarter of 2024, we received FDA approval for an expanded indication of the WaveWriter™ SCS Systems for the treatment of chronic low back and leg pain in people who have not had prior back surgery.

Cardiovascular

Cardiology

Interventional Cardiology Therapies (ICTx)

Our Interventional Cardiology Therapies business unit develops and manufactures technologies for diagnosing and treating coronary artery disease and aortic valve conditions. Our product offerings include the following:

- OptiCross™ Intravascular Ultrasound (IVUS) Imaging Catheters,
- iLab™ Ultrasound Imaging Systems with Polaris Software, designed to enhance the diagnosis and treatment of blocked vessels and other heart disorders, compatible with our full line of imaging catheters,
- AVVIGO™+ Multi-Modality Guidance System, incorporating high-definition IVUS all in a mobile or integrated platform,
- ROTAPRO™ Rotational Atherectomy Systems, designed to treat coronary calcification in lesions by regulating the flow of air to the advancer, controlling burr rotation speed, and also monitoring and displaying burr rotation speed and rotational atherectomy procedural time,
- SYNERGY™, SYNERGY MEGATRON™ and SYNERGY™ XD Everolimus-Eluting Platinum Chromium Coronary Stent Systems, featuring an ultra-thin abluminal (outer) bioabsorbable polymer coating,
- Safari2™ Pre-Shaped Guidewires, intended to facilitate the introduction and placement of interventional devices within the heart,
- WOLVERINE™ Coronary Cutting Balloon™, a cutting balloon angioplasty device with a unique mechanism of action that enables precise vessel preparation across a wide range of resistant lesions,
- AGENT™ Drug-Coated Balloon, which is designed to provide a targeted, therapeutic dose of anti-proliferative paclitaxel to the coronary lesion and minimize downstream particulates,
- ACURATE neo2™ and ACURATE Prime™ Aortic Valve Systems for use in transcatheter aortic valve replacement (TAVR) procedures and
- SENTINEL™ Cerebral Embolic Protection Systems, used to reduce the risk of stroke in TAVR procedures and is clinically proven to decrease cerebral embolization and its associated neurological effects.

In the first quarter of 2024, we received FDA approval of the AGENT™ Drug-Coated Balloon, the first drug-coated coronary balloon in the U.S., which is indicated to treat in-stent restenosis in patients with coronary artery disease and in the second quarter of 2024, initiated the U.S. launch.

In addition, in the third quarter of 2024, we received CE Mark and initiated the European launch of the ACURATE™ Prime™ Aortic Valve System, the company's next-generation transcatheter aortic valve replacement technology designed to treat severe aortic stenosis in patients across all surgical risk levels while also expanding the treatment range to patients with a larger anatomy.

Watchman

Our WATCHMAN FLX™ and WATCHMAN FLX™ Pro Left Atrial Appendage Closure (LAAC) Devices are designed to close the left atrial appendage in patients with non-valvular atrial fibrillation who are at risk for ischemic stroke and eligible for anticoagulation therapy. WATCHMAN™ is the first device to offer a non-pharmacologic alternative to oral anti-coagulants that has been studied in a randomized clinical trial and is the leading device in percutaneous LAAC globally. In the first quarter of 2024, we received FDA clearance and initiated the U.S. launch of the WATCHMAN TruSteer™ Access System, a steerable sheath designed to improve implant success of the WATCHMAN FLX™ Pro and WATCHMAN FLX™ LAAC Devices.

Cardiac Rhythm Management

Our Cardiac Rhythm Management (CRM) business unit develops and manufactures a variety of implantable devices that monitor the heart and deliver electricity to treat cardiac abnormalities. Our product offerings include the following:

- the RESONATE™ family of implantable cardioverter defibrillators (ICD) and implantable cardiac resynchronization therapy defibrillators (CRT-D), including our proprietary HeartLogic™ Heart Failure (HF) Diagnostic and SmartCRT™ Technology with Multisite pacing in CRT-D,
- EMBLEM™ MRI S-ICD Systems, the world's first commercially available subcutaneous implantable cardiac defibrillators (S-ICD), which provides physicians the ability to treat patients who are at risk for sudden cardiac arrest without touching the heart,
- ACCOLADE™ family of pacemakers and implantable cardiac resynchronization therapy pacemakers (CRT-P),
- ACUITY™ X4 Quadripolar LV Leads, RELIANCE™ family of ICD Leads and our INGEVITY™ Pacing Leads,
- LATITUDE™ Remote Patient Management Systems, which allow for more frequent monitoring and better guided treatment decisions by enabling physicians to monitor implantable system performance remotely,
- LUX-Dx™ II+™ Insertable Cardiac Monitor (ICM) System, a long-term diagnostic device implanted in patients to detect arrhythmias associated with conditions such as atrial fibrillation (AF), cryptogenic stroke and syncope and
- BodyGuardian™ Remote Cardiac Monitoring Systems provide a full range of mobile health solutions and remote monitoring services, ranging from ambulatory cardiac monitors – including short and long-term holter monitors – to cardiac event monitors and mobile cardiac telemetry.

In the third quarter of 2024, we received CE Mark for the LUX-Dx II/II+™ ICM system for long-term monitoring of arrhythmias. In addition, in the third quarter of 2024, we received FDA approval to expand the indication for the current-generation INGEVITY™+ Pacing Leads to include conduction system pacing and sensing of the left bundle branch area of the heart when connected to a single-or dual-chamber pacemaker.

Electrophysiology

Our Electrophysiology business unit develops and manufactures less-invasive medical technologies used in the diagnosis and treatment of rate and rhythm disorders of the heart, including a broad portfolio of therapeutic and diagnostic catheters and a variety of equipment used in the Electrophysiology lab. Our product offerings include the following:

- FARAPULSE™ Pulsed Field Ablation (PFA) System for the treatment of AF,
- POLARx™ Cryoablation Systems for the treatment of AF,
- VersaCross Connect™ Access Solutions for our WATCHMAN FXD Curve™ Sheath, Polarsheath™ and Faradrive™ Steerable Sheath providing safe and efficient access to the left side of the heart,
- OPAL HDx™ Mapping System, catheter-based, 3-D cardiac mapping and navigation solutions designed to help diagnose and guide treatment of a variety of arrhythmias,
- a portfolio of radiofrequency (RF) cardiac ablation catheters, including our INTELLANAV STABLEPOINT™ catheter, which also includes DIRECTSENSE™ Software for monitoring RF energy during ablations and
- IntellaMap Orion™ Mapping Catheters, for use with our OPAL HDx™ Mapping System to provide high-density, high-resolution maps of the heart.

In the first quarter of 2024, we commenced the U.S. launch of the FARAPULSE™ PFA System. We received National Medical Products Administration (NMPA) approval in China and Pharmaceuticals and Medical Device Agency (PMDA) approval in Japan in the second and third quarter of 2024, respectively. In addition, in the third quarter of 2024, we received FDA approval for the navigation-enabled FARAWAVE™ NAV Ablation Catheter for the treatment of paroxysmal AF and FDA 510(k) clearance for the new FARAVIEW™ Software, which combine to provide visualization for cardiac ablation procedures with the OPAL HDx™ Mapping System.

Since the launch of the FARAPULSE™ PFA System, we have observed rapid conversion from legacy treatment modalities to PFA. It is now the predominant component of our Electrophysiology business unit and revenue.

Peripheral Interventions

Our Peripheral Interventions business unit develops and manufactures products to diagnose and treat peripheral arterial and venous diseases, as well as products to diagnose, treat and ease various forms of cancer. Our broad peripheral portfolio includes stent systems, balloon catheters, guidewires, atherectomy and thrombectomy systems, embolization devices, radioactive microspheres, radiofrequency and cryotherapy ablation systems, microcatheters, drainage catheters and transcarotid artery revascularization.

Our peripheral arterial product offerings include:

- Eluvia™ Drug Eluting Vascular Stent Systems, innovative stents built on the Innova stent platform, designed to deliver a sustained dosage of paclitaxel during the time when restenosis is most likely to occur, in addition to the Eluvia™ line extension, the longest-length stent available for treatment of patients with peripheral artery disease (PAD) in the superficial femoral artery,
- Mustang™, Coyote™ and Sterling™ PTA Balloon Catheters designed for a wide variety of peripheral angioplasty procedures and
- Ranger™ Drug-Coated Balloons, innovative balloons built on the Sterling balloon platform, featuring a low-dose of paclitaxel.

Our venous disease product offerings include the following:

- AngioJet™ Thrombectomy Systems, used in endovascular procedures to remove blood clots from blocked arteries and veins and our AngioJet Zelante DVT™ Thrombectomy Catheters to treat deep vein thrombosis,
- EKOS™ Ultrasound Assisted Thrombolysis systems used to treat pulmonary embolisms and
- Varithena™ Polidocanol Injectable Foam used to improve the symptoms of superficial venous incompetence and the appearance of visible varicosities.

Our interventional oncology and embolization product offerings include the following:

- TheraSphere™ Y-90 radioactive glass microspheres used in the treatment of hepatocellular carcinoma (HCC), the most common type of liver cancer,
- Renegade™ HI-FLO™ Microcatheter and Fathom™ Guidewire System and Interlock™ - 35 Fibered IDC™ and Interlock™ - 18 Fibered IDC™ Occlusion System for peripheral embolization,
- EMBOLD™ Detachable Coil System, used for arterial and venous embolizations in the peripheral vasculature and
- ICEFX™ and Visual ICE™ Cryoablation Systems for destruction of tissue, using image-guided needles to enable cryoablation visualization for optimal tumor coverage.

In the third quarter of 2024, we completed our acquisition of Silk Road Medical, Inc. (Silk Road Medical), a publicly traded medical device company that has developed an innovative platform of products to prevent stroke in patients with carotid artery disease through a minimally-invasive procedure called transcatheter artery revascularization.

Markets

Competition

We encounter significant competition across our product lines and in each market in which we sell our products and solutions, some from companies that may have greater financial, sales and marketing resources than we do. Our primary competitors include large manufacturers with multiple lines of business and competing products, as well as a wide range of medical device companies that sell a single or limited number of competitive products or participate in only a specific market segment. In certain countries, and particularly in China, we also face competition from domestic medical device companies that may benefit from their status as local suppliers. We also face competition from non-medical device companies, which may offer alternative therapies for disease states that could also be treated using our products, or from companies offering technologies that could augment or replace procedures using our products.

We believe that our products and solutions compete primarily on their ability to deliver both differentiated clinical and economic outcomes for our customers by enabling physicians to perform diagnostic and therapeutic procedures safely and effectively often in a less-invasive and cost effective manner. We also compete on ease of use, comparative effectiveness, reliability and physician familiarity. In the current environment of managed care, with economically motivated buyers, consolidation among health care providers, increasing prevalence and importance of regional and national tenders, increased competition and declining reimbursement rates, we are also required to compete on the basis of price, value, reliability and efficiency. We recognize that our continued competitive success will depend upon our ability to:

- offer products and solutions that provide differentiated clinical and economic outcomes,
- create or acquire innovative, scientifically advanced technologies,
- apply our technology and solutions cost-effectively and with superior quality across product lines and markets,
- develop or acquire proprietary products and solutions,
- attract and retain qualified personnel,

- obtain patent or other protection for our products,
- obtain required regulatory and reimbursement approvals,
- continually provide quality products and enhance our quality systems and
- supply sufficient inventory at competitive prices to meet customer demand.

Research and Development

Our investment in research and development is critical to driving our future growth. Our investment in research and development supports the following:

- internal research and development programs, regulatory design and clinical science, as well as other programs obtained through our strategic acquisitions and alliances and
- engineering efforts that incorporate customer feedback into continuous improvement efforts for currently marketed and next-generation products.

We have directed our development efforts toward innovative technologies designed to expand current markets or enter adjacent markets. We continue to transform how we conduct research and development by identifying best practices, driving efficiencies and optimizing our cost structure, which we believe will enable increased development activity and faster concept-to-market timelines. Focused, cross-functional teams take a formal approach to new product design and development, helping us to manufacture and offer innovative products consistently and efficiently. Involving cross-functional teams early in the process is the cornerstone of our product development cycle. We believe this collaboration allows our teams to concentrate resources on the most viable and clinically relevant new products and technologies and to maximize cost and time savings as we bring them to market.

In addition to internal development, we work with leading research institutions, universities and clinicians around the world to develop, evaluate and clinically test our products. We continue to expand our collaborations to include research and development teams in our emerging market countries; these teams will focus on both global and local market requirements at a lower cost of development. We believe that these efforts will play a significant role in our future success.

Marketing and Sales

We market our products and solutions to hospitals, clinics, outpatient facilities and medical offices in 127 countries worldwide. In addition, large group purchasing organizations, hospital networks and other buying groups are important to our business and represent a substantial portion of our net sales. Each of our businesses maintains dedicated sales forces and marketing teams focused on physicians who specialize in the diagnosis and treatment of different medical conditions, as well as on key hospital service line administrators.

The majority of our net sales are derived from countries in which we have direct sales organizations. We also have a network of distributors and dealers who offer our products in certain countries and markets. We expect to continue to leverage our infrastructure in markets where commercially appropriate and use third party distributors in those markets where it is not economical or strategic to establish or maintain a direct presence.

Resources

Manufacturing and Raw Materials

We are focused on continuously improving our supply chain effectiveness, strengthening our manufacturing processes and increasing operational efficiencies within our organization worldwide. In doing so, we seek to focus our internal resources on the development and commercial launch of new products and the enhancement of existing products. We also drive continuous improvement in product quality through process controls and validations, supplier and distribution controls and training and tools for our operations team. In addition, we remain focused on examining our operations and general business activities to enhance our operational effectiveness by identifying cost-improvement opportunities.

We remain committed to maintaining appropriate investments to ensure supply chain stability. We have an ongoing supplier resiliency program which identifies and mitigates risk and have taken measures to mitigate the impact of challenges within the global supply chain in recent years. We consistently monitor our inventory levels, manufacturing, sterilization and distribution capabilities and partnerships and maintain recovery plans to address potential disruptions. Many components used in the manufacturing of our products are readily fabricated from commonly available raw materials or off-the-shelf items available from multiple supply sources; however, certain items are custom made to meet our specifications.

On an on-going basis, we track supplier status and inventory in risk areas and take action to prevent shortages, monitoring safety stock levels and building up product supplies as warranted, and mitigating risk of technology and material shortages by identifying new vendors.

Predictability in the supply of certain raw materials and components used in the manufacturing of our products has improved but continues to be a risk for certain materials and vendors. While we continue to believe we will have access to the raw materials and components that we need, these supply chain dynamics could result in increased costs to us or an inability to fully meet customer demand for certain of our products.

Proprietary Rights and Patent Litigation

We rely on a combination of patents, trademarks, trade secrets and other forms of intellectual property to protect our proprietary rights. We generally file patent applications in the U.S. and other countries where patent protection for our technology is appropriate and available. We hold patents worldwide that cover various aspects of our technology. In addition, we hold exclusive and non-exclusive licenses to a variety of third-party technologies covered by patents and patent applications. In the aggregate, these intellectual property assets and licenses are of material importance to our business; however, we believe that no single patent, trade secret, trademark, intellectual property asset or license is material in relation to our business as a whole.

We rely on non-disclosure and non-competition agreements with employees, consultants and other parties to protect, in part, trade secrets and other proprietary technology. There has been substantial litigation regarding patent and other intellectual property rights in the medical device industry, particularly in the areas in which we compete. We continue to defend ourselves against claims and legal actions alleging infringement of the patent rights of others. Additionally, we may find it necessary to initiate litigation to enforce our patent rights, to protect our trade secrets or know-how and to determine the scope and validity of the proprietary rights of others. Accordingly, we may seek to settle some or all of our pending litigation, particularly to manage risk over time. Settlement may include cross licensing of the patents that are the subject of the litigation as well as our other intellectual property and may involve monetary payments to or from third parties.

We maintain insurance policies providing limited coverage against securities claims. We are substantially self-insured with respect to product liability claims and fully self-insured with respect to intellectual property infringement claims. The absence of significant third-party insurance coverage increases our potential exposure to unanticipated claims or adverse decisions. See *Note I – Commitments and Contingencies* to our 2024 consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for a discussion of intellectual property, product liability and other litigation and proceedings in which we are involved.

Regulatory Environment

Medical Device Regulatory Approvals

The medical devices that we manufacture, market and commercialize are subject to regulation by numerous worldwide regulatory bodies, including the FDA and comparable international regulatory agencies. These agencies require manufacturers of medical devices to comply with applicable laws and regulations governing development, testing, manufacturing, labeling, marketing and distribution. Medical devices are also generally subject to varying levels of regulatory control based on risk level of the device.

In the U.S., authorization to distribute a new device can generally be met in one of two ways. The first process requires that a premarket notification (510(k)) be made to the FDA to demonstrate that the device is as safe and effective as, or substantially equivalent to, a legally marketed device (the “predicate” device). Applicants must submit performance data to establish substantial equivalence. In some instances, data from human clinical trials must also be submitted in support of a 510(k) premarket notification. If so, these data must be collected in a manner that conforms to the applicable Investigational Device Exemption (IDE) regulations. The FDA must issue a decision finding substantial equivalence before commercial distribution can occur. Changes to cleared devices that could not significantly affect the safety or effectiveness of the device can generally be made without additional 510(k) premarket notifications; otherwise, a new 510(k) is required.

The second process requires the submission of a premarket approval (PMA) application to the FDA to demonstrate that the device is safe and effective for its intended use. This approval process applies to most Class III devices and generally requires clinical data to support the safety and effectiveness of the device, obtained in adherence with IDE requirements. The FDA will approve the PMA application if it finds that there is a reasonable assurance that the device is safe and effective for its intended purpose and that the proposed manufacturing is in compliance with the Quality System Regulation (QSR). For novel

technologies, the FDA may seek input from an advisory panel of medical experts and seek their views on the safety, effectiveness and benefit-risk of the device. The PMA process is generally more detailed, lengthier and more expensive than the 510(k) process.

In the European Union (EU), we are required to comply with the Medical Device Regulation (MDR or EU MDR) effective May 2021, which superseded the existing Medical Device and Active Implantable Medical Device Directives. Medical devices that have a valid CE Certificate to the Directives issued before May 2021 can continue to be sold during the applicable transition period or until the CE Certificate expires, whichever comes first, providing there are no significant changes to the design or intended use. The CE Mark, which is required to sell medical devices in the EU is affixed following a Conformity Assessment and either approval from the appointed independent Notified Body or through self-certification by the manufacturer. The selected pathway to CE marking is based on device risk classification. CE marking indicates conformity to the applicable General Safety and Performance Requirements (GSPRs) for the MDR. The MDR changes multiple aspects of the regulatory framework for CE marking, such as increased clinical evidence requirements, changes to labelling, and new requirements, including Unique Device Identification (UDI), and many new post-market reporting obligations. MDR also modifies and increases the compliance requirements for the medical device industry and has required significant investment and will continue to require ongoing investment over the next few years to transition all products. The CE mark continues to be a prerequisite for successful registration in many other global geographies. In addition, other EU countries continue to impose significant local registration requirements despite the implementation of MDR, and the United Kingdom has introduced new requirements following its exit from the EU.

We are also required to comply with the regulations of every other country where we commercialize products before we can launch or maintain new products on the market, including regulations that have been introduced in many countries in the Middle East and Southeast Asia that previously did not have medical device regulations, or had minimal regulations. In China, we are required to comply with NMPA regulations. In Japan, we are required to comply with Japan's Ministry of Health, Labor and Welfare (MHLW) regulations. In conjunction with the MHLW, the Pharmaceutical and Medical Device Agency is an independent agency that is responsible for reviewing drug and medical device applications and works with the MHLW to assess new product safety, develop comprehensive regulations, and monitor post-market safety.

The FDA and other worldwide regulatory agencies and competent authorities actively monitor compliance to local laws and regulations through review and inspection of design and manufacturing practices, record-keeping, reporting of adverse events, labeling and promotional practices. The FDA can ban certain medical devices, detain or seize adulterated or misbranded medical devices, order recall or market withdrawal of these devices and require notification of health professionals and others with regard to medical devices that present unreasonable risks of substantial harm to the public health. The FDA may also enjoin and restrain a company for certain violations of the Food, Drug and Cosmetic Act and the Safe Medical Devices Act, pertaining to medical devices, or initiate action for criminal prosecution of such violations. Regulatory agencies and authorities in the countries where we do business can halt production in or distribution within their respective country or otherwise take action in accordance with local laws and regulations.

International sales of medical devices manufactured in the U.S. that are not approved by the FDA for use in the U.S., or that are banned or deviate from lawful performance standards, are subject to FDA export requirements. Additionally, exported devices are subject to the regulatory requirements of each country to which the device is exported.

Our quality system is designed to enable us to satisfy various international quality system regulations, including those of the FDA with respect to products sold in the U.S. The International Standards Organization (ISO) established the ISO 13485 quality system standard, which includes requirements for an implemented quality system that applies to component quality, supplier control, product design and manufacturing operations. All of our medical device manufacturing facilities and key distribution sites are certified under the ISO 13485 quality system standard.

Health Care Policies and Reimbursement

Political, economic, technological and regulatory influences around the world continue to subject the health care industry to potential fundamental changes that could substantially affect our results of operations. We maintain a global Government Affairs presence, headquartered in Washington, D.C., to actively monitor and advocate on myriad legislation and policies that may potentially impact us, both on a domestic and an international front. The Government Affairs office works closely with members of Congress and committee staff, the White House and administration offices, state governors, legislatures and regulatory agencies, embassies and global governments on issues affecting our business. The Government Affairs office also

advocates for public policy that benefits our employees and the patients we serve and supports the communities in which we live.

Our products are purchased principally by hospitals, physicians and other health care providers around the world that typically bill various third-party payers, including government programs (e.g., Medicare and Medicaid in the U.S.) and private insurance payers, for the items and services provided to their patients. Government and private sector initiatives related to limiting the growth of health care costs (including price regulation), coverage and payment policies, comparative effectiveness reviews of therapies, technology assessments, price transparency and health care delivery and payment structure reforms, are continuing in many countries where we do business. We believe that these changes are causing the marketplace to place increased emphasis on the delivery of treatments that can reduce costs, improve efficiencies and/or increase patient access. Although we believe our products and technologies generate favorable clinical outcomes, value and cost efficiency, while also being less invasive than alternatives, the resources necessary to demonstrate value to our customers, patients, payers and other stakeholders are significant and new therapies may take significantly longer periods of time to gain widespread adoption.

Implementation of cost containment initiatives and health care reforms in significant markets such as the U.S., China, Australia, and other markets may limit the price of, or the level at which reimbursement is provided for, our products or procedures using our products, which in turn may make it less likely that a hospital or physician will select our products to treat patients.

Environmental Regulation and Management

We are subject to various environmental laws, directives and regulations both in the U.S. and abroad. Our operations involve the use of substances regulated under environmental laws, primarily in manufacturing and sterilization processes. We are focused on continuous improvement in environmental metrics with a goal of reducing pollution, minimizing depletion of natural resources and reducing our overall environmental footprint. We have obtained ISO14001:2015, Environmental Management Standard certification for 18 of our key locations and ISO50001, Energy Management Standard certification for 13 of our key locations. Specifically, we are working to optimize energy and resource usage, ultimately reducing greenhouse gas emissions and waste.

Human Capital

At Boston Scientific, our work is guided by core values and behaviors that define our culture and empower our employees, including Caring, Diversity, Global Collaboration, High Performance, Meaningful Innovation and Winning Spirit. As of December 31, 2024, we had approximately 53,000 employees, of which approximately 60 percent were outside the U.S. We believe the collective talent of our employees and our shared corporate culture, values and behaviors give us a competitive advantage.

Attracting, developing and retaining talented employees are key parts of our strategy and are critical to our success. We strive to do this by fostering a diverse, equitable and inclusive workplace, providing competitive pay and benefits and flexible work conditions, offering ongoing employee growth and development opportunities and cultivating a culture that prioritizes employee health, safety and well-being.

Workforce Development

We do our best work to advance health care when we have a diverse range of perspectives and experience on our team. Innovation thrives in a culture of engagement and inclusion. The society in which we live and the customers and patients we serve are diverse and we aim for our employees at all levels of the organization to reflect this diversity. In recent years, we have made steady progress to improve the diversity of our workforce.

We continue to focus on improving workforce development through intentional actions to drive meaningful change. We listen to our employees and use that feedback to complement and expand our existing programs to emphasize initiatives aimed at developing our pipeline of talent and fostering an inclusive workplace for all. Additionally, our Executive Committee and our Board of Directors oversee our policies and strategies related to diversity and inclusion, employee engagement, talent recruitment and development, pay equity and company culture.

In addition, our ten Employee Resource Groups (ERGs) are at the heart of our inclusion strategy. ERGs are voluntary, company sponsored employee groups open to all employees that foster and celebrate our diverse workforce and inclusive work environment. They provide forums for us to learn from one another, celebrate our uniqueness and develop inclusive leadership skills. We support each ERG by designating global and local executive sponsors and providing financial resources. Our ERG chapters around the world collaborate across the business at all levels and are powerful drivers of change in the Company.

Additionally, our approach to supplier selection involves building inclusive practices throughout the Boston Scientific supplier network. We are committed to the sustained support of a broad spectrum of businesses that share our dedication to improving the quality of patient care.

Compensation and Benefits

We offer competitive, performance-based compensation programs, recognizing that employee well-being, safety, culture, engagement and recognition are all critical to a healthy work environment and productive workforce. We offer programs that acknowledge, respect and support an individual's life and work choices. Our holistic programs are guided by overall workforce health, focusing on physical, financial and emotional well-being as well as a healthy work environment. We believe that investing in employee well-being leads to improved performance for the individual and the organization.

As part of our broader rewards portfolio, we offer competitive pay and benefits that are flexible and affordable to meet the individual needs of our employees. In addition to cash-based salaries, our rewards portfolio includes cash bonus programs, sales incentives, stock awards, recognition awards, health insurance, paid time off and family leave, retirement savings plans, childcare and employee assistance programs that encourage overall well-being, including help with finances, inclusive family planning and support, elder/childcare, legal support and mental health resources.

Equal pay for equal work is rooted in our values and foundational to fostering an inclusive environment. Pay equity is an important part of our long-standing global compensation planning practices. Sustaining pay equity requires constant measurement and attention, so we regularly conduct comprehensive audits, internal and external analyses and company-wide benchmarking of salaries to identify and mitigate disparities. In addition, we periodically contract with an independent, third party to assess pay equity across all positions. Our most recent pay equity study, completed in 2023, reported no statistically significant pay disparity for more than 99 percent of our employees across gender globally and for multicultural talent in the U.S. and Puerto Rico. We continue to educate and train our people, update policies and expand benefits to decrease bias, ensure our employee base represents the patients, health systems and communities we serve, and foster a culture where all employees feel valued and included.

Employee Health and Safety

We take a global approach to prioritizing and monitoring employee health and safety and we strive to foster a safety-oriented culture in all of our offices and facilities. We set health and safety goals which measure the number of injuries per 100 employees for the global organization. Our Employee Health & Safety Global and Regional Councils review performance monthly to discuss trends and risks, as well as opportunities for improvement. We have obtained ISO 45001:2018 Occupational Health and Safety Management System at 17 of our key global locations. This is a globally recognized standard for employee Occupational Health and Safety, established by the International Standards Organization, which provides a voluntary framework to identify key occupational health and safety aspects associated with our business helping to deliver continuous improvement. We have established a company-wide safety goal of 0.25 or fewer injuries per 100 employees by 2030, cutting our year-over-year incident rate by approximately 50 percent from a base year of 2019. As of December 31, 2024, we have achieved a safety level of 0.36 per 100 employees.

Employee Growth and Development

Developing our people professionally is one of the most important things we do. We have robust succession planning to ensure our future leaders are ready to assume roles as they become available. At every level of the Company, employees have access to training and tools they can use to advance their skills and expertise and create greater possibilities for their careers. We offer professional and technical courses, including on-the-job training, skills-based learning, mentoring opportunities and leadership development programs for all employees.

Employee Engagement

We seek ongoing feedback from our employees to better understand what we are doing well and, conversely, how we can improve their experience. In addition to encouraging ongoing communication and feedback between employees and their managers, we conduct periodic employee engagement surveys to ensure all employees have an opportunity to share their insights and we take appropriate action in response.

Community Outreach

We are united by a goal to make a difference in the lives of the over 44 million patients we serve annually. The Boston Scientific Caring value guides us in the work we do each day including how we invest in the well-being of communities. We focus on ensuring our employees drive meaningful, long-lasting change in our communities. Our community work connects the talents, resources and skills of our employees to charitable organizations that are cultivating healthier communities across the globe. In 2024, we focused on providing aid to those impacted by natural and humanitarian disasters and addressing the basic needs of underserved populations in communities where we live and work. Our global community programs empower employees to participate in and influence the way we care for local communities through volunteerism and personal donations. Many employees choose to support their communities and causes they are passionate about through the use of the Employee Matching Gifts program.

Aligned with the Boston Scientific mission to improve patient lives, we also collaborate with non-profit community organizations to decrease health disparities and reduce the risk for chronic disease for the underserved. We provide grants that support education and development for health care workers and support chronic disease screenings in vulnerable communities worldwide. In 2024, we provided approximately \$1 million in these grants to organizations working in the U.S., Mexico, Peru and India. We also continue our long-term Close the Gap initiative, which focuses on raising awareness and empowering health care providers to reach more patients of color, fight longstanding inequities, and address barriers to care. Through Close the Gap, hospitals and health systems are provided with zip code level data that highlight the disease prevalence and disparities occurring in their communities. The information, along with our health equity resources, allows health care administrators and providers to focus on improving care to underserved populations within their communities.

We are also passionate about inspiring young learners to see themselves in a Science, Technology, Engineering and Mathematics (STEM) role in the future. Employees on our global STEM teams work with underrepresented K-12 students to share their passion for STEM by providing interactive product demos, development programs, and hands-on activities for young learners in their communities. In 2024, more than 58,000 students were reached through our STEM activities and events.

Corporate Responsibility

Our sustainable environmental, social and governance (ESG) practices underpin all aspects of our global business. Our approach is aligned with the United Nations Sustainable Development Goals and our material topics and practices are informed by a broad range of internal and external stakeholders – locally, nationally and globally. Our employees around the world work with suppliers and other organizations that share our commitment to these practices that help address issues related to health inequity, economic disparity, climate change and environmental protection. Our ESG team works closely with subject matter experts and key advisors from across the business to implement our ESG practices and determine how we measure and share progress.

We also continue to focus on making measurable progress toward shaping a better future for our planet by proactively addressing our energy consumption, carbon emissions and waste management. We are focused on a “C3” strategy: Cutting energy use, Converting to renewable energy sources and Compensating with carbon offset projects where needed.

Seasonality

Our net sales are influenced by many factors, including product launches, acquisitions, regulatory and reimbursement approvals, patient, physician and employee holiday schedules and other macro-economic conditions. While our consolidated net sales do not reflect any significant degree of seasonality, customer purchases of our medical devices have historically been lower in the first and third quarters of the year.

Available Information

Copies of our Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the Exchange Act), are available free of charge on our website (www.bostonscientific.com) as soon as reasonably practicable after we electronically file the material with or furnish it to the U.S. Securities and Exchange Commission (SEC). Additionally, the SEC maintains an internet site (www.sec.gov) that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. Information on our website or linked to our website is not incorporated by reference into this Annual Report on Form 10-K.

Safe Harbor for Forward-Looking Statements

Certain statements that we may make from time to time, including statements contained in this Annual Report on Form 10-K and information incorporated by reference herein, constitute “forward-looking statements” within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Forward-looking statements may be identified by words like “anticipate,” “expect,” “project,” “believe,” “plan,” “estimate,” “intend,” “aim,” “goal,” “target,” “continue,” “hope,” “may” and similar words. These forward-looking statements are based on our beliefs, assumptions and estimates using information available to us at the time and are not intended to be guarantees of future events or performance. If our underlying assumptions turn out to be incorrect, or if certain risks or uncertainties materialize, actual results could vary materially from the expectations and projections expressed or implied by our forward-looking statements.

The forward-looking statements in this Annual Report on Form 10-K are based on certain risks and uncertainties, including the risk factors described in Item 1A under the heading “Risk Factors” and the specific risk factors discussed herein and in connection with forward-looking statements throughout this Annual Report on Form 10-K, which could cause actual results to vary materially from the expectations and projections expressed or implied by our forward-looking statements. These risks and uncertainties, in some cases, have affected and in the future could affect our ability to implement our business strategy and may cause actual results to differ materially from those contemplated by the statements expressed in this Annual Report on Form 10-K. As a result, readers are cautioned not to place undue reliance on any of our forward-looking statements. Risks and uncertainties that may cause such differences include, among other things: economic conditions, including the impact of foreign currency fluctuations, future U.S. and global political, competitive, reimbursement and regulatory conditions; geopolitical events; manufacturing, distribution and supply chain disruptions and cost increases; disruptions caused by cybersecurity events; disruptions caused by public health emergencies or extreme weather or other climate change-related events; labor shortages and increases in labor costs; variations in outcomes of ongoing and future clinical trials and market studies; new product introductions and the market acceptance of those products; market competition for our products; expected pricing environment; expected procedural volumes; the closing and integration of acquisitions; demographic trends; intellectual property rights; litigation; financial market conditions; the execution and effect of our restructuring program; the execution and effect of our business strategy, including our cost-savings and growth initiatives; our ability to achieve ESG goals; and future business decisions made by us and our competitors. New risks and uncertainties may arise from time to time and are difficult to predict. All of these factors are difficult or impossible to predict accurately and many of them are beyond our control. For a further list and description of these and other important risks and uncertainties that may affect our future operations, see Part I, Item 1A. Risk Factors contained within this Annual Report on Form 10-K filed with the SEC, which we may update in Part II, Item 1A. Risk Factors in subsequent Quarterly Reports on Form 10-Q that we will file hereafter. We disclaim any intention or obligation to publicly update or revise any forward-looking statement to reflect any change in our expectations or in events, conditions, or circumstances on which those expectations may be based, or that may affect the likelihood that actual results will differ from those contained in the forward-looking statements, except as required by law. This cautionary statement is applicable to all forward-looking statements contained in this Annual Report on Form 10-K.

The following are some of the important risk factors that could cause our actual results to differ materially from our expectations in any forward-looking statements. For further discussion of these and other risk factors, see Item 1A. Risk Factors.

Our Business

- Risks associated with uncertain domestic or international economic conditions, including those related to inflationary pressures, interest rates, monetary and tax policy, supply chain disruptions and constraints, currency devaluations or economies entering into periods of recession,
- The impact of disruptions in the supply of the materials and components used in manufacturing our products or the sterilization of our products,
- Labor shortages and the impact of inflation on the cost of raw materials and wage costs,
- The impact of pandemics or other public health crises on worldwide economies, financial markets, manufacturing and distribution systems and business operations,
- The impact of natural disasters, climate change or other catastrophic events on our ability to manufacture, distribute and sell our products,

- The impact of competitive offerings, value-based procurement practices, government-imposed payback provisions and changes in reimbursement practices and policies on average selling prices for our products,
- The ongoing impact on our business of physician alignment to hospitals, governmental investigations and audits of hospitals and other market and economic conditions on the overall number of procedures performed,
- The performance of, and physician and patient confidence in, our products and technologies or those of our competitors,
- The impact and outcome of ongoing and future clinical trials and market studies undertaken by us, our competitors or other third parties or perceived product performance of our or our competitors' products,
- Variations in clinical results, reliability or product performance of our and our competitors' products,
- Our ability to acquire or develop, launch and supply new or next-generation products and technologies worldwide and in line with our commercialization strategies in a timely and successful manner and with respect to our recent acquisitions,
- The effect of consolidation and competition in the markets in which we do business or plan to do business,
- Our ability to achieve our projected level or mix of product sales, as some of our products are more profitable than others,
- Our ability to attract and retain talent, including key personnel associated with acquisitions, and to maintain our corporate culture in a hybrid work environment,
- Risks associated with changes made or expected to be made to our organizational and operational structure, pursuant to our restructuring plans as well as any further restructuring or optimization plans we may undertake in the future or any divestitures of assets or businesses, and our ability to recognize benefits and cost reductions from such actions,
- The impact of enhanced requirements to obtain and maintain regulatory approval in the U.S. and around the world, including EU MDR and the associated timing and cost of product approval,
- The impact of increased pressure on the availability and rate of third-party reimbursement for our products and procedures in the U.S. and around the world, including with respect to the timing and costs of creating and expanding markets for new products and technologies,
- The issuance of new or revised accounting standards by the Financial Accounting Standards Board or the Securities and Exchange Commission, and
- The impact of potential goodwill and intangible asset impairment charges on our results of operations.

Regulatory Compliance, Litigation and Data Protection

- The impact of health care policy changes and legislative or regulatory efforts in the U.S., the EU and around the world to modify product approval or reimbursement processes, including a trend toward demonstrating clinical outcomes, comparative effectiveness and cost efficiency, as well as the impact of other health care reform legislation,
- Risks associated with our regulatory compliance and quality systems and activities in the U.S., the EU and around the world, including meeting regulatory standards applicable to manufacturing and quality processes,
- Our ability to minimize or avoid future field actions or FDA warning letters, or similar actions by regulatory agencies around the world, relating to our products and processes and the ongoing inherent risk of potential physician advisories related to our or our competitors' products,
- The impact of increased scrutiny of and heightened global regulatory enforcement facing the medical device industry arising from political and regulatory changes, economic pressures or otherwise, including under U.S. Anti-Kickback Statute, U.S. False Claims Act and similar laws in other jurisdictions, U.S. Foreign Corrupt Practices Act (FCPA) and similar laws in other jurisdictions, and U.S. and foreign export control, trade embargo and customs laws,

- The effect of global legal, regulatory or market responses to climate change and sustainability matters, including increased compliance burdens and costs to meet regulatory obligations,
- Costs and risks associated with current and future asserted litigation,
- The effect of our litigation and risk management practices, including self-insurance and compliance activities on our loss contingencies, legal provisions and cash flows,
- The impact of, diversion of management attention as a result of, and costs to cooperate with, litigate and/or resolve governmental investigations and our product liability, contract and other legal proceedings,
- The possibility of failure to protect our intellectual property rights and the outcome of patent litigation, and
- Our ability to secure our information technology and operational technology systems that support our business operations and protect our data integrity and products from a cyber-attack, other breach or other malicious actors that may have a material adverse effect on our business, reputation or results of operations including increased risks as an indirect result of the ongoing Russia/Ukraine war and conflicts in the Middle East.

Innovation and Certain Growth Initiatives

- The timing, size and nature of our strategic growth initiatives and market opportunities, including with respect to our internal research and development platforms and externally available research and development platforms and technologies and the ultimate cost and success of those initiatives and opportunities,
- Our ability to complete planned clinical trials successfully, obtain regulatory approvals and launch new and next generation products in a timely manner consistent with cost estimates, including the successful completion of projects from in-process research and development,
- Our ability to identify and prioritize our internal research and development project portfolio and our external investment portfolio on profitable net sales growth opportunities as well as to maintain the estimated timing and costs of such projects and expected revenue levels for the resulting products and technologies,
- Our ability to develop, manufacture and market new products and technologies successfully and in a timely manner and the ability of our competitors and other third parties to develop products or technologies that render our products or technologies noncompetitive or obsolete,
- Our ability to execute appropriate decisions to discontinue, write-down or reduce the funding of any of our research and development projects, including projects from in-process research and development from our acquisitions, in our growth adjacencies or otherwise,
- Our dependence on acquisitions, alliances or investments to introduce new products or technologies and to enter new or adjacent growth markets and our ability to fund them or to fund contingent payments with respect to those acquisitions, alliances and investments, and
- The potential failure to successfully integrate, collaborate or realize the expected benefits, including cost synergies, from strategic acquisitions, alliances and investments we have consummated or may consummate in the future.

International Markets

- Our dependency on international net sales to achieve growth, and our ability to maintain or expand our worldwide market positions in the various markets in which we compete or seek to compete, including through investments in China and other Emerging Markets countries,
- The timing and collectability of customer payments, as well as our ability to continue factoring customer receivables where we have factoring arrangements, or to enter new factoring arrangements with favorable terms,

- The impact on pricing due to national and regional tenders, including value-based procurement practices and government-imposed payback provisions,
- Geopolitical and economic conditions, including civil unrest, terrorist activity, governmental changes, restrictions on the ability to transfer capital across borders, tariffs and other protectionist measures,
- The impact of the Russia/Ukraine war, conflicts in the Middle East, and tension in the Taiwan strait, and related, downstream effects thereof, including disruptions to operations or the impact of sanctions on U.S. manufacturers doing business in these regions,
- Protection of our intellectual property,
- Our ability to comply with established and developing U.S. and foreign legal and regulatory requirements, including FCPA, EU MDR and similar laws in other jurisdictions,
- Our ability to comply with U.S. and foreign export control, trade embargo and customs laws,
- The impact of significant developments or uncertainties stemming from changes in the U.S. government following the 2024 presidential and congressional elections, including changes in U.S. trade policies, tariffs and the reaction of other countries thereto, and
- The potential effect of foreign currency fluctuations and interest rate fluctuations on our net sales, operating expenses and resulting profit margins.

Liquidity

- Our ability to generate sufficient cash flow to fund operations, capital expenditures, global expansion initiatives, any litigation settlements and judgments, share repurchases and strategic investments and acquisitions as well as maintaining our investment grade ratings and managing our debt levels and financial covenant compliance,
- Our ability to access the public and private capital markets when desired and to issue debt or equity securities on terms reasonably acceptable to us,
- The unfavorable resolution of open tax matters, exposure to additional tax liabilities and the impact of changes in U.S. and international tax laws,
- The unfavorable resolution of open litigation matters, exposure to additional loss contingencies and legal provisions,
- The impact of examinations and assessments by domestic and international taxing authorities on our tax provisions, financial condition or results of operations,
- The possibility of counterparty default on our derivative financial instruments, and
- Our ability to collect outstanding and future receivables and/or sell receivables under our factoring programs.

ITEM 1A. RISK FACTORS

In addition to the other information contained in this Annual Report on Form 10-K and the exhibits hereto, the following risk factors should be considered carefully in evaluating our business. Our business, financial condition, cash flows or results of operations could be materially adversely affected by any of these risks. This section contains forward-looking statements. You should refer to the explanation of the qualifications and limitations on forward-looking statements set forth at the end of Item 1. Business of this Annual Report on Form 10-K. The considerations and risks that follow are organized within relevant headings but may be relevant to other headings as well. Additional risks not presently known to us or that we currently deem immaterial may also adversely affect our business, financial condition, cash flows or results of operations.

Economic, Industry and Geopolitical Risks

We face intense competition and may not be able to keep pace with the rapid technological changes in the medical devices industry, which could have an adverse effect on our business, financial condition or results of operations.

The medical device markets in which we participate are highly competitive. We encounter significant competition across our product lines and in each market in which our products are sold from various medical device companies. Some of our competitors may have greater financial and marketing resources than we do, including as a result of consolidation among companies in our industry. Our primary competitors include large manufacturers with multiple lines of business and competing products, as well as a wide range of medical device companies that sell a single or limited number of competitive products or which participate in only a specific market segment or segments. We also face competition from non-medical device companies, including pharmaceutical companies, biotech companies and providers of various diagnostic tests, which may offer alternative therapies or diagnostics for disease states also amenable to treatment or diagnosis using our products. New competitors may emerge in the future, potentially including companies introducing new sales or distribution models to our industry or leveraging genomic robotic, navigation, and/or other automation technologies. Digital technologies, including artificial intelligence (AI) and machine learning capabilities, have and may continue to increase in their applicability and importance to various aspects of our business, operating and competitive environments, research and development (R&D) pipeline and product portfolio. We believe we will need to develop new and enhanced digital capabilities and competences in order to remain competitive.

In addition, the medical device markets in which we participate are characterized by extensive research and development and rapid technological change. Developments by other companies of products and/or services, processes or technologies may make our products or proposed products obsolete or less competitive and may negatively impact our net sales. It is necessary for us to devote continued efforts and financial resources to the development or acquisition of scientifically advanced technologies and products. In addition, we will need to apply our technologies cost-effectively across product lines and markets, obtain patent and other protection for our technologies and products, obtain required regulatory and reimbursement approvals and successfully manufacture and market our products consistent with our quality standards. If we fail to develop or acquire new products or enhance existing products, such failure could have a material adverse effect on our business, financial condition or results of operations. In addition, a delay in the timing of the launch of next-generation products and the overall performance of, and continued physician confidence in, those products may result in declines in our market share and have an adverse impact on our business, financial condition or results of operations.

We may experience declines in market size, average selling prices for our products, medical procedure volumes and our share of the markets in which we compete, which may materially adversely affect our results of operations and financial condition.

We continue to experience pressures across many of our businesses due to competitive activity, increased market power of our customers as the health care industry consolidates, national and regional government tenders, economic pressures experienced by our customers, staffing shortages within health care facilities that have and may continue to negatively impact demand for our products, public perception of our products, and the impact of managed care organizations and other third-party payers. These and other factors may adversely impact market sizes, as well as our share of the markets in which we compete, the average selling prices for our products or medical procedure volumes. There can be no assurance that the size of the markets in which we compete will increase, that we will be able to hold or gain market share or compete effectively on the basis of price or that the number of procedures in which our products are used will increase. Decreases in market sizes or our market share and declines in average selling prices or procedural volumes could materially adversely affect our results of operations or financial condition.

Continued consolidation in the health care industry or additional governmental controls exerted over pricing and access in key markets could lead to increased demands for price concessions or limit or eliminate our ability to sell to certain of our

significant market segments, which could have an adverse effect on our business, financial condition or results of operations.

Numerous initiatives and reforms by legislators, regulators and third-party payers to curb the rising cost of health care, and to increase access to care, have catalyzed a consolidation of aggregate purchasing power within the markets in which we sell our products. Additionally, a growing number of countries have instituted or are contemplating introducing regional or national tender processes driven primarily by price. In some cases, such processes may favor local companies to multinational companies like us. In other instances, multinational companies may be subject to a separate tender bidding process in which they compete only with each other and not with domestic companies. Further, in certain markets, the regulatory process through which new medical devices are approved may be faster and/or less burdensome for domestic companies compared to multinational companies. As the health care industry consolidates, competition to provide products and services is expected to continue to intensify, resulting in pricing pressures, decreased average selling prices and the exclusion of certain suppliers from important market segments. We expect that market demand, government regulation, third-party coverage and reimbursement policies, government contracting requirements and societal pressures will continue to change the worldwide health care industry, resulting in further business consolidations and alliances among our customers, which may increase competition, exert further downward pressure on the prices of our products and services and may adversely impact our business, financial condition or results of operations.

Health care cost containment pressures, government payment and delivery system reforms, changes in private payer policies, and marketplace consolidations could decrease the demand for our products, the prices which customers are willing to pay for those products and/or the number of procedures performed using our devices, which could have an adverse effect on our business, financial condition or results of operations.

Our products are purchased principally by hospitals, physicians and other health care providers around the world that typically bill various third-party payers, including government programs, authorities or agencies (e.g., Medicare and Medicaid in the U.S.) and private health plans, for the health care supplies and services provided to their patients. Governments and payers may institute changes in health care delivery or payment systems that may reduce funding for services or encourage greater scrutiny of health care costs. The ability of customers to obtain appropriate reimbursement for their products and services is critical to the success of medical technology companies because it affects which products customers purchase and the prices they are willing to pay. Reimbursement and funding vary by country and can significantly impact the acceptance of new products and technologies and the use of established products and technologies. We may find limited demand for otherwise promising new products unless reimbursement approval is obtained from private and governmental third-party payers. Further legislative or administrative reforms to the reimbursement systems in the U.S., Japan, China, or other countries in a manner that significantly reduce or eliminate reimbursement for procedures using our medical devices, including price regulation, site of service requirements, competitive bidding and tendering, coverage and payment policies, comparative effectiveness of therapies, heightened clinical data requirements, technology assessments and managed-care arrangements, could have a material adverse effect on our business, financial condition or results of operations.

Challenging domestic and international economic conditions could adversely affect our business, financial condition, cash flows and results of operations.

The global macroeconomic environment has continued to experience challenging conditions and uncertainty, including around inflation, interest rates, monetary policy, exchange rates and geopolitical developments, which could adversely impact our business, financial condition, cash flows and results of operations. If there were a general economic slowdown or recession, we may experience decreased customer spending or demand for our products and services, and our customers' ability to pay for our products on a timely basis, or at all, may be impacted. The same economic conditions could also adversely affect our third-party vendors, including those that we utilize in our supply-chain and manufacturing operations, which may lead to a reduction or interruption in the supply of materials and components used in manufacturing our products or increase the price of such materials or components, as well as the distributors and dealers who offer our products in certain countries and markets. Continued inflationary pressure may also increase certain operational costs, including due to wage increases, or increases in the cost of materials or components. In addition, global pandemics or other public health crises could cause disruptions in global economic activity, global supply chains and labor markets, operational challenges such as site shutdowns, workplace disruptions or limited provider capacity to perform procedures using our products, and significant volatility in price and availability of goods and services. These adverse economic conditions or events could adversely affect our business, results of operations or financial condition.

Further, uncertainty about global economic conditions, including those resulting from a heightened global interest rate environment, has caused and may continue to cause disruption in the financial markets, including diminished liquidity and credit availability. These conditions could affect our ability to access credit markets, including to obtain financing for mergers

and acquisitions (M&A) or for other general purposes. These conditions may adversely affect our suppliers, leading them to experience financial difficulties or be unable to borrow money to fund their operations, which could cause disruptions in our ability to produce our products. Our customers may experience financial difficulties or be unable to borrow money to fund their operations, which may adversely impact their ability or decision to purchase our products, particularly capital equipment, or to pay for our products that they purchase on a timely basis, if at all. In addition, we have accounts receivable factoring programs in certain European and Asian countries. A slowdown in the global economy or sovereign debt issues may impact our ability to transfer receivables to third parties in certain of those countries. Third parties, such as banks, offering factoring programs in these countries are looking to reduce their exposure levels to government owned or supported debt. This could result in terminations of, or changes to the costs or credit limits of our existing factoring programs. Such terminations or changes could have a negative impact on our cash flow and days sales outstanding. Uncertain or challenging global economic conditions could also lead to greater fluctuations in foreign currency exchange rates, which could adversely impact our results of operations and financial performance.

We are subject to a number of market, business, financial, legal and regulatory risks and uncertainties with respect to our international operations that could have a material impact on our business, financial condition or results of operations.

International net sales accounted for 39 percent of our global net sales in 2024. An important part of our strategy is to continue pursuing growth opportunities in net sales and market share outside of the U.S. by expanding global presence, including in Emerging Markets. Our international operations are subject to a number of market, business and financial risks and uncertainties, including those related to our use of channel partners, go-to-market strategies, geopolitical and economic instability, foreign currency exchange and interest rate fluctuations, competitive product offerings, local changes in health care financing and payment systems and health care delivery systems, local product preferences and requirements, including preferences for local manufacturers, trade protection measures, including tariffs or other barriers to market participation, workforce instability, weaker intellectual property protection in certain countries than exists in the U.S. and longer accounts receivable cycles. Such risks and uncertainties may adversely impact our ability to implement our growth strategy in these markets and, as a result, our sales growth, market share and operating profits from our international operations may be adversely affected.

Our international operations are subject to established and developing legal and regulatory requirements for medical devices in each country in which our products are marketed and sold. Most foreign countries have medical device regulations. Further, most countries outside of the U.S. require product approvals be renewed or re-certified on a regular basis in order to continue to be marketed and sold there. In addition, several countries that previously did not have regulatory requirements for medical devices have established such requirements in recent years and other countries have expanded, or plan to expand, existing regulations, including requiring local clinical data in addition to global clinical data. These factors have caused or may cause us to experience more uncertainty, risk, expense and delay in obtaining approvals and commercializing products in certain jurisdictions, which could adversely impact our net sales, market share and operating profits from our international operations.

Further, international markets are affected by economic pressure to contain health care costs, which can lead to more rigorous evidence requirements and lower reimbursement rates for either our products directly or procedures in which our products are used. Governments and payers may also institute changes in health care delivery systems that may reduce funding for services, seek payback from market participants, or encourage greater scrutiny of health care costs. In addition, certain international markets may also be affected by foreign government efforts to reference reimbursement rates in other countries. All of these types of changes may ultimately reduce selling prices of our products and/or reduce the number of procedures in which our products are used, which may adversely impact our net sales, market share and operating profits from our international operations.

In addition, our international operations are subject to other established and developing U.S. and foreign legal and regulatory requirements, including FCPA and/or similar laws in other countries and U.S. and foreign import and export controls and licensing requirements, trade protection and embargo measures and customs laws. Global businesses, including those in the medical device industry, are facing increasing scrutiny of, and heightened enforcement efforts with respect to, their international operations. Any alleged or actual failure to comply with legal and regulatory requirements may subject us to government scrutiny, civil and/or criminal proceedings, sanctions and other liabilities, which may have a material adverse effect on our international operations, financial condition, results of operations and/or liquidity.

There may be greater uncertainty and market volatility following U.S. and global elections, including resulting from potential shifts in trade policies, tariffs or other trade protection measures, and the reaction of other countries thereto, or changes to international trade agreements, which could have a material adverse effect on our operations, including our ability to source and manufacture products in a timely and cost effective manner, financial condition, results of operations and/or liquidity. In particular, the U.S.-China relationship may continue to shape the geopolitical stage. Legislation aimed at boosting

competitiveness of U.S. businesses may have unintended negative effects on our business. We may also face greater competition in China, among other countries, from domestic medical device companies that may benefit from their status as local manufacturers and suppliers.

Lastly, geopolitical developments related to various global conflicts are sources of uncertainty and may cause disruptions to global or regional markets, supply chains or operations in the regions. Sanctions and export restrictions may continue to proliferate, leading to greater uncertainty in emerging and growth markets. Notably the Russia/Ukraine war has continued to create barriers to doing business in Russia and in parts of Eastern Europe, tension between China/Taiwan has created geopolitical shifts in Asia, and conflicts in the Middle East have disrupted operations of companies doing business in the region, including in Israel. Any significant changes in the political, economic, financial, competitive, legal and regulatory or reimbursement conditions where we conduct, or plan to expand, our international operations may have a material impact on our business, financial condition or results of operations.

Credit and Financial Risks

If we are unable to manage our debt levels, maintain investment grade credit ratings at the three ratings agencies, or if we experience a disruption in our cash flows, it could have an adverse effect on our cost of borrowing, financial condition or results of operations.

As part of our strategy to maximize stockholder value, we use financial leverage to manage our cost of capital. Our outstanding debt balance was \$10.746 billion as of December 31, 2024. Although we currently have investment grade ratings at Moody's Investor Service, Standard & Poor's Rating Service and Fitch Ratings, our inability to maintain investment grade credit ratings could increase our cost of borrowing funds in the future and reduce our access to liquidity. Uncertain or negative economic conditions could also increase our cost of borrowing in the future or reduce our access to liquidity. Delays in our product development and new product launches could result in disruption in our cash flow or our ability to continue to effectively manage our debt levels, which could have an adverse effect on our cost of borrowing, financial condition or results of operations. In addition, our credit agreements contain a financial covenant that requires us to maintain a maximum specified leverage ratio and place other limits on our business. If we are unable to satisfy this covenant, we may be required to obtain waivers from our lenders and no assurance can be made that our lenders would grant such waivers on favorable terms or at all and we could be required to repay any borrowings on demand.

We may record future goodwill impairment charges related to one or more of our global reporting units or other intangible asset impairment charges, which could materially adversely impact our results of operations.

We test our goodwill balances in the second quarter of each year as of April 1 for impairment, or more frequently if impairment indicators are present or changes in circumstances suggest an impairment may exist. We assess goodwill for impairment at the reporting unit level. We also test our indefinite-lived intangible assets at least annually, or more frequently if impairment indicators are present, and we review intangible assets subject to amortization quarterly for impairment. In evaluating the potential for impairment, we make assumptions regarding estimated revenue projections, growth rates, cash flows and discount rates.

On a quarterly basis, we monitor the key drivers of fair value to detect events or other changes that would warrant an interim impairment test of our goodwill and other intangible assets. Relatively small declines in the future performance and cash flows of a reporting unit or asset group, changes in our reporting units or in the structure of our business as a result of future reorganizations, acquisitions or divestitures of assets or businesses, or small changes in other key assumptions, may result in the recognition of significant asset impairment charges, which could have a material adverse impact on our results of operations.

Business and Operational Risks

Failure to integrate acquired businesses into our operations successfully could adversely affect our business, financial condition and operating results.

As part of our strategy to realign our business portfolio, we have completed multiple acquisitions in recent years and may pursue additional acquisitions in the future. Our integration of acquired businesses requires significant efforts, including corporate restructuring and the coordination of information technologies, research and development, sales and marketing, operations, regulatory, supply chain, manufacturing, quality systems and finance. These efforts result in additional expenses and involve significant management time. Some of the factors that could affect the success of our acquisitions include, among others, the effectiveness of our due diligence process, our ability to execute our business plan for the acquired companies, the strength of the acquired technology, results of clinical trials, regulatory approvals and reimbursement levels of the acquired

products and related procedures, the continued performance of critical transition services, our ability to adequately fund acquired in-process research and development projects and retain key employees and our ability to achieve synergies with our acquired companies, such as increasing sales of our products, achieving cost savings and effectively combining technologies to develop new products. Foreign acquisitions involve unique risks, including those related to integration of operations across different geographies, cultures and languages, currency risks and risks associated with the economic, political, legal and regulatory environment in specific countries. In addition, we have and may in the future acquire less than full ownership interests in other businesses, which involve unique challenges for effective collaboration. Further, other parties that hold remaining ownership interests in such businesses may at any time have economic or business goals that are inconsistent with our goals or the goals of such businesses. Our failure to manage these challenges successfully and coordinate the growth of such businesses or other investments could have an adverse impact on our business and our future growth. In addition, we cannot be certain that the businesses we acquire or invest in will become profitable or remain so, and if our acquisitions or investments are not successful, we may record related asset impairment charges in the future or experience other negative consequences on our operating results.

We may not be successful in our strategy relating to future strategic acquisitions of, investments in, or alliances with, other companies and businesses.

Our strategic acquisitions, investments and alliances are intended to further expand our ability to offer customers effective, high quality medical devices. We face competition for acquisitions from other health care and non-health care acquirers, financial sponsors, and from the market for initial public offerings (IPOs). Some of our competitors in the medical device sector may have access to substantially greater amounts of cash than we do that could be deployed into M&A or strategic investments if they so choose. The market for IPOs may also reduce the opportunities available to us for M&A and/or cause us to need to pay higher prices. If we are unsuccessful in our acquisitions, investments and alliances, it may adversely impact our ability to grow our business. Any potential future acquisitions we consummate may be dilutive to our earnings and may require additional debt or equity financing, depending on their size or nature. The success of our strategy relating to future acquisitions, investments or alliances will depend on a number of factors, including our ability to:

- identify suitable opportunities for acquisition, investment or alliance, if at all,
- manage acquisition, investment or alliance opportunities within our capital capacity and prioritize those investments to execute on our strategy,
- manage our due diligence process to uncover potential issues with targets,
- finance any future acquisition, investment or alliance on terms acceptable to us, if at all,
- complete acquisitions, investments or alliances in a timely manner on terms that are satisfactory to us, if at all,
- successfully integrate and operate acquired businesses and collaborate with non-wholly owned businesses,
- successfully identify and retain key target employees,
- comply with applicable laws and regulations, including foreign laws and regulations, and
- protect intellectual property and prevail in litigation related to newly acquired technologies.

We may not realize the expected benefits from our restructuring and optimization initiatives, our long-term cost savings programs may result in an increase in short-term expenses and our efforts may lead to unintended consequences.

We monitor the dynamics of the economy, the health care industry and the markets in which we compete, and assess opportunities for improved operational effectiveness and efficiency and to better align expenses with revenues, while preserving our ability to make investments in research and development projects, capital and our people, which we believe is important to our long-term success. As a result of these assessments, we have undertaken prior restructuring and optimization initiatives to enhance our growth potential and position us for long-term success. On February 22, 2023, our Board of Directors approved, and we committed to, a new global restructuring program (the 2023 Restructuring Plan) intended to support our efforts to expand operating performance and meet evolving global market demands and conditions by ensuring that we are structured and resourced to support our strategic imperatives and deliver sustainable value. The 2023 Restructuring Plan further builds on our Global Supply Chain Optimization strategy, which is intended to simplify our manufacturing and distribution network by transferring certain production lines among facilities and expanding operational efficiencies and resiliency across production, sterilization, and distribution. Key activities under the 2023 Restructuring Plan also include optimizing certain functional capabilities to better support business growth and achieve cost synergies. These activities were initiated during the first quarter of 2023, and are expected to be substantially completed by the end of 2025. The 2023 Restructuring Plan is expected to result in total pre-tax charges of approximately \$450 million to \$550 million and reduce gross annual pre-tax expenses by approximately \$225 million to \$275 million as program benefits are realized. We expect a substantial portion of the savings to be reinvested in strategic growth initiatives. While we expect limited role reductions as a result of these restructuring activities, we anticipate that our overall employee base will remain relatively unchanged upon completion of the 2023 Restructuring Plan as new jobs are created in areas of growth and resources are deployed to support an expanding portfolio and growing global market needs.

These measures could yield unintended consequences, such as distraction of our management and employees, reduced employee productivity, business disruption, and inability to attract or retain key personnel, which could negatively affect our business, sales, financial condition and results of operations. Moreover, our restructuring and optimization initiatives result in charges and expenses which impact our operating results. We cannot guarantee that the activities under our restructuring plans or other optimization initiatives will result in the desired efficiencies and estimated cost savings.

Our future growth is dependent upon the development of new products and enhancement of existing products, which requires significant research and development, clinical trials and regulatory approvals, all of which may be very expensive and time-consuming and may not result in commercially viable products.

In order to develop new products and enhance existing products, we focus our research and development programs largely on the development of next-generation and novel technology offerings across multiple programs and businesses. The development of new products and enhancement of existing products requires significant investment in research and development, clinical trials and regulatory approvals. The results of our product development efforts may be affected by a number of factors, including our ability to anticipate customer needs, innovate and develop new products, complete clinical trials, obtain regulatory approvals and reimbursement in the U.S. and abroad, manufacture products in a cost-effective manner, obtain appropriate intellectual property protection for our products and gain and maintain market approval of our products. There can be no assurance that any products now in development or that we may seek to develop in the future will achieve technological feasibility, obtain regulatory approval or gain market acceptance. If we are unable to develop and launch new products and enhanced products, our ability to maintain or expand our market position in the markets in which we participate may be materially adversely impacted. Further, we are continuing to investigate and have completed multiple acquisitions that involve opportunities to further expand our presence in and diversify into, priority growth areas by accessing new products and technologies. There can be no assurance that our investments will be successful or that we will be able to access new products and technologies on terms favorable to us, or that these products and technologies will achieve commercial feasibility, obtain regulatory approval or gain market acceptance. A delay in the development or approval of new products and technologies or our decision to reduce or terminate our investments may adversely impact the contribution of these technologies to our future growth.

Additionally, certain products or groups of products, in particular new products or enhancements of existing products, may have a disproportionate impact on our business, financial condition and results of operations. Failure to meet growth projections, poor clinical outcomes, increasing regulatory requirements, launch delays and inability to effectively scale manufacturing and achieve targeted margins with respect to any of these products or groups of products in particular may materially adversely impact on our business, financial condition and results of operations.

Interruption of our supply chain or manufacturing operations, including resulting from natural disasters, public health crises, geopolitical developments or other events outside of our control, could adversely affect our results of operations and financial condition.

Our products are designed and manufactured in technology centers around the world, either by us or third parties. In most cases, the manufacturing of any specific product is concentrated in one or a few locations. Factors such as a failure to follow specific internal protocols and procedures, equipment malfunction, environmental factors or damage to one or more of our facilities could adversely affect our ability to manufacture our products. In the event of an interruption in manufacturing, we may be unable to quickly move to alternate means of producing affected products or to meet customer demand. In the event of a significant interruption, for example, as a result of a failure to follow regulatory protocols and procedures, we may experience lengthy delays in resuming production of affected products due primarily to needs for regulatory approvals. We have also faced and may continue to face disruptions in the transportation of materials, components and our products within our global supply chains, including as a result of labor disputes or shortages, strikes, port closures, public health crises or geopolitical developments, which may cause delays in the shipment of our products or other disruptions to our business. As a result, we may experience loss of market share, which we may be unable to recapture and harm to our reputation, which could adversely affect our results of operations and financial condition.

Disruptions in the supply of the materials and components used in manufacturing our products by third-party vendors or the sterilization of our products could adversely affect our results of operations and financial condition.

We purchase the majority of the materials and components used in manufacturing our products from third-party vendors. Certain of these materials and components are purchased from single sources due to quality considerations, expertise, costs or constraints resulting from regulatory requirements. In certain cases, we may not be able to establish additional or replacement vendors for such materials or components in a timely or cost effective manner, largely as a result of FDA regulations that require validation of materials and components prior to their use in our products and the complex nature of our and many of our vendors' manufacturing processes. Further, uncertain or negative economic conditions, including as a result of inflationary pressures, interest rates or geopolitical developments, could negatively affect our third-party vendors, which could lead to a reduction or interruption in the supply of materials and components used in manufacturing our products or increase the price of such materials or components. A reduction or interruption in the supply of materials and components used in manufacturing our products, an inability to timely develop and validate alternative sources if required or a significant increase in the price of such materials or components could adversely affect our results of operations and financial condition.

In addition, many of our products require sterilization prior to sale and we utilize a mix of internal resources and contract sterilizers to perform this service. To the extent we or our contract sterilizers are unable to sterilize our products, whether due to capacity, availability of materials for sterilization, regulatory or other constraints, including evolving federal and state regulations on the use of ethylene oxide, we may be unable to transition to alternative internal or external resources or methods in a timely or cost effective manner or at all, which could have a material impact on our results of operations and financial condition. Additionally, U.S. and international governments have or are considering adopting regulations on the use of per- and polyfluoroalkyl substances (PFAS), and primary manufacturers of PFAS materials have announced that they are discontinuing the supply of such materials. These changes could have an adverse impact on our ability to manufacture or supply certain products in a timely or cost effective manner or at all. These and other environmental laws and regulations may have additional impacts on us or our suppliers, or result in liability to us.

We rely on the proper function, availability and security of information technology systems to operate our business and a cyber-attack or other breach of these systems could have a material adverse effect on our business, financial condition or results of operations.

We rely on information technology (IT) and operational technology (OT) systems, including technology from third party vendors, to manufacture and ship our products, as well as to process, transmit and store electronic information in our day-to-day operations. Similar to other large multi-national companies, the size and complexity of our IT systems makes them vulnerable to a cyber-attack, malicious intrusion, breakdown, destruction, loss of data privacy, or other significant disruption. Various other factors may also cause system failures or security breaches, including power outages, natural disasters, inadequate or ineffective backups, issues with upgrading or creating new systems or platforms, vulnerabilities in third-party software or services, errors by our staff or third-party service providers, or breaches in the security of these technologies. We may also face operational interruptions as we continue to implement our new global enterprise resource planning (ERP), which began in 2022. Malicious actors may attempt to trick staff to disclose information to gain access to our systems and/or data. International conflicts, including but not limited to the Russia/Ukraine war, conflicts in the Middle East, and tension between China/Taiwan, have also heightened cybersecurity risks on a global basis. If our incident response, disaster recovery, and business continuity plans fail, such failure could result in adverse impacts to our business operations and our financial results.

Our information systems require an ongoing commitment of significant resources to maintain, protect and enhance existing systems and develop new systems to keep pace with continuing changes in information processing technology, evolving systems and regulatory standards, the increasing need to protect patient and customer information and changing customer patterns. This includes opportunities as well as risks associated with the integration of AI into our or our suppliers' or customers' operations. While AI presents significant opportunities for innovation and efficiency, it could introduce new risks in managing information systems and in the cybersecurity threat landscape. In addition, third parties have and may continue to attempt to hack into our products to obtain data relating to patients, or alter the intended functionality of our medical devices, or disrupt performance of our products, or access our proprietary information and the technology from third party vendors that we rely upon may have defects or vulnerabilities which, in turn, create vulnerabilities or disruptions in our system. Cyber-attacks continue to evolve in complexity and scope, and inherently may be difficult to detect. This includes emerging technologies which increase our threat landscape, such as generative AI and quantum computing, which are evolving rapidly in their practicality and use for cyber-attacks including through enhanced social engineering, and for cyber-attacks on industry standard data protections through increased computing capabilities. We have seen, and could continue to see, software and supply-chain vulnerabilities and malware, which could affect our systems and the systems of our third-party vendors and business partners. Some of our IT and OT systems contain legacy third-party software components for which we depend on a layered security approach to protect against exploitation, and such layered security approach may not be effective. Any failure by us to maintain

or protect our IT or OT systems, products and data integrity, including from cyber-attacks, intrusions or other breaches, could result in outages or unauthorized access to patient data and personally identifiable information, theft of intellectual property or other misappropriation of assets, or otherwise compromise our confidential or proprietary information and disrupt our operations, or, in the worst case, could result in harm to patients. In addition, such attackers may make demands for ransom, which could result in financial loss, or, if we determine not to pay such ransom, other harm, loss, or misappropriation of our data and assets. Such failure, or demonstration of vulnerability to such failure, may also result in additional regulatory scrutiny. We also grow our company through acquisitions and may face risks associated with defects and vulnerabilities in acquired systems as we work to integrate the acquisitions into our IT system.

In the U.S., federal and state privacy and security laws require certain parts of our operations to protect the confidentiality of personal information, including patient medical records and other health information, and to comply with other requirements with respect to personal data. In Europe, the Data Protection Directive requires us to manage individually identifiable information in the EU, and the General Data Protection Regulation (GDPR) may impose fines of up to four percent of our global revenue. Internationally, some countries have also passed laws that require individually identifiable data on their citizens to be maintained on local servers and that may restrict transfer or processing of that data. Our product systems also require adherence to evolving regulatory standards and customer patterns and requirements worldwide. We strive to meet the expectations of applicable regulations, however, there is no guarantee that we will avoid enforcement actions by governmental bodies or civil actions based on this growing body of regulations. Enforcement actions could be costly and interrupt regular operations of our business, including related to market approvals of products and technologies. Any of these events, in turn, may cause us to lose existing customers, have difficulty preventing, detecting and controlling fraud, have disputes with customers, physicians and other health care professionals, be subject to legal claims and liability, have regulatory sanctions or penalties imposed, have increases in operating expenses, incur expenses or lose revenues as a result of a data privacy breach or theft of intellectual property, or suffer other adverse consequences, any of which could have a material adverse effect on our business, financial condition or results of operations.

Our business and operations are subject to risks related to climate change.

The effects of global climate change present risks to our business. Natural disasters, extreme weather and other conditions caused by or related to climate change could adversely impact our supply chain, including manufacturing and distribution networks, the availability and cost of raw materials and components, energy supply, transportation, or other inputs necessary for the operation of our business. Climate change and natural disasters could also result in physical damage to our facilities as well as those of our suppliers, customers, and other business partners, which could cause disruption in our business and operations or increase costs to operate our business. Increased environmental regulation, including to address climate change, as well as new disclosure and reporting requirements in the U.S. and other jurisdictions, including with respect to climate change and carbon emissions, may result in increases in our or our suppliers' compliance burdens and costs to operate our business, or restrict certain aspects of our activities. The extent and severity of climate change impacts are unknown, and therefore, the scope of potential impact on our business may be difficult to predict and it may be difficult to adequately prepare.

Our business could be negatively impacted by corporate social responsibility and sustainability matters.

In recent years, there continues to be an increased focus from certain investors, customers, employees, regulators and other stakeholders globally concerning corporate social responsibility and sustainability matters. From time to time, we announce certain initiatives, including goals, regarding our focus areas, which include environmental matters, including carbon emissions and renewable energy goals, responsible sourcing, social investments and diversity and inclusion. We may fail, or be perceived to fail, in our achievement of such initiatives or goals, or we could fail in accurately reporting our progress on such initiatives and goals. Such failures could be due to changes in our business. Moreover, the standards by which corporate social responsibility and sustainability efforts and related matters are measured are developing and evolving, and certain areas are subject to assumptions that could change over time. In addition, we could be criticized for the scope of such initiatives or goals or perceived as not acting responsibly in connection with these matters. Any such matters, or related corporate social responsibility and sustainability matters, could have a material adverse impact on our future results of operations, financial condition and cash flows.

If we are unable to attract or retain key talent, it could have an adverse effect on our business, financial condition and results of operations.

In our industry, there is substantial competition for key personnel in the regions in which we operate and we may face increased competition for such employees. Our business depends to a significant extent on the continued service of senior management and other key personnel, the development of additional management personnel and the hiring of new qualified employees.

There can be no assurance that we will be successful in retaining and developing existing personnel or recruiting new personnel. The loss of one or more key employees, our ability to attract or develop additional qualified employees or any delay in hiring key personnel could have material adverse effects on our business, financial condition or results of operations. A shortage of skilled labor could also require higher wages that would increase labor costs. Our ability to attract and retain key talent at all levels of our organization has been and could continue to be challenged by these conditions, and inability to attract and retain talent could result in material adverse impacts to our business and results of operations.

Legal and Regulatory Risk Factors

Health care policy changes may have a material adverse effect on our business, financial condition, results of operations and cash flows.

Political, economic and policy influences are leading the health care industry to make substantial structural and financial changes that will continue affecting our results of operations. Government and private sector initiatives aimed at limiting the growth of health care costs (including price regulation), coverage and payment policies, comparative effectiveness of therapies, technology assessments, increasing price transparency and reforming health care delivery and payment structures, are continuing in many countries where we do business. We believe that these changes are causing the marketplace to place increased emphasis on the delivery of treatments that can reduce costs, improve efficiencies and/or increase patient access. Although we believe our products and technologies generate favorable clinical outcomes, value and cost efficiency, while also being less invasive than alternatives, the resources and evidence necessary to demonstrate value to our customers, patients, payers and other stakeholders may be significant, and it may take a significant period of time to gain widespread adoption. Moreover, there can be no assurance that our strategies will succeed for every product.

We cannot predict the specific health care programs and regulations that will be ultimately implemented by various regional and national governments. However, any changes that lower reimbursements for either our products and/or procedures using our products reduce medical procedure volumes and/or increase cost containment pressures on us or others in the health care sector could adversely affect our business and results of operations.

We are subject to extensive and dynamic medical device regulation, which may impede or hinder the approval or sale of our products and, in some cases, may ultimately result in an inability to obtain approval of certain products or may result in the recall or seizure of previously approved products.

Our products, marketing, sales and development activities and manufacturing processes are subject to extensive and rigorous regulation by the FDA pursuant to the Federal Food, Drug and Cosmetic Act (FDC Act), by comparable agencies in foreign countries and by other regulatory agencies and governing bodies. Under the FDC Act, medical devices must receive FDA clearance or approval or an exemption from such clearance or approval before they can be commercially marketed in the U.S. In the EU, we are required to comply with the Medical Device Regulation (MDR) effective May 2021, which superseded the Medical Device Directives. Medical devices that have a valid CE Certificate to the Directives issued before May 2021 could be sold until the earlier of May 2024 or when the CE Certificate expired, provided there were no significant changes to the design or intended use. In 2023, updates to the legislative text of the EU MDR were adopted by the European Parliament and the Council of the European Union, including an extension of the transitional period to 2027 for certain high risk class devices and 2028 for lower risk class medical devices that have a valid CE Certificate to the Directives issued before May 2021. The CE Mark is applied following approval from an independent notified body or declaration of conformity. The process of obtaining marketing approval or clearance from the FDA or by comparable agencies in foreign countries for new products, or with respect to enhancements or modifications to existing products, could:

- take a significant period of time,
- require the expenditure of substantial resources,
- involve rigorous pre-clinical and clinical testing, as well as increased post-market surveillance,
- require changes to products, and
- result in limitations on the indicated uses of products.

In addition, exported devices are subject to the regulatory requirements of each country to which the device is exported. Some countries do not have medical device regulations, but in most countries, medical devices are regulated. Frequently, regulatory approval may first be obtained in a foreign country prior to application in the U.S. due to differing regulatory requirements; however, other countries, such as China for example, require approval in the country of origin or legal manufacturer first. Most countries outside of the U.S. require that product approvals be renewed or recertified on a regular basis, generally every four to five years. The renewal or recertification process requires that we evaluate any device changes and any new regulations or standards relevant to the device and conduct appropriate testing to document continued compliance. Where renewal or

recertification applications are required, they may need to be renewed and/or approved in order to continue selling our products in those countries. There can be no assurance that we will receive the required approvals for new products or modifications to existing products on a timely basis or that any approval will not be subsequently withdrawn or conditioned upon extensive post-market study requirements.

Our global regulatory environment is becoming increasingly stringent and unpredictable, which could increase the time, cost and complexity of obtaining regulatory approvals, as well as the clinical and regulatory costs of supporting those approvals. Several countries that did not previously have regulatory requirements for medical devices have established such requirements in recent years and other countries have expanded on existing regulations. Certain regulators are exhibiting less flexibility and are requiring local preclinical and clinical data in addition to global data. While harmonization of global regulations has been pursued, requirements continue to differ significantly among countries. We expect this global regulatory environment will continue to evolve, which could impact our ability, or increase the time and cost, to obtain future approvals for our products.

The FDA and other worldwide regulatory agencies actively monitor compliance with local laws and regulations through review and inspection of design and manufacturing practices, recordkeeping, reporting of adverse events, labeling and promotional practices. The FDA can ban certain medical devices, detain or seize adulterated or misbranded medical devices, order repair, replacement or refund of these devices and require notification of health professionals and others with regard to medical devices that present unreasonable risks of substantial harm to the public health. The FDA can take action against a company that promotes "off-label" uses. The FDA may also enjoin and restrain a company for certain violations of the FDC Act and other amending laws pertaining to medical devices, or initiate action for criminal prosecution of such violations. Any adverse regulatory action, depending on its magnitude, may restrict a company from effectively marketing and selling its products, may limit a company's ability to obtain future premarket clearances or approvals and could result in a substantial modification to our business practices and operations. International sales of medical devices manufactured in the U.S. that are not approved by the FDA for use in the U.S., or that are banned or deviate from lawful performance standards, are subject to FDA export requirements.

Regulations regarding the development, manufacture and sale of medical devices are evolving and subject to future change. We cannot predict what impact, if any, those changes might have on our business. Failure to comply with regulatory requirements could have a material adverse effect on our business, financial condition and results of operations. Later discovery of previously unknown problems with a product or manufacturer could result in fines, delays or suspensions of regulatory clearances or approvals, seizures or recalls of products, physician advisories or other field actions, operating restrictions and/or criminal prosecution. We may also initiate field actions as a result of a failure to strictly comply with our internal quality policies. The failure to receive product approval clearance on a timely basis, suspensions of regulatory clearances, seizures or recalls of products, physician advisories or other field actions, or the withdrawal of product approval by the FDA or by comparable agencies in foreign countries could have a material adverse effect on our business, financial condition or results of operations.

Our products are continually subject to clinical trials and other analyses conducted by us, our competitors or other third parties, the results of which may be unexpected, or perceived as unfavorable by the market, and could have a material adverse effect on our business, financial condition or results of operations.

As a part of the regulatory process of obtaining marketing clearance for new products and new indications for existing products, we conduct and participate in numerous clinical trials with a variety of study designs, patient populations and trial endpoints. Unexpected or inconsistent clinical data from existing or future clinical trials or other analyses conducted by us, by our competitors or by third parties, including acquired businesses prior to acquisition by us, or the FDA's or the market's perception of this clinical data, may adversely impact our ability to obtain product approvals, our position in, and share of, the markets in which we participate and our business, financial condition, results of operations or future prospects.

The medical device industry and its customers continue to face scrutiny and regulation by governmental authorities and are often the subject of numerous investigations, often involving marketing and other business practices or product quality issues including device recalls or advisories. These investigations could result in the commencement of civil and criminal proceedings; imposition of substantial fines, penalties and administrative remedies, including corporate integrity agreements, stipulated judgments or exclusion; diversion of our employees' and management's attention; imposition of administrative costs and have an adverse effect on our financial condition, results of operations and liquidity; and may lead to greater governmental regulation in the future.

The medical devices we design, develop, manufacture and market are subject to rigorous regulation by the FDA and numerous other federal, state and foreign governmental authorities. These authorities continue to closely scrutinize our industry. We have received and in the future may receive, subpoenas and other requests for information from Congress and state and federal governmental agencies, including, among others, the U.S. Department of Justice (DOJ), the Office of Inspector General of the

Department of Health and Human Services (HHS) and the Department of Defense, as well as from foreign governments and agencies. The requests and/or subpoenas we have received relate primarily to financial arrangements with health care providers, regulatory compliance and sale and/or product promotional practices. We have cooperated with these subpoenas and other requests for information and expect to continue to do so in the future. We cannot predict when a matter will be resolved, the outcome of the matter or its impact on us and cooperation may involve significant costs, including document production costs. An adverse outcome in any matter could include the commencement of an investigation, civil and criminal proceedings, substantial fines, penalties and administrative remedies, including exclusion from government reimbursement programs, entry into Corporate Integrity Agreements (CIAs) with governmental agencies and amendments to any existing CIAs. In addition, resolution of any matter could involve the imposition of additional and costly compliance obligations. Cooperation with requests and investigations from external agencies result in employee resource costs and diversion of employee focus. If any requests or investigations continue over a long period of time, they could divert the attention of management from the day-to-day operations of our business and impose significant additional administrative burdens on us. These potential consequences, as well as any adverse outcome from these requests or investigations, could have a material adverse effect on our financial condition, results of operations and liquidity.

In addition, certain foreign governments, state governments (including that of Massachusetts, where we are headquartered) and the U.S. federal government have enacted legislation aimed at increasing transparency of our interactions with health care providers. As an example, compliance with the U.S. Physician Payment Sunshine Act requires us by law to disclose payments and other transfers of value to all U.S. physicians and U.S. teaching hospitals at the U.S. federal level made after August 1, 2013. Failure to comply with these legal and regulatory requirements could impact our business. In addition, we have and may continue to devote substantial additional time and financial resources to further develop and implement enhanced structure, policies, systems and processes to comply with enhanced legal and regulatory requirements, which may also impact our business.

We anticipate that governmental authorities will continue to scrutinize our industry closely and that additional regulation may increase compliance and legal cost and exposure to litigation and have additional adverse effects on our operations.

Changes in tax laws, unfavorable resolution of tax contingencies, or exposure to additional income tax liabilities could have a material impact on our financial condition, results of operations and/or liquidity.

We are subject to income taxes as well as non-income based taxes, tariffs, and duties in the U.S. and numerous foreign jurisdictions. Tax laws and regulations could change on a prospective or retroactive basis and any such changes could have a material adverse effect on our financial condition and results of operations. Following the issuance of any new law or regulation, interpretations are made by the Company, using any regulatory guidance and judicial interpretations issued after the law change. The Company's application of such tax laws, before and after any guidance or interpretations are issued, or in the absence of such guidance or interpretations, may have a material impact on our financial condition and results of operations.

We are subject to ongoing tax audits in various jurisdictions. Tax authorities may disagree with certain positions we have taken and assess additional taxes. We regularly assess the likely outcomes of these audits to determine the appropriateness of our tax provision, and we have established contingency reserves for material, known tax exposures. However, the calculation of such tax exposures involves the application of complex tax laws and regulations in many jurisdictions, as well as interpretations as to the legality under European Union state aid rules of tax advantages granted in certain jurisdictions. Therefore, there can be no assurance that we will accurately predict the outcomes of these disputes or other tax audits or that issues raised by tax authorities will be resolved at a financial cost that does not exceed our related reserves. The actual outcomes of these disputes and other tax audits could have a material impact on our financial condition and results of operations.

Our operations in Puerto Rico, Costa Rica, China and Malaysia presently benefit from various tax rate incentives and grants. Unless these incentives and grants are extended, they will expire between 2026 and 2034. If we are unable to renew, extend, or obtain new incentives and grants, the expiration of the existing incentives and grants could have a material impact on our financial condition and results of operations in future periods.

Many provisions of the Tax Cuts and Jobs Act (TCJA) enacted in the U.S. in 2017 expire at the end of 2025. Other provisions of the TCJA are modified beginning in 2026. The U.S. Congress and the current administration have indicated that they intend to pursue legislation in 2025 to make permanent the 2017 TCJA provisions but there is no guarantee that this initiative will be successful. Any new U.S. corporate tax legislation that is enacted in 2025 could have a material adverse effect on our financial condition and results of operations.

The Group of Twenty (G20), the Organization for Economic Co-operation and Development (OECD), the European Commission (EC) and individual taxing jurisdictions where we and our affiliates do business have recently focused on issues

related to the taxation of multinational corporations. The OECD/G20 Inclusive Framework (IF) on base erosion and profit shifting (BEPS) includes actions intended to equip governments with domestic and international rules and instruments to address tax avoidance, ensuring that profits are taxed where economic activities generating the profits are performed and where value is created. The actions include a two-pillar solution to address the tax challenges of the digitalized economy. Pillar One focuses on how profits are allocated between taxing jurisdictions and Pillar Two creates a 15% global minimum tax. Many countries where we do business have already implemented the Pillar Two global minimum tax into their national laws. Other countries are considering enacting laws consistent with the Pillar Two rules, while still others have yet to announce their intention to adopt. The United States has not enacted the Pillar Two global minimum tax and the current administration recently announced its intention to effectively withdraw from the OECD Inclusive Framework as well as its intention to enact retaliatory measures against countries who assert extraterritorial taxes against U.S. taxpayers. The OECD continues to issue guidance on the Pillar Two framework, with new rules released as recently as January, 2025. While we continue to monitor legislative adoption of Pillar Two by country, as well as for additional guidance from the OECD, there is significant uncertainty that exists regarding the interpretation of the detailed Pillar Two rules, whether such rules will be implemented consistently across taxing jurisdictions, how such rules interact with existing national tax laws and whether such rules are consistent with existing tax treaty obligations. Accordingly, the final adoption, implementation, and interpretation of Pillar Two across all jurisdictions where we do business could have a material adverse impact on our financial condition, results of operations and cash flows.

President Trump has indicated his willingness to increase the use of tariffs by the U.S. to accomplish certain U.S. policy goals. On February 1, 2025, President Trump signed three executive orders announcing his intent to impose 25% tariffs on imports from Canada and Mexico and a 10% additional tariff on imports from China. While the implementation of tariffs on imports from Mexico and Canada were paused, the Chinese tariffs took effect as scheduled and China responded by implementing 15% tariffs on certain U.S. imports. The implementation of new tariffs on imports from Canada, Mexico, China or other countries for an extended period and without specific exemptions for our products, and any reciprocal tariffs or other reactions by other countries thereto, could have a material adverse impact on our financial condition, results of operations and cash flows.

We may not effectively be able to protect our intellectual property, systems, software-based products or other sensitive data, which could have a material adverse effect on our business, financial condition or results of operations.

The medical device market in which we participate is largely technology driven. Physician customers have historically moved quickly to new products and new technologies. As a result, intellectual property rights, particularly patents and trade secrets, play a significant role in product development and differentiation. However, intellectual property litigation is inherently complex and unpredictable and appellate courts can overturn lower court decisions. Furthermore, as our business increasingly relies on technology systems and infrastructure, our intellectual property, other proprietary technology and other sensitive data are potentially vulnerable to loss, damage or misappropriation. Finally, our ability to protect novel business models is uncertain.

Competing parties in our industry frequently file multiple suits to leverage patent portfolios across product lines, technologies and geographies and to balance risk and exposure between the parties. In some cases, several competitors are parties in the same proceeding, or in a series of related proceedings, or litigate multiple features of a single class of devices. These forces frequently drive settlement not only of individual cases, but also of a series of pending and potentially related and unrelated cases. In addition, although monetary and injunctive relief is typically sought, remedies and restitution are generally not determined until the conclusion of the trial court proceedings and can be modified on appeal. Accordingly, the outcomes of individual cases are difficult to time, predict or quantify and are often dependent upon the outcomes of other cases in other geographies.

A number of third parties have asserted that our current and former product offerings infringe patents owned or licensed by them. We have similarly asserted that products sold by our competitors infringe patents owned or licensed by us. Adverse outcomes in one or more of the proceedings against us could limit our ability to sell certain products in certain jurisdictions, or reduce our operating margin on the sale of these products and could have a material adverse effect on our financial condition, results of operations or liquidity.

Patents and other proprietary rights are and will continue to be essential to our business, and our ability to compete effectively with other companies will be dependent upon the proprietary nature of our technologies. We rely upon trade secrets, know-how, continuing technological innovations, strategic alliances, and licensing opportunities to develop, maintain and strengthen our competitive position. We pursue a policy of generally obtaining patent protection in both the U.S. and abroad for patentable subject matter in our proprietary devices and attempt to review third-party patents and patent applications to the extent publicly available in order to develop an effective patent strategy, avoid infringement of third-party patents, identify licensing opportunities and monitor the patent claims of others. We own numerous U.S. and foreign patents and have numerous patent applications pending. We also are party to license agreements pursuant to which patent rights have been obtained or granted in consideration for cash, cross-licensing rights or royalty payments. No assurance can be made that any pending or future patent

applications will result in the issuance of patents, that any current or future patents issued to, or licensed by, us will not be challenged or circumvented by our competitors, or that our patents will not be found invalid. In addition, we may have to take legal action in the future to protect our patents, trade secrets or know-how or to assert them against claimed infringement by others. Any legal action of that type could be costly and time consuming and no assurances can be made that any lawsuit will be successful. We are generally involved as both a plaintiff and a defendant in a number of patent infringement and other intellectual property-related actions. The invalidation of key patents or proprietary rights that we own, or an unsuccessful outcome in lawsuits to protect our intellectual property, could have a material adverse effect on our business, financial condition or results of operations.

In addition, the laws of certain countries in which we market and plan on manufacturing some of our products in the near future, do not protect our intellectual property rights to the same extent as the laws of the U.S. If we are unable to protect our intellectual property in these countries, it could have a material adverse effect on our business, financial condition or results of operations.

Furthermore, our intellectual property, other proprietary technology and other sensitive data are potentially vulnerable to loss, damage or misappropriation from system malfunction, computer viruses and unauthorized access to our data or misappropriation or misuse thereof by those with permitted access and other events. While we have invested to protect our intellectual property, products and other data and continue to work diligently in this area, there can be no assurance that our precautionary measures will prevent breakdowns, breaches, cyber-attacks or other events. Such events could have a material adverse effect on our reputation, business, financial condition or results of operations.

Pending and future intellectual property litigation could be costly and disruptive to us.

We operate in an industry that is susceptible to significant intellectual property litigation and, in recent years, it has been common for companies in the medical device field to aggressively challenge the patent rights of other companies. We are currently the subject of various patent litigation proceedings and other proceedings described in more detail under *Note I – Commitments and Contingencies* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K. Intellectual property litigation is expensive, complex and lengthy and its outcome is difficult to predict. Adverse outcomes in one or more of these matters could have a material adverse effect on our ability to sell certain products and on our operating margins, financial condition, results of operation or liquidity. Pending or future patent litigation may result in significant royalty or other payments or injunctions that can prevent the sale of products and may significantly divert the attention of our technical and management personnel. In the event that our right to market any of our products is successfully challenged, we may be required to obtain a license on terms which may not be favorable to us, if at all. If we fail to obtain a required license or are unable to design around a patent, our business, financial condition or results of operations could be materially adversely affected.

Pending and future product liability claims and other litigation, including private securities litigation, stockholder derivative suits and contract litigation, may adversely affect our financial condition and results of operations or liquidity.

The design, manufacturing and marketing of medical devices of the types that we produce entail an inherent risk of product liability claims. Many of the medical devices that we manufacture and market are designed to be implanted in the human body for long periods of time or indefinitely. A number of factors could result in an unsafe condition or injury to, or death of, a patient with respect to these or other products that we manufacture or sell, including physician technique and experience in performing the surgical procedure, component failures, manufacturing flaws, design defects, off-label use or inadequate disclosure of product-related risks or product-related information. These factors could result in product liability claims, a recall of one or more of our products or a safety alert relating to one or more of our products. Product liability claims may be brought by individuals or by groups seeking to represent a class.

We are currently the subject of product liability litigation proceedings and other proceedings described in more detail under *Note I – Commitments and Contingencies* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K. The outcome of litigation, particularly class action lawsuits, is difficult to assess or quantify. Plaintiffs in these types of lawsuits often seek recovery of very large or indeterminate amounts, including not only actual damages, but also punitive damages. The magnitude of the potential losses relating to these lawsuits may remain unknown for substantial periods of time. In addition, the cost to defend against any future litigation may be significant. Product liability claims, securities and commercial litigation and other litigation in the future, regardless of the outcome, could have a material adverse effect on our financial condition, results of operations or liquidity. Additionally, we maintain an insurance policy providing limited coverage against securities claims and we are substantially self-insured with respect to product liability claims and fully self-insured with respect to intellectual property infringement claims. The fact that we do not maintain third-party insurance coverage for all categories of losses increases our exposure to unanticipated claims

and adverse decisions and these losses could have a material adverse effect on our financial condition, results of operations or liquidity.

Any failure to meet regulatory quality standards applicable to our manufacturing and quality processes could have an adverse effect on our business, financial condition and results of operations.

As a medical device manufacturer, we are required to register our establishments and list our devices with the FDA and are subject to periodic inspection by the FDA for compliance with its Quality System Regulation requirements, which require manufacturers of medical devices to adhere to certain regulations, including testing, quality control and documentation procedures. In addition, the Federal Medical Device Reporting regulations require us to provide information to the FDA whenever there is evidence that reasonably suggests that a device may have caused or contributed to a death or serious injury or, if a malfunction were to occur, could cause or contribute to a death or serious injury. Compliance with applicable regulatory requirements is subject to continual review and is monitored rigorously through periodic inspections by the FDA which may result in observations on Form 483 and in some cases warning letters that require corrective action. In the European Community, we are required to maintain certain International Standards Organization (ISO) certifications in order to sell our products and must undergo periodic inspections by notified bodies to obtain and maintain these certifications. Many other countries in which we do business have similar requirements and other foreign governments or agencies may subject us to periodic inspections. If we, or our manufacturers, fail to adhere to quality system regulations or ISO requirements, this could delay production of our products and lead to fines, difficulties in obtaining regulatory clearances, recalls, enforcement actions, including injunctive relief or consent decrees, or other consequences, which could, in turn, have a material adverse effect on our financial condition or results of operations.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 1C. CYBERSECURITY

Risk Management and Strategy

We rely on information technology (IT) and operational technology (OT) systems, including technology from third party vendors, to manufacture and ship our products, as well as to process, transmit and store electronic information in our day-to-day operations. We have established an enterprise cybersecurity program, which is administered by a cross-functional team of cybersecurity professionals that includes employees and third party contractors and vendors, that utilizes various tools, methodologies and processes to assess, identify and manage cybersecurity risks related to our IT and OT systems, as well as our products. Our cybersecurity program is designed to monitor and continually enhance our enterprise security posture, with the goal of preventing cybersecurity incidents to the extent feasible, including assessments to better understand our readiness for cybersecurity threats and the resilience of our critical business functions, with the goal of avoiding or reducing the impact if such an event were to occur. We have implemented cybersecurity policies mapped to industry and government standards and frameworks, such as U.S. National Institute of Standards and Technology (NIST) and International Standard of Organization, and our strategy is aligned to the NIST CyberSecurity Framework that provides us a structured approach to managing our cybersecurity risk through its five core functions. We regularly review our cybersecurity policies and require annual cybersecurity training for our employees. We also periodically conduct simulation exercises involving employees at various levels of the organization, as well as our Board of Directors, to prepare for cybersecurity incidents and response planning.

Our product cybersecurity focus begins with our design protocols and is supported by quality testing, provider education, and packaging and distribution standards. We use penetration testing to simulate cyberattacks and better understand our exploitable weaknesses, and we monitor threat intelligence feeds, including avenues for product users to report vulnerabilities directly to us, and use scanning tools to detect and assess vulnerabilities that could affect our products. In addition, we conduct product, enterprise and vendor/third party risk assessments, vulnerability assessments and analyses to gain insights into potential vulnerabilities and their impact on critical functions, and leverage their outcomes to prioritize our security investments and balance our resource allocation.

We use third party security providers for specialized areas such as incident response, penetration testing, and on-demand cybersecurity services, including staff augmentation and consulting. We also leverage a managed security service provider to augment our cybersecurity organization and to provide additional monitoring and response capabilities.

We engage and rely upon third parties to provide services and/or goods, represent and/or otherwise act on our behalf. Prior to engaging or conducting any business with or on our behalf, such parties undergo a due diligence review, and a third party security risk assessment is conducted to validate they are legally permitted and qualified to maintain appropriate safeguards to protect our information assets in connection with the services they intend to provide. We perform supplemental reviews as necessary commensurate with the risk associated with each third party, for example, if or when a third party is affected by an incident, that directly or indirectly impacts our company we undertake a full assessment and implement additional controls commensurate to the risk. Furthermore, to minimize risks and vulnerabilities to our systems, our cybersecurity team continuously monitors and addresses cybersecurity threats and incidents at third-party service providers.

Assessing, identifying, and managing cybersecurity related risks are also integrated into our enterprise risk management (ERM) program. Cybersecurity related risks are included in the risk universe that the ERM function evaluates to assess top risks to the Company on an annual basis. Risks are discussed with appropriate members of management, who manage risk coverage, monitoring and reporting in the relevant risk function, including our cybersecurity program, and incorporate those activities as part of developing our strategic plan. The ERM program's annual risk assessment is presented annually to our Board of Directors.

Based on the information available as of the date of this Annual Report on Form 10-K, we are not aware of any risks from cybersecurity threats, including as a result of any previous cybersecurity incidents, that have materially affected or are reasonably likely to materially affect us, including our business strategy, results of operations, or financial condition. Despite our security measures, however, there can be no assurance that we, or the third parties with which we interact, will not experience a cybersecurity incident in the future that may materially affect us. For additional information, see Item 1A. "Risk Factors" for a discussion of cybersecurity risks that we face.

Governance

Our global cybersecurity organization is led by our chief information security officer (CISO), who reports directly to our chief information officer (CIO) and under the organization of our chief information and digital officer (CIDO). Our current CISO has over 19 years of extensive information technology experience, including in security architecture, software development and engineering, as well as leading security operations and incident response, offensive and defensive cyber projects in increasing roles of responsibility. He also previously held Certified Information Systems Security Professional (CISSP) and GIAC Certified Forensics Analyst certifications. Our current CIDO has extensive experience overseeing information technology and security programs, including roles of increasing leadership within our Information and Digital organizations over the last ten years, and prior to that in increasing roles of responsibility managing information systems, including over 18 years at General Electric. Our current CIDO holds CISSP and other IT certifications.

Our Board of Directors oversees an enterprise-wide approach to risk management, including cybersecurity risks. While the Board has the ultimate responsibility for risk oversight, each committee of the Board also oversees risk to the extent it relates to the committee's responsibilities and provides reports to the Board in its respective area of responsibility. The Risk Committee of our Board also focuses on an enterprise-wide approach to risk management, and has primary oversight responsibility for areas of quality and nonfinancial compliance issues, including cybersecurity risks. The Risk Committee receives periodic updates from the CISO and CIDO on our cybersecurity risks and threats, assessments of our cybersecurity program and the evolving threat landscape. Our Board of Directors also receives annual updates on such cybersecurity matters, or more frequently as appropriate under the procedures described below. Our Board of Directors also receive cybersecurity risk assessments as part of the annual ERM program presentation described above.

We have established controls and procedures to escalate enterprise level issues, including cybersecurity matters, to the appropriate management levels within our organization and our Board of Directors, or members or committees thereof, as appropriate. Under our framework, cybersecurity issues, including those involving vulnerabilities introduced by our IT, OT systems and use of third-party software, are analyzed by subject matter experts, including a crisis committee as needed in accordance with our incident response plans, for potential financial, operational, and reputational risks, based on, among other factors, the nature of the matter and breadth of impact. Matters determined to present potential material impacts to our financial results, operations, and/or reputation are immediately reported by management to the Board of Directors, or individual members or committees thereof, as appropriate, in accordance with our established escalation framework. In addition, we have established procedures to help ensure that members of management responsible for overseeing the effectiveness of disclosure controls are informed in a timely manner of known cybersecurity risks and incidents that may materially impact our operations and that timely public disclosure is made, as appropriate.

ITEM 2. PROPERTIES

Our world headquarters is located in the U.S. in Marlborough, Massachusetts, with principal regional headquarters located in Singapore and Voisins-le-Bretonneux, France. As of December 31, 2024, we maintained 16 principal manufacturing facilities, including eight in the U.S. and Puerto Rico, three in Ireland, two in Costa Rica, one in Malaysia, one in Brazil, one in China, as well as a Global Headquarters in the U.S. and various distribution and technology centers around the world. Many of these facilities produce and manufacture products for more than one of our divisions, and also perform research activities. Our products are distributed worldwide from primary customer fulfillment centers in Massachusetts, the Netherlands, Malaysia and Japan. The following is a summary of our facilities as of December 31, 2024 (in approximate square feet):

	Owned ⁽¹⁾	Leased ⁽²⁾	Total
U.S.	4,148,417	2,249,380	6,397,797
International	3,615,983	2,410,040	6,026,023
	7,764,400	4,659,420	12,423,820

⁽¹⁾ Includes our principal manufacturing facilities in Minnesota, Ireland, Puerto Rico and Coyol, Costa Rica, our manufacturing facility in Malaysia, our primary customer fulfillment centers in Massachusetts, the Netherlands, Malaysia and Japan, as well as our global headquarters located in Marlborough, Massachusetts.

⁽²⁾ Includes our principal manufacturing facilities in California, Indiana, Brazil, China and Heredia, Costa Rica, as well as our regional headquarters located in Singapore and Voisins-le-Bretonneux, France.

ITEM 3. LEGAL PROCEEDINGS

See *Note I – Commitments and Contingencies* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K, which is incorporated herein by reference.

ITEM 4. MINE SAFETY DISCLOSURES

Not Applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Market Information

The principal market on which our common stock is traded is the New York Stock Exchange (NYSE) under the symbol "BSX."

Holders of Record

As of January 31, 2025, there were 5,072 holders of record of our common stock.

Dividends

We did not pay a cash dividend in 2024, 2023 or 2022 on our common stock and currently we do not intend to pay cash dividends on our common stock. We may consider declaring and paying a cash dividend in the future; however, there can be no assurance that we will do so.

Securities Authorized for Issuance under Equity Compensation Plans

Please see Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters under Part III of this Annual Report on Form 10-K for information on where to find information required by Item 201(d) of Regulation S-K.

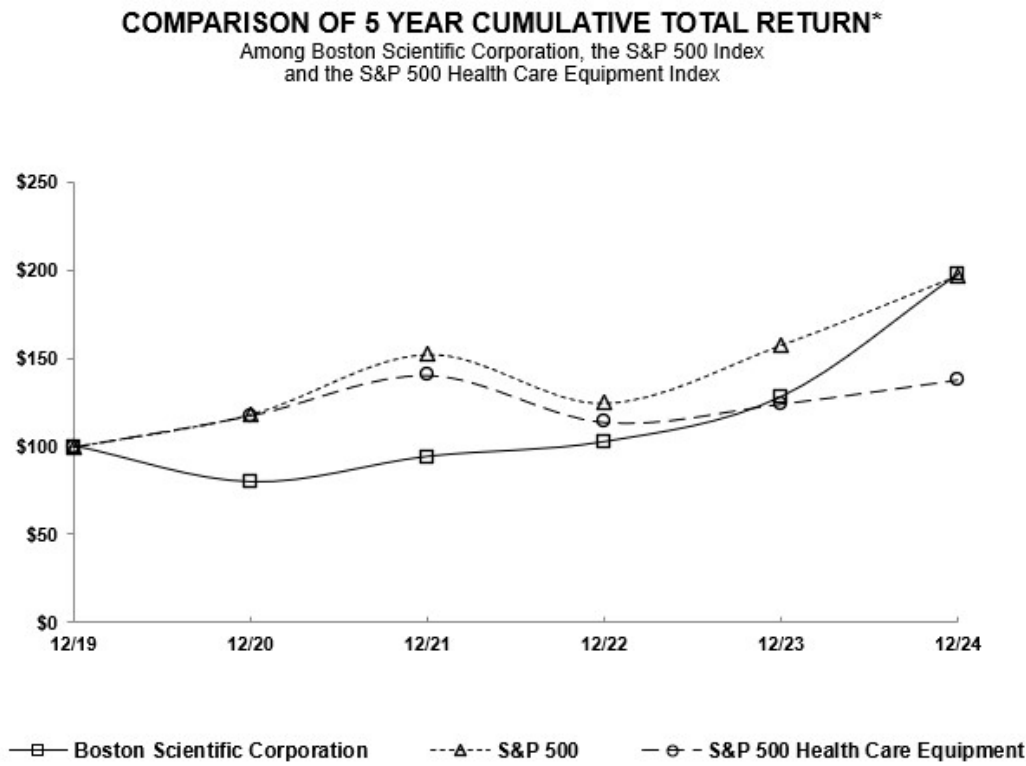
Purchases of Equity Securities by the Issuer and Affiliated Purchases

On December 14, 2020, our Board of Directors approved a stock repurchase program authorizing the repurchase of up to \$1.000 billion of our common stock (2020 Share Repurchase Program). We made no share repurchases in 2024 or 2023 and, as of December 31, 2024, had the full \$1.000 billion remaining available under the 2020 Share Repurchase Program. Refer to *Note J – Stockholders' Equity* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for additional information.

There were no purchases of equity securities by the issuer or affiliated purchases in the fourth quarter of 2024, required to be reported here.

Stock Performance Graph

The graph below compares the five-year total return to stockholders on our common stock with the return of the Standard & Poor’s (S&P) 500 Stock Index and the S&P Health Care Equipment Index. The graph assumes \$100 was invested in our common stock and in each of the named indices on December 31, 2019 and that any dividends were reinvested.



*\$100 invested on 12/31/19 in stock or index, including reinvestment of dividends.
Fiscal year ending December 31.

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Note: The stock price performance shown on the graph above is not indicative of future price performance. This graph shall not be deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section nor shall it be deemed incorporated by reference in any filing under the Securities Act or the Exchange Act, regardless of any general incorporation language in such filing.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis provides information management believes to be relevant to understanding the financial condition and results of operations of Boston Scientific Corporation and its subsidiaries for the years ended December 31, 2024 and 2023. For a full understanding of our financial condition and results of operations, this discussion should be read in conjunction with our consolidated financial statements and accompanying notes included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K.

For additional information on our financial condition and results of operations for the year ended December 31, 2022, refer to Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations in our previously filed Annual Report on Form 10-K.

Executive Summary

Financial Highlights and Trends

In 2024, our net sales were \$16.747 billion, compared to \$14.240 billion in 2023. This increase of \$2.507 billion, or 17.6 percent, included operational¹ net sales growth of 18.5 percent and the negative impact of 90 basis points from foreign currency fluctuations. Operational net sales growth included organic² net sales growth of 16.4 percent in 2024 and the positive impact of 210 basis points driven by our acquisitions and divestitures during the period for which there is less than a full period of comparable net sales. In 2023, relevant acquisitions and divestitures included our majority stake investment in Acotec Scientific Holdings Limited (Acotec) and the acquisitions of Apollo Endosurgery, Inc. (Apollo) and Relievant Medsystems, Inc. (Relievant) during the first, second and fourth quarters of 2023, respectively, as well as the divestiture of our pathology business during the second quarter of 2023. In 2024, relevant acquisitions included the endoluminal vacuum therapy portfolio of B. Braun Medical Inc. (Braun), Silk Road Medical, Inc. (Silk Road Medical) and Axonics, Inc. (Axonics) during the first, third and fourth quarters of 2024, respectively. The increase in our net sales was primarily driven by strong commercial execution across our businesses, particularly in our Electrophysiology business unit, which was led by the rapid adoption of our Farapulse™ Pulsed Field Ablation System which launched in 2024. Refer to the *Business and Market Overview* section for a discussion of our net sales by business.

Our reported net income attributable to Boston Scientific common stockholders in 2024 was \$1.853 billion, or \$1.25 per diluted share. Our reported results for 2024 included certain charges and/or credits which are excluded by management for purposes of assessing operating performance, totaling \$1.872 billion (after-tax), or \$1.26 per diluted share. Excluding these items, adjusted net income attributable to Boston Scientific common stockholders³ for 2024 was \$3.725 billion, or \$2.51 per diluted share.

Our reported net income attributable to Boston Scientific common stockholders in 2023 was \$1.570 billion, or \$1.07 per diluted share. Our reported results for 2023 included certain charges and/or credits which are excluded by management for purposes of assessing operating performance, totaling \$1.429 billion (after-tax), or \$0.98 per diluted share. Excluding these items, adjusted net income attributable to Boston Scientific common stockholders³ for 2023 was \$2.999 billion, or \$2.05 per diluted share.

¹Operational net sales growth excludes the impact of foreign currency fluctuations.

²Organic net sales growth excludes the impact of foreign currency fluctuations and net sales attributable to acquisitions and divestitures for which there are less than a full period of comparable net sales.

³Adjusted measures, including operational and organic net sales growth and adjusted net income attributable to Boston Scientific common stockholders, exclude certain items required by generally accepted accounting principles in the United States (GAAP), are not prepared in accordance with GAAP and should not be considered in isolation from, or as a replacement for, the most directly comparable GAAP measure. Refer to *Additional Information* for a discussion of management's use of these non-GAAP financial measures.

The following is a reconciliation of our results of operations prepared in accordance with GAAP to those adjusted results considered by management. Refer to *Results of Operations* and *Additional Information* for a discussion of each reconciling item:

Year Ended December 31, 2024								
(in millions, except per share data)	Income (Loss) Before Income Taxes	Income Tax Expense (Benefit)	Net Income (Loss)	Preferred Stock Dividends	Net Income (Loss) Attributable to Noncontrolling Interests	Net Income (Loss) Attributable to Boston Scientific Common Stockholders	Impact per Share	
Reported	\$ 2,282	\$ 436	\$ 1,846	\$ —	\$ (8)	\$ 1,853	\$ 1.25	
Non-GAAP adjustments:								
Amortization expense	856	113	743	—	9	734	0.49	
Goodwill and other intangible asset impairment charges	386	48	339	—	—	339	0.23	
Acquisition/divestiture-related net charges (credits)	403	28	375	—	—	375	0.25	
Restructuring and restructuring-related net charges (credits)	229	30	199	—	—	199	0.13	
Litigation-related net charges (credits)	—	0	(0)	—	—	(0)	(0.00)	
Investment portfolio net losses (gains) and impairments	20	1	19	—	—	19	0.01	
European Union (EU) Medical device regulation (MDR) implementation costs	52	7	45	—	—	45	0.03	
Deferred tax expenses (benefits)	—	(165)	165	—	—	165	0.11	
Discrete tax items	—	4	(4)	—	—	(4)	(0.00)	
Adjusted	\$ 4,229	\$ 502	\$ 3,726	\$ —	\$ 1	\$ 3,725	\$ 2.51	

Year Ended December 31, 2023								
(in millions, except per share data)	Income (Loss) Before Income Taxes	Income Tax Expense (Benefit)	Net Income (Loss)	Preferred Stock Dividends	Net Income (Loss) Attributable to Noncontrolling Interests	Net Income (Loss) Attributable to Boston Scientific Common Stockholders	Impact per Share ⁽⁴⁾	
Reported	\$ 1,985	\$ 393	\$ 1,592	\$ (23)	\$ (1)	\$ 1,570	\$ 1.07	
Non-GAAP adjustments:								
Amortization expense	828	115	713	—	4	709	0.48	
Goodwill and other intangible asset impairment charges	58	4	54	—	—	54	0.04	
Acquisition/divestiture-related net charges (credits)	373	21	352	—	—	352	0.24	
Restructuring and restructuring-related net charges (credits)	185	29	156	—	—	156	0.11	
Litigation-related net charges (credits)	(111)	(23)	(88)	—	—	(88)	(0.06)	
Investment portfolio net losses (gains) and impairments	21	(3)	24	—	—	24	0.02	
EU MDR implementation costs	69	10	59	—	—	59	0.04	
Deferred tax expenses (benefits)	—	(155)	155	—	—	155	0.11	
Discrete tax items	—	(8)	8	—	—	8	0.01	
Adjusted	\$ 3,407	\$ 382	\$ 3,025	\$ (23)	\$ 4	\$ 2,999	\$ 2.05	

⁽⁴⁾For 2023, the effect of assuming the conversion of our 5.50% Mandatory Convertible Preferred Stock, Series A (MCPS) into shares of common stock was anti-dilutive, and therefore excluded from the calculation of *Net income (loss) per common share — diluted* (EPS). Accordingly, GAAP *Net income (loss)* and Adjusted net income were reduced by cumulative *Preferred stock dividends*, as presented in our consolidated statements of operations, for purposes of calculating GAAP *Net income (loss) attributable to Boston Scientific common stockholders*. On June 1, 2023, all outstanding shares of our MCPS automatically converted into shares of common stock.

Business and Market Overview

The following section describes our net sales and results of operations by reportable segment and business. For additional information on our businesses and product offerings, refer to Item 1. Business of this Annual Report on Form 10-K.

MedSurg

Endoscopy

Our Endoscopy business develops and manufactures devices to diagnose and treat a broad range of gastrointestinal (GI) conditions with innovative, less-invasive technologies. Net sales of Endoscopy products of \$2.687 billion represented 16 percent of our consolidated net sales in 2024. Endoscopy net sales increased \$205 million, or 8.3 percent, in 2024 compared to 2023. This increase included operational net sales growth of 8.9 percent and the negative impact of 60 basis points from foreign currency fluctuations. Operational net sales growth included organic net sales growth of 8.0 percent in 2024, and the positive impact of 100 basis points from our acquisition of Apollo and the divestiture of our pathology business in the second quarter of 2023, and our acquisition of the endoluminal vacuum therapy portfolio of Braun in the first quarter of 2024.

Organic net sales growth was primarily driven by our endoluminal surgery franchise, our single-use imaging franchise led by our EXALT™ Model D Single-Use Duodenoscope and our biliary franchise led by our AXIOS™ Stent and Delivery System.

Urology

Our Urology business develops and manufactures devices to treat various urological conditions for both male and female anatomies, including kidney stones, benign prostatic hyperplasia (BPH), prostate cancer, erectile dysfunction and incontinence. Net sales of Urology products of \$2.200 billion represented 13 percent of our consolidated net sales in 2024. Urology net sales increased \$236 million, or 12.0 percent, in 2024 compared to 2023. This increase included operational net sales growth of 12.5 percent and the negative impact of 50 basis points from foreign currency fluctuations. Operational net sales growth included organic net sales growth of 9.3 percent in 2024, and the positive impact of 330 basis points from our acquisition of Axonics in the fourth quarter of 2024.

Organic net sales growth was primarily driven by our stone management, led by our Lumenis Pulse™ Holmium Laser Systems with MOSES™ Technology, and prosthetic urology franchises and our prostate health franchise led by our Rezūm™ Systems.

Neuromodulation

Our Neuromodulation business develops and manufactures devices to treat various neurological movement disorders and manage chronic pain. Net sales of Neuromodulation products of \$1.106 billion represented 7 percent of our consolidated net sales in 2024. Neuromodulation net sales increased \$130 million, or 13.3 percent, in 2024 compared to 2023. This increase included operational net sales growth of 13.7 percent and the negative impact of 40 basis points from foreign currency fluctuations. Operational net sales growth included organic net sales growth of 2.7 percent in 2024, and the positive impact of 1,100 basis points from our acquisition of Relievant in the fourth quarter of 2023.

Organic net sales growth was primarily driven by our deep brain stimulation franchise and our radiofrequency ablation portfolio.

Cardiovascular

Cardiology

Our Cardiology business develops and manufactures devices and medical technologies for diagnosing and treating a variety of diseases and abnormalities of the heart. Net sales of Cardiology products of \$8.344 billion represented 50 percent of our consolidated net sales in 2024. Cardiology net sales increased \$1.636 billion, or 24.4 percent in 2024 compared to 2023. This increase included operational net sales growth of 25.4 percent and the negative impact of 100 basis points from foreign currency fluctuations.

Operational net sales growth was primarily driven by growth of our Electrophysiology business unit, led by our Farapulse™ Pulsed Field Ablation System and our access solutions portfolio, continued market penetration of Left Atrial Appendage Closure (LAAC) procedures with our WATCHMAN FLX™ LAAC Device and our WATCHMAN FLX™ Pro LAAC Device, as well as our percutaneous coronary intervention guidance franchise.

Peripheral Interventions

Our Peripheral Interventions business develops and manufactures products to diagnose and treat peripheral arterial and venous diseases, as well as products to diagnose, treat and ease various forms of cancer. Net sales of Peripheral Interventions products of \$2.410 billion represented 14 percent of our consolidated net sales in 2024. Peripheral Interventions net sales increased \$300 million, or 14.2 percent in 2024 compared to 2023. This increase included operational net sales growth of 15.5 percent and the negative impact of 120 basis points from foreign currency fluctuations. Operational net sales growth included organic net sales growth of 10.9 percent, and the positive impact of 460 basis points from our majority stake investment in Acotec which we acquired in the first quarter of 2023 and our acquisition of Silk Road Medical during the third quarter of 2024.

Organic net sales growth was primarily driven by our interventional oncology franchise led by our EMBOLD™ Fibered Coil and Therasphere™ Y-90 Radioactive Glass Microspheres, as well as our drug-eluting portfolio within our vascular franchise led by our Ranger™ Drug Coated Balloon.

Emerging Markets

As part of our strategic imperative to drive global expansion, we are seeking to grow net sales and market share by expanding our global presence, including in Emerging Markets. Periodically, we assess our list of Emerging Markets countries, and effective January 1, 2023, modified our list to include all countries except the United States, Western and Central Europe, Japan, Australia, New Zealand and Canada.

Our Emerging Markets' net sales represented 16 percent of our consolidated net sales in 2024 and 2023. In 2024, our Emerging Markets net sales grew 16.1 percent on a reported basis including operational net sales growth of 19.6 percent and the negative impact of 360 basis points from foreign currency fluctuations, compared to 2023. Operational net sales growth was primarily driven by growth in China, fueled by the breadth of our portfolio and focus on innovation and strong commercial execution.

Economic Environment

As a global developer, manufacturer and marketer of medical devices, our business is subject to local and international macroeconomic trends as well as geopolitical factors. While global supply chain disruptions continued to improve in 2024, we have experienced, and may continue to experience, increases in cost and limited availability of certain raw materials, components, and other inputs necessary to manufacture and distribute our products due to constraints and inflation within the global supply chain, as well as increases in wage costs and the cost and time to distribute our products. Uncertainty around inflationary pressures, interest rates, monetary policy, trade policies, foreign currency fluctuations and changes in tax laws, as well as actions by governments in response thereto, could create additional economic challenges which could negatively impact our business operations and results. Geopolitical developments, including related to various ongoing global conflicts and tensions, may create economic, supply chain, transportation, energy, and other challenges, including disruptions to business operations, which could negatively impact our business and results of operations. Further, sanctions, tariffs, or other measures that restrict international trade, as well as instability resulting from global conflicts, could negatively affect our business operations and results.

Results of Operations

Net Sales

The following table provides our net sales by reportable segment and business, and the relative change in growth on a reported basis:

(in millions)	Year Ended December 31,			2024 versus 2023	2023 versus 2022
	2024	2023	2022		
Endoscopy	\$ 2,687	\$ 2,482	\$ 2,221	8.3%	11.7%
Urology	2,200	1,964	1,773	12.0%	10.8%
Neuromodulation	1,106	976	917	13.3%	6.4%
MedSurg	5,993	5,422	4,911	10.5%	10.4%
Cardiology	8,344	6,709	5,932	24.4%	13.1%
Peripheral Interventions	2,410	2,110	1,899	14.2%	11.1%
Cardiovascular	10,755	8,819	7,831	22.0%	12.6%
	16,747	14,240	12,742	17.6%	11.8%
Other ⁽¹⁾	—	—	(60)	0.0%	(100.0)%
Net Sales	\$ 16,747	\$ 14,240	\$ 12,682	17.6%	12.3%

⁽¹⁾In 2022, amounts reflect sales reserves established for Italian government payback provisions, not allocated to reportable segments, which are being disputed in the Italian court system.

Refer to *Executive Summary* for further discussion of our net sales and a comparison of our 2024 and 2023 net sales.

In 2023, we generated net sales of \$14.240 billion compared to \$12.682 billion in 2022. This increase of \$1.558 billion, or 12.3 percent, included operational growth of 13.1 percent and the negative impact of 80 basis points from foreign currency fluctuations. Operational net sales growth included organic net sales growth of 12.3 percent in 2023 and the positive impact of 80 basis points driven by our majority stake investment in Acotec and the acquisitions of Apollo and Relievant during the first, second and fourth quarters of 2023, respectively, as well as the divestiture of our pathology business during the second quarter of 2023 and our acquisition of Baylis Medical Company, Inc. (Baylis Medical) during the first quarter of 2022, for which there were less than a full prior period of comparable net sales. The increase in our 2023 net sales was primarily driven by acquisitions as well as the strength and diversity of our product portfolio coupled with growth in the underlying markets in which we compete and strong commercial execution.

Gross Profit

Our gross profit was \$11.490 billion in 2024 and \$9.896 billion in 2023. The following is a reconciliation of our gross profit margins and a description of the drivers of the change from period to period:

	Gross Profit Margin
Year Ended December 31, 2022	68.8%
Manufacturing and supply costs	1.7%
Sales pricing, volume and mix	1.9%
Net impact of foreign currency fluctuations	(2.2)%
All other, including inventory charges and other period expenses	(0.7)%
Year Ended December 31, 2023	69.5%
Sales pricing, volume and mix	0.7%
All other, including inventory charges and other period expenses	(1.6)%
Year Ended December 31, 2024	68.6%

The primary factors contributing to the decrease in our gross profit margin for 2024 compared to 2023 were inventory charges, including related to the POLARx™ cryoablation system given the strong commercial adoption of our Farapulse™ Pulsed Field

Ablation System, strategic manufacturing capacity investments and other period expenses, partially offset by increased sales of higher margin products.

The primary factors contributing to the increase in our gross profit margin for 2023 compared to 2022 were increased sales of higher margin products, as well as improvements in manufacturing, raw material and component, and freight costs, partially offset by the unfavorable impact of foreign currency and period expenses.

EU MDR Implementation Costs

The EU MDR replaced the existing European Medical Devices Directive (MDD) and Active Implantable Medical Device Directive (AIMDD) regulatory frameworks, and manufacturers of medical devices were required to comply with EU MDR beginning in May 2021 for new products and by May 2024 for medical devices that have a valid CE Certificate to the Directives issued before May 2021. In 2023, updates to the legislative text of the EU MDR were adopted by the European Parliament and the Council of the European Union, including an extension of the transitional period to 2027 for certain high risk class devices and 2028 for lower risk class medical devices that have a valid CE Certificate to the Directives issued before May 2021.

We began our EU MDR implementation efforts in late 2019 and have incurred cumulative expenses of \$408 million through December 31, 2024, which are primarily being recorded within *Cost of product sold*. We expect to incur total expenses of approximately \$450 million to \$500 million over the transition period.

Operating Expenses

The following table provides a summary of our key operating expenses:

<i>(in millions)</i>	Year Ended December 31,					
	2024		2023		2022	
	\$	% of Net Sales	\$	% of Net Sales	\$	% of Net Sales
Selling, general and administrative expenses	\$ 5,984	35.7 %	\$ 5,190	36.4 %	\$ 4,520	35.6 %
Research and development expenses	1,615	9.6 %	1,414	9.9 %	1,323	10.4 %

Selling, General and Administrative (SG&A) Expenses

In 2024, our *SG&A expenses* increased \$794 million, or 15 percent compared to 2023 and were 70 basis points lower as a percentage of net sales. The increase in *SG&A expenses* was due primarily to higher selling costs driven by higher global net sales and costs to support product launches, including the Farapulse™ Pulsed Field Ablation System in our Electrophysiology business unit.

In 2023, our *SG&A expenses* increased \$670 million, or 15 percent compared to 2022 and were 80 basis points higher as a percentage of net sales. The increase in *SG&A expenses* was primarily due to higher selling costs driven by higher global net sales, costs to support new and planned product launches, including the Farapulse™ Pulsed Field Ablation System in our Electrophysiology business unit and comparatively higher acquisition-related and restructuring-related expenses.

Research and Development (R&D) Expenses

We remain committed to advancing medical technologies and investing in meaningful research and development projects across our businesses. In 2024, our *R&D expenses* increased \$201 million, or 14 percent compared to 2023, and were 30 basis points lower as a percentage of net sales. In 2023, our *R&D expenses* increased \$91 million, or 7 percent compared to 2022, and were 50 basis points lower as a percentage of net sales. *R&D expenses* increased in both periods as a result of investments across our businesses in order to maintain a pipeline of new products that we believe will contribute to profitable sales growth.

Other Operating Expenses

The following provides a summary of certain of our other operating expenses, which are excluded by management for purposes of evaluating operating performance; refer to *Additional Information* for a further description.

Amortization Expense

We recorded *Amortization expense* of \$856 million in 2024 and \$828 million in 2023 related to intangible assets acquired in a business combination or asset acquisition, as well as internally-developed patents. In 2024, *Amortization expense* increased \$28 million, or 3 percent, as compared to 2023. In 2023, *Amortization expense* increased \$25 million, or 3 percent, as compared to 2022. The increase in both periods was primarily driven by the addition of amortizable intangible assets associated with acquisitions.

Intangible Asset Impairment Charges

We recorded *Intangible asset impairment charges* of \$386 million in 2024 and \$58 million in 2023. The impairment charges recorded in 2024 were primarily associated with amortizable intangible assets established in connection with our acquisitions of Cryterion Medical, Inc. (Cryterion) and Devoro Medical, Inc. (Devoro), which were integrated into our Electrophysiology and Peripheral Interventions business units, respectively. Intangible assets acquired from Cryterion were impaired due to strong commercial adoption of our Farapulse™ Pulsed Field Ablation System in our Electrophysiology business unit and the resulting lower revenue projections and cannibalization of our cryoablation business. Intangible assets acquired from Devoro were impaired following management's decision to cancel the related program in the second quarter of 2024. The impairment charges recorded in 2023 were primarily associated with the cancellation of an in-process research and development (IPR&D) program due to the incremental time and cost to complete the program and bring the technology to market. Refer to *Critical Accounting Estimates* for a discussion of key assumptions used in our intangible asset impairment testing and future events that could have a negative impact on the recoverability of our intangible assets.

Contingent Consideration Net Expense (Benefit)

(in millions)	Year Ended December 31,		
	2024	2023	2022
Net charges (benefit)	\$ (5)	\$ 58	\$ 35
Payments for prior acquisitions following the achievement of associated milestones	232	76	371

To recognize changes in the fair value of our contingent consideration liability, we recorded a net benefit of \$5 million in 2024 and net charges of \$58 million in 2023. In addition, we made payments of \$232 million and \$76 million associated with prior acquisitions during 2024 and 2023, respectively, following the achievement of revenue-based earnouts. Refer to *Note B – Acquisitions and Strategic Investments* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for additional details related to our contingent consideration arrangements.

Restructuring and Restructuring-related Net Charges

On February 22, 2023, our Board of Directors approved, and we committed to, a new global restructuring program (the 2023 Restructuring Plan). For additional information, refer to "2023 Restructuring Plan" under the heading Liquidity and Capital Resources below.

Pursuant to the 2023 Restructuring Plan, we recorded the following restructuring and restructuring-related charges:

(in millions)	Year Ended December 31,		
	2024	2023	2022
Restructuring charges ⁽¹⁾	\$ 16	\$ 69	\$ 24
Restructuring-related charges ⁽²⁾	212	115	86

⁽¹⁾These charges are recorded in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 420, *Exit or Disposal Cost Obligations*.

⁽²⁾These charges are primarily recorded within *Cost of products sold*, *SG&A Expenses* and *R&D Expenses*.

The following table presents our restructuring reserve balance:

(in millions)	As of December 31,	
	2024	2023
Restructuring reserve balance	\$ 26	\$ 41

Litigation-related Net Charges (Credits)

We record certain legal and product liability charges, credits and costs of defense, which we consider to be unusual or infrequent and significant as *Litigation-related net charges (credits)* within our consolidated financial statements. We did not record any litigation-related net charges (credits) in 2024. We recorded litigation-related net credits of \$111 million in 2023, primarily related to the settlement of offensive patent litigation. All other legal and product liability charges, credits and costs are recorded within *SG&A expenses*.

We continue to assess certain litigation and claims to determine the amounts, if any, that management believes will be paid as a result of such claims and litigation, and therefore, additional losses may be accrued and paid in the future, which could materially adversely impact our operating results, cash flows and/or our ability to comply with the financial covenant required by our credit arrangements. Refer to *Note I – Commitments and Contingencies* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for additional discussion of our material legal proceedings.

Interest Expense

The following table provides a summary of our *Interest expense* and average borrowing rate:

	Year Ended December 31,		
	2024	2023	2022
Interest expense (in millions)	\$ (305)	\$ (265)	\$ (470)
Average borrowing rate	2.8 %	2.8 %	5.0 %

Interest expense increased in 2024, compared to the prior year, primarily due to increased debt from the registered public offering of €2.000 billion in aggregate principal amount of euro-denominated senior notes (the 2024 Eurobonds) during the first quarter of 2024. *Interest expense* decreased in 2023, compared to 2022, primarily due to \$194 million of charges associated with the early extinguishment of \$3.275 billion of certain of our senior notes, including payment of tender premiums and the acceleration of unamortized debt issuance costs, as well as the issuance of euro-denominated senior notes during the first quarter of 2022. Our average borrowing rate remained flat in 2024 compared to 2023 and decreased in 2023 compared to 2022. Refer to *Liquidity and Capital Resources*, as well as *Note E – Contractual Obligations and Commitments* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for information regarding our debt obligations.

Other, net

The following are the components of *Other, net*:

(in millions)	Year Ended December 31,		
	2024	2023	2022
Interest income	\$ 107	\$ 22	\$ 10
Net foreign currency gain (loss)	(16)	(41)	(31)
Net gains (losses) on investments ⁽¹⁾	(79)	(59)	(1)
Other income (expense), net	(29)	(14)	(16)
	<u>\$ (16)</u>	<u>\$ (93)</u>	<u>\$ (38)</u>

⁽¹⁾Net gains (losses) on investments include investment portfolio net losses (gains) and impairments as well as the impact of recording our share of the earnings or losses of equity method investees.

Interest income increased during 2024, compared to prior periods, primarily due to higher average cash balances invested in each period as a result of the registered public offering of the 2024 Eurobonds during the first quarter of 2024. Net proceeds from the offering were primarily used to fund a portion of the purchase price of our Axonics acquisition which was initially expected to close in the first half of 2024 and ultimately closed in the fourth quarter of 2024.

Tax Rate

The following table provides a reconciliation of our reported tax rate to the rate from continuing operations:

	Year Ended December 31,		
	2024	2023	2022
Reported tax rate	19.1 %	19.8 %	38.9 %
Impact of certain receipts/charges ⁽¹⁾	(1.1)%	(0.2)%	(19.1)%
Rate from continuing operations	18.0 %	19.6 %	19.8 %

⁽¹⁾ These receipts/charges are taxed at different rates than our rate from continuing operations.

Our reported tax rate is affected by recurring items such as the amount of our earnings subject to differing tax rates in foreign jurisdictions and the impact of certain receipts and charges that are taxed at rates that differ from our rate from continuing operations.

In 2024, the principal reasons for the difference between the rate from continuing operations and our reported tax rate relate to certain acquisition-related net charges and impairment charges as well as certain discrete tax benefits primarily related to stock-based compensation and changes in valuation allowance.

In 2023, the principal reasons for the difference between the rate from continuing operations and our reported tax rate relate to receipts for litigation, certain acquisition-related net charges and restructuring-related net charges as well as certain discrete tax benefits primarily related to unrecognized tax benefits for the conclusion of the 2017-2018 IRS audit, provision-to-return adjustments, and stock-based compensation.

In 2022, the principal reasons for the difference between the rate from continuing operations and our reported tax rate relate to litigation-related net charges, acquisition-related net charges, impairment charges, and debt extinguishment net charges as well as certain discrete tax benefits primarily related to stock-based compensation, changes in valuation allowance as well as charges for unrecognized tax benefits.

Effective January 1, 2024, many countries where we do business adopted a global minimum effective tax rate of 15% based on the Pillar Two framework issued by the Organization for Economic Cooperation and Development (OECD). Other countries where we do business are also considering adopting the framework or are in various stages of enacting the framework into their country's laws. The impact of the Pillar Two global minimum tax on our 2024 tax rate from continuing operations was immaterial, and we expect a similar impact in 2025 based on the countries that have adopted the Pillar Two rules, and the guidance issued to date.

The Company continues to monitor further legislative adoption of the Pillar Two rules by country. The United States has not enacted the Pillar Two global minimum tax, and the current administration recently announced its intention to effectively withdraw from the OECD Inclusive Framework as well as its intention to enact retaliatory measures against countries who assert extraterritorial taxes against U.S. taxpayers. In addition, significant uncertainty exists regarding the interpretation of the detailed Pillar Two rules, whether such rules will be implemented consistently across taxing jurisdictions, how such rules interact with existing national tax laws and whether such rules are consistent with existing tax treaty obligations. Developments related to these uncertainties could impact our expectations regarding the impact of the Pillar Two global minimum tax on our tax rate from continuing operations in 2025.

See *Note H – Income Taxes* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for additional details on our tax rate.

Liquidity and Capital Resources

Based on our current business plan, we believe our existing balance of *Cash and cash equivalents*, future cash generated from operations, access to capital markets and existing credit facilities will be sufficient to fund our operations, invest in our infrastructure, pay our legal-related liabilities, pay taxes due, service and repay our existing debt and fund possible acquisitions for the next 12 months and for the foreseeable future. Please refer to *Contractual Obligations and Commitments* below for additional details on our future payment obligations and commitments.

As of December 31, 2024, we had \$414 million of unrestricted *Cash and cash equivalents* on hand, including approximately \$50 million held by Acotec, a less than wholly owned entity of which we acquired a majority stake investment during the first quarter of 2023. The balance is comprised of \$50 million invested in money market funds and time deposits and \$364 million in interest bearing and non-interest-bearing bank accounts. We invest excess cash on hand in short-term financial instruments that earn at market interest rates while mitigating principal risk through instrument and counterparty diversification, as well as what we believe to be prudent instrument selection. We limit our direct exposure to securities in any one industry or issuer.

In 2021, we entered into our \$2.750 billion revolving credit facility (as amended, supplemented or otherwise modified from time to time, the 2021 Revolving Credit Facility) with a global syndicate of commercial banks. On May 10, 2024, we entered into a third amendment to the 2021 Revolving Credit Facility credit agreement, which provided for, among other things, an extension of the scheduled maturity date to May 10, 2029, an amendment of the Ratings based pricing grid of the Applicable Margin, each as defined in the credit agreement, and reset the applicable date for purposes of determining the amounts of restructuring charges and restructuring-related expenses that may be excluded from consolidated Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA), as defined by the credit agreement, for purposes of our maximum leverage ratio covenant, from December 31, 2022 to March 31, 2024, as further discussed under *Financial Covenant* below. This facility provides backing for our commercial paper program, and outstanding commercial paper directly reduces borrowing capacity under the 2021 Revolving Credit Facility. There was \$191 million outstanding under our commercial paper program as of December 31, 2024. There were no amounts outstanding under the 2021 Revolving Credit Facility as of December 31, 2024, resulting in an additional \$2.559 billion of available liquidity.

For additional details related to our debt obligations, including our financial covenant requirement, refer to *Note E – Contractual Obligations and Commitments* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K.

The following provides a summary and description of our net cash inflows (outflows):

(in millions)	Year Ended December 31,		
	2024	2023	2022
Cash provided by (used for) operating activities	\$ 3,435	\$ 2,503	\$ 1,526
Cash provided by (used for) investing activities	(5,687)	(2,574)	(2,011)
Cash provided by (used for) financing activities	1,814	5	(548)

Operating Activities

In 2024, cash provided by (used for) operating activities increased \$932 million as compared to 2023, primarily due to higher net sales and operating income, slower inventory buildup due to improved macroeconomic supply chain conditions, as well as increases in employee related accruals, accrued commissions and accrued rebates, partially offset by higher prepaid expenses and income tax receivables. In 2023, cash provided by (used for) operating activities increased \$977 million compared to 2022, primarily due to comparatively higher net sales and operating income, lower non-recurring tax payments compared to prior year, as well as timing of employee related accruals and prepaid expenses. This increase was partially offset by the use of cash associated with an increase in inventory purchases as a result of higher sales and ensuring continuity of supply to meet procedural volume demand.

Investing Activities

In 2024, cash provided by (used for) investing activities included cash payments of \$4.640 billion for the acquisitions of businesses, net of cash acquired, primarily related to the acquisitions of Axonics and Silk Road Medical, and *purchases of property, plant and equipment and internal use software* of \$790 million. For more information on our acquisitions, refer to *Note B – Acquisitions and Strategic Investments* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K. In 2023, cash provided by (used for) investing activities included cash payments of \$1.811 billion, net of cash acquired, for the acquisitions of Apollo, Relievant and our majority stake investment in Acotec, as well as *purchases of property, plant and equipment and internal use software* of \$711 million.

Financing Activities

In 2024, cash provided by (used for) financing activities included proceeds from the registered public offering of the 2024 Eurobonds. The offering resulted in cash proceeds of \$2.145 billion, net of investor discounts and issuance costs. We primarily used the net proceeds from the offering to fund a portion of the purchase price of our acquisition of Axonics and to pay related fees and expenses, and for general corporate purposes. We also used the net proceeds to fund the repayment at maturity of our 3.450% Senior Notes due March 2024 and to pay accrued and unpaid interest with respect to such notes. For more information, refer to *Note E – Contractual Obligations and Commitments* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K. In 2024, cash provided by (used for) financing activities also included *proceeds from the issuances of common stock pursuant to employee stock compensation and purchase plans* of \$230 million and *net proceeds from the issuance of commercial paper* of \$187 million, partially offset by *payments of contingent consideration previously established in purchase accounting* of \$131 million. In 2023, cash provided by (used for) financing activities included *proceeds from issuances of common stock pursuant to employee stock compensation and purchase plans* of \$182 million partially offset by *cash used to net share settle employee equity awards* of \$56 million, *payments for royalty rights* of \$50 million and *payments of contingent consideration previously established in purchase accounting* of \$39 million.

Our liquidity plans are subject to a number of risks and uncertainties, including those described in Item 1A. Risk Factors of this Annual Report on Form 10-K, some of which are outside our control. These and other risks and uncertainties could limit our ability to successfully execute our business plans and adversely affect our liquidity plans.

Financial Covenant

As of December 31, 2024, we were in compliance with the financial covenant required by the 2021 Revolving Credit Facility.

	Covenant Requirement as of December 31, 2024	Actual as of December 31, 2024
Maximum permitted leverage ratio ⁽¹⁾	4.75 times	2.26 times

⁽¹⁾ Ratio of total debt to deemed consolidated EBITDA, as defined by the 2021 Revolving Credit Facility credit agreement.

The 2021 Revolving Credit Facility includes the financial covenant requirement for all of our credit arrangements that we maintain the maximum permitted leverage ratio of 3.75 times for the remaining term. The credit agreement provides for higher leverage ratios, at our election, for the period following a Qualified Acquisition, as defined by the agreement, for which consideration exceeds \$1.000 billion. In the event of such an acquisition, for the four succeeding quarters immediately following, including the quarter in which the acquisition occurs, the maximum permitted leverage ratio is 4.75 times. It steps down for the fifth, sixth and seventh succeeding quarters to 4.50 times, 4.25 times and 4.00 times, respectively. Thereafter, a maximum leverage ratio of 3.75 times is required through the remaining term of the 2021 Revolving Credit Facility. On November 15, 2024, we announced the closing of our acquisition of Axonics, which we had previously designated as a Qualified Acquisition under the credit agreement, increasing the maximum permitted leverage ratio to 4.75 times as of December 31, 2024. We believe that we have the ability to comply with the financial covenant for the next 12 months.

The financial covenant requirement, as amended on May 10, 2024, provides for an exclusion from the calculation of consolidated EBITDA through maturity, of certain charges and expenses. The credit agreement amendment reset the starting date for purposes of calculating such permitted exclusions related to restructuring charges and restructuring-related expenses from December 31, 2022 to March 31, 2024. Permitted exclusions include up to \$500 million in cash and non-cash restructuring charges and restructuring-related expenses associated with our current or future restructuring plans. As of December 31, 2024, we had \$322 million of the restructuring charge exclusion remaining. In addition, any cash litigation

payments (net of any cash litigation receipts), as defined by the agreement, are excluded from the calculation of consolidated EBITDA, provided that the sum of any excluded net cash litigation payments do not exceed \$1.000 billion plus all accrued legal liabilities as of December 31, 2022. As of December 31, 2024, we had \$1.435 billion of the litigation exclusion remaining.

Debt

The following table presents the current and long-term portions of our total debt:

(in millions)	As of	
	December 31, 2024	December 31, 2023
Current debt obligations	\$ 1,778	\$ 531
Long-term debt	8,968	8,571
Total debt	<u>\$ 10,746</u>	<u>\$ 9,102</u>

The following table presents the portions of our total debt that are comprised of fixed and variable rate debt instruments, which are presented on an amortized cost basis:

(in millions)	As of	
	December 31, 2024	December 31, 2023
Fixed-rate debt instruments	\$ 10,507	\$ 9,070
Variable rate debt instruments	239	32
Total debt	<u>\$ 10,746</u>	<u>\$ 9,102</u>

For additional details related to our debt obligations, including our financial covenant requirements, refer to *Note E – Contractual Obligations and Commitments* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K.

Equity

In 2024, we received \$230 million in proceeds from stock issuances related to our stock option and employee stock purchase plans, compared to \$182 million in 2023. Proceeds from the exercise of employee stock options and employee stock purchases vary from period to period based upon, among other factors, fluctuations in the trading price of our common stock and in the exercise and stock purchase patterns of our employees. Stock-based compensation expense related to our stock ownership plans was \$266 million in 2024 and \$233 million in 2023. Stock-based compensation expense varies from period to period based upon, among other factors, the timing, number and fair value of awards granted during the period, forfeiture levels related to unvested awards and employee contributions to our employee stock purchase plan, as well as the retirement eligibility of stock award recipients.

On June 1, 2023, in accordance with the terms of our MCPS, all outstanding shares of MCPS automatically converted into shares of common stock. No action by the holders of the MCPS was required in connection with the mandatory conversion. The conversion rate for each share of MCPS was 2.3834 shares of common stock. Cash was paid in lieu of fractional shares in accordance with the terms of the MCPS. An aggregate of approximately 24 million shares of common stock, including shares of common stock issued to holders of MCPS that elected to convert prior to the mandatory conversion date, were issued upon conversion of the MCPS. Following the mandatory conversion of the MCPS, there were no outstanding shares of MCPS, resulting in the retirement of the annualized approximately \$55 million cash dividend payment on the MCPS.

On December 14, 2020, our Board of Directors approved a stock repurchase program authorizing the repurchase of up to \$1.000 billion of our common stock. We did not repurchase any shares of our common stock in 2024 or 2023, and had the full amount available under the authorization as of December 31, 2024. There were approximately 263 million shares in treasury as of December 31, 2024 and 2023.

Contractual Obligations and Commitments

(in millions)	2025	2026	2027	2028	2029	Thereafter	Total
Debt obligations ⁽¹⁾	\$ 1,730	\$ 255	\$ 935	\$ 1,123	\$ 1,051	\$ 5,547	\$ 10,642
Interest payments ⁽²⁾	288	270	266	253	234	1,385	2,695
Lease obligations ⁽³⁾	94	84	64	52	43	227	564
Purchase obligations ⁽²⁾	881	220	125	108	21	159	1,514
Legal reserves ⁽⁴⁾	177	—	—	—	—	—	177
One-time transition tax	147	—	—	—	—	—	147
	<u>\$ 3,316</u>	<u>\$ 829</u>	<u>\$ 1,390</u>	<u>\$ 1,536</u>	<u>\$ 1,349</u>	<u>\$ 7,318</u>	<u>\$ 15,739</u>

⁽¹⁾Debt obligations are comprised of our senior notes outstanding as of December 31, 2024. This does not include unamortized debt issuance discounts, deferred financing costs and gains on fair value hedges or finance lease obligations. Refer to *Note E – Contractual Obligations and Commitments* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for additional information.

⁽²⁾In accordance with U.S. GAAP, these obligations relate primarily to expenses associated with future periods and, with the exception of accrued interest, are not reflected in our consolidated balance sheet as of December 31, 2024. Interest payments included above are calculated based on rates and required fees applicable to our outstanding debt obligations as of December 31, 2024 described in *Note E – Contractual Obligations and Commitments* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K.

⁽³⁾Lease obligations include minimum lease payments under our operating lease agreements. Refer to *Note F – Leases* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for more information.

⁽⁴⁾Timing of payment for our long-term liability for legal matters that are probable and estimable as of December 31, 2024 is uncertain and as such it is excluded from the table above. Refer to *Note I – Commitments and Contingencies* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for more information.

The amounts in the table above with respect to purchase obligations relate primarily to non-cancellable inventory commitments and capital expenditures entered in the normal course of business. The table above does not include:

- Any future obligations to make payments of contingent consideration pursuant to certain of our acquisition agreements, due to the exact amount and timing of payments being uncertain. Refer to *Note B – Acquisitions and Strategic Investments* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for more information;
- Unrecognized tax benefits, accrued interest and penalties and other related items because the timing of their future cash settlement is uncertain. Refer to *Note H – Income Taxes* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for more information;
- Acquired IPR&D projects that require future funding to complete. We estimate that the total remaining cost to complete acquired IPR&D projects is between \$125 million and \$135 million. Net cash inflows from the projects currently in development are expected to continue through 2042, following the respective launches of these technologies in the U.S. and Europe. See *Note C – Goodwill and Other Intangible Assets* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for more information;
- A previously executed finance lease for additional office and warehouse space which commenced in December 2024. Total estimated undiscounted future lease payments are approximately \$240 million. This lease has a noncancellable lease term of 25 years. See *Note F – Leases* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for more information;
- One lease we have entered into as of December 31, 2024 for additional office and lab space which has not yet commenced as the facility is currently under construction. We do not control the building during construction and are thus not deemed to be the owner during construction. Total estimated undiscounted future lease payments are approximately \$250 million, which includes a buyout option exercisable once construction is complete which we are reasonably certain to exercise. The lease is expected to commence in the second half of 2025 with a noncancellable lease term of 20 years;

- The January 24, 2025 acquisition of Cortex Inc., consisting of an upfront cash payment of \$248 million, net of cash acquired, and up to approximately \$50 million in future payments upon achievement of certain regulatory milestones;
- The definitive agreement, entered into on January 8, 2025, to acquire Bolt Medical, Inc. (Bolt Medical). We have been an investor in Bolt Medical since 2019 and currently hold an equity stake of approximately 26 percent. The transaction price to acquire the remaining stake is expected to result in an upfront cash payment of approximately \$443 million upon closing and up to approximately \$221 million in future payments upon achievement of certain regulatory milestones. The transaction is expected to close during the first half of 2025, subject to customary closing conditions. We plan to fund the acquisition through a mix of cash on hand and commercial paper; and
- The definitive agreement, entered into on November 25, 2024, to acquire Intera Oncology® Inc., for approximately \$175 million, which is expected to close during the first half of 2025, subject to customary closing conditions. We plan to fund the acquisition through a mix of cash on hand and commercial paper.

2023 Restructuring Plan

On February 22, 2023, our Board of Directors approved, and we committed to, a new global restructuring program (the 2023 Restructuring Plan). The 2023 Restructuring Plan is helping to advance our Global Supply Chain Optimization strategy, which is intended to simplify our manufacturing and distribution network by transferring certain production lines among facilities and drive operational efficiencies and resiliency. Key activities under the 2023 Restructuring Plan also include optimizing certain functional capabilities to achieve cost synergies and better support business growth. These activities were initiated in the first quarter of 2023 and are expected to be substantially complete by the end of 2025.

While we expect limited role reductions as a result of these restructuring activities, we anticipate that our overall employee base will remain relatively unchanged upon completion of the 2023 Restructuring Plan as new jobs are created in areas of growth and resources are deployed to support an expanding portfolio and growing global market needs.

The implementation of the 2023 Restructuring Plan is estimated to result in total pre-tax charges of approximately \$450 million to \$550 million, of which approximately \$350 million to \$450 million is expected to result in cash outlays, and reduce gross annual pre-tax expenses by approximately \$225 million to \$275 million as program benefits are realized. We expect to reinvest a substantial portion of the savings in strategic growth initiatives. The following table provides a summary of our range of estimates of total pre-tax charges associated with the 2023 Restructuring Plan by major type of cost:

Type of Cost (in millions)	Total Estimated Amount Expected to be Incurred		
Restructuring charges:			
Termination benefits ⁽¹⁾	\$	60	- \$ 80
Other ⁽²⁾		20	- 40
Restructuring-related expenses:			
Transfer costs ⁽³⁾		300	- 330
Other ⁽⁴⁾		70	- 100
	\$	450	- \$ 550

⁽¹⁾Plans detailing specific employee impacts will be developed for each affected region and business, working with employee representative bodies where required under local laws.

⁽²⁾Consists primarily of consulting fees and costs associated with contractual cancellations.

⁽³⁾Represents costs to transfer product and manufacturing lines between geographically dispersed facilities.

⁽⁴⁾Comprised of other costs directly related to the restructuring program, including program management, accelerated depreciation and fixed asset write-offs.

Legal Matters

For a discussion of our material legal proceedings, see *Note I – Commitments and Contingencies* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K.

Critical Accounting Policies and Estimates

Our financial results are affected by the selection and application of accounting policies and methods. We have adopted accounting policies to prepare our consolidated financial statements in conformity with U.S. GAAP.

To prepare our consolidated financial statements in accordance with U.S. GAAP, management makes estimates and assumptions that may affect the reported amounts of our assets and liabilities, including our contingent liabilities, as of the date of our financial statements and the reported amounts of our revenues and expenses during the reporting periods. Our actual results may differ from these estimates. We consider estimates to be critical (i) if we are required to make assumptions about material matters that are uncertain at the time of estimation or (ii) if materially different estimates could have been made or it is reasonably likely that the accounting estimate will change from period to period. The following are areas considered to be critical and require management's judgment: Revenue Recognition, Inventory Provisions, Valuation of Intangible Assets and Contingent Consideration Liabilities, Goodwill Valuation, Legal and Product Liability Accruals and Income Taxes.

See *Note A – Significant Accounting Policies* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for additional information related to our accounting policies and our consideration of these critical accounting areas.

Revenue Recognition

Deferred Revenue

We record a contract liability, or deferred revenue, when we have an obligation to provide a product or service to the customer and payment is received or due in advance of our performance. When we sell a device with a future service obligation, we defer revenue on the unfulfilled performance obligation and recognize this revenue over the related service period. Generally, we do not have observable evidence of the standalone selling price related to our future service obligations; therefore, we estimate the selling price using an expected cost plus a margin approach. We allocate the transaction price using the relative standalone selling price method. The use of alternative estimates could result in a different amount of revenue deferral.

Our contract liabilities are primarily composed of deferred revenue related to the LATITUDE™ Patient Management System within our Cardiology business, for which revenue is recognized over the average service period based on device and patient longevity. Our contract liabilities also include deferred revenue related to the LUX-Dx™ Insertable Cardiac Monitor system, also within our Cardiology business, for which revenue is recognized over the average service period based on device longevity and usage. The use of alternative assumptions could impact the period over which revenue is recognized.

Variable Consideration

We generally allow our customers to return defective, damaged and, in certain cases, expired products for credit. We base our estimate for sales returns upon historical trends and record the amount as a reduction to revenue when we sell the initial product. In addition, we may allow customers to return previously purchased products for next-generation product offerings. For these transactions, we defer recognition of revenue on the sale of the earlier generation product based upon an estimate of the amount of product to be returned when the next-generation products are shipped to the customer. Uncertain timing of next-generation product approvals, variability in product launch strategies, product recalls and variation in product utilization all affect our estimates related to sales returns and could cause actual returns to differ from these estimates.

We also offer sales rebates and discounts to certain customers and record these as a reduction of revenue and classify the corresponding liability as current. We estimate rebates for products where there is sufficient historical information available to predict the volume of expected future rebates. If we are unable to reasonably estimate the expected rebates, we record a liability for the maximum rebate percentage offered.

Post-Implant Services

We provide non-contractual services to customers to ensure the safe and effective use of certain implanted devices. We forward accrue the costs to provide these services at the time the devices are sold by estimating the amount of time spent by our representatives performing these services and their compensation throughout the device life to determine the service cost. Changes to our business practice or the use of alternative estimates could result in a different amount of accrued cost.

Inventory Provisions

We base our provisions for excess, expired and obsolete inventory primarily on our estimates of forecasted net sales. A significant change in the timing or level of demand for our products as compared to forecasted amounts may result in recording additional provisions for excess, expired and obsolete inventory in the future. Further, the industry in which we participate is characterized by rapid product development and frequent new product introductions. Uncertain timing of next-generation product approvals, variability in product launch strategies, product recalls and variation in product utilization all affect our estimates related to excess, expired and obsolete inventory.

Valuation of Intangible Assets and Contingent Consideration Liabilities

We base the fair value of identifiable intangible assets acquired in a business combination, including IPR&D, on detailed valuations that use information and assumptions provided by management, which consider management's best estimates of inputs and assumptions that a market participant would use. Further, for those arrangements that involve potential future contingent consideration, we record on the date of acquisition a liability equal to the fair value of the estimated additional consideration we may be obligated to pay in the future. We re-measure this liability each reporting period and record changes in the fair value through a separate line item within our consolidated statements of operations. Increases or decreases in the fair value of the contingent consideration liability can result from changes in discount rates, periods, timing and amount of projected revenue or timing or likelihood of achieving regulatory, revenue or commercialization-based milestones. The use of alternative valuation assumptions, including estimated revenue projections, growth rates, cash flows, discount rates, useful life or probability of achieving clinical, regulatory or revenue-based milestones could result in different purchase price allocations and recognized amortization expense and contingent consideration expense or benefit in current and future periods.

We review intangible assets subject to amortization quarterly to determine if any adverse conditions exist or a change in circumstances has occurred that would indicate impairment or adjustment to the remaining useful life. If we determine it is more likely than not that the asset is impaired based on our qualitative assessment of impairment indicators, we test the intangible asset for recoverability. If the carrying value of the intangible asset is determined not recoverable, we will write the carrying value down to fair value in the period the impairment is identified. We calculate fair value of our intangible assets as the present value of estimated future cash flows we expect to generate from the asset using a risk-adjusted discount rate. The use of alternative assumptions, including estimated cash flows, discount rates and alternative estimated remaining useful lives could result in different calculations of impairment.

In addition, we test our indefinite-lived intangible assets at least annually for impairment and reassess their classification as indefinite-lived assets, or more frequently if indicators exist. We assess qualitative factors to determine whether the existence of events and circumstances indicate that it is more likely than not that our indefinite-lived intangible assets are impaired. If we conclude that it is more likely than not that the asset is impaired, we then determine the fair value of the intangible asset and perform the quantitative impairment test by comparing the fair value with the carrying value. If the carrying value exceeds the fair value of the indefinite-lived intangible asset, we write the carrying value down to fair value. The use of alternative valuation assumptions, including estimated revenue projections, growth rates, cash flows and discount rates could result in different fair value estimates.

Goodwill Valuation

We allocate any excess purchase price over the fair value of the net tangible and identifiable intangible assets acquired in a business combination to goodwill. We test our goodwill balances, utilizing both the qualitative and quantitative approach described in FASB ASC Topic 350, *Intangibles - Goodwill and Other* (FASB ASC Topic 350), in the second quarter of each year as of April 1 for impairment, or more frequently if impairment indicators are present or changes in circumstances suggest an impairment may exist.

We assess goodwill for impairment at the reporting unit level, which is defined as an operating segment or one level below an operating segment, referred to as a component. For our 2024 annual impairment assessment, we identified the following reporting units for purposes of our annual goodwill impairment test: Interventional Cardiology, Rhythm Management, Peripheral Interventions, Endoscopy, Urology and Neuromodulation. Based on the criteria prescribed in FASB ASC Topic 350, we aggregated the Interventional Cardiology Therapies and Watchman components of our Cardiology operating segment into a single Interventional Cardiology reporting unit and aggregated the Cardiac Rhythm Management and Electrophysiology components into a single Rhythm Management reporting unit.

In performing annual impairment assessments, when a quantitative test is performed, we typically use the income approach, specifically the Discounted Cash Flow method, to derive the fair value of each of our reporting units in preparing our goodwill impairment assessments. We historically selected this method as being the most meaningful in preparing our goodwill assessments because we believe the income approach most appropriately measures the fair value of our income producing assets. We have considered using the market approach and cost approach but concluded they are not appropriate in valuing our reporting units given the lack of relevant market comparisons available for application of the market approach and the inability to replicate the value of the specific technology-based assets within our reporting units for application of the cost approach.

In applying the income approach, we make assumptions about the amount and timing of future expected cash flows, terminal value growth rates and appropriate discount rates. The amount and timing of future cash flows within our Discounted Cash Flow analysis is based on our most recent operational budgets, long range strategic plans and other estimates. The terminal

value growth rate reflects our best estimates for stable, perpetual growth of our reporting units. We use estimates of market-participant risk-adjusted weighted average cost of capital as a basis for determining the discount rates to apply to our reporting units' future expected cash flows.

Although we use consistent methodologies in developing the assumptions and estimates underlying the fair value calculations used in our impairment tests, these estimates are uncertain by nature and can vary from actual results. The use of alternative valuation assumptions, including estimated revenue projections, growth rates, cash flows and discount rates could result in different fair value estimates.

Future events that could have a negative impact on the levels of excess fair value over carrying value of our reporting units include, but are not limited to, the following:

- decreases in estimated market sizes or market growth rates due to greater-than-expected declines in procedural volumes, inclusive of those resulting from macroeconomic conditions, including inflationary pricing pressures and reductions in reimbursement levels,
- declines in our market share and penetration assumptions due to increased competition, an inability to develop or launch new and next-generation products and technology features in line with our commercialization strategies and market and/or regulatory conditions that may cause significant launch delays or product actions,
- decreases in our forecasted profitability due to an inability to implement successfully and achieve timely and sustainable cost improvement measures consistent with our expectations,
- negative developments in intellectual property litigation that may impact our ability to market certain products or increase our costs to sell certain products,
- the level of success of ongoing and future research and development efforts, including those related to acquisitions and increases in the research and development costs necessary to obtain regulatory approvals and launch new products,
- the level of success in managing the growth of acquired companies, achieving sustained profitability consistent with our expectations, establishing government and third-party payer reimbursement, supplying the market and increases in the costs and time necessary to integrate acquired businesses into our operations successfully,
- changes in our reporting units or in the structure of our business as a result of future reorganizations, acquisitions or divestitures of assets or businesses and
- increases in our market-participant risk-adjusted weighted average cost of capital and increases in our market-participant tax rate and/or changes in tax laws or macroeconomic conditions.

Negative changes in one or more of these factors, among others, could result in future impairment charges.

Legal and Product Liability Accruals

We are involved in various legal and regulatory proceedings, including intellectual property, breach of contract, securities litigation and product liability suits. In some cases, the claimants seek damages, as well as other relief, which, if granted, could require significant expenditures or impact our ability to sell our products. We are also the subject of certain governmental investigations, which could result in substantial fines, penalties and administrative remedies. We accrue anticipated costs of settlement, damages, losses for product liability claims and, under certain conditions, costs of defense, based on historical experience or to the extent specific losses are probable and estimable. Otherwise, we expense these costs as incurred. If the estimate of a probable loss is a range and no amount within the range is more likely, we accrue the minimum amount of the range. Litigation and product liability matters are inherently uncertain, and the outcomes of individual matters are difficult to predict and quantify. As such, significant judgment is required in determining our legal and product liability accruals. Our estimates related to our legal and product liability accruals may change as additional information becomes available to us, including information related to the nature or existence of claims against us, trial court or appellate proceedings, and mediation, arbitration or settlement proceedings.

Income Taxes

We reduce our deferred tax assets by a valuation allowance if, based upon the weight of available evidence, it is more likely than not that we will not realize some portion or all the deferred tax assets. We consider relevant evidence, both positive and negative, to determine the need for a valuation allowance. Information evaluated includes our financial position and results of operations for the current and preceding years, the availability of deferred tax liabilities and tax carrybacks, as well as estimates of the impact of future taxable income and available prudent and feasible tax-planning strategies. The realizability assessments made at a given balance sheet date are subject to change, particularly if earnings of a subsidiary are inconsistent with expectations, or if we take operational or tax planning actions that could impact the future taxable earnings of a subsidiary. Each reporting period, we monitor the need for valuation allowances for each filing group in each jurisdiction where we are subject to tax. Based on currently available information, we believe that it is more likely than not that our deferred tax assets, net of valuation allowances, will be realized.

We establish reserves when we believe that certain positions are likely to be challenged despite our belief that our tax return positions are fully supportable. The calculation of our tax liabilities involves significant judgment based on individual facts, circumstances, and information available in addition to applying complex tax regulations across our global operations. To recognize an uncertain tax benefit in the consolidated financial statements, the taxpayer must determine if it is more likely than not that the position will be sustained, with the measurement of the resulting benefit calculated as the largest amount more than 50 percent likely to be realized upon resolution of the benefit. We review these tax uncertainties each reporting period to consider changing facts and circumstances, such as the progress of tax audits, and adjust them accordingly. Upon final resolution with tax authorities, we may prevail in positions for which reserves have been established, or we may be required to pay amounts more than established reserves. Although we believe that we have adequately provided for liabilities resulting from tax assessments by taxing authorities, positions taken by these tax authorities could have a material impact on our effective tax rate, results of operations, financial position and/or cash flows.

New Accounting Pronouncements

Refer to *Note P – New Accounting Pronouncements* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for additional information on standards implemented during 2024 and standards to be implemented in future periods.

Additional Information

Use of Non-GAAP Financial Measures

To supplement our consolidated financial statements presented on a GAAP basis, we disclose certain non-GAAP financial measures, including adjusted net income (loss), adjusted net income (loss) attributable to common stockholders and adjusted net income (loss) per share (EPS) that exclude certain charges (credits); operational net sales, which exclude the impact of foreign currency fluctuations; and organic net sales, which exclude the impact of foreign currency fluctuations as well as the impact of certain acquisitions and divestitures with less than a full period of comparable net sales. These non-GAAP financial measures are not in accordance with U.S. GAAP and should not be considered in isolation from or as a replacement for the most directly comparable GAAP financial measures. Further, other companies may calculate these non-GAAP financial measures differently than we do, which may limit the usefulness of those measures for comparative purposes.

To calculate adjusted net income (loss), adjusted net income (loss) attributable to common stockholders and adjusted net income (loss) per share we exclude certain charges (credits) from GAAP net income and GAAP net income attributable to common stockholders, which include amortization expense, goodwill and other intangible asset impairment charges, acquisition/divestiture-related net charges (credits), investment portfolio net losses (gains) and impairments, restructuring and restructuring-related net charges (credits), certain litigation-related net charges (credits), EU MDR implementation costs, debt extinguishment net charges, deferred tax expenses (benefits) and certain discrete tax items. Amounts are presented after-tax using our effective tax rate, unless the amount is a significant unusual or infrequently occurring item in accordance with FASB ASC Topic 740-270-30, "General Methodology and Use of Estimated Annual Effective Tax Rate."

The GAAP financial measure most directly comparable to adjusted net income (loss), adjusted net income (loss) attributable to common stockholders and adjusted net income (loss) per share are GAAP net income (loss), GAAP net income (loss) attributable to common stockholders and GAAP net income (loss) per common share - assuming dilution, respectively.

To calculate operational net sales growth rates, which exclude the impact of foreign currency fluctuations, we convert actual net sales from local currency to U.S. dollars using constant foreign currency exchange rates in the current and prior periods. To calculate organic net sales growth rates, we also remove the impact of acquisitions and divestitures with less than a full period of comparable net sales. The GAAP financial measure most directly comparable to operational net sales and organic net sales is net sales reported on a GAAP basis.

Reconciliations of each of these non-GAAP financial measures to the corresponding GAAP financial measure are included under *Executive Summary* above.

Management uses these supplemental non-GAAP financial measures to evaluate performance period over period, to analyze the underlying trends in our business, to assess our performance relative to our competitors and to establish operational goals and forecasts that are used in allocating resources. In addition, management uses these non-GAAP financial measures to further its understanding of the performance of our operating segments. The adjustments excluded from our non-GAAP financial measures are consistent with those excluded from our operating segments' measures of net sales and profit or loss. These adjustments are excluded from the segment measures reported to our chief operating decision maker that are used to make operating decisions and assess performance.

We believe that presenting adjusted net income (loss), adjusted net income (loss) attributable to common stockholders adjusted net income (loss) per share, operational and organic net sales growth rates, in addition to the corresponding GAAP financial measures, provides investors greater transparency to the information used by management for its operational decision-making and allows investors to see our results "through the eyes" of management. We further believe that providing this information assists our investors in understanding our operating performance and the methodology used by management to evaluate and measure such performance.

The following is an explanation of each of the adjustments that management excluded as part of these non-GAAP financial measures as well as reasons for excluding each of these individual items. In each case, management has excluded the item for purposes of calculating the relevant non-GAAP financial measure to facilitate an evaluation of our current operating performance and a comparison to our past operating performance:

Adjusted Net Income (loss), Adjusted Net Income (loss) Attributable to Common Stockholders and Adjusted Net Income (loss) per Share

- Amortization expense - We record intangible assets acquired in a business combination or asset acquisition, as well as internally-developed patents at historical cost and amortize them over their estimated useful lives. Amortization expense is excluded from management's assessment of operating performance due to its non-cash nature and from our operating segments' measures of profit and loss used for making operating decisions and assessing performance,
- Goodwill and other intangible asset impairment charges - These amounts represent write-downs of certain goodwill and/or other intangible asset balances. We review intangible assets subject to amortization quarterly to determine if any adverse conditions exist or a change in circumstances has occurred that would indicate impairment and test our other indefinite-lived intangible assets at least annually for impairment. Similarly, we test our goodwill on an annual basis in the second quarter of each year and monitor for indicators of impairment during the remaining quarters. If we determine the carrying value of the amortizable intangible asset is not recoverable, goodwill of a reporting unit is impaired or it is more likely than not that the indefinite-lived asset is impaired, we will write the carrying value down to fair value in the period identified. Impairment charges are excluded from management's assessment of operating performance and from our operating segments' measures of profit and loss used for making operating decisions and assessing performance,
- Acquisition/divestiture-related net charges (credits) - These adjustments may consist of (a) contingent consideration fair value adjustments; (b) gains on previously held investments; (c) due diligence, deal fees and other fees and costs related to our acquisition and divestiture transactions; (d) inventory step-up amortization and accelerated compensation expense; (e) integration and exit costs; and (f) separation costs and gains or losses primarily associated with the sale of a business or portion of a business. The contingent consideration fair value adjustments represent accounting adjustments to state contingent consideration liabilities at their estimated fair value. These adjustments can be highly variable depending on the assessed likelihood and amount of future contingent consideration. Gains on previously held investments, due diligence, deal fees and other fees and costs, inventory step-up amortization, accelerated compensation expense, and other expenses and gains or losses associated with divestitures or acquisitions can be highly variable and not representative of ongoing operations. Integration, separation and exit costs include contract cancellations, severance and other compensation-related charges and costs,

project management fees and costs, and other direct costs associated with the integration of our acquisitions or separation of our divested businesses. These integration, separation and exit activities take place over a defined timeframe and have distinct project timelines, are incremental to activities and costs that arise in the ordinary course of our business and are not considered part of our core, ongoing operations. These acquisition/divestiture-related net charges (credits) are excluded from management's assessment of operating performance and from our operating segments' measures of profit and loss used for making operating decisions and assessing performance,

- Restructuring and restructuring-related net charges (credits) - These adjustments primarily represent severance and other compensation-related charges, fixed asset write-offs, contract cancellations, project management fees, facility shut down costs, costs to transfer manufacturing lines between geographically dispersed facilities and other direct costs associated with our restructuring plans. These restructuring plans each consist of distinct initiatives that are fundamentally different from our ongoing, core cost reduction initiatives in terms of, among other things, the frequency with which each action is performed and the required planning, resourcing, cost and timing. Examples of such initiatives include the movement of business activities, facility consolidations and closures and the transfer of product lines between manufacturing facilities, which, due to the highly regulated nature of our industry, requires a significant investment in time and cost to create duplicate manufacturing lines, run product validations and seek regulatory approvals. Restructuring initiatives take place over a defined timeframe and have a distinct project timeline that requires, and begins subsequent to, approval by our Board of Directors. In contrast to our ongoing cost reduction initiatives, restructuring initiatives typically result in duplicative cost and exit costs over the defined timeframe and are not considered part of our core, ongoing operations. These restructuring plans are incremental to the core activities that arise in the ordinary course of our business. Restructuring and restructuring-related net charges (credits) are excluded from management's assessment of operating performance and from our operating segments' measures of profit and loss used for making operating decisions and assessing performance,
- Litigation-related net charges (credits) - These adjustments include certain product liability and other litigation-related charges and credits. We record these charges and credits, which we consider to be unusual or infrequent and significant, within the litigation-related charges (credits) line in our consolidated statements of operations; all other legal and product liability charges, credits and costs are recorded within selling, general and administrative expenses. Certain litigation-related net charges (credits) are excluded from management's assessment of operating performance and from our operating segments' measures of profit and loss used for making operating decisions and assessing performance,
- EU MDR implementation costs - These adjustments represent certain incremental costs specific to complying with new regulatory requirements in the EU. EU MDR replaced the existing MDD regulatory framework, and manufacturers of medical devices were required to comply with EU MDR beginning in May 2021 for new products and by May 2024 for medical devices which have a valid CE Certificate to the Directives issued before May 2021. In 2023, updates to the legislative text of the EU MDR were adopted by the European Parliament and the Council of the European Union, including an extension of the transitional period to 2027 for certain high risk class devices and 2028 for lower risk class medical devices that have a valid CE Certificate to the Directives issued before May 2021. We expect to incur significant expenditures in connection with the adoption of the EU MDR requirements and we consider the adoption of EU MDR to be a significant change to a regulatory framework, and therefore, these expenditures are not considered to be ordinary course expenditures in connection with regulatory matters. As such, certain of these costs are excluded from management's assessment of operating performance and from our operating segments' measures of profit and loss used for making operating decisions and assessing performance,
- Debt extinguishment net charges - These amounts relate to the early extinguishment of certain outstanding principal amounts of our senior notes. Certain debt extinguishment net charges are excluded from management's assessment of operating performance used for making operating decisions and assessing performance,
- Investment portfolio net losses (gains) and impairments - These amounts represent write-downs or fair value remeasurement gains and losses related to our investment portfolio. Each reporting period, we evaluate our investments without a readily determinable fair value to determine if there are any events or circumstances that are likely to have a significant adverse effect on the fair value of the investment. If we identify an impairment indicator, we will estimate the fair value of the investment and compare it to its carrying value and determine if the impairment is other-than-temporary, and recognize an impairment loss. In addition, for those investments accounted for under the measurement alternative method of accounting, we record gains and losses to remeasure the carrying value of the investments to their fair values based on observable market prices or implied market values. Investment impairment charges and fair value remeasurements can be highly variable dependent on external market factors and conditions

relative to the underlying investee, which are generally outside of the control of management, as such these amounts are excluded from management's assessment of performance,

- Deferred tax expenses (benefits) - This adjustment relates to a significant non-cash tax benefit arising from an intra-entity asset transfer of intellectual property completed in the fourth quarter of 2019 which resulted in our recording a \$4.102 billion net deferred tax asset. The deferred tax benefit associated with the establishment of the net deferred tax asset as well as any deferred tax expense resulting from the reversal of the deferred tax asset are excluded from management's assessment of operating performance used for making operating decisions and assessing performance, and
- Discrete tax items - These items represent adjustments for certain tax charges (credits) including those which (a) are related to the indirect consequences of non-GAAP charges (credits) on limitations that impact certain tax benefits or incentives in the current period or (b) are related to the tax consequences of a non-GAAP adjustment item booked in a prior period. These discrete tax items are excluded from management's assessment of operating performance used for making operating decisions and assessing performance.

Operational Net Sales

- The impact of foreign currency fluctuations is highly variable and difficult to predict. Accordingly, management excludes the impact of foreign currency fluctuations for purposes of reviewing net sales and growth rates to facilitate an evaluation of our current operating performance and a comparison to our past operating performance.

Organic Net Sales

- Organic net sales growth excludes the impact of foreign currency fluctuations and net sales attributable to acquisitions and divestitures for which there are less than a full period of comparable net sales.

Management's Annual Report on Internal Control over Financial Reporting

As the management of Boston Scientific Corporation, we are responsible for establishing and maintaining adequate internal control over financial reporting. We designed our internal control process to provide reasonable assurance to management and the Board of Directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

We assessed the effectiveness of our internal control over financial reporting as of December 31, 2024. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in Internal Control–Integrated Framework (2013 framework). Based on our assessment, we believe that, as of December 31, 2024, our internal control over financial reporting is effective at a reasonable assurance level based on these criteria.

In accordance with the SEC Staff's interpretive guidance for newly acquired businesses, we are permitted to omit an assessment of an acquired business's internal control over financial reporting from our assessment of internal control for up to one year from the acquisition date. As such, we have excluded our acquisitions of Silk Road Medical, Inc. and Axonics, Inc., each acquired during 2024, from our annual assessment of internal controls over financial reporting as of December 31, 2024. These businesses represented approximately one percent of total assets as of December 31, 2024 and approximately one percent of net sales for the year then ended.

Ernst & Young LLP, an independent registered public accounting firm, has issued an audit report on the effectiveness of our internal control over financial reporting. This report, in which they expressed an unqualified opinion, is included below.

/s/ Michael F. Mahoney

Michael F. Mahoney
President and Chief Executive Officer

/s/ Daniel J. Brennan

Daniel J. Brennan
Executive Vice President and Chief
Financial Officer

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of
Boston Scientific Corporation

Opinion on Internal Control Over Financial Reporting

We have audited Boston Scientific Corporation and subsidiaries' internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Boston Scientific Corporation and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on the COSO criteria.

As indicated in the accompanying Management's Annual Report on Internal Control over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Silk Road Medical, Inc. and Axonics, Inc., which are included in the 2024 consolidated financial statements of the Company and constituted approximately one percent of total assets as of December 31, 2024 and approximately one percent of revenues for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Silk Road Medical, Inc. and Axonics, Inc.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2024 consolidated financial statements of the Company and our report dated February 18, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Annual Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Boston, Massachusetts

February 18, 2025

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We develop, manufacture and sell medical devices globally and our earnings and cash flows are exposed to market risk from changes in currency exchange rates and interest rates. We address these risks through a risk management program that includes the use of derivative financial instruments. We operate the program pursuant to documented corporate risk management policies. We do not enter derivative transactions for speculative purposes. Gains and losses on derivative financial instruments substantially offset losses and gains on underlying hedged exposures. Furthermore, we manage our exposure to counterparty risk on derivative instruments by entering into contracts with a diversified group of major financial institutions and by actively monitoring outstanding positions.

Our currency risk consists primarily of foreign currency denominated firm commitments, forecasted foreign currency denominated intercompany and third-party transactions and net investments in certain subsidiaries. We use both nonderivative (primarily European manufacturing operations) and derivative instruments to manage our earnings and cash flow exposure to changes in currency exchange rates. We had currency derivative instruments outstanding in the contract amount of \$7.636 billion as of December 31, 2024 and \$5.899 billion as of December 31, 2023. A ten percent appreciation in the U.S. dollar's value relative to the hedged currencies would increase the derivative instruments' fair value by \$322 million as of December 31, 2024 compared to \$236 million as of December 31, 2023. A ten percent depreciation in the U.S. dollar's value relative to the hedged currencies would decrease the derivative instruments' fair value by \$394 million as of December 31, 2024 compared to \$288 million as of December 31, 2023. Any increase or decrease in the fair value of our currency exchange rate sensitive derivative instruments would be substantially offset by a corresponding decrease or increase in the fair value of the hedged underlying asset, liability or forecasted transaction, resulting in minimal impact on our earnings.

Our interest rate risk relates primarily to U.S. dollar and euro-denominated borrowings partially offset by U.S. dollar cash investments. We have historically used interest rate derivative instruments to manage our earnings and cash flow exposure to changes in interest rates. We had no interest rate derivative instruments outstanding as of December 31, 2024 and December 31, 2023. As of December 31, 2024, \$10.451 billion in aggregate principal amount of our outstanding debt obligations were at fixed interest rates, representing approximately 98 percent of our total debt, on an amortized cost basis. As of December 31, 2024, our outstanding debt obligations at fixed interest rates were comprised of senior notes.

See *Note D – Hedging Activities and Fair Value Measurements* to our consolidated financial statements included in Item 8. Financial Statements and Supplementary Data of this Annual Report on Form 10-K for further information regarding our derivative financial instruments.

Report of Independent Registered Public Accounting Firm

To the Stockholders and the Board of Directors of
Boston Scientific Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Boston Scientific Corporation and subsidiaries (the Company) as of December 31, 2024 and 2023, the related consolidated statements of operations, comprehensive income (loss), stockholders' equity and cash flows for each of the three years in the period ended December 31, 2024, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2024, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 18, 2025 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective or complex judgments. The communication of the critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

*Description of the
Matter*

Valuation of intangible assets acquired in business combinations

As disclosed in Note B to the consolidated financial statements, during 2024, the Company completed the acquisitions of Silk Road Medical, Inc. and Axonics, Inc. for purchase prices, net of cash acquired, of \$1,126 million and \$3,409 million, respectively.

Auditing the Company's accounting for the business combinations was complex due to the significant estimation required by management to determine the fair value of identified intangible assets, which totaled \$1,749 million and principally consisted of developed technology. The Company used an income approach to measure the technology-related intangible assets acquired. The significant assumptions used to estimate the fair value of the intangible assets included discount rates and certain assumptions that form the basis of the forecasted results, including revenue growth rates, and EBITDA margins attributed to the assets. These significant assumptions are forward looking and could be affected by future economic and market conditions.

*How We Addressed the
Matter in Our Audit*

We obtained an understanding, evaluated the design and tested the operating effectiveness of the controls over the Company's accounting for business combination transactions. For example, we tested controls over the identification and valuation of intangible assets, including the underlying assumptions used to develop such estimates. We read the purchase agreements, evaluated the significant assumptions and methods used in developing the fair value estimates, and tested the recognition of (1) the tangible assets acquired and liabilities assumed at fair value; (2) the identifiable intangible assets acquired at fair value; and (3) goodwill measured as a residual.

To test the estimated fair value of the intangible assets acquired, we performed audit procedures that included, among others, evaluating the Company's use of the income approach and testing the significant assumptions used in the model, as described above. We evaluated the completeness and accuracy of the underlying data used in the analyses. For example, we compared the significant assumptions to current industry, market and economic trends, to the assumptions used to value similar assets in other acquisitions, to the historical results of the acquired businesses and to other guideline companies within the same industry. We involved our valuation professionals to assist with our evaluation of the methodology used by the Company and significant assumptions included in the fair value estimates.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1992.

Boston, Massachusetts
February 18, 2025

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

BOSTON SCIENTIFIC CORPORATION AND SUBSIDIARIES CONSOLIDATED STATEMENTS OF OPERATIONS

<i>(in millions, except per share data)</i>	Year Ended December 31,		
	2024	2023	2022
Net sales	\$ 16,747	\$ 14,240	\$ 12,682
Cost of products sold	5,257	4,345	3,956
Gross profit	11,490	9,896	8,727
Operating expenses:			
Selling, general and administrative expenses	5,984	5,190	4,520
Research and development expenses	1,615	1,414	1,323
Royalty expense	33	46	47
Amortization expense	856	828	803
Intangible asset impairment charges	386	58	132
Contingent consideration net expense (benefit)	(5)	58	35
Restructuring net charges (credits)	16	69	24
Litigation-related net charges (credits)	—	(111)	173
Loss (gain) on disposal of businesses and assets	—	—	22
	8,887	7,553	7,078
Operating income (loss)	2,603	2,343	1,649
Other income (expense):			
Interest expense	(305)	(265)	(470)
Other, net	(16)	(93)	(38)
Income (loss) before income taxes	2,282	1,985	1,141
Income tax expense (benefit)	436	393	443
Net income (loss)	1,846	1,592	698
Preferred stock dividends	—	(23)	(55)
Net income (loss) attributable to noncontrolling interests	(8)	(1)	—
Net income (loss) attributable to Boston Scientific common stockholders	\$ 1,853	\$ 1,570	\$ 642
Net income (loss) per common share — basic	\$ 1.26	\$ 1.08	\$ 0.45
Net income (loss) per common share — diluted	\$ 1.25	\$ 1.07	\$ 0.45
<u>Weighted-average shares outstanding</u>			
Basic	1,471.5	1,453.0	1,430.5
Diluted	1,485.9	1,463.5	1,439.7

See notes to the consolidated financial statements. Amounts may not foot due to rounding.

BOSTON SCIENTIFIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

<i>(in millions)</i>	Year Ended December 31,		
	2024	2023	2022
Net income (loss)	\$ 1,846	\$ 1,592	\$ 698
Other comprehensive income (loss), net of tax:			
Foreign currency translation adjustment	225	(105)	(94)
Net change in derivative financial instruments	1	(115)	63
Net change in defined benefit pensions and other items	(8)	(9)	37
Other comprehensive income (loss)	218	(230)	6
Comprehensive income (loss)	2,064	1,362	704
Net income (loss) attributable to noncontrolling interests	(8)	(1)	—
Other comprehensive income (loss) attributable to noncontrolling interests	(7)	(10)	—
Comprehensive income (loss) attributable to noncontrolling interests	(15)	(11)	—
Comprehensive income attributable to Boston Scientific common stockholders	\$ 2,079	\$ 1,373	\$ 704

See notes to the consolidated financial statements. Amounts may not foot due to rounding.

BOSTON SCIENTIFIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

(in millions, except share and per share data)	As of December 31,	
	2024	2023
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 414	\$ 865
Trade accounts receivable, net	2,558	2,228
Inventories	2,810	2,484
Prepaid income taxes	307	315
Other current assets	831	621
Total current assets	6,920	6,514
Property, plant and equipment, net	3,294	2,859
Goodwill	17,089	14,387
Other intangible assets, net	6,684	6,003
Deferred tax assets	3,655	3,841
Other long-term assets	1,754	1,531
TOTAL ASSETS	\$ 39,395	\$ 35,136
LIABILITIES AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Current debt obligations	\$ 1,778	\$ 531
Accounts payable	960	942
Accrued expenses	2,773	2,646
Other current liabilities	887	814
Total current liabilities	6,399	4,933
Long-term debt	8,968	8,571
Deferred tax liabilities	155	134
Other long-term liabilities	1,870	1,967
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, \$0.01 par value - authorized 50,000,000 shares; 0 shares issued as of December 31, 2024 and 2023	—	—
Common stock, \$0.01 par value - authorized 2,000,000,000 shares; 1,737,846,196 shares issued as of December 31, 2024 and 1,729,000,224 shares issued as of December 31, 2023	17	17
Treasury stock, at cost - 263,289,848 shares as of December 31, 2024 and 2023	(2,251)	(2,251)
Additional paid-in capital	21,056	20,647
Retained earnings	2,673	819
Accumulated other comprehensive income (loss), net of tax:	275	49
Total stockholders' equity	21,770	19,282
Noncontrolling interests	233	248
Total equity	22,003	19,530
TOTAL LIABILITIES AND EQUITY	\$ 39,395	\$ 35,136

See notes to the consolidated financial statements. Amounts may not foot due to rounding.

BOSTON SCIENTIFIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY

(in millions, except share data)	Year Ended December 31,		
	2024	2023	2022
Preferred stock shares issued			
Beginning	—	10,062,500	10,062,500
Conversion of mandatory convertible preferred stock to common stock	—	(10,062,500)	—
Ending	—	—	10,062,500
Common stock shares issued			
Beginning	1,729,000,224	1,696,633,993	1,688,810,052
Impact of stock-based compensation plans	8,845,972	8,383,329	7,823,941
Conversion of mandatory convertible preferred stock to common stock	—	23,982,902	—
Ending	1,737,846,196	1,729,000,224	1,696,633,993
Preferred stock			
Beginning	\$ —	\$ 0	\$ 0
Conversion of mandatory convertible preferred stock to common stock	—	(0)	—
Ending	—	\$ —	0
Common stock			
Beginning	\$ 17	\$ 17	\$ 17
Impact of stock-based compensation plans	0	0	0
Conversion of mandatory convertible preferred stock to common stock	—	0	—
Ending	\$ 17	\$ 17	\$ 17
Treasury Stock			
Beginning	\$ (2,251)	\$ (2,251)	\$ (2,251)
Repurchase of common stock	—	—	—
Ending	\$ (2,251)	\$ (2,251)	\$ (2,251)
Additional paid-in capital			
Beginning	\$ 20,647	\$ 20,289	\$ 19,986
Conversion of mandatory convertible preferred stock to common stock	—	(0)	—
Impact of stock-based compensation plans	409	359	303
Ending	\$ 21,056	\$ 20,647	\$ 20,289
Retained earnings (Accumulated deficit)			
Beginning	\$ 819	\$ (750)	\$ (1,392)
Net income (loss)	1,846	1,592	698
Net (income) loss attributable to noncontrolling interests	8	1	—
Preferred stock dividends	—	(23)	(55)
Ending	\$ 2,673	\$ 819	\$ (750)
Accumulated other comprehensive income (loss), net of tax			
Beginning	\$ 49	\$ 269	\$ 263
Changes in other comprehensive income (loss), net of tax:			
Foreign currency translation adjustment	232	(95)	(94)
Derivative financial instruments	1	(115)	63
Defined benefit pensions and other items	(8)	(9)	37
Ending	\$ 275	\$ 49	\$ 269
Total stockholders' equity	\$ 21,770	\$ 19,282	\$ 17,573
Noncontrolling interests			
Beginning	\$ 248	\$ —	\$ —
Net income (loss) attributable to noncontrolling interests	(8)	(1)	—
Changes in other comprehensive income (loss)	(7)	(10)	—
Changes to noncontrolling ownership interest	—	259	—
Ending	\$ 233	\$ 248	\$ —
Total equity	\$ 22,003	\$ 19,530	\$ 17,573

See notes to the consolidated financial statements. Amounts may not foot due to rounding.

BOSTON SCIENTIFIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)	Year Ended December 31,		
	2024	2023	2022
Net income (loss)	\$ 1,846	\$ 1,592	\$ 698
<i>Adjustments to reconcile net income (loss) to cash provided by (used for) operating activities</i>			
Loss (gain) on disposal of businesses and assets	—	—	22
Depreciation and amortization	1,269	1,196	1,136
Deferred and prepaid income taxes	(70)	(1)	(63)
Stock-based compensation expense	266	233	220
Goodwill and other intangible asset impairment charges	386	58	132
Net loss (gain) on investments and notes receivable	79	59	1
Contingent consideration net expense (benefit)	(5)	58	35
Inventory step-up amortization	51	6	32
Debt extinguishment net charges	—	—	194
Other, net	74	73	125
<i>Increase (decrease) in operating assets and liabilities, excluding purchase accounting:</i>			
Trade accounts receivable	(351)	(238)	(220)
Inventories	(228)	(660)	(321)
Other assets	(126)	10	(209)
Accounts payable, accrued expenses and other liabilities	243	118	(255)
Cash provided by (used for) operating activities	3,435	2,503	1,526
Investing Activities			
Purchases of property, plant and equipment and internal use software	(790)	(711)	(588)
Proceeds from sale of property, plant and equipment	3	4	12
Payments for acquisitions of businesses, net of cash acquired	(4,640)	(1,811)	(1,542)
Payments for investments and acquisitions of certain technologies	(280)	(89)	(24)
Proceeds from disposal of certain businesses and assets	—	—	5
Proceeds from royalty rights	20	30	70
Proceeds from settlements of hedge contracts	—	2	56
Cash provided by (used for) investing activities	(5,687)	(2,574)	(2,011)
Financing Activities			
Payment of contingent consideration previously established in purchase accounting	(131)	(39)	(335)
Payments for royalty rights	(26)	(50)	(75)
Payments for finance leases	(25)	—	—
Payments on short-term borrowings	(504)	—	(250)
Proceeds from short-term borrowings, net of debt issuance costs	24	—	—
Net increase (decrease) in commercial paper	187	(4)	(1)
Payments on long-term borrowings and debt extinguishment costs	—	—	(3,184)
Proceeds from long-term borrowings, net of debt issuance costs	2,145	—	3,270
Cash dividends paid on preferred stock	—	(28)	(55)
Cash used to net share settle employee equity awards	(87)	(56)	(53)
Proceeds from issuances of shares of common stock pursuant to employee stock compensation and purchase plans	230	182	136
Cash provided by (used for) financing activities	1,814	5	(548)
Effect of foreign exchange rates on cash	(11)	(4)	(9)
Net increase (decrease) in cash, cash equivalents, restricted cash and restricted cash equivalents	(450)	(70)	(1,042)
Cash, cash equivalents, restricted cash and restricted cash equivalents at beginning of period	1,055	1,126	2,168
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period	\$ 606	\$ 1,055	\$ 1,126

See notes to the consolidated financial statements. Amounts may not foot due to rounding.

BOSTON SCIENTIFIC CORPORATION AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS (SUPPLEMENTAL INFORMATION)

<i>(in millions)</i>	Year Ended December 31,		
	2024	2023	2022
Supplemental Information			
Cash paid for income taxes, net	\$ 656	\$ 512	\$ 662
Cash paid for interest	250	259	450
Fair value of contingent consideration recorded in purchase accounting	29	273	—
Non-cash impact of transferred royalty rights	(20)	(30)	(70)

<i>(in millions)</i>	As of December 31,		
	2024	2023	2022
Reconciliation to amounts within the consolidated balance sheets:			
<i>Cash and cash equivalents</i>	\$ 414	\$ 865	\$ 928
Restricted cash and restricted cash equivalents included in <i>Other current assets</i>	111	130	149
Restricted cash equivalents included in <i>Other long-term assets</i>	80	60	48
Cash, cash equivalents, restricted cash and restricted cash equivalents at end of period	\$ 606	\$ 1,055	\$ 1,126

See notes to the consolidated financial statements. Amounts may not foot due to rounding.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE A – SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

Our consolidated financial statements include the accounts of Boston Scientific Corporation's wholly owned subsidiaries and entities for which we have a controlling financial interest. All intercompany balances and transactions have been eliminated in consolidation. In the first quarter of 2023, we acquired a majority stake investment in Acotec Scientific Holdings Limited (Acotec) and have elected to consolidate their financial statements on a one quarter lag.

When used in this report, the terms "we," "us," "our" and "the Company" mean Boston Scientific Corporation and its divisions and subsidiaries. We assess the terms of our investment interests to determine if any of our investees meet the definition of a variable interest entity (VIE). For any VIEs, we perform an analysis to determine whether our variable interests give us a controlling financial interest. The analysis identifies the primary beneficiary of a VIE as the enterprise that has both 1) the power to direct activities of a VIE that most significantly impact the entity's economic performance and 2) the obligation to absorb losses of the entity or the right to receive benefits from the entity. Based on our assessments under the applicable guidance, we did not have controlling financial interests in any VIEs and, therefore, did not consolidate any VIEs during 2024, 2023 or 2022.

Basis of Presentation

The accompanying consolidated financial statements and notes thereto have been prepared in accordance with accounting principles generally accepted in the United States (GAAP) and with the instructions to Form 10-K and Regulation S-X.

Amounts reported in millions within this Annual Report on Form 10-K are computed based on the amounts in thousands. As a result, the sum of the components may not equal the total amount reported in millions due to rounding. Certain columns and rows within tables may not add due to the use of rounded numbers. Percentages presented are calculated from the underlying unrounded numbers.

Subsequent Events

We evaluate events occurring after the date of our accompanying consolidated balance sheets for potential recognition or disclosure in our consolidated financial statements. Those items requiring recognition in the financial statements have been recorded and disclosed accordingly.

Those items requiring disclosure (non-recognized subsequent events) in the financial statements have been disclosed accordingly. Refer to *Note B – Acquisitions and Strategic Investments* and *Note I – Commitments and Contingencies* for further details.

Accounting Estimates

To prepare our consolidated financial statements in accordance with GAAP, management makes estimates and assumptions that may affect the reported amounts of our assets and liabilities, the disclosure of contingent liabilities as of the date of our consolidated financial statements and the reported amounts of our revenues and expenses during the reporting period. Our actual results may differ from these estimates.

Cash, Cash Equivalents, Restricted Cash and Restricted Cash Equivalents

Cash and Cash Equivalents

We record *Cash and cash equivalents* in our consolidated balance sheets at cost, which approximates fair value. Our policy is to invest excess cash in short-term marketable securities earning a market rate of interest without assuming undue risk of loss of principal amounts invested and we limit our direct exposure to securities in any one industry or issuer. We consider cash equivalents to be all short-term marketable securities with remaining days to maturity of 90 days or less from the purchase date that can be readily converted to cash.

Restricted Cash

Amounts included in restricted cash represent cash on hand required to be set aside by a contractual agreement related to receivable factoring arrangements and deferred compensation plans and are included in *Other current assets* within our consolidated balance sheets. Generally, the restrictions related to the factoring arrangements lapse at the time we remit the customer payments collected by us for servicing previously sold customer receivables to the purchaser. Restrictions for deferred compensation lapse when amounts are paid to the employee.

Restricted Cash Equivalents

Restricted cash equivalents primarily represent amounts paid into various qualified settlement funds and current amounts related to our non-qualified pension plan and are included in *Other current assets* within our consolidated balance sheets. The restrictions related to the various qualified settlement funds will lapse as we approve amounts payable to claimants, at which time we no longer have rights to a return of the amounts paid into the various qualified settlement funds. Restricted cash equivalents included in *Other long-term assets* within our consolidated balance sheets are related to deferred compensation plans.

Concentrations of Credit Risk

Financial instruments that potentially subject us to concentrations of credit risk consist primarily of cash and cash equivalents, derivative financial instruments and accounts and notes receivable. Our investment policy limits exposure to concentrations of credit risk and changes in market conditions. Counterparties to financial instruments expose us to credit-related losses in the event of nonperformance. We transact our financial instruments with a diversified group of major financial institutions with investment grade credit ratings and actively monitor their credit ratings and our outstanding positions to limit our credit exposure. In the normal course, our payment terms with customers, including distributors, hospitals, health care agencies, clinics, doctors' offices and other private and governmental institutions, are typically 30 days in the U.S. but may be longer in international markets and generally do not require collateral.

We record credit loss reserves to *Allowance for credit losses* when we establish Trade accounts receivable if credit losses are expected over the asset's contractual life. We base our estimates of credit loss reserves on historical experience and adjust, as necessary, to reflect current conditions using reasonable and supportable forecasts not already reflected in the historical loss information. We utilize an accounts receivable aging approach to determine the reserve to record at accounts receivable commencement for certain customers, applying country or region-specific factors. In performing the assessment of outstanding accounts receivable, regardless of country or region, we may consider significant factors relevant to collectability, including those specific to a customer such as bankruptcy, lengthy average payment cycles and type of account.

We write-off amounts determined to be uncollectible against this reserve. We are not dependent on any single institution, and no single customer accounted for more than ten percent of our net sales in 2024, 2023 and 2022; however, large group purchasing organizations, hospital networks, international distributors and dealers and other buying groups are important to our business and represent a substantial portion of our net sales.

We closely monitor outstanding receivables for potential collection risks, including those that may arise from economic conditions, in both the U.S. and international economies. Our sales to government-owned or supported customers, particularly in southern Europe, are subject to an increased number of days outstanding prior to payment relative to other countries. Further, the ongoing site-of-service trend of shifting procedure volumes in the U.S. toward non-hospital settings, particularly ambulatory surgery centers and office-based labs, continues. Many of these customers are smaller than those we have historically done business with and may have more limited liquidity. We have adjusted our estimates of credit loss reserves for these customers, regions and conditions, as appropriate. We believe our *Allowance for credit losses* is adequate as of December 31, 2024; however, if significant changes were to occur in the payment practices of government customers, or if there is an increase in bankruptcies among our ambulatory surgery center or office-based customers, we may not be able to collect on receivables due to us from these customers, and our write-offs of uncollectible accounts may increase.

Revenue Recognition

We sell our products primarily through a direct sales force. In certain international markets, we sell our products through independent distributors or dealers. We consider revenue to be earned when all of the following criteria are met in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) Topic 606, *Revenue from Contracts with Customers*:

- We have a contract with a customer that creates enforceable rights and obligations,
- Promised products or services are identified,
- The transaction price, or the amount we expect to receive, is determinable and
- We have transferred control of the promised items to the customer.

Transfer of control is evidenced upon passage of title and risk of loss to the customer unless we are required to provide additional services. We treat shipping and handling costs performed after a customer obtains control of the good as a fulfillment cost and record these costs as a component of *Selling, general and administrative expenses* when incurred. We recognize revenue from consignment arrangements based on product usage, or implant, which indicates that the sale is complete. We recognize a receivable at the point in time we have an unconditional right to payment. Payment terms are typically 30 days in the U.S. but may be longer in international markets.

Deferred Revenue

We record a contract liability, or deferred revenue, when we have an obligation to provide a product or service to the customer and payment is received or due in advance of our performance. When we sell a device with a future service obligation, we defer revenue on the unfulfilled performance obligation and recognize this revenue over the related service period. Many of our Cardiac Rhythm Management (CRM) product offerings combine the sale of a device with our LATITUDE™ Patient Management System, which represents a future service obligation. Generally, we do not have observable evidence of the standalone selling price related to our future service obligations; therefore, we estimate the selling price using an expected cost plus a margin approach. We allocate the transaction price using the relative standalone selling price method. The use of alternative estimates could result in a different amount of revenue deferral.

Contract liabilities are classified within *Other current liabilities* and *Other long-term liabilities* on our accompanying consolidated balance sheets. Our contract liabilities are primarily composed of deferred revenue related to the LATITUDE™ Patient Management System. Revenue is recognized over the average service period which is based on device and patient longevity. Our contract liabilities also include deferred revenue related to the LUX-Dx™ Insertable Cardiac Monitor system, also within our CRM business, for which revenue is recognized over the average service period based on device longevity and usage. We have elected not to disclose the transaction price allocated to unsatisfied performance obligations when the original expected contract duration is one year or less. In addition, we have not identified material unfulfilled performance obligations for which revenue is not currently deferred.

Variable Consideration

We generally allow our customers to return defective, damaged and, in certain cases, expired products for credit. We base our estimate for sales returns upon historical trends and record the amount as a reduction to revenue when we sell the initial product. In addition, we may allow customers to return previously purchased products for next-generation product offerings. For these transactions, we defer recognition of revenue on the sale of the earlier generation product based upon an estimate of the amount of product to be returned when the next-generation products are shipped to the customer. Uncertain timing of next-generation product approvals, variability in product launch strategies, product recalls and variation in product utilization all affect our estimates related to sales returns and could cause actual returns to differ from these estimates.

We also offer sales rebates and discounts to certain customers. We treat sales rebates and discounts as a reduction of revenue and classify the corresponding liability as current. We estimate rebates for products where there is sufficient historical information available to predict the volume of expected future rebates. If we are unable to reasonably estimate the expected rebates, we record a liability for the maximum rebate percentage offered. We have entered certain agreements with group purchasing organizations to sell our products to participating hospitals at negotiated prices. We recognize revenue from these agreements following the same revenue recognition criteria discussed above.

Post-Implant Services

We provide non-contractual services to customers, where necessary, to ensure the safe and effective use of certain implanted devices. Because the revenue related to the immaterial non-contractual services is recognized before they are delivered, we forward accrue the costs to provide these services at the time the devices are sold. We record these costs to *Selling, general and administrative expenses* within our consolidated statements of operations. We estimate the amount of time spent by our representatives performing these services and their compensation throughout the device life to determine the service cost. Changes to our business practice or the use of alternative estimates could result in a different amount of accrued cost.

Warranty Obligations

We offer warranties on certain of our product offerings. The majority of our warranty liability relates to implantable devices offered by our CRM business, which include implantable defibrillator and pacemaker systems. These products come with a standard limited warranty covering the replacement of these devices. We offer a full warranty for a portion of the period post-implant and a partial warranty for a period of time thereafter. We estimate the costs that we may incur under our warranty programs based on the number of units sold, historical and anticipated rates of warranty claims and cost per claim and record a liability equal to these estimated costs as *Cost of products sold* at the time the product sale occurs. We assess the adequacy of our recorded warranty liabilities on a quarterly basis and adjust these amounts as necessary.

Inventories

We state inventories at the lower of first-in, first-out cost or net realizable value. We utilize a standard costing system, capitalizing variances between estimated and actual production costs during periods of normal production, and amortize to *Cost of products sold* over inventory turns. We expense manufacturing variances during periods of abnormal production, or less than 75 percent of manufacturing capacity. We did not record any abnormal production variances during the years ended December 31, 2024, 2023 or 2022.

We base our provisions for excess, expired and obsolete inventory primarily on our estimates of forecasted net sales. A significant change in the timing or level of demand for our products as compared to forecasted amounts may result in recording additional provisions for excess, expired and obsolete inventory in the future. Further, the industry in which we participate is characterized by rapid product development and frequent new product introductions. Uncertain timing of next-generation product approvals, variability in product launch strategies, product recalls and variation in product utilization all affect our estimates related to excess, expired and obsolete inventory.

Property, Plant and Equipment

We state property, plant, equipment and leasehold improvements at historical cost. We charge expenditures for maintenance and repairs to expense and capitalize additions and improvements that extend the life of the underlying asset. We provide for depreciation using the straight-line method at rates that approximate the estimated useful lives of the assets. We depreciate buildings over a maximum life of 40 years; building improvements over the remaining useful life of the building structure; equipment, furniture and fixtures over a three to seven year life; and leasehold improvements over the shorter of the useful life of the improvement or the term of the related lease.

Valuation of Business Combinations

We allocate the amounts we pay for each acquisition to the assets we acquire and liabilities we assume based on their fair values at the date of acquisition, including identifiable intangible assets and in-process research and development (IPR&D), which either arise from a contractual or legal right or are separable from goodwill. We base the fair value of identifiable intangible assets acquired in a business combination, including IPR&D, on detailed valuations that use information and assumptions provided by management, which consider management's best estimates of inputs and assumptions that a market participant would use. We allocate to goodwill any excess purchase price over the fair value of the net tangible and identifiable intangible assets acquired. Transaction costs associated with these acquisitions are expensed as incurred through *Selling, general and administrative expenses*.

In cases where we acquire a company in which we previously held an equity stake, we attribute a portion of the purchase price to the previously-held equity interest, which is implied based on the total purchase consideration allocable to each of the shareholders, including Boston Scientific, according to priority of equity interests. We record a gain or loss in *Other, net* equal to the difference between the implied fair value of our prior ownership and the book value immediately prior to the acquisition.

Where an acquisition involves a contingent consideration arrangement, we recognize a liability equal to the fair value of the contingent payments we expect to make as of the acquisition date. We re-measure this liability each reporting period and record changes in the fair value through *Contingent consideration net expense (benefit)* on our consolidated statements of operations. Increases or decreases in the fair value of the contingent consideration liability can result from changes in discount rates, periods, timing and amount of projected revenue or timing or likelihood of achieving regulatory, revenue or commercialization-based milestones. Payment of additional consideration is generally contingent on the acquired company reaching certain performance milestones after the acquisition date, including attaining specified revenue levels, achieving product development targets and/or obtaining regulatory approvals for products in development at the date of the acquisition.

Indefinite-lived Intangibles and IPR&D

Our indefinite-lived intangible assets, which are not subject to amortization, include IPR&D intangible assets acquired in a business combination. Our IPR&D represents intangible assets that are used in research and development activities but have not yet reached technological feasibility, regardless of whether they have alternative future use. The primary basis for determining the technological feasibility or completion of these projects is obtaining regulatory approval to market the underlying products in an applicable geographic region. We classify IPR&D as an indefinite-lived intangible asset until the completion or abandonment of the associated research and development efforts. Upon completion of the associated research and development efforts, we will determine the useful life of the technology and begin amortizing the assets to reflect their use over their remaining lives. Upon permanent abandonment, we write-off the remaining carrying amount of the associated IPR&D intangible asset.

We test our indefinite-lived intangible assets at least annually during the third quarter for impairment and reassess their classification as indefinite-lived assets. In addition, we review our indefinite-lived intangible assets for classification and impairment more frequently if impairment indicators exist. We assess qualitative factors to determine whether the existence of events and circumstances indicate that it is more likely than not that our indefinite-lived intangible assets are impaired. If we conclude that it is more likely than not that the asset is impaired, we then determine the fair value of the intangible asset and perform the quantitative impairment test by comparing the fair value with the carrying value in accordance with FASB ASC Topic 350, *Intangibles - Goodwill and Other* (FASB ASC Topic 350). If the carrying value exceeds the fair value of the indefinite-lived intangible asset, we write the carrying value down to the fair value.

We use the income approach to determine the fair values of our IPR&D. We base our revenue assumptions on estimates of relevant market sizes, expected market growth rates, expected trends in technology and expected levels of market share. In arriving at the value of the in-process projects, we consider, among other factors, the in-process projects' stage of completion, the complexity of the work completed as of the acquisition date, the costs already incurred, the projected costs to complete, the contribution of other acquired assets, the expected regulatory path and introduction dates by region and the estimated useful life of the technology. See *Note C – Goodwill and Other Intangible Assets* for more information related to indefinite-lived intangibles, including IPR&D.

For asset purchases outside of business combinations, we expense any purchased research and development assets as of the acquisition date.

Amortization and Impairment of Intangible Assets

We record definite-lived intangible assets at historical cost and amortize them over their estimated useful lives. We use a straight-line method of amortization, unless a method that better reflects the pattern in which the economic benefits of the intangible asset are consumed or otherwise used up can be reliably determined. The approximate useful lives for amortization of our intangible assets are as follows: patents and licenses, two to 20 years; amortizable technology-related and customer relationships, five to 25 years; other intangible assets, various. In addition, we classify internal use software as an intangible asset within our accompanying consolidated balance sheets and amortize over a one to 15 year useful life. Due to the operational nature of these assets, we record the amortization of our internal use software within *Cost of products sold*; *Selling, general and administrative expenses* and *Research and development expenses*, as appropriate within our accompanying consolidated statements of operations, and include in *Amortization expense* only that associated with intangible assets acquired in a business combination or asset acquisition, as well as internally-developed patents.

We review intangible assets subject to amortization quarterly to determine if any adverse conditions exist or a change in circumstances has occurred that would indicate impairment or a change in the remaining useful life. Conditions that may indicate impairment include, but are not limited to, a significant adverse change in legal factors or business climate that could affect the value of an asset, a product recall or an adverse action or assessment by a regulator. If we determine it is more likely than not that the asset is impaired based on our qualitative assessment of impairment indicators, we test the intangible asset for

recoverability. For purposes of the recoverability test, we group our amortizable intangible assets with other assets and liabilities at the lowest level of identifiable cash flows if the intangible asset does not generate cash flows independent of other assets and liabilities. If the carrying value of the intangible asset or asset group exceeds the undiscounted cash flows expected to result from the use and eventual disposition of the intangible asset or asset group, we will write the carrying value down to fair value in the period impairment is identified.

We calculate fair value of our intangible assets as the present value of estimated future cash flows we expect to generate from the asset. In determining our estimated future cash flows associated with our intangible assets, we use estimates and assumptions about future revenue contributions, cost structures and remaining useful lives of the asset or asset group. See *Note C – Goodwill and Other Intangible Assets* for more information related to impairments of intangible assets.

For patents developed internally, we capitalize costs incurred to obtain patents, including attorney fees, registration fees, consulting fees and other expenditures directly related to securing the patent.

Goodwill Valuation

We allocate any excess purchase price over the fair value of the net tangible and identifiable intangible assets acquired in a business combination to goodwill. We test our goodwill balances, utilizing both the qualitative and quantitative approach described in FASB ASC Topic 350, in the second quarter of each year as of April 1 for impairment, or more frequently if impairment indicators are present or changes in circumstances suggest an impairment may exist.

We assess goodwill for impairment at the reporting unit level, which is defined as an operating segment or one level below an operating segment, referred to as a component. For our 2024 annual impairment assessment, we identified the following reporting units for purposes of our annual goodwill impairment test: Interventional Cardiology, Rhythm Management, Peripheral Interventions, Endoscopy, Urology and Neuromodulation. Based on the criteria prescribed in FASB ASC Topic 350, we aggregated the Interventional Cardiology Therapies and Watchman components of our Cardiology operating segment into a single Interventional Cardiology reporting unit and aggregated the Cardiac Rhythm Management and Electrophysiology components into a single Rhythm Management reporting unit.

In performing annual impairment assessments, the qualitative approach is used for testing reporting units where fair value has historically exceeded carrying value by greater than 100 percent, and all other reporting units are tested using the quantitative approach. When a quantitative test is performed, we typically use the income approach, specifically the Discounted Cash Flow method, to derive the fair value of each of our reporting units in preparing our goodwill impairment assessments. We historically selected this method as being the most meaningful in preparing our goodwill assessments because we believe the income approach most appropriately measures the fair value of our income producing assets. We make assumptions about the amount and timing of future expected cash flows, terminal value growth rates and appropriate discount rates. The amount and timing of future cash flows within our Discounted Cash Flow analysis is based on our most recent operational budgets, long range strategic plans and other estimates.

Investments in Publicly Traded and Privately-Held Entities

For publicly-held equity securities for which we do not have the ability to exercise significant influence, we account for these investments at fair value with changes in fair value recognized currently in *Other, net* within our accompanying consolidated statements of operations. For privately-held equity securities for which we do not have the ability to exercise significant influence, we apply the measurement alternative approach and measure these investments at cost minus impairment, if any, adjusted to fair value for any observable price changes in orderly transactions for the identical or a similar investment of the same issuer. We account for investments in entities for which we have the ability to exercise significant influence under the equity method if we hold 50 percent or less of the voting stock and the entity is not a VIE in which we are the primary beneficiary in accordance with FASB ASC Topic 323, *Investments - Equity Method and Joint Ventures*. We record these investments initially at cost and adjust the carrying amount to reflect our share of the earnings or losses of the investee, including all adjustments similar to those made in preparing consolidated financial statements. Refer to *Note B – Acquisitions and Strategic Investments* for additional details on our investment balances.

Each reporting period, we evaluate our investments to determine if there are any events or circumstances that are likely to have a significant adverse effect on the fair value of the investment. Examples of such impairment indicators include, but are not limited to, a significant deterioration in earnings performance, recent financing rounds at reduced valuations, a significant adverse change in the regulatory, economic or technological environment of an investee or a significant doubt about an investee's ability to continue as a going concern. If we identify an impairment indicator, we will estimate the fair value of the investment and compare it to its carrying value. Our estimation of fair value considers financial information related to the

investee available to us, including valuations based on recent third-party equity investments in the investee. For our investments for which we apply the measurement alternative, if the fair value of the investment is less than its carrying value, the investment is impaired and we recognize an impairment loss equal to the difference between an investment's carrying value and its fair value. For our equity method investments, if we determine an impairment is other-than-temporary, we recognize an impairment loss equal to the difference between an investment's carrying value and its fair value. We deem an impairment to be other-than-temporary unless available evidence indicates that the valuation is more likely than not to recover up to the carrying value of the investment in a reasonable period of time, and we have both the ability and intent to hold the investment for at least the period of time needed to recover the value.

Net gains and losses and impairments associated with our investment portfolio are included within *Other, net* in our consolidated statements of operations.

Income Taxes

We utilize the asset and liability method of accounting for income taxes. Under this method, we determine deferred tax assets and liabilities based on differences between the financial reporting and tax bases of our assets and liabilities. We measure deferred tax assets and liabilities using the enacted tax rates and laws that will be in effect when we expect the differences to reverse. Future changes in tax laws and rates may affect recorded deferred tax assets and liabilities. We reduce our deferred tax assets by a valuation allowance if, based upon the weight of available evidence, it is more likely than not that we will not realize some portion or all of the deferred tax assets.

With respect to uncertain tax positions, in accordance with FASB ASC Topic 740, *Income Taxes*, any tax position that meets the more-likely-than-not recognition threshold is measured and recognized in the consolidated financial statements at the largest amount of benefit greater than 50 percent likely to be realized upon ultimate settlement. The amount relating to uncertain tax positions is classified as a current liability in the consolidated balance sheets to the extent that we anticipate making a payment within one year.

Interest and penalties associated with income taxes are classified within *Income tax expense (benefit)* in our consolidated statements of operations.

We have elected to treat the impact of Global Intangible Low Taxed Income (GILTI) as a period cost reported as part of continuing operations.

See *Note H – Income Taxes* for further information and discussion of our income tax provision and balances.

Legal and Product Liability Costs

We are involved in various legal and regulatory proceedings, including intellectual property, breach of contract, securities and product liability litigation. In some cases, the claimants seek damages, as well as other relief, which, if granted, could require significant expenditures or impact our ability to sell our products. We are also the subject of certain governmental investigations, which could result in substantial fines, penalties and administrative remedies. We maintain an insurance policy providing limited coverage against securities claims, and we are substantially self-insured with respect to product liability claims and fully self-insured with respect to intellectual property infringement claims. We accrue anticipated costs of settlement, damages, losses for product liability claims and, under certain conditions, costs of defense, based on historical experience or to the extent specific losses are probable and estimable. Otherwise, we expense these costs as incurred. If the estimate of a probable loss is a range and no amount within the range is more likely, we accrue the minimum amount of the range. We analyze litigation settlements to identify each element of the arrangement. We allocate arrangement consideration to patent licenses received based on estimates of fair value and capitalize these amounts as assets if the license will provide an ongoing future benefit. We record certain legal and product liability charges, credits and costs of defense, which we consider to be unusual or infrequent and significant as *Litigation-related charges (credits)* in our consolidated statements of operations; all other legal and product liability charges, credits and costs are recorded within *Selling, general and administrative expenses* within our consolidated statements of operations. See *Note I – Commitments and Contingencies* for discussion of our individual material legal proceedings.

Costs Associated with Exit Activities

We record employee termination costs in accordance with FASB ASC Topic 712, *Compensation - Nonretirement and Postemployment Benefits*, if we pay the benefits as part of an ongoing benefit arrangement, which includes benefits provided as part of our established severance policies or that we provide in accordance with international statutory requirements. We accrue employee termination costs associated with an ongoing benefit arrangement if the obligation is attributable to prior services rendered, the rights to the benefits have vested, the payment is probable and we can reasonably estimate the liability. We account for involuntary employee termination benefits that represent a one-time benefit in accordance with *FASB ASC Topic 420, Exit or Disposal Cost Obligations* (FASB ASC Topic 420). We record such costs into expense over the employee's future service period, if any.

Other costs associated with exit activities may include contract termination costs and consulting fees, which are expensed in accordance with FASB ASC Topic 420 and are included within *Restructuring net charges (credits)* in our consolidated statements of operations. We recorded *Restructuring net charges (credits)* of \$16 million in 2024, \$69 million in 2023 and \$24 million in 2022. The restructuring reserve balance as of December 31, 2024 and 2023 was \$26 million and \$41 million, respectively. Additionally, costs directly related to our active restructuring initiatives, including program management costs, accelerated depreciation, fixed asset write-offs and costs to transfer product lines among facilities are included within *Costs of products sold, Selling, general and administrative expenses* and *Research and development expenses* within our consolidated statements of operations. Impairment of right of use lease assets and lease termination costs directly related to our active restructuring initiatives are expensed in accordance with FASB ASC Topic 842, *Leases* (FASB ASC Topic 842) and included within *Costs of products sold* or *Selling, general and administrative expenses* in our consolidated statements of operations.

Translation of Foreign Currency

We translate all assets and liabilities of foreign subsidiaries from the functional currency, which is generally the local currency, into U.S. dollars using the year-end exchange rate. We show the net effect of these translation adjustments within our consolidated financial statements as a component of *Accumulated other comprehensive income (loss), net of tax*. We translate revenues and expenses at the average exchange rates in effect during the year. For any significant foreign subsidiaries located in highly inflationary economies, we re-measure their financial statements as if the functional currency were the U.S. dollar.

Foreign currency transaction gains and losses are included within *Other, net* in our consolidated statements of operations, net of gains and losses from any related derivative financial instruments.

Financial Instruments

We recognize all derivative financial instruments in our consolidated financial statements at fair value in accordance with FASB ASC Topic 815, *Derivatives and Hedging* (FASB ASC Topic 815), and we present assets and liabilities associated with our derivative financial instruments on a gross basis in our consolidated financial statements. In accordance with FASB ASC Topic 815, for those derivative instruments that are designated and qualify as hedging instruments, the hedging instrument must be designated, based upon the exposure being hedged, as a fair value hedge, cash flow hedge, or a hedge of a net investment in a foreign operation. The accounting for changes in the fair value of a derivative instrument depends on whether it qualifies for, and has been designated as part of a hedging relationship, as well as on the type of hedging relationship. Our derivative instruments do not subject our earnings to material risk, as gains and losses on these derivatives generally offset gains and losses on the item being hedged, and we do not enter into derivative transactions for speculative purposes. Refer to *Note D – Hedging Activities and Fair Value Measurements* for more information on our hedging instruments.

Research and Development

We expense research and development (R&D) costs, including new product development programs, regulatory compliance and clinical research as incurred. Refer to *Indefinite-lived Intangibles and IPR&D* above for our policy regarding R&D projects acquired in connection with our business combinations and asset purchases.

NOTE B – ACQUISITIONS AND STRATEGIC INVESTMENTS

Our consolidated financial statements include the operating results for acquired entities from the respective dates of acquisition. We have not presented supplemental pro forma financial information for completed acquisitions or divestitures given their results are not material to our consolidated financial statements. Further, transaction costs were immaterial to our consolidated financial statements and were expensed as incurred.

On January 24, 2025, we completed our acquisition of 100 percent of Cortex, Inc. (Cortex), a privately held medical technology company focused on the development of a diagnostic mapping solution which may identify triggers and drivers outside of the pulmonary veins that are foundational to atrial fibrillation (AF). The transaction consisted of an upfront cash payment of \$248 million, net of cash acquired, and up to approximately \$50 million in future payments upon achievement of certain regulatory milestones. The Cortex business will be integrated into our Cardiology division.

On January 8, 2025, we announced our entry into a definitive agreement to acquire Bolt Medical, Inc. (Bolt Medical), the developer of an intravascular lithotripsy advanced laser-based platform for the treatment of coronary and peripheral artery disease. We have been an investor in Bolt Medical since 2019 and currently hold an equity stake of approximately 26 percent. The transaction price to acquire the remaining stake is expected to result in an upfront cash payment of approximately \$443 million upon closing and up to an additional \$221 million in future payments upon achievement of certain regulatory milestones. The transaction is expected to close during the first half of 2025, subject to customary closing conditions. The Bolt Medical business will be integrated into our Cardiology and Peripheral Interventions divisions.

On November 25, 2024, we announced our entry into a definitive agreement to acquire 100 percent of Intera Oncology®, Inc. (Intera), a privately held medical device company that provides the Intera 3000 Hepatic Artery Infusion Pump and floxuridine – a chemotherapy drug – both of which are approved by the U.S. Food and Drug Administration. The Intera 3000 pump is used to administer hepatic artery infusion therapy to treat tumors in the liver primarily caused by metastatic colorectal cancer. The purchase price consists of an upfront cash payment of approximately \$175 million. The transaction is expected to close in the first half of 2025, subject to customary closing conditions. The Intera business will be integrated into our Peripheral Interventions division.

2024 Acquisitions

On September 17, 2024, we completed our acquisition of 100 percent of the outstanding equity of Silk Road Medical, Inc. (Silk Road Medical), a publicly traded medical device company that has developed an innovative platform of products to prevent stroke in patients with carotid artery disease through a minimally-invasive procedure called transcarotid artery revascularization. The transaction consisted of an upfront cash payment of \$27.50 per share, or approximately \$1.126 billion, net of cash acquired. The Silk Road Medical business is being integrated into our Peripheral Interventions division.

On November 15, 2024, we completed our acquisition of 100 percent of the outstanding equity of Axonics, Inc. (Axonics), a public medical technology company focused on the development and commercialization of differentiated devices to treat urinary and bowel dysfunction. The transaction consisted of an upfront cash payment of \$71.00 per share, or approximately \$3.409 billion, net of cash acquired. The Axonics business is being integrated into our Urology division.

Purchase Price Allocation

We accounted for these transactions as business combinations in accordance with FASB ASC Topic 805, *Business Combinations* (FASB ASC Topic 805). The preliminary purchase prices were comprised of the amounts presented below:

<i>(in millions)</i>	Silk Road Medical		Axonics	
Payment for acquisition, net of cash acquired	\$	1,126	\$	3,409
	\$	1,126	\$	3,409

We recorded the assets acquired and liabilities assumed at their respective fair values as of the closing date of the transaction. The preliminary purchase price allocations were comprised of the components presented below, which represent the preliminary determination of the fair value of assets acquired and liabilities assumed, with the excess of the purchase price over the fair value of net identifiable assets acquired recorded to goodwill. The final determination of the fair value of certain assets and liabilities will be completed within the measurement period in accordance with FASB ASC Topic 805.

<i>(in millions)</i>	Silk Road Medical	Axonics
Goodwill	\$ 569	\$ 2,147
Amortizable intangible assets	507	1,242
Other assets acquired	117	423
Liabilities assumed	(45)	(167)
Net deferred tax liabilities	(23)	(237)
	\$ 1,126	\$ 3,409

Goodwill was primarily established for Silk Road Medical and Axonics due to synergies expected to be gained from leveraging our existing operations, as well as revenue and cash flow projections associated with future technologies, none of which is deductible for tax purposes.

We allocated a portion of the purchase price to the specific intangible asset categories as follows:

	Amount Assigned (in millions)	Weighted Average Amortization Period (in years)	Risk-Adjusted Discount Rates used in Purchase Price Allocation
<u>Silk Road Medical:</u>			
Amortizable intangible assets:			
Technology-related	\$ 447	12	13%
Customer relationships	61	12	13%
	\$ 507		
<u>Axonics</u>			
Amortizable intangible assets:			
Technology-related	\$ 1,157	12	10%
Customer relationships	85	12	10%
	\$ 1,242		

Our technology-related intangible assets consist of technical processes, intellectual property and institutional understanding with respect to products and processes that we intend to leverage in future products or processes. We used the multi-period excess earnings method, a form of the income approach, to derive the fair value of the technology-related intangible assets and are amortizing them on a straight-line basis over their assigned estimated useful lives.

2023 Acquisitions

On February 20, 2023, we completed the acquisition of a majority stake investment in Acotec, a publicly traded Chinese manufacturer of drug-coated balloons and other products used in the treatment of vascular and other diseases. We consolidated this majority stake investment in Acotec based on the conclusion we control the entity, and recorded a noncontrolling interest for the portion we do not own. We acquired approximately 65 percent of the outstanding shares of Acotec, for an upfront cash payment of HK\$20.00 per share, or \$519 million at foreign currency exchange rates at closing. The Acotec portfolio complements our existing Peripheral Interventions portfolio.

On April 4, 2023, we completed our acquisition of 100 percent of the outstanding equity of Apollo Endosurgery, Inc. (Apollo), a public company which offers a portfolio of devices used during endoluminal procedures to close gastrointestinal defects, manage gastrointestinal complications and aid in weight loss for patients suffering from obesity. The transaction consisted of an upfront cash payment of \$636 million, net of cash acquired. The Apollo business is being integrated into our Endoscopy division.

On November 17, 2023, we completed our acquisition of 100 percent of the outstanding equity of Relievant Medsystems, Inc. (Relievant), a privately held medical technology company that developed and commercialized the Intracept® Intraosseous

Nerve Ablation System to treat vertebrogenic pain, a form of chronic low back pain. The transaction consisted of an upfront cash payment of \$794 million, net of cash acquired, and additional sales-based milestones over the three years following the transaction close. These milestones, certain of which are uncapped, were estimated to have a fair value of \$273 million as of the acquisition date. The Relevant business is being integrated into our Neuromodulation division.

Purchase Price Allocation

We accounted for these transactions as business combinations in accordance with FASB ASC Topic 805. The final purchase prices were comprised of the amounts presented below:

<i>(in millions)</i>	Acotec⁽¹⁾		Apollo		Relievant	
Payment for acquisition, net of cash acquired ⁽²⁾	\$	381	\$	636	\$	794
Fair value of contingent consideration		—		—		273
	\$	381	\$	636	\$	1,067

⁽¹⁾ Excludes approximately \$140 million of cash on hand at the closing of the transaction

⁽²⁾ Related to Acotec, represents our majority stake investment

We recorded the assets acquired, liabilities assumed and specific to Acotec, the noncontrolling interest, at their respective fair values as of the closing date of the transaction. The final purchase price allocations were comprised of the components presented below, with the excess of the purchase price over the fair value of net identifiable assets acquired recorded to goodwill:

<i>(in millions)</i>	Acotec		Apollo		Relievant	
Goodwill	\$	337	\$	378	\$	731
Amortizable intangible assets		334		248		325
Other assets acquired		93		50		24
Liabilities assumed		(48)		(33)		(15)
Net deferred tax liabilities		(76)		(5)		1
Fair value of noncontrolling interest		(259)		—		—
	\$	381	\$	636	\$	1,067

The fair value of Acotec's noncontrolling interest was based on the publicly traded market value of the remaining 35 percent of the outstanding shares we did not acquire as of the transaction date and is presented within *Stockholders' equity* within our accompanying consolidated balance sheets. Goodwill was primarily established for Acotec due to opportunities for collaboration in research and development, manufacturing and commercial strategies, and for Apollo and Relievant, due to synergies expected to be gained from leveraging our existing operations, as well as revenue and cash flow projections associated with future technologies, none of which is deductible for tax purposes.

We allocated a portion of the purchase price to the specific intangible asset categories as follows:

	Amount Assigned (in millions)	Weighted Average Amortization Period (in years)	Risk-Adjusted Discount Rates used in Purchase Price Allocation
Acotec:			
Amortizable intangible assets:			
Technology-related	\$ 308	11	14%
Customer relationships	15	11	14%
Other intangible assets	11	13	14%
	<u>\$ 334</u>		
Apollo:			
Amortizable intangible assets:			
Technology-related	\$ 222	11	12%
Customer relationships	26	11	12%
	<u>\$ 248</u>		
Relievant:			
Amortizable intangible assets:			
Technology-related	\$ 287	12	12%
Customer relationships	38	12	12%
	<u>\$ 325</u>		

Our technology-related intangible assets consist of technical processes, intellectual property and institutional understanding with respect to products and processes that we intend to leverage in future products or processes. We used the multi-period excess earnings method, a form of the income approach, to derive the fair value of the technology-related intangible assets and are amortizing them on a straight-line basis over their assigned estimated useful lives.

Contingent Consideration

Changes in the fair value of our contingent consideration liability during 2024 and 2023 associated with current and prior period acquisitions were as follows:
(in millions)

Balance as of December 31, 2022	\$ 149
Amount recorded related to current year acquisitions	273
Contingent consideration net expense (benefit)	58
Contingent consideration payments	(76)
Balance as of December 31, 2023	\$ 404
Amount recorded related to current year acquisitions	29
Contingent consideration net expense (benefit)	(5)
Contingent consideration payments and other adjustments	(257)
Balance as of December 31, 2024	\$ 171

In 2024, payments were primarily related to our acquisition of Farapulse, Inc. (Farapulse) and Relievant following the achievement of revenue-based earnouts and sales milestones, respectively. In 2023, payments were primarily related to our acquisition of Farapulse following the achievement of revenue milestones.

The maximum amount for certain contingent consideration is not determinable as it is uncapped and based on a percent of certain sales. As of December 31, 2024, the fair value of such uncapped contingent consideration is estimated at \$147 million. As of December 31, 2024, the maximum amount that we could be required to pay under our other capped contingent consideration arrangements (undiscounted) is approximately \$220 million.

The recurring Level 3 fair value measurements of our contingent consideration liability that we expect to be required to settle include the following significant unobservable inputs:

Contingent Consideration Liability	Fair Value as of December 31, 2024	Valuation Technique	Unobservable Input	Range	Weighted Average ⁽¹⁾
Revenue-based Payments and Commercialization Milestones	\$171 million	Discounted Cash Flow	Discount Rate	6 % - 15%	7%
			Probability of Payment	40% - 100%	96%
			Projected Year of Payment	2025 - 2029	2027

⁽¹⁾ Unobservable inputs were weighted by the relative fair value of the contingent consideration liability. For projected year of payment, the amount represents the median of the inputs and is not a weighted average.

Projected contingent payment amounts related to our revenue-based payments and commercialization milestones are discounted back to the current period, primarily using a discounted cash flow model. Significant increases or decreases in projected revenues, probabilities of payment, discount rates or the time until payment is made would have resulted in a significantly lower or higher fair value measurement as of December 31, 2024.

Strategic Investments

The aggregate carrying amount of our strategic investments was comprised of the following:

(in millions)	As of December 31,	
	2024	2023
Equity method investments	\$ 278	\$ 219
Measurement alternative investments ^(1, 2)	277	194
	<u>\$ 555</u>	<u>\$ 413</u>

⁽¹⁾ Measurement alternative investments are privately-held equity securities without readily determinable fair values that are measured at cost less impairment, if any, adjusted to fair value for any observable price changes in orderly transactions for the identical or a similar investment of the same issuer, recognized in *Other, net* within our accompanying consolidated statements of operations.

⁽²⁾ Includes publicly-held equity securities and convertible notes measured at fair value with changes in fair value recognized in *Other, net* within our consolidated statements of operations.

These investments are classified as *Other long-term assets* within our consolidated balance sheets, in accordance with GAAP and our accounting policies.

In 2024, the cost of our aggregated equity method investments exceeded our share of the underlying equity in net assets by \$333 million, which represents amortizable intangible assets, IPR&D, goodwill and deferred tax liabilities.

NOTE C – GOODWILL AND OTHER INTANGIBLE ASSETS

The gross carrying amount of goodwill and other intangible assets and the related accumulated amortization for intangible assets subject to amortization and accumulated goodwill impairment charges are as follows:

(in millions)	As of December 31, 2024		As of December 31, 2023	
	Gross Carrying Amount	Accumulated Amortization/Write-offs	Gross Carrying Amount	Accumulated Amortization/Write-offs
Technology-related	\$ 14,327	\$ (8,605)	\$ 13,207	\$ (8,101)
Patents	481	(381)	480	(387)
Other intangible assets	2,380	(1,612)	2,130	(1,500)
Amortizable intangible assets	\$ 17,188	\$ (10,598)	\$ 15,817	\$ (9,988)
Goodwill	\$ 26,989	\$ (9,900)	\$ 24,287	\$ (9,900)
IPR&D	94		54	
Technology-related	—		120	
Indefinite-lived intangible assets	\$ 94		\$ 174	

The increase in our balance of goodwill and amortizable intangible assets is related primarily to our acquisitions of Silk Road Medical and Axonics in the third and fourth quarters of 2024, respectively.

Intangible asset impairment charges were \$386 million in 2024, \$58 million in 2023 and \$132 million in 2022. The impairment charges recorded in 2024 were primarily associated with amortizable intangible assets established in connection with our acquisitions of Cryterion Medical, Inc. (Cryterion) and Devoro Medical, Inc. (Devoro), which were integrated into our Electrophysiology and Peripheral Interventions business units, respectively. Intangible assets acquired from Cryterion were impaired due to strong commercial adoption of our Farapulse™ Pulsed Field Ablation System in our Electrophysiology business unit and the resulting lower revenue projections and cannibalization of our cryoablation business. Intangible assets acquired from Devoro were impaired following management's decision to cancel the related program in the second quarter of 2024. The impairment charges recorded in 2023 were primarily associated with the cancellation of an IPR&D program due to the incremental time and cost to complete the program and bring the technology to market.

During the third quarter of 2024, we performed our annual IPR&D impairment test and evaluated our indefinite-lived intangible assets for impairment and concluded the assets were not impaired. We also reclassified our indefinite-lived technology-related intangible assets to amortizable intangible assets after determining they no longer have an indefinite useful life and verified that the classification of IPR&D projects recognized within our unaudited consolidated balance sheets continues to be appropriate.

The following represents a roll forward of our goodwill balance by reportable segment:

(in millions)	MedSurg	Cardiovascular	Total
Balance as of December 31, 2022	\$ 4,237	\$ 8,684	\$ 12,920
Goodwill acquired	1,110	337	1,447
Impact of foreign currency fluctuations and other changes	—	20	20
Balance as of December 31, 2023	\$ 5,347	\$ 9,041	\$ 14,387
Goodwill acquired	2,172	615	2,787
Impact of foreign currency fluctuations and purchase price and other adjustments	(35)	(51)	(86)
Balance as of December 31, 2024	\$ 7,483	\$ 9,606	\$ 17,089

In the second quarter of 2024, we performed our annual goodwill impairment test utilizing both the qualitative and quantitative approach described in FASB ASC Topic 350. The qualitative approach was used for testing reporting units where fair value has historically exceeded carrying value by greater than 100 percent, and all other reporting units were tested using the quantitative approach. For the reporting units tested using the quantitative approach, we determined that the fair value of the reporting units exceeded the carrying value and concluded that goodwill was not impaired or at risk of impairment.

Refer to *Note A – Significant Accounting Policies* for further discussion of our goodwill and intangible asset impairment testing.

Estimated *Amortization expense* for each of the five succeeding fiscal years based upon our amortizable intangible asset portfolio, consisting of intangible assets acquired in a business combination or asset acquisition, as well as internally developed patents, as of December 31, 2024 is as follows:

Fiscal Year	<i>(in millions)</i>	
2025	\$	893
2026		874
2027		835
2028		787
2029		769

These estimates do not include amortization expense associated with future acquisitions that have been announced but not yet completed as of December 31, 2024.

NOTE D – HEDGING ACTIVITIES AND FAIR VALUE MEASUREMENTS

Derivative Instruments and Hedging Activities

We address market risk from changes in foreign currency exchange rates and interest rates through risk management programs which include the use of derivative and nonderivative financial instruments. We operate these programs pursuant to documented corporate risk management policies and do not enter into derivative transactions for speculative purposes. Our derivative instruments do not subject our earnings to material risk, as the gains or losses on these derivatives generally offset losses or gains recognized on the hedged item.

We manage concentration of counterparty credit risk by limiting acceptable counterparties to major financial institutions with investment grade credit ratings, limiting the amount of credit exposure to individual counterparties and by actively monitoring counterparty credit ratings and the amount of individual credit exposure. We also employ master netting arrangements that limit the risk of counterparty non-payment on a particular settlement date to the net gain that would have otherwise been received from the counterparty. Although not completely eliminated, we do not consider the risk of counterparty default to be significant as a result of these protections. Further, none of our derivative instruments are subject to collateral or other security arrangements, nor do they contain provisions that are dependent on our credit ratings from any credit rating agency.

Currency Hedging Instruments

Risk Management Strategy

Our risk from changes in currency exchange rates consists primarily of monetary assets and liabilities; forecasted intercompany and third-party transactions; and net investments in certain subsidiaries. We manage currency exchange rate risk at a consolidated level to reduce the cost of hedging by taking advantage of offsetting transactions. We employ derivative and nonderivative instruments, primarily forward currency contracts, to reduce the risk to our earnings and cash flows associated with changes in currency exchange rates.

The success of our currency risk management program depends, in part, on forecast transactions denominated primarily in euro, Chinese renminbi, Japanese yen, British pound sterling, Australian dollar and Swiss franc. We may experience unanticipated currency exchange gains or losses to the extent the actual activity is different than forecasted. In addition, changes in currency exchange rates related to any unhedged transactions may impact our earnings and cash flows.

Hedge Designations and Relationships

Certain of our currency derivative instruments are designated as cash flow hedges under FASB ASC Topic 815, and are intended to protect the U.S. dollar value of forecasted transactions. The gain or loss on a derivative instrument designated as a cash flow hedge is recorded in the *Net change in derivative financial instruments* component of *Other comprehensive income (loss), net of tax* (OCI) within our consolidated statements of comprehensive income (loss) until the underlying third-party transaction occurs. When the underlying third-party transaction occurs, we recognize the gain or loss in earnings within *Cost of products sold* in our consolidated statements of operations. In the event the hedging relationship is no longer effective, or if the

occurrence of the hedged forecast transaction becomes no longer probable, we reclassify the gains or losses within *Accumulated other comprehensive income (loss), net of tax* (AOCI) to earnings at that time. The cash flows related to the derivative instruments designated as cash flow hedges are reported as operating activities in our consolidated statements of cash flows.

We also designate certain forward currency contracts as net investment hedges to hedge a portion of our net investments in certain of our entities with functional currencies denominated in the Chinese renminbi and Japanese yen. For these derivative instruments, we elected to use the spot method to assess hedge effectiveness. We also elected to exclude the spot-forward difference, referred to as the excluded component, from the assessment of hedge effectiveness and are amortizing this amount separately, as calculated at the date of designation, on a straight-line basis over the term of the currency forward contracts. As such, we defer recognition of foreign currency gains and losses within the *Foreign currency translation adjustment* (CTA) component of OCI, and we reclassify amortization of the excluded component from AOCI to current period earnings within *Interest expense* within our consolidated statements of operations.

We designate certain euro-denominated debt as net investment hedges to hedge a portion of our net investments in certain of our entities with functional currencies denominated in the euro. As of December 31, 2024 and 2023, we designated as a net investment hedge our €900 million in aggregate principal amount of 0.625% senior notes issued in November 2019 and due in 2027 (December 2027 Notes). For these nonderivative instruments, we defer recognition of the foreign currency remeasurement gains and losses within the CTA component of OCI. We reclassify these gains and losses to current period earnings within *Other, net* within our consolidated statements of operations only when the hedged item affects earnings, which would occur upon disposal or substantial liquidation of the underlying foreign subsidiary.

We also use forward currency contracts that are not part of designated hedging relationships as a part of our strategy to manage our exposure to currency exchange rate risk related to monetary assets and liabilities and related forecast transactions. These non-designated currency forward contracts have an original time to maturity consistent with the hedged currency transaction exposures, generally less than one year, and are marked-to-market with changes in fair value recorded to earnings within *Other, net* in our consolidated statements of operations.

Interest Rate Hedging Instruments

Risk Management Strategy

Our interest rate risk relates primarily to U.S. dollar and euro-denominated borrowings partially offset by U.S. dollar cash investments. We use interest rate derivative instruments to mitigate the risk to our earnings and cash flows associated with exposure to changes in interest rates. Under these agreements, we and the counterparty, at specified intervals, exchange the difference between fixed and floating interest amounts calculated by reference to an agreed-upon notional principal amount. We designate these derivative instruments either as fair value or cash flow hedges in accordance with FASB ASC Topic 815.

Hedge Designations and Relationships

We had no interest rate derivative instruments designated as cash flow hedges outstanding as of December 31, 2024 and December 31, 2023. In the event that we designate outstanding interest rate derivative instruments as cash flow hedges, we record the changes in the fair value of the derivatives within OCI until the underlying hedged transaction occurs.

We had no interest rate derivative instruments designated as fair value hedges outstanding as of December 31, 2024 and December 31, 2023. In the event that we designate outstanding interest rate derivative instruments as fair value hedges, we record the changes in the fair values of interest rate derivatives designated as fair value hedges and of the underlying hedged debt instruments in *Interest expense*, which generally offset.

The following table presents the contractual amounts of our hedging instruments outstanding:

<i>(in millions)</i>	FASB ASC Topic 815 Designation	As of December 31,	
		2024	2023
Forward currency contracts	Cash flow hedge	\$ 2,464	\$ 2,284
Forward currency contracts	Net investment hedge	741	333
Foreign currency-denominated debt ⁽¹⁾	Net investment hedge	997	997
Forward currency contracts	Non-designated	4,440	3,282
Total Notional Outstanding		\$ 8,642	\$ 6,896

⁽¹⁾ Foreign currency-denominated debt is the €900 million debt principal associated with our December 2027 Notes designated as a net investment hedge.

The remaining time to maturity as of December 31, 2024 is within 36 months for all forward currency contracts designated as cash flow hedges and generally less than one year for all non-designated forward currency contracts. The forward currency contracts designated as net investment hedges generally mature between one and two years. The euro-denominated debt principal designated as a net investment hedge has a contractual maturity of December 1, 2027.

The following presents the effect of our derivative and nonderivative instruments designated as cash flow and net investment hedges under FASB ASC Topic 815 in our accompanying consolidated statements of operations. Refer to *Note O – Changes in Other Comprehensive Income* for the total amounts relating to derivative and nonderivative instruments presented within our consolidated statements of comprehensive income (loss).

Effect of Hedging Relationships on Accumulated Other Comprehensive Income									
(in millions)	Amount Recognized in OCI on Hedges			Consolidated Statements of Operations ⁽¹⁾		Amount Reclassified from AOCI into Earnings			
	Pre-Tax Gain (Loss)	Tax Benefit (Expense)	Gain (Loss) Net of Tax	Location of Amount Reclassified and Total Amount of Line Item		Pre-Tax (Gain) Loss	Tax (Benefit) Expense	(Gain) Loss Net of Tax	
Year Ended December 31, 2024									
Forward currency contracts									
Cash flow hedges	\$ 184	\$ (41)	\$ 142	Cost of products sold	\$ 5,257	\$ (183)	\$ 41	\$ (141)	
Net investment hedges ⁽²⁾	65	(15)	51	Interest expense	305	(18)	4	(14)	
Foreign currency-denominated debt									
Net investment hedges ⁽³⁾	60	(13)	46	Other, net	16	—	—	—	
Interest rate derivative contracts									
Cash flow hedges	—	—	—	Interest expense	305	1	(0)	1	
Year Ended December 31, 2023									
Forward currency contracts									
Cash flow hedges	\$ 81	\$ (18)	\$ 63	Cost of products sold	\$ 4,345	\$ (235)	\$ 53	\$ (182)	
Net investment hedges ⁽²⁾	32	(7)	25	Interest expense	265	(10)	2	(8)	
Foreign currency-denominated debt									
Net investment hedges ⁽³⁾	(34)	8	(27)	Other, net	93	—	—	—	
Interest rate derivative contracts									
Cash flow hedges	—	—	—	Interest expense	265	3	(1)	2	
Year Ended December 31, 2022									
Forward currency contracts									
Cash flow hedges	\$ 276	\$ (62)	\$ 214	Cost of products sold	\$ 3,956	\$ (209)	\$ 47	\$ (162)	
Net investment hedges ⁽²⁾	41	(10)	32	Interest expense	470	(10)	2	(8)	
Foreign currency-denominated debt									
Net investment hedges ⁽³⁾	61	(14)	47	Other, net	38	—	—	—	
Interest rate derivative contracts									
Cash flow hedges	—	—	—	Interest expense	470	16	(4)	13	

⁽¹⁾ In all periods presented in the table above, the pre-tax (gain) loss amounts reclassified from AOCI to earnings represent the effect of the hedging relationships on earnings.

⁽²⁾ For our outstanding forward currency contracts designated as net investment hedges, the net gain or loss reclassified from AOCI to earnings as a reduction of *Interest expense* represents the straight-line amortization of the excluded component as calculated at the date of designation. This initial value of the excluded component has been excluded from the assessment of effectiveness in accordance with FASB ASC Topic 815. In the current and prior periods, we did not recognize any gains or losses on the components included in the assessment of hedge effectiveness in earnings.

⁽³⁾ For our outstanding euro-denominated debt principal designated as a net investment hedge, the change in fair value attributable to changes in the spot rate is recorded in the CTA component of OCI. No amounts were reclassified from AOCI to current period earnings.

As of December 31, 2024, pre-tax net gains or losses for our derivative instruments designated, or previously designated, as cash flow and net investment hedges under FASB ASC Topic 815 that may be reclassified from AOCI to earnings within the next twelve months are presented below (in millions):

Designated Hedging Instrument	FASB ASC Topic 815 Designation	Location on Consolidated Statements of Operations	Amount of Pre-Tax Gain (Loss) that may be Reclassified to Earnings
Forward currency contracts	Cash flow hedge	Cost of products sold	\$ 170
Forward currency contracts	Net investment hedge	Interest expense	21
Interest rate derivative contracts	Cash flow hedge	Interest expense	(1)

Net gains and losses on currency hedge contracts not designated as hedging instruments offset by net gains and losses from currency transaction exposures are presented below:

(in millions)	Location on Consolidated Statements of Operations	Year Ended December 31,		
		2024	2023	2022
Net gain (loss) on currency hedge contracts	Other, net	\$ 56	\$ 3	\$ (53)
Net gain (loss) on currency transaction exposures	Other, net	(71)	(44)	21
Net currency exchange gain (loss)		\$ (16)	\$ (41)	\$ (31)

Fair Value Measurements

FASB ASC Topic 815 requires all derivative and nonderivative instruments to be recognized at their fair values as either assets or liabilities on the balance sheet. We determine the fair value of our derivative and nonderivative instruments using the framework prescribed by FASB ASC Topic 820, *Fair Value Measurements and Disclosures* (FASB ASC Topic 820), and considering the estimated amount we would receive or pay to transfer these instruments at the reporting date with respect to current currency exchange rates, interest rates, the creditworthiness of the counterparty for unrealized gain positions and our own creditworthiness for unrealized loss positions. In certain instances, we may utilize financial models to measure fair value of our derivative and nonderivative instruments. In doing so, we use inputs that include quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active, other observable inputs for the asset or liability and inputs derived principally from, or corroborated by, observable market data by correlation or other means. The following are the balances of our derivative and nonderivative assets and liabilities:

(in millions)	Location on Consolidated Balance Sheets ⁽¹⁾	As of December 31,	
		2024	2023
Derivative and Nonderivative Assets:			
<u>Designated Hedging Instruments</u>			
Forward currency contracts	Other current assets	\$ 149	\$ 140
Forward currency contracts	Other long-term assets	79	107
		<u>228</u>	<u>246</u>
<u>Non-Designated Hedging Instruments</u>			
Forward currency contracts	Other current assets	156	20
Total Derivative and Nonderivative Assets		\$ 384	\$ 266
Derivative and Nonderivative Liabilities:			
<u>Designated Hedging Instruments</u>			
Forward currency contracts	Other current liabilities	\$ 1	\$ 15
Forward currency contracts	Other long-term liabilities	—	9
Foreign currency-denominated debt ⁽²⁾	Long-term debt	930	988
		<u>931</u>	<u>1,012</u>
<u>Non-Designated Hedging Instruments</u>			
Forward currency contracts	Other current liabilities	59	38
Total Derivative and Nonderivative Liabilities		\$ 990	\$ 1,050

⁽¹⁾ We classify derivative and nonderivative assets and liabilities as current when the settlement date of the contract is one year or less.

⁽²⁾ Foreign currency-denominated debt is the €900 million debt principal associated with our December 2027 Notes designated as a net investment hedge. A portion of this notional is subject to de-designation and re-designation based on changes in the underlying hedged item.

Recurring Fair Value Measurements

On a recurring basis, we measure certain financial assets and financial liabilities at fair value based upon quoted market prices. Where quoted market prices or other observable inputs are not available, we apply valuation techniques to estimate fair value. FASB ASC Topic 820 establishes a three-level valuation hierarchy for disclosure of fair value measurements. The category of a financial asset or a financial liability within the valuation hierarchy is based upon the lowest level of input that is significant to the measurement of fair value. The three levels of the hierarchy are defined as follows:

- Level 1 – Inputs to the valuation methodology are quoted market prices for identical assets or liabilities.
- Level 2 – Inputs to the valuation methodology are other observable inputs, including quoted market prices for similar assets or liabilities and market-corroborated inputs.
- Level 3 – Inputs to the valuation methodology are unobservable inputs based on management's best estimate of inputs market participants would use in pricing the asset or liability at the measurement date, including assumptions about risk.

Assets and liabilities measured at fair value on a recurring basis consist of the following:

(in millions)	As of							
	December 31, 2024				December 31, 2023			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets								
Money market funds and time deposits	\$ 120	\$ —	\$ —	\$ 120	\$ 454	\$ —	\$ —	\$ 454
Publicly-held securities	19	—	—	19	18	—	—	18
Hedging instruments	—	384	—	384	—	266	—	266
Licensing arrangements	—	—	24	24	—	—	77	77
	<u>\$ 139</u>	<u>\$ 384</u>	<u>\$ 24</u>	<u>\$ 547</u>	<u>\$ 472</u>	<u>\$ 266</u>	<u>\$ 77</u>	<u>\$ 816</u>
Liabilities								
Hedging instruments	\$ —	\$ 990	\$ —	\$ 990	\$ —	\$ 1,050	\$ —	\$ 1,050
Contingent consideration liability	—	—	171	171	—	—	404	404
Licensing arrangements	—	—	33	33	—	—	90	90
	<u>\$ —</u>	<u>\$ 990</u>	<u>\$ 203</u>	<u>\$ 1,194</u>	<u>\$ —</u>	<u>\$ 1,050</u>	<u>\$ 494</u>	<u>\$ 1,545</u>

Our investments in money market funds and time deposits are classified within Level 1 of the fair value hierarchy because they are valued using quoted market prices. These investments are classified as *Cash and cash equivalents* or *Other current assets* within our accompanying consolidated balance sheets, in accordance with GAAP and our accounting policies. In addition to \$120 million invested in money market funds and time deposits as of December 31, 2024 and \$454 million as of December 31, 2023, we held \$364 million in interest-bearing and non-interest-bearing bank accounts as of December 31, 2024 and \$411 million as of December 31, 2023.

Our recurring fair value measurements using Level 3 inputs include those related to our contingent consideration liability. Refer to *Note B – Acquisitions and Strategic Investments* for a discussion of the changes in the fair value of our contingent consideration liability. In addition, our recurring fair value measurements using Level 3 inputs are comprised of licensing arrangements, including the contractual right to receive future royalty payments related to the Zytiga™ Drug. We own the contractual right to receive 50 percent of the future Zytiga Drug royalty payments from the licensee and remit such payments to the inventors associated with the intellectual property. We maintain a financial asset and associated liability for our licensing arrangements measured at fair value within our consolidated balance sheets in accordance with FASB ASC Topic 825, *Financial Instruments*. We elected the fair value option to measure the financial asset and associated liability as it provides for consistency and comparability of these financial instruments with others. Royalty payments we receive reduce the fair value of the financial asset and are presented within *Proceeds from royalty rights*, and payments we remit to inventors reduce the fair value of the financial liability and are presented within *Payments for royalty rights* within our consolidated statements of cash flows. We sold our right to receive and retain the other 50 percent of the future royalty payments in 2019 for an upfront cash payment, which we accounted for as a secured borrowing in accordance with FASB ASC Topic 860, *Transfers and Servicing* (FASB ASC Topic 860). Although we sold these rights, we continue to recognize at fair value the future royalty payments as an associated liability. Royalty payments associated with the rights we sold no longer impact our cash flows, and we present this activity as *Non-cash impact of transferred royalty rights* in the supplemental information to our consolidated statements of cash flows. We reduce the fair value of the associated liability when such non-cash activity occurs.

We record the fair value of the financial asset and associated liability using a discounted cash flow approach considering the probability-weighted expected future cash flows to be generated by the royalty stream. The fair value of the financial liability also considers the related contractual provisions that govern our payment obligations. Significant increases or decreases in projected cash flows of the royalty stream and the related contractual provisions that govern our payment obligations, discount rates or the time until payment is made would have resulted in a significantly lower or higher fair value measurement of the licensing arrangements' financial asset and liability as of December 31, 2024. However, increases or decreases in the financial asset would be offset by increases or decreases in the financial liability, other than for timing of receipt and remittance; as such our earnings are not subject to material gains and losses from the licensing arrangement.

The recurring Level 3 fair value measurements of our licensing arrangements recognized within our consolidated balance sheets as of December 31, 2024 include the following significant unobservable inputs:

Licensing Arrangements	Fair Value as of December 31, 2024	Valuation Technique	Unobservable Input	Range	Weighted Average ⁽¹⁾
Financial Asset	\$24 million	Discounted Cash Flow	Discount Rate	15%	15%
			Projected Year of Payment	2025 - 2025	2025
Financial Liability	\$33 million	Discounted Cash Flow	Discount Rate	12% - 15%	13%
			Projected Year of Payment	2025 - 2026	2025

⁽¹⁾ Unobservable inputs relate to a single financial asset and liability. As such, unobservable inputs were not weighted by the relative fair value of the instruments. For projected year of payment, the amount represents the median of the inputs and is not a weighted average.

Changes in the fair value of our licensing arrangements' financial asset were as follows:

(in millions)

Balance as of December 31, 2022	\$	127
Proceeds from royalty rights		(61)
Fair value adjustment (expense) benefit		11
Balance as of December 31, 2023	\$	77
Proceeds from royalty rights		(40)
Fair value adjustment (expense) benefit		(13)
Balance as of December 31, 2024	\$	24

Changes in the fair value of our licensing arrangements' financial liability were as follows:

(in millions)

Balance as of December 31, 2022	\$	159
Payments for royalty rights		(80)
Fair value adjustment expense (benefit)		12
Balance as of December 31, 2023	\$	90
Payments for royalty rights		(45)
Fair value adjustment expense (benefit)		(12)
Balance as of December 31, 2024	\$	33

Non-Recurring Fair Value Measurements

We hold certain assets and liabilities that are measured at fair value on a non-recurring basis in periods after initial recognition. The fair value of a measurement alternative investment is not estimated if there are no identified events or changes in circumstances that may have a significant adverse effect on the fair value of the investment. Refer to *Note B – Acquisitions and Strategic Investments* for a discussion of our strategic investments and *Note C – Goodwill and Other Intangible Assets* for a discussion of the fair values of our intangible assets including goodwill.

The fair value of our outstanding debt obligations, excluding finance leases, was \$10.330 billion as of December 31, 2024 and \$8.735 billion as of December 31, 2023. We determined fair value by using quoted market prices for our publicly registered senior notes, classified as Level 1 within the fair value hierarchy, and face value for commercial paper, term loans and credit facility borrowings outstanding. Refer to *Note E – Contractual Obligations and Commitments* for a discussion of our debt obligations.

NOTE E – CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Borrowings and Credit Arrangements

We had total debt outstanding of \$10.746 billion as of December 31, 2024 and \$9.102 billion as of December 31, 2023, with current maturities of \$1.778 billion as of December 31, 2024 and \$531 million as of December 31, 2023. The debt maturity schedule for our long-term debt obligations is presented below:

<i>(in millions, except interest rates)</i>	Issuance Date	Maturity Date	As of December 31,		Coupon Rate ⁽¹⁾
			2024	2023	
March 2025 Senior Notes ⁽³⁾	March 2022	March 2025	—	1,105	0.750%
June 2025 Senior Notes	May 2020	June 2025	—	500	1.900%
March 2026 Senior Notes	February 2019	March 2026	255	255	3.750%
December 2027 Senior Notes ⁽³⁾	November 2019	December 2027	935	995	0.625%
March 2028 Senior Notes ⁽³⁾	March 2022	March 2028	779	829	1.375%
March 2028 Senior Notes	February 2018	March 2028	344	344	4.000%
March 2029 Senior Notes	February 2019	March 2029	272	272	4.000%
March 2029 Senior Notes ⁽³⁾	February 2024	March 2029	779	—	3.375%
June 2030 Senior Notes	May 2020	June 2030	1,200	1,200	2.650%
March 2031 Senior Notes ⁽³⁾	March 2022	March 2031	779	829	1.625%
March 2032 Senior Notes ⁽³⁾	February 2024	March 2032	1,299	—	3.500%
March 2034 Senior Notes ⁽³⁾	March 2022	March 2034	519	553	1.875%
November 2035 Senior Notes ⁽²⁾	November 2005	November 2035	350	350	6.500%
March 2039 Senior Notes	February 2019	March 2039	450	450	4.550%
January 2040 Senior Notes	December 2009	January 2040	300	300	7.375%
March 2049 Senior Notes	February 2019	March 2049	650	650	4.700%
Unamortized Debt Issuance Discount and Deferred Financing Costs		2025 - 2049	(70)	(65)	
Finance Lease Obligation		Various	126	5	
Long-term debt			\$ 8,968	\$ 8,571	

⁽¹⁾ Coupon rates are semi-annual, except for the euro-denominated notes, which bear an annual coupon.

⁽²⁾ Corporate credit rating improvements may result in a decrease in the adjusted interest rate on our November 2035 Notes to the extent that our lowest credit rating is above BBB- or Baa3. The interest rates on our November 2035 Notes will be permanently reinstated to the issuance rate of 6.25% if the lowest credit ratings assigned to these senior notes is either A- or A3 or higher.

⁽³⁾ These notes are euro-denominated and presented in U.S. dollars based on the exchange rate in effect as of December 31, 2024 and 2023, respectively.

Contractual maturities of our Senior Notes classified as long-term debt as of December 31, 2024 are as follows *(in millions)*:

Fiscal Year	
2026	255
2027	935
2028	1,123
2029	1,051
Thereafter	5,547

Revolving Credit Facility

On May 10, 2021, we entered into a \$2.750 billion revolving credit facility (as amended, supplemented or otherwise modified from time to time, the 2021 Revolving Credit Facility) with a global syndicate of commercial banks. On May 10, 2024, we entered into a third amendment to the 2021 Revolving Credit Facility credit agreement, which provided for, among other things, an extension of the scheduled maturity date to May 10, 2029, an amendment of the Ratings based pricing grid of the Applicable Margin, each as defined in the credit agreement, and reset the applicable date for purposes of determining the amounts of

restructuring charges and restructuring-related expenses that may be excluded from consolidated Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA), as defined by the credit agreement, for purposes of our maximum leverage ratio covenant, from December 31, 2022 to March 31, 2024, as further discussed under *Financial Covenant* below. This facility provides backing for our commercial paper program, and outstanding commercial paper directly reduces borrowing capacity under the 2021 Revolving Credit Facility. We had no amounts outstanding under the 2021 Revolving Credit Facility as of December 31, 2024 or December 31, 2023.

Financial Covenant

As of December 31, 2024, we were in compliance with the financial covenant required by the 2021 Revolving Credit Facility.

	Covenant Requirement as of December 31, 2024	Actual as of December 31, 2024
Maximum permitted leverage ratio ⁽¹⁾	4.75 times	2.26 times

⁽¹⁾ Ratio of total debt to deemed consolidated EBITDA, as defined by the 2021 Revolving Credit Facility credit agreement.

The 2021 Revolving Credit Facility includes the financial covenant requirement for all of our credit arrangements that we maintain the maximum permitted leverage ratio of 3.75 times for the remaining term. The credit agreement provides for higher leverage ratios, at our election, for the period following a Qualified Acquisition, as defined by the agreement, for which consideration exceeds \$1.000 billion. In the event of such an acquisition, for the four succeeding quarters immediately following, including the quarter in which the acquisition occurs, the maximum permitted leverage ratio is 4.75 times. It steps down for the fifth, sixth and seventh succeeding quarters to 4.50 times, 4.25 times and 4.00 times, respectively. Thereafter, a maximum leverage ratio of 3.75 times is required through the remaining term of the 2021 Revolving Credit Facility. On November 15, 2024, we announced the closing of our acquisition of Axonics, which we had previously designated as a Qualified Acquisition under the credit agreement, increasing the maximum permitted leverage ratio to 4.75 times as of December 31, 2024.

The financial covenant requirement, as amended on May 10, 2024, provides for an exclusion from the calculation of consolidated EBITDA through maturity, of certain charges and expenses. The credit agreement amendment reset the starting date for purposes of calculating such permitted exclusions related to restructuring charges and restructuring-related expenses from December 31, 2022 to March 31, 2024. Permitted exclusions include up to \$500 million in cash and non-cash restructuring charges and restructuring-related expenses associated with our current or future restructuring plans. As of December 31, 2024, we had \$322 million of the restructuring charge exclusion remaining. In addition, any cash litigation payments (net of any cash litigation receipts), as defined by the agreement, are excluded from the calculation of consolidated EBITDA, provided that the sum of any excluded net cash litigation payments do not exceed \$1.000 billion plus all accrued legal liabilities as of December 31, 2022. As of December 31, 2024, we had \$1.435 billion of the litigation exclusion remaining.

Any inability to maintain compliance with this covenant could require us to seek to renegotiate the terms of our credit arrangements or seek waivers from compliance with this covenant, both of which could result in additional borrowing costs. Further, there can be no assurance that our lenders would agree to such new terms or grant such waivers on terms acceptable to us. In this case, all 2021 Revolving Credit Facility commitments would terminate, and any amounts borrowed under the facility would become immediately due and payable. Furthermore, any termination of our 2021 Revolving Credit Facility may negatively impact the credit ratings assigned to our commercial paper program, which may impact our ability to refinance any then outstanding commercial paper as it becomes due and payable.

Commercial Paper

Our commercial paper program is backed by the 2021 Revolving Credit Facility. Outstanding commercial paper directly reduces borrowing capacity under the 2021 Revolving Credit Facility. We had \$191 million outstanding under our commercial paper program as of December 31, 2024 and no commercial paper outstanding as of December 31, 2023.

(in millions, except maturity and yield)	As of December 31,			
	2024		2023	
Commercial paper outstanding (at par)	\$	191	\$	—
Maximum borrowing capacity		2,750		2,750
Borrowing capacity available		2,559		2,750
Weighted average maturity		20 days		0 days
Weighted average yield		4.71 %		— %

Senior Notes

We had senior notes outstanding of \$10.451 billion as of December 31, 2024 and \$9.136 billion as of December 31, 2023. Our senior notes were issued in public offerings, are redeemable prior to maturity and are not subject to sinking fund requirements. Our senior notes are unsecured, unsubordinated obligations and rank on parity with each other. These notes are effectively junior to liabilities of our subsidiaries (see *Other Arrangements* below).

In February 2024, American Medical Systems Europe B.V. (AMS Europe), an indirect, wholly owned subsidiary of Boston Scientific, completed a registered public offering of €2.000 billion in aggregate principal amount of euro-denominated senior notes comprised of €750 million of 3.375% Senior Notes due 2029 and €1.250 billion of 3.500% Senior Notes due 2032 (collectively, the 2024 Eurobonds). Boston Scientific has fully and unconditionally guaranteed all of AMS Europe's obligations under the 2024 Eurobonds, and no other subsidiary of Boston Scientific will guarantee these obligations. AMS Europe is a “finance subsidiary” as defined in Rule 13-01(a)(4)(vi) of Regulation S-X. The financial condition, results of operations and cash flows of AMS Europe are consolidated in the financial statements of Boston Scientific. The offering resulted in cash proceeds of \$2.145 billion, net of investor discounts and issuance costs.

We primarily used the net proceeds from the offering of the 2024 Eurobonds to fund a portion of the purchase price of the Axonics acquisition and to pay related fees and expenses, and for general corporate purposes. We also used the net proceeds to fund the repayment at maturity of our 3.450% Senior Notes due March 2024 and to pay accrued and unpaid interest with respect to such notes.

In March 2022, AMS Europe completed a registered public offering of €3.000 billion in aggregate principal amount of euro-dominated senior notes comprised of €1.000 billion of 0.750% Senior Notes due 2025, €750 million of 1.375% Senior Notes due 2028, €750 million of 1.625% Senior Notes due 2031 and €500 million of 1.875% Senior Notes due 2034 (collectively, the 2022 Eurobonds). Boston Scientific has fully and unconditionally guaranteed all of AMS Europe's obligations under the 2022 Eurobonds, and no other subsidiary of Boston Scientific will guarantee these obligations. The Offering resulted in cash proceeds of \$3.270 billion, net of investor discounts and issuance costs.

We used the net proceeds from the offering of the 2022 Eurobonds to fund the tender offer and early redemption of combined aggregate principal amount of \$3.275 billion of certain of our outstanding senior notes, as well as to pay accrued interest, tender premiums, fees and expenses. We recorded associated debt extinguishment net charges of \$194 million during the first quarter of 2022 presented in *Interest expense* within our consolidated statements of operations.

Other Arrangements

We have accounts receivable factoring programs in certain European countries and with commercial banks in China and Japan which include promissory notes discounting programs. We account for our factoring programs as sales under FASB ASC Topic 860. We have no retained interest in the transferred receivables, other than collection and administration, and once sold, the accounts receivable are no longer available to satisfy creditors in the event of bankruptcy. Amounts de-recognized for accounts and notes receivable, which are excluded from *Trade accounts receivable, net* in our accompanying consolidated balance sheets, are aggregated by contract denominated currency below (in millions):

Factoring Arrangements	As of December 31, 2024		As of December 31, 2023	
	Amount De-recognized	Weighted Average Interest Rate	Amount De-recognized	Weighted Average Interest Rate
Euro denominated	\$ 176	5.3 %	\$ 206	5.1 %
Yen denominated	193	0.9 %	214	0.6 %
Renminbi denominated	26	2.0 %	14	2.9 %

Other Contractual Obligations and Commitments

We had outstanding letters of credit of \$206 million as of December 31, 2024 and \$174 million as of December 31, 2023, which consisted primarily of bank guarantees and collateral for workers' compensation insurance arrangements. As of December 31, 2024 and December 31, 2023, we had not recognized a related liability for our outstanding letters of credit in our consolidated balance sheets.

As of December 31, 2024, future minimum purchase obligations, relating primarily to non-cancellable inventory commitments and capital expenditures entered in the normal course of business, were (in millions):

Fiscal Year	Unrecorded Purchase Obligations
2025	\$ 881
2026	220
2027	125
2028	108
2029	21
Thereafter	159
	\$ 1,514

We have a supplier financing program offered primarily in the U.S. that enables our suppliers to opt to receive early payment at a nominal discount, while allowing us to lengthen our payment terms and optimize working capital. Our standard payment term in the U.S. is 90 days. All outstanding payables related to the supplier finance program are classified within *Accounts Payable* within our consolidated balance sheets and were \$140 million as of December 31, 2024 and \$152 million as of December 31, 2023.

The following is a roll forward of outstanding payables related to our supplier finance program:

(in millions)

Balance as of December 31, 2023	\$ 152
Additions	664
Settlements	(677)
Balance as of December 31, 2024	\$ 140

NOTE F – LEASES

We have operating and finance leases for real estate including corporate offices, land, warehouse space, and vehicles and certain equipment. Leases with an initial term of 12 months or less are generally not recorded on the balance sheet, unless the arrangement includes an option to purchase the underlying asset, or an option to renew the arrangement, that we are reasonably certain to exercise (short-term leases). We recognize lease expense on a straight-line basis over the lease term for short-term leases that we do not record on our balance sheet. If there is a change in our assessment of the lease term and, as a result, the remaining lease term extends more than 12 months from the end of the previously determined lease term, or we subsequently become reasonably certain that we will exercise an option to purchase the underlying asset, the lease no longer meets the definition of a short-term lease and is accounted for as either an operating or finance lease and recognized on the balance sheet. In accordance with FASB ASC Topic 842, we account for the lease components and the non-lease components as a single lease component, with the exception of our warehouse leases. Our leases have remaining lease terms of less than 1 year to approximately 52 years, some of which may include options to extend the leases for up to 10 years. If we are reasonably certain we will exercise an option to extend the lease, the time period covered by the extension option is included in the lease term.

We determine whether an arrangement is or contains a lease based on the unique facts and circumstances present at the inception of the arrangement. Operating lease liabilities and their corresponding right-of-use assets are recorded based on the present value of lease payments over the expected lease term. The interest rate implicit in lease contracts is typically not readily determinable. As such, we utilize the appropriate incremental borrowing rate, which is the rate incurred to borrow on a collateralized basis over a similar term at an amount equal to the lease payments in a similar economic environment. Certain adjustments to the right-of-use asset may be required for items such as initial direct costs paid or incentives received.

Our operating lease right-of-use assets are presented within *Other long-term assets* and corresponding liabilities are presented within *Other current liabilities* and *Other long-term liabilities* on our consolidated balance sheets. In December 2024, a previously executed lease for additional office and warehouse space with a noncancellable lease term of 25 years commenced, resulting in the recognition of a \$122 million finance lease right-of-use asset, recorded in *Property, plant, and equipment, net*, in our consolidated balance sheets, as well as a corresponding current finance lease liability of less than \$1 million, and noncurrent finance lease liability of \$123 million, recorded in *Current debt obligations* and *Long-term debt*, respectively, in our consolidated balance sheets. The discount rate used to calculate the initial right-of-use asset and corresponding liability was 4.8%. Refer to *Note E – Contractual Obligations and Commitments* for information regarding our finance leases.

The following table presents supplemental balance sheet information related to our operating leases:

(in millions)	As of December 31,	
	2024	2023
Assets		
Operating lease right-of-use assets in <i>Other long-term assets</i>	\$ 449	\$ 439
Liabilities		
Operating lease liabilities in <i>Other current liabilities</i>	81	76
Operating lease liabilities in <i>Other long-term liabilities</i>	401	390

The following table presents the weighted average remaining lease term and discount rate information related to our operating leases:

	As of December 31,	
	2024	2023
Weighted average remaining lease term	9 years	9 years
Weighted average discount rate	3.9%	4.5%

Our operating lease cost under FASB ASC Topic 842 was \$98 million in 2024, \$96 million in 2023 and \$91 million in 2022.

The following table presents supplemental cash flow information related to our operating leases:

(in millions)	Year Ended December 31,	
	2024	2023
Cash paid for amounts included in the measurement of operating lease liabilities		
Operating cash flows from operating leases	\$ 97	\$ 93

Right-of-use assets obtained in exchange for operating lease obligations were \$117 million and \$123 million for the years ended December 31, 2024 and 2023, respectively.

The following table presents the maturities of our operating lease liabilities as of December 31, 2024 (in millions):

Fiscal year	Operating Leases ⁽¹⁾
2025	\$ 94
2026	84
2027	64
2028	52
2029	43
Thereafter	227
Total future minimum operating lease payments	564
Less: imputed interest	82
Present value of operating lease liabilities	\$ 482

⁽¹⁾ Excludes expected lease payments for lease terms that have not yet commenced.

NOTE G – SUPPLEMENTAL BALANCE SHEET INFORMATION

Components of selected captions in our accompanying consolidated balance sheets are as follows:

Trade accounts receivable, net

(in millions)	As of December 31,	
	2024	2023
Trade accounts receivable	\$ 2,667	\$ 2,338
Allowance for credit losses	(109)	(110)
	\$ 2,558	\$ 2,228

The following is a roll forward of our *Allowance for credit losses*:

(in millions)	Year Ended December 31,		
	2024	2023	2022
Beginning balance	\$ 110	\$ 109	\$ 108
Credit loss expense	41	50	35
Write-offs	(43)	(48)	(35)
Ending balance	\$ 109	\$ 110	\$ 109

Inventories

<i>(in millions)</i>	As of December 31,	
	2024	2023
Finished goods	\$ 1,798	\$ 1,537
Work-in-process	193	174
Raw materials	819	773
	\$ 2,810	\$ 2,484

Approximately 22 percent of our finished goods inventory as of December 31, 2024 and 2023 was at customer locations pursuant to consignment arrangements or held by sales representatives.

Other current assets

<i>(in millions)</i>	As of December 31,	
	2024	2023
Restricted cash and restricted cash equivalents	\$ 111	\$ 130
Derivative assets	305	159
Other	414	332
	\$ 831	\$ 621

Property, plant and equipment, net

<i>(in millions)</i>	As of December 31,	
	2024	2023
Land	\$ 144	\$ 140
Buildings and improvements	2,019	1,843
Equipment, furniture and fixtures	3,630	3,503
Capital in progress	1,035	857
	6,827	6,343
Less: accumulated depreciation	3,533	3,484
	\$ 3,294	\$ 2,859

Depreciation expense was \$412 million in 2024, \$367 million in 2023 and \$333 million in 2022.

Other long-term assets

<i>(in millions)</i>	As of December 31,	
	2024	2023
Restricted cash equivalents	\$ 80	\$ 60
Operating lease right-of-use assets	449	439
Derivative assets	79	107
Investments	555	413
Indemnification asset	188	176
Other	402	336
	\$ 1,754	\$ 1,531

Accrued expenses

<i>(in millions)</i>	As of December 31,	
	2024	2023
Legal reserves	\$ 177	\$ 206
Payroll and related liabilities	1,288	1,051
Rebates	494	389
Contingent consideration	63	304
Other	751	696
	<u>\$ 2,773</u>	<u>\$ 2,646</u>

Other current liabilities

<i>(in millions)</i>	As of December 31,	
	2024	2023
Deferred revenue	\$ 306	\$ 266
Taxes payable	268	220
Other	313	328
	<u>\$ 887</u>	<u>\$ 814</u>

Other long-term liabilities

<i>(in millions)</i>	As of December 31,	
	2024	2023
Accrued income taxes	\$ 357	\$ 470
Legal reserves	149	172
Contingent consideration	108	100
Operating lease liabilities	401	390
Deferred revenue	329	311
Other	527	525
	<u>\$ 1,870</u>	<u>\$ 1,967</u>

NOTE H – INCOME TAXES

Our *Income (loss) before income taxes* consisted of the following:

<i>(in millions)</i>	Year Ended December 31,		
	2024	2023	2022
Domestic	\$ (261)	\$ (394)	\$ (1,119)
Foreign	2,542	2,379	2,260
	<u>\$ 2,282</u>	<u>\$ 1,985</u>	<u>\$ 1,141</u>

The related expense (benefit) for income taxes consisted of the following:

(in millions)	Year Ended December 31,		
	2024	2023	2022
Current			
Federal	\$ 310	\$ 189	\$ 51
State	31	15	19
Foreign	184	116	381
	<u>526</u>	<u>320</u>	<u>451</u>
Deferred			
Federal	(131)	(82)	(92)
State	(52)	(22)	(32)
Foreign	92	176	117
	<u>(90)</u>	<u>73</u>	<u>(7)</u>
	<u><u>\$ 436</u></u>	<u><u>\$ 393</u></u>	<u><u>\$ 443</u></u>

The reconciliation of income taxes at the federal statutory rate to the reported rate for income taxes is as follows:

	Year Ended December 31,		
	2024	2023	2022
U.S. federal statutory income tax rate	21.0 %	21.0 %	21.0 %
State income taxes, net of federal benefit	0.1 %	0.7 %	0.7 %
Domestic taxes on foreign earnings	9.2 %	6.9 %	15.3 %
Effect of foreign taxes	(12.2) %	(15.3) %	(3.8) %
Acquisition-related	1.5 %	2.2 %	4.4 %
Research credit	(3.1) %	(2.9) %	(4.5) %
Valuation allowance	0.4 %	7.5 %	(1.3) %
Compensation-related	(0.1) %	0.5 %	0.6 %
Non-deductible expenses	0.6 %	0.4 %	0.4 %
Uncertain tax positions	1.3 %	(0.5) %	7.7 %
Return to provision	0.5 %	(0.1) %	(2.1) %
Change in tax rates	0.1 %	(0.6) %	(0.2) %
Other, net	(0.2) %	0.0 %	0.7 %
Reported tax rate	<u><u>19.1 %</u></u>	<u><u>19.8 %</u></u>	<u><u>38.9 %</u></u>

Significant components of our deferred tax assets and liabilities are as follows:

(in millions)	As of December 31,	
	2024	2023
Deferred Tax Assets:		
Inventory costs and related reserves	\$ 15	\$ 30
Tax benefit of net operating losses and credits	774	744
Reserves and accruals	320	305
Restructuring-related charges	12	14
Litigation and product liability reserves	79	88
Investment write-down	73	58
Compensation related	186	154
Federal benefit of uncertain tax positions	25	11
Intangible assets	3,059	3,394
Capitalized R&D	329	232
Operating lease liabilities	117	—
	4,990	5,029
Less: valuation allowance	(1,268)	(1,220)
	3,722	3,809
Deferred Tax Liabilities:		
Property, plant and equipment	29	24
Unrealized gains and losses on derivative financial instruments	81	66
Operating right-of-use asset	111	—
Other	1	12
	222	102
Net Deferred Tax Assets	3,500	3,707
Prepaid on intercompany profit	307	315
Net Deferred Tax Assets and Prepaid on Intercompany Profit	\$ 3,807	\$ 4,022

Our deferred tax assets, deferred tax liabilities and prepaid on intercompany profit are included in the following locations within our accompanying consolidated balance sheets (in millions):

Component	Location on Consolidated Balance Sheets	As of December 31,	
		2024	2023
Prepaid on intercompany profit	Prepaid income taxes	\$ 307	\$ 315
Non-current deferred tax asset	Deferred tax assets	3,655	3,841
Deferred Tax Assets and Prepaid on Intercompany Profit		3,962	4,157
Non-current deferred tax liability	Deferred tax liabilities	155	134
Deferred Tax Liabilities		155	134
Net Deferred Tax Assets and Prepaid on Intercompany Profit		\$ 3,807	\$ 4,022

As of December 31, 2024 and 2023, we had U.S. federal and state tax net operating loss carryforwards and tax credits, the tax effect of which was \$558 million and \$540 million, respectively. In addition, we had foreign tax net operating loss carryforwards and tax credits, the tax effect of which was \$216 million as of December 31, 2024, and \$203 million as of December 31, 2023. These tax attributes expire periodically beginning in 2025.

After consideration of all positive and negative evidence, we believe that it is more likely than not that a portion of our deferred tax assets will not be realized. As a result, we recorded a valuation allowance of \$1.268 billion as of December 31, 2024, and \$1.220 billion as of December 31, 2023. The increase in the valuation allowance as of December 31, 2024, compared to

December 31, 2023, is primarily due to maintaining valuation allowances on certain foreign deferred tax assets which increased during the year and acquisition of deferred tax assets which required a valuation allowance, offset by release of valuation allowances on certain U.S. state net operating losses. The income tax impact of the unrealized gain or loss component of other comprehensive income and stockholders' equity was a charge of \$30 million in 2024, a benefit of \$39 million in 2023 and a charge of \$56 million in 2022.

We obtain tax incentive rates through the Free Trade Zone Regime offered in Costa Rica which allows 100 percent exemption from income tax in the first eight years of operations, which will expire in 2027, and 50 percent exemption in the following four years, which will expire in 2031. This tax incentive resulted in income tax savings of \$316 million, \$212 million and \$162 million in 2024, 2023 and 2022, respectively, and impacted *Net income (loss) per common share - diluted* by \$0.21, \$0.15 and \$0.11 for 2024, 2023 and 2022, respectively. We also benefit from tax rate incentives in Puerto Rico through a Grant of Industrial Tax Exemption which will expire in 2034, with an option to extend for an additional 15 years. This incentive resulted in income tax savings of \$10 million, \$16 million and \$21 million in 2024, 2023 and 2022, respectively, and impacted *Net income (loss) per common share - diluted* by \$0.01, \$0.01 and \$0.02 in 2024, 2023 and 2022, respectively. Additionally, we benefit from tax incentive rates in Malaysia through the Principal Hub Incentive which allows a 100 percent exemption from income tax, and the Pioneer Business Exemption which allows a full tax exemption on manufacturing of specific medical device products, both of which have an option to renew for additional five-year terms and will expire in 2028 and 2029, respectively. These incentives have resulted in income tax savings of \$27 million, \$20 million and \$17 million in 2024, 2023 and 2022, respectively and impacted *Net income (loss) per common share - diluted* by \$0.02, \$0.01 and \$0.01 in 2024, 2023 and 2022, respectively. Lastly, the Company benefits from tax rate incentives on certain taxable profits in China through a High and New Technology Enterprise Regime, which will expire in 2026 with the option to renew every three years. This incentive resulted in income tax savings of less than \$1 million and \$6 million in 2024 and 2023, respectively, and was not applicable during 2022. The impact on *Net income (loss) per common share - diluted* was de minimis for both 2024 and 2023.

As of December 31, 2024, we had \$506 million of gross unrecognized tax benefits, of which a net \$423 million, if recognized, would affect our effective tax rate. As of December 31, 2023, we had \$467 million of gross unrecognized tax benefits, of which a net \$395 million, if recognized, would affect our effective tax rate. As of December 31, 2022, we had \$492 million of gross unrecognized tax benefits, of which a net \$410 million, if recognized, would affect our effective tax rate. A reconciliation of the beginning and ending amount of unrecognized tax benefits is as follows:

(in millions)	Year Ended December 31,		
	2024	2023	2022
Beginning Balance	\$ 467	\$ 492	\$ 255
Additions based on positions related to the current year	58	65	88
Additions based on positions related to prior years	20	67	177
Reductions for tax positions of prior years	(20)	(114)	(20)
Settlements with taxing authorities	—	(14)	(1)
Statute of limitation expirations	(18)	(29)	(8)
Ending Balance	\$ 506	\$ 467	\$ 492

We are subject to U.S. federal income tax as well as income tax of multiple state and foreign jurisdictions. We have concluded all U.S. federal income tax matters and substantially all material state and local income tax matters through 2018. We have concluded substantially all foreign income tax matters through 2015.

In 2023, we received notification from the IRS that the examination of our 2017 and 2018 tax years was resolved. Due to the resolution of these tax years, we recorded a net tax benefit of \$44 million to release the reserves related to these years. We paid tax of \$16 million to the IRS reflecting the net balance of amounts due for the tax period including an increase to past transition tax installment payments for periods prior to 2023 and interest. The subsequent transition tax payment made in 2024 was increased to reflect the final audit settlement, as will the final remaining payment in 2025.

We recognize interest and penalties related to income taxes as a component of income tax expense. We had \$78 million accrued for gross interest and penalties as of December 31, 2024, \$70 million as of December 31, 2023, and \$77 million as of December 31, 2022. Net tax expense related to interest and penalties was immaterial in 2024, 2023 and 2022.

It is reasonably possible that within the next 12 months we will resolve multiple issues with foreign, federal and state taxing authorities, resulting in a reduction in our balance of unrecognized tax benefits of up to \$26 million.

The remaining balance of the one-time transition tax on post-1986 earnings and profits that was previously deferred from U.S. income taxes is \$147 million as of December 31, 2024. The eighth and final payment will be paid by April 15, 2025.

As of December 31, 2024, we have not recorded a tax provision on approximately \$20 billion of unremitted earnings of our international subsidiaries as these earnings are intended to be indefinitely reinvested overseas. We regularly review our plans for reinvestment or repatriation of unremitted foreign earnings and any future change in our plans would require us to provide for the net tax impacts of these amounts. Determining the amount of unrecognized deferred income tax related to our undistributed accumulated foreign earnings and additional outside basis differences is not practicable.

NOTE I – COMMITMENTS AND CONTINGENCIES

The medical device market in which we participate is largely technology driven. As a result, intellectual property rights, particularly patents and trade secrets, play a significant role in product development and differentiation. Over the years, there has been litigation initiated against us by others, including our competitors, claiming that our current or former product offerings infringe patents owned or licensed by them. Intellectual property litigation is inherently complex and unpredictable. In addition, competing parties frequently file multiple suits to leverage patent portfolios across product lines, technologies and geographies and to balance risk and exposure between the parties. In some cases, several competitors are parties in the same proceeding, or in a series of related proceedings, or litigate multiple features of a single class of devices. These dynamics frequently drive settlement not only for individual cases, but also for a series of pending and potentially related and unrelated cases. Although monetary and injunctive relief is typically sought, remedies and restitution are generally not determined until the conclusion of the trial court proceedings and can be modified on appeal. Accordingly, the outcomes of individual cases are difficult to time, predict or quantify and are often dependent upon the outcomes of other cases in other geographies.

During recent years, we successfully negotiated closure of several long-standing legal matters and have received favorable rulings in several other matters; however, there continues to be outstanding litigation. Adverse outcomes in one or more of these matters could have a material adverse effect on our ability to sell certain products and on our operating margins, financial position, results of operations and/or liquidity.

In addition, product liability, securities and commercial claims have been asserted against us and similar claims may be asserted against us in the future related to events not known to management at the present time. We maintain an insurance policy providing limited coverage against securities claims and we are substantially self-insured with respect to product liability claims and fully self-insured with respect to intellectual property infringement claims. The absence of significant third-party insurance coverage increases our potential exposure to unanticipated claims or adverse decisions. Product liability claims, securities and commercial litigation and other legal proceedings in the future, regardless of their outcome, could have a material adverse effect on our ability to sell certain products and on our operating margins, financial position, results of operations and/or liquidity.

In addition, like other companies in the medical device industry, we are subject to extensive regulation by national, state and local government agencies in the U.S. and other countries in which we operate. From time to time we are the subject of qui tam actions and governmental investigations often involving regulatory, marketing and other business practices. These qui tam actions and governmental investigations could result in the commencement of civil and criminal proceedings, substantial fines, penalties and administrative remedies and have a material adverse effect on our financial position, results of operations and/or liquidity.

In accordance with FASB ASC Topic 450, *Contingencies*, we accrue anticipated costs of settlement, damages, losses for product liability claims and, under certain conditions, costs of defense, based on historical experience or to the extent specific losses are probable and estimable. Otherwise, we expense these costs as incurred. If the estimate of a probable loss is a range and no amount within the range is more likely, we accrue the minimum amount of the range.

Our accrual for legal matters that are probable and estimable was \$326 million as of December 31, 2024, and \$377 million as of December 31, 2023, and includes certain estimated costs of settlement, damages and defense primarily related to product liability cases or claims and matters assumed from acquired companies. We record certain legal and product liability charges, credits and costs of defense, which we consider to be unusual or infrequent and significant as *Litigation-related net charges (credits)* within our accompanying consolidated financial statements. We did not record any litigation-related net charges (credits) in 2024. We recorded litigation-related net credits of \$111 million in 2023 primarily related to the settlement of offensive patent litigation and net charges of \$173 million in 2022, primarily related to litigation associated with our transvaginal surgical mesh products, and other legal matters. All other legal and product liability charges, credits and costs are recorded within *Selling, general and administrative expenses* within our accompanying consolidated statements of operations.

We continue to assess certain litigation and claims to determine the amounts, if any, that management believes will be paid as a result of such claims and litigation and, therefore, additional losses may be accrued and paid in the future, which could materially adversely impact our operating results, cash flows and/or our ability to comply with our financial covenant required by our credit arrangements.

In management's opinion, we are not currently involved in any legal proceedings other than those specifically identified below, which, individually or in the aggregate, could have a material adverse effect on our financial condition, operations and/or cash flows. Unless included in our legal accrual or otherwise indicated below, a range of loss associated with any individual material legal proceeding cannot be reasonably estimated.

Patent Litigation

On November 20, 2017, The Board of Regents, University of Texas System and TissueGen. Inc. (collectively, UT), served a lawsuit against us in the Western District of Texas. The complaint against the Company alleges patent infringement of two U.S. patents owned by UT, relating to “Drug Releasing Biodegradable Fiber Implant” and “Drug Releasing Biodegradable Fiber for Delivery of Therapeutics,” and affects the manufacture, use and sale of our Synergy™ Stent System. UT primarily seeks a reasonable royalty. On March 12, 2018, the District Court for the Western District of Texas dismissed the action and transferred it to the United States District Court for the District of Delaware. On September 5, 2019, the Court of Appeals for the Federal Circuit affirmed the dismissal of the District Court for the Western District of Texas. In April 2020, the United States Supreme Court denied the UT’s Petition for Certiorari. UT proceeded with its case against the Company in Delaware. In January 2023, a jury trial was held on the issue of whether the one UT patent still asserted in the case was valid and whether it was infringed by the Company. On January 31, 2023, a jury concluded that UT’s patent was valid and willfully infringed by the Company, and awarded UT \$42 million in damages. Following the trial, UT filed a motion seeking prejudgment interest and enhanced damages. The Company filed a motion seeking judgment as a matter of law in its favor or alternatively a new trial. On June 5, 2024, the Court granted the Company’s motion for judgment as a matter of law of no willful infringement, but otherwise denied the Company’s motions. The Court also denied UT’s motion for enhanced damages, awarded approximately \$7 million in pre-judgment interest, and awarded post-judgment interest. On July 3, 2024, UT and the Company each filed a notice of appeal.

Upon the Company’s acquisition of Axonics on November 15, 2024, the Company assumed responsibility for all litigation pending against Axonics. Such matters included complaints filed by Medtronic, Inc., Medtronic Puerto Rico Operations Co., Medtronic Logistics LLC and Medtronic USA, Inc. (the Medtronic Parties) that asserted that aspects of Axonics’ sacral neuromodulation systems infringed patents held by the Medtronic Parties. In December 2024, the Company entered into a confidential settlement agreement that resolved all pending litigation between Axonics and the Medtronic Parties in the federal district courts, the federal appellate courts, the Patent, Trial, and Appeal Board, and the International Trade Commission.

On September 18, 2023, Axonics commenced an arbitration dispute against the Al Mann Foundation (AMF), in response to which AMF asserted multiple claims against Axonics. This arbitration will resolve, among other things, whether AMF terminated its licensing agreement with Axonics related to Axonics’ rechargeable sacral neuromodulation systems, and whether Axonics owes royalties to AMF for such products. This dispute is scheduled for an arbitration hearing in June 2025.

Product Liability Litigation

Multiple product liability cases or claims related to transvaginal surgical mesh products designed to treat stress urinary incontinence and pelvic organ prolapse have been asserted against us, predominantly in the United States, Canada, the United Kingdom, Scotland, Ireland, and Australia. Plaintiffs generally seek monetary damages based on allegations of personal injury associated with the use of our transvaginal surgical mesh products, including design and manufacturing claims, failure to warn, breach of warranty, fraud, violations of state consumer protection laws and loss of consortium claims. We have entered into individual and master settlement agreements or are in the final stages of entering agreements with certain plaintiffs' counsel, to resolve the majority of these cases and claims. All settlement agreements were entered into solely by way of compromise and without any admission or concession by us of any liability or wrongdoing. In addition, in April 2021 the Company's Board of Directors received a shareholder demand under section 220 of the Delaware General Corporation Law, for inspection of books and records related to mesh settlements. The Company has notified our insurer and retained counsel to respond to the demand.

We have established a product liability accrual for remaining claims asserted against us associated with our transvaginal surgical mesh products and the costs of defense thereof. We continue to engage in discussions with plaintiffs’ counsel regarding potential resolution of pending cases and claims, which we continue to vigorously contest. The final resolution of the cases and claims is uncertain and could have a material impact on our results of operations, financial condition and/or liquidity. Trials involving our transvaginal surgical mesh products have resulted in both favorable and unfavorable judgments for us. We do not

believe that the judgment in any one trial is representative of potential outcomes of all cases or claims related to our transvaginal surgical mesh products.

Governmental Investigations and Qui Tam Matters

Like many healthcare companies, the Company receives inquiries and has ongoing discussions with governmental agencies with respect to the Company's operations, such as the Securities and Exchange Commission (SEC), the Department of Justice (DOJ) and foreign regulators, including its operations in Vietnam with respect to alleged Foreign Corrupt Practices Act (FCPA) violations the Company received in March 2022. The Company has received related subpoenas for documents from the DOJ and the SEC with respect to the Vietnam matter, and is cooperating with the government while investigating these allegations. From time to time, the Company also self-discloses potential concerns to regulators. In the course of Vietnam-related discussions with the DOJ and SEC, the Company has disclosed that it is investigating other potential concerns in Vietnam and other countries.

From time to time, the Company also receives U.S.-based subpoenas and DOJ Civil Investigative Demands (CID), including the following matters: in April 2023, the Company received a DOJ subpoena that seeks documents and information related to its ambulatory electrocardiography monitoring business; in December 2023, the Company received a DOJ CID related to the provision of peripheral intervention services through office-based labs. The Company is cooperating with the DOJ in these matters.

Other Proceedings

On December 4, 2020, Enrique Jevons, individually and on behalf of all others similarly situated, filed a class action complaint against the Company, Michael F. Mahoney and Daniel J. Brennan, stemming from the recall and retirement of the LOTUS Edge™ Aortic Valve System (LOTUS System) in United States District Court for the Eastern District of New York. On December 14, 2020, the parties agreed to transfer the case to the United States District Court for the District of Massachusetts. On December 16, 2020, Mariano Errichiello, individually and on behalf of all others similarly situated, filed a second, materially similar class action complaint against the Company, Michael F. Mahoney, Joseph M. Fitzgerald, and Daniel J. Brennan in the United States District Court for the District of Massachusetts. Subsequently, on March 30, 2021, the Court consolidated the two actions, and appointed Union Asset Management Holding AG as the lead plaintiff. The plaintiffs filed an Amended Complaint in June 2021 that seeks unspecified compensatory damages in favor of the alleged class as well as unspecified equitable relief. The Company filed a Motion to Dismiss in July 2021, which, in December 2022, the Court granted in part and denied in part. On October 23, 2023, the Company reached an agreement in principle with the lead plaintiff to settle the case. The Court granted the motion for preliminary approval of the proposed settlement on December 27, 2023, and approved the settlement and dismissed the case on April 23, 2024.

On February 8, 2021, the Company received a letter from The Vladimir Gusinsky Revocable Trust, a shareholder, demanding that the Company's Board of Directors conduct an investigation into actions by the Company's directors and executive officers regarding statements made about the effectiveness and commercial viability of the LOTUS System. The Trust subsequently agreed to stay its demand, pending the outcome of any dispositive motion against the Amended Complaint in the class action complaint described above. The Company received letters on behalf of the Union Excavators Local 731 Pension Fund, Diane Nachbaur, and Frank Tripson, three stockholders of the Company, on July 26, 2021, July 29, 2021, and February 13, 2023, respectively, each demanding access to certain books and records of the Company, pursuant to Section 220 of the Delaware General Corporation Law, regarding the business, operations, effectiveness and commercial viability of the LOTUS system, and related items. On April 7, 2023, Diane Nachbaur filed a shareholder derivative complaint in the United States District Court for the District of Massachusetts against the Company, Michael F. Mahoney, Nelda J. Connors, Charles J. Dockendorff, Yoshiaki Fujimori, Donna A. James, Edward J. Ludwig, David Roux, John E. Sununu, Ellen M. Zane, Joseph M. Fitzgerald, Daniel J. Brennan, Shawn McCarthy, Ian Meredith, Kevin Ballinger, and Susan Vissers Lisa. On May 8, 2023, the Court stayed the case until the conclusion of the consolidated class action case. On October 18, 2023, Frank Tripson filed a shareholder derivative complaint in the Court of Chancery of the State of Delaware against the Company, Michael F. Mahoney, Daniel J. Brennan, Joseph M. Fitzgerald, Shawn McCarthy, Kevin Ballinger, Ian Meredith, Susan Vissers Lisa, Nelda J. Connors, Charles J. Dockendorff, Yoshiaki Fujimori, Donna A. James, Edward J. Ludwig, Stephen P. MacMillan, David Roux, John E. Sununu, and Ellen M. Zane. On December 15, 2023, the Court stayed that case until March 31, 2024. On March 26, 2024, the Company reached an agreement in principle with all of the plaintiffs to resolve the matters. On January 8, 2025, the United States District Court for the District of Massachusetts issued an order granting preliminary approval to the proposed settlement. A court hearing regarding final approval of the proposed settlement has been scheduled for March 25, 2025.

NOTE J – STOCKHOLDERS' EQUITY

Preferred Stock

We are authorized to issue 50 million shares of preferred stock in one or more series and to fix the powers, designations, preferences and relative participating, option or other rights thereof, including dividend rights, conversion rights, voting rights, redemption terms, liquidation preferences and the number of shares constituting any series, without any further vote or action by our stockholders.

On May 27, 2020, we completed an offering of 10,062,500 shares of 5.50% Mandatory Convertible Preferred Stock, Series A (MCPS) at a price to the public and liquidation preference of \$100 per share. The net proceeds from the MCPS offering were approximately \$975 million after deducting underwriting discounts and commissions and offering expenses.

On June 1, 2023 (the Mandatory Conversion Date), all outstanding shares of MCPS automatically converted into shares of common stock. The conversion rate for each share of MCPS was 2.3834 shares of common stock. No action by the holders of the MCPS was required in connection with the mandatory conversion. Cash was paid in lieu of fractional shares in accordance with the terms of the MCPS. An aggregate of approximately 24 million shares of common stock, including shares of common stock issued to holders of MCPS that elected to convert prior to the Mandatory Conversion Date, were issued upon conversion of the MCPS. Following the mandatory conversion of the MCPS, there were no outstanding shares of MCPS.

Prior to the Mandatory Conversion Date in 2023, the Audit Committee of our Board of Directors, pursuant to authority delegated to such committee by our Board of Directors, declared, and we paid, cash dividends of \$28 million, or \$1.3750 per MCPS share to holders representing dividend periods through May 2023.

Common Stock

We are authorized to issue two billion shares of common stock, \$0.01 par value per share. Holders of common stock are entitled to one vote per share. Holders of common stock are entitled to receive dividends, if and when declared by our Board of Directors, and to share ratably in our assets legally available for distribution to our stockholders in the event of liquidation. Holders of common stock have no preemptive, subscription, redemption, or conversion rights. The holders of common stock do not have cumulative voting rights. The holders of a majority of the shares of common stock can elect all of the directors and can control our management and affairs. Prior to the Mandatory Conversion Date, holders of common stock were junior to holders of MCPS in terms of liquidation preference.

On December 14, 2020, our Board of Directors approved a stock repurchase program authorizing the repurchase of up to \$1.000 billion of our common stock. We did not repurchase any shares of our common stock during 2024 and had the full amount available under the authorization as of December 31, 2024.

There were approximately 263 million shares in treasury as of December 31, 2024 and 2023.

NOTE K – STOCK INCENTIVE AND PURCHASE PLANS

Employee and Director Stock Incentive Plans

In 2020, our Board of Directors and stockholders approved amendments to our 2011 Long-Term Incentive Plan effective October 1, 2020 (Amended and Restated 2011 LTIP), authorizing for issuance up to 171 million shares of our common stock. The Amended and Restated 2011 LTIP covers officers, directors, employees and consultants and provides for the grant of restricted or unrestricted common stock, restricted stock units (RSUs), options to acquire our common stock, stock appreciation rights, performance awards (market-based and performance-based RSUs) and other stock and non-stock awards. Shares reserved under our current and former stock incentive plans totaled approximately 139 million as of December 31, 2024. The Executive Compensation and Human Resources Committee (the Committee) of the Board of Directors, consisting of independent, non-employee directors, may authorize the issuance of common stock and cash awards under the Amended and Restated 2011 LTIP in recognition of the achievement of long-term performance objectives established by the Committee.

Non-qualified options issued to employees are generally granted with an exercise price equal to the market price of our stock on the grant date, vest over a three or four-year service period and have a ten-year contractual life. In the case of qualified options, if the recipient owns more than ten percent of the voting power of all classes of stock, the option granted will be at an exercise price of 110 percent of the fair market value of our common stock on the date of grant and will expire over a period not to exceed five years. Non-vested stock awards, including restricted stock awards (RSAs) and RSUs issued to employees are generally granted with an exercise price of zero and typically vest in four equal annual installments. These awards represent our commitment to issue shares to recipients after the vesting period. Upon each vesting date, such awards are no longer subject to risk of forfeiture and we issue shares of our common stock to the recipient.

The following presents the impact of stock-based compensation on our consolidated statements of operations:

<i>(in millions, except per share data)</i>	Year Ended December 31,					
	2024		2023		2022	
Cost of products sold	\$	14	\$	12	\$	12
Selling, general and administrative expenses		206		179		167
Research and development expenses		46		42		41
		266		233		220
Income tax (benefit) expense		(39)		(35)		(32)
	\$	227	\$	198	\$	188
Net impact per common share - basic	\$	0.15	\$	0.14	\$	0.13
Net impact per common share - assuming dilution	\$	0.15	\$	0.14	\$	0.13

Stock Options

We use the Black-Scholes option-pricing model to calculate the grant-date fair value of stock options granted to employees under our stock incentive plans. We calculated the fair value for options granted using the following estimated weighted-average assumptions:

	Year Ended December 31,					
	2024		2023		2022	
Options granted <i>(in thousands)</i>		2,443		2,934		3,287
Weighted-average exercise price	\$	65.00	\$	47.43	\$	44.02
Weighted-average grant-date fair value	\$	23.30	\$	16.83	\$	13.64
Black-Scholes Assumptions						
Expected volatility		24 %		26 %		28 %
Expected term <i>(in years, weighted)</i>		6.3		6.3		6.1
Risk-free interest rate	4.16%	- 4.20%	3.62%	- 4.75%	1.42%	- 3.87%

Expected Volatility

We use our historical volatility and implied volatility as a basis to estimate expected volatility in our valuation of stock options.

Expected Term

We estimate the expected term of options using historical exercise and forfeiture data. We believe that this historical data provides the best estimate of the expected term of new option grants.

Risk-Free Interest Rate

We use yield rates on U.S. Treasury securities for a period approximating the expected term of the award to estimate the risk-free interest rate in our grant-date fair value assessment.

Expected Dividend Yield

We have not historically paid cash dividends on our common stock and currently we do not intend to pay cash dividends on our common stock. Therefore, we have assumed an expected dividend yield of zero in our grant-date fair value assessment.

Information related to stock options under stock incentive plans are as follows:

	Stock Options (in thousands)	Weighted Average Exercise Price	Weighted Average Remaining Contractual Life (in years)	Aggregate Intrinsic Value (in millions)
Outstanding as of December 31, 2021	21,448	\$ 29		
Granted	3,287	44		
Exercised	(2,745)	17		
Cancelled/forfeited	(502)	34		
Outstanding as of December 31, 2022	21,489	\$ 32		
Granted	2,934	47		
Exercised	(3,325)	25		
Cancelled/forfeited	(249)	44		
Outstanding as of December 31, 2023	20,850	\$ 36		
Granted	2,443	65		
Exercised	(3,866)	28		
Cancelled/forfeited	(243)	50		
Outstanding as of December 31, 2024	19,183	\$ 41	5.7	\$ 931
Exercisable as of December 31, 2024	12,660	35	4.5	688
Expected to vest as of December 31, 2024	6,313	52	8.1	236
Total vested and expected to vest as of December 31, 2024	18,972	\$ 41	5.7	\$ 924

The total intrinsic value of stock options exercised was \$184 million in 2024, \$89 million in 2023 and \$72 million in 2022.

Non-Vested Stock

We value RSAs and RSUs based on the closing trading value of our shares on the date of grant. Information related to non-vested stock awards is as follows:

	Non-Vested Stock Award Units (in thousands)	Weighted Average Grant-Date Fair Value
Balance as of December 31, 2021	9,745	\$ 37
Granted	3,854	45
Vested ⁽¹⁾	(3,482)	36
Forfeited	(680)	44
Balance as of December 31, 2022	9,438	\$ 41
Granted	3,958	49
Vested ⁽¹⁾	(3,624)	39
Forfeited	(485)	44
Balance as of December 31, 2023	9,287	\$ 45
Granted	3,322	66
Vested(1)	(3,717)	43
Forfeited	(349)	50
Balance as of December 31, 2024	8,544	\$ 54

⁽¹⁾ The number of shares vested includes shares withheld on behalf of employees to satisfy statutory tax withholding requirements.

The total vesting date fair value of shares that vested was approximately \$248 million in 2024, \$171 million in 2023 and \$150 million in 2022.

Market-based RSU Awards

During 2024, 2023 and 2022 we granted market-based RSU awards to certain members of our senior management team. The number of shares ultimately issued to the recipient is based on the total stockholder return (TSR) of our common stock as compared to the TSR of the common stock of the other companies in the S&P 500 Health Care Index over a three-year period. The number of RSUs ultimately granted under this program range from 0 percent to 200 percent of the target number awarded to the participant as determined by achievement of the TSR criteria of the program. In addition, in general, award recipients must remain employed by us throughout the three-year period to attain the full amount of the market-based RSUs that satisfied the market performance criteria.

The aggregate fair value of these awards as determined based on Monte Carlo simulations as of the respective grant dates, and the related assumptions used in the valuations, are as follows:

	2024 Awards	2023 Awards	2022 Awards
Fair value (in millions)	\$ 16	\$ 13	\$ 12
Stock price on date of grant	\$ 64.99	\$ 47.28	\$ 44.19
Measurement period (in years)	2.9	2.9	2.9
Risk-free rate	4.23 %	4.31 %	1.71 %

We recognize the expense on these awards in our consolidated statements of operations on a straight-line basis over the three-year measurement period.

Organic Net Sales Growth and Free Cash Flow Performance-based RSU Awards

During 2024 and 2023, we granted organic net sales growth (ONSG) performance-based RSU awards to certain members of our senior management team. The attainment of these performance-based RSUs is based on our organic net sales growth over a three-year performance period against a target set by the Committee. The number of RSUs ultimately granted under this program range from 0 percent to 200 percent of the target number of performance-based RSUs awarded to the participant as determined by achievement of the performance criteria of the program.

During 2022, we granted free-cash flow performance-based RSU awards to certain members of our senior management team. The attainment of these performance-based RSUs is based on our adjusted free cash flow (AFCF) measured against our goal set by the Committee, based on our internal annual financial plan performance for AFCF. AFCF was measured over a one-year performance period beginning January 1, 2022 and ending December 31, 2022. The number of RSUs ultimately granted under this program range from 0 percent to 150 percent of the target number of performance-based RSUs awarded to the participant as determined by achievement of the performance criteria of the program. In addition, in general, award recipients must remain employed by us throughout a three-year service period (inclusive of the one-year performance period) to attain the full amount of the performance-based RSUs that satisfied the performance criteria.

The following table presents our assumptions used in determining the fair value of our ONGS and AFCF awards currently expected to vest as of December 31, 2024:

	2024 ONGS	2023 ONGS	2022 AFCF
Fair value, net of forfeitures to date (in millions)	\$ 22	\$ 20	\$ 7
Achievement of target payout ⁽¹⁾	200 %	200 %	88 %
Stock price used in determining fair value	\$ 64.99	\$ 47.28	\$ 46.27

⁽¹⁾ Company's estimate of target payout as of December 31, 2024.

We recognize the expense on these awards in our consolidated statements of operations over the vesting period which is three years after the date of grant.

Expense Attribution

We recognize compensation expense for our stock incentive plan using a straight-line method over the substantive vesting period. Most of our stock awards provide for immediate vesting upon death or disability of the participant. In addition, our stock grants to employees provide for accelerated vesting of our stock-based awards, other than performance-based and market-based awards, upon retirement, if the stock award has been held for at least one year by the recipient. In accordance with the terms of our stock grants, for employees who will become retirement eligible prior to the vest date we expense stock-based awards, other than performance-based and market-based awards, over the greater of one year or the period between grant date and retirement-eligibility. The performance-based and market-based awards discussed above do not contain provisions that would accelerate the full vesting of the awards upon retirement-eligibility.

We recognize stock-based compensation expense for the value of the portion of awards that are ultimately expected to vest. FASB ASC Topic 718, *Compensation – Stock Compensation* allows forfeitures to be estimated at the time of grant and revised, if necessary, in subsequent periods if actual forfeitures differ from those estimates. The term “forfeitures” is distinct from “cancellations” or “expirations” and represents only the unvested portion of the surrendered stock-based award. We have applied, based on an analysis of our historical forfeitures, a weighted-average annual forfeiture rate of approximately five percent to all unvested stock-based awards as of December 31, 2024, which represents the portion that we expect will be forfeited each year over the vesting period. We re-evaluate this analysis annually or more frequently if there are significant changes in circumstances and adjust the forfeiture rate as necessary. Ultimately, we will only recognize expense for those shares that vest.

Unrecognized Compensation Cost

We expect to recognize the following future expense for awards outstanding as of December 31, 2024:

	Unrecognized Compensation Cost (in millions) ⁽¹⁾	Weighted Average Remaining Vesting Period (in years)
Stock options	\$ 44	
Non-vested stock awards	227	
	<u>\$ 271</u>	<u>1.7</u>

⁽¹⁾ Amounts presented represent compensation cost, net of estimated forfeitures.

Employee Stock Purchase Plan

In May 2022, our stockholders approved an additional 10 million shares that may be issued under our global employee stock purchase plan. Our global employee stock purchase plan provides for the granting of options to purchase up to 60 million shares of our common stock to all eligible employees. Under the global employee stock purchase plan, we grant each eligible employee, at the beginning of each six-month offering period, an option to purchase shares of our common stock equal to not more than ten percent of the employee’s eligible compensation or the statutory limit under the U.S. Internal Revenue Code. Such options may be exercised only to the extent of accumulated payroll deductions at the end of the offering period, at a purchase price equal to 85 percent of the fair market value of our common stock at the beginning or end of each offering period, whichever is less. As of December 31, 2024, there were approximately 6 million shares available for future issuance under the employee stock purchase plan.

Information related to shares issued or to be issued in connection with the employee stock purchase plan based on employee contributions and the range of purchase prices is as follows:

	Year Ended December 31,							
	2024		2023		2022			
Shares issued or to be issued (in thousands)	2,409		2,623		2,850			
Range of purchase prices	\$ 49.16	-\$ 64.95	\$ 39.11	-\$ 45.51	\$ 31.68	-\$ 32.31		
Expense recognized (in millions)	\$ 34		\$ 29		\$ 28			

We use the Black-Scholes option-pricing model to calculate the grant-date fair value of shares issued under the employee stock purchase plan. We recognize expense related to shares purchased through the employee stock purchase plan ratably over the offering period.

NOTE L – WEIGHTED AVERAGE SHARES OUTSTANDING

(in millions)	Year Ended December 31,		
	2024	2023	2022
Weighted average shares outstanding - basic	1,471.5	1,453.0	1,430.5
Net effect of common stock equivalents	14.4	10.6	9.2
Weighted average shares outstanding - diluted	1,485.9	1,463.5	1,439.7

The following securities were excluded from the calculation of weighted average shares outstanding - diluted because their effect in the periods presented below would have been antidilutive:

(in millions)	Year Ended December 31,		
	2024	2023	2022
Stock options outstanding ⁽¹⁾	—	0	6
MCPS ⁽²⁾	—	10	24

⁽¹⁾ Represents stock options outstanding pursuant to our employee stock-based compensation plans with exercise prices that were greater than the average fair market value of our common stock for the related periods.

⁽²⁾ Represents common stock issuable upon the conversion of our MCPS. Refer to *Note J – Stockholders' Equity* for additional information.

We base *Net income (loss) per common share - diluted* upon the weighted-average number of common shares and common stock equivalents outstanding during each year. Potential common stock equivalents are determined using the treasury stock method. We exclude stock options, stock awards and, prior to the Mandatory Conversion Date, our MCPS, from the calculation if the effect would be anti-dilutive. The dilutive effect of MCPS is calculated using the if-converted method. The if-converted method assumes that these securities were converted to shares of common stock at the beginning of the reporting period to the extent that the effect is dilutive.

In 2023 and 2022, the effect of assuming the conversion of our MCPS into shares of common stock was anti-dilutive, and therefore excluded from the calculation of earnings per share (EPS). Accordingly, *Net income (loss)* was reduced by cumulative *Preferred stock dividends*, as presented in our consolidated statements of operations, for purposes of calculating *Net income (loss) attributable to Boston Scientific common stockholders*. On June 1, 2023, all outstanding shares of MCPS automatically converted into shares of common stock.

NOTE M – SEGMENT REPORTING

We aggregate our core businesses into two reportable segments: MedSurg and Cardiovascular, each of which generates revenues from the sale of medical devices. In accordance with FASB ASC Topic 280, *Segment Reporting*, we identified our reportable segments based on the nature of our products, production processes, type of customer, selling and distribution methods and regulatory environment, as well as the economic characteristics of each of our operating segments. Our chief operating decision maker (CODM) is our President and Chief Executive Officer.

We measure and evaluate our reportable segments based on their respective net sales, cost of goods sold, selling, general and administrative expenses, research and development expenses, operating income, excluding intersegment profits, and operating income as a percentage of net sales, all based on internally-derived standard currency exchange rates to exclude the impact of foreign currency, which may be updated from year to year. We exclude from segment expenses and segment operating income certain corporate-related expenses and certain transactions or adjustments that our CODM considers to be non-operational, such as amounts related to amortization expense, goodwill and other intangible asset impairment charges, acquisition/divestiture-related net charges (credits), restructuring and restructuring-related net charges (credits), certain litigation-related net charges (credits) and European Union (EU) Medical Device Regulation (MDR) implementation costs. Although we exclude these amounts from segment expenses and segment operating income, they are included in reported *Income (loss) before income taxes* within our consolidated statements of operations and are included in the reconciliation below. The CODM uses segment operating income in the budget and forecasting process and to monitor budget versus actual results, which are used in assessing the performance of the reportable segments and to allocate resources across our reportable segments. Refer to *Note N – Revenue* for net sales by reportable segment presented in accordance with GAAP.

A reconciliation of sales and operating income for the reportable segments to the applicable line items within our accompanying consolidated statements of operations is as follows (in millions, except percentages). Prior period amounts have been restated at constant currency to conform to the current year presentation.

Year Ended December 31, 2024					
	MedSurg	% of net sales	Cardiovascular	% of net sales	Total
Net sales of reportable segments	\$ 5,973		\$ 10,711		\$ 16,683
Impact of foreign currency fluctuations					64
Total net sales					16,747
Segment expenses:					
Cost of products sold	1,649	27.6 %	3,404	31.8 %	5,053
Selling, general and administrative expenses	1,801	30.2 %	3,166	29.6 %	4,967
Research and development expenses	462	7.7 %	975	9.1 %	1,437
Other segment items ⁽¹⁾	14	0.2 %	19	0.2 %	33
Segment operating income ⁽²⁾	2,046	34.3 %	3,147	29.4 %	5,193
Unallocated amounts:					
Corporate expenses, including hedging activities and impact of foreign currency fluctuations on operating income of reportable segments					(663)
Goodwill and other intangible asset impairment charges, acquisition/divestiture-related net charges (credits), restructuring and restructuring-related net charges (credits), certain litigation-related net charges (credits) and EU MDR implementation costs					(1,070)
Amortization expense					(856)
Operating income (loss)					2,603
Other income (expense), net					(321)
Income (loss) before income taxes					\$ 2,282

Year Ended December 31, 2023					
	MedSurg	% of net sales	Cardiovascular	% of net sales	Total
Net sales of reportable segments	\$ 5,378		\$ 8,714		\$ 14,091
Impact of foreign currency fluctuations					149
Total net sales					14,240
Segment expenses:					
Cost of products sold	1,470	27.3 %	2,805	32.2 %	4,276
Selling, general and administrative expenses	1,626	30.2 %	2,749	31.5 %	4,375
Research and development expenses	427	7.9 %	855	9.8 %	1,282
Other segment items ⁽¹⁾	20	0.4 %	23	0.3 %	43
Segment operating income ⁽²⁾	1,834	34.1 %	2,281	26.2 %	4,115
Unallocated amounts:					
Corporate expenses, including hedging activities and impact of foreign currency fluctuations on operating income of reportable segments					(377)
Goodwill and other intangible asset impairment charges, acquisition/divestiture-related net charges (credits), restructuring and restructuring-related net charges (credits), certain litigation-related net charges (credits) and EU MDR implementation costs					(567)
Amortization expense					(828)
Operating income (loss)					2,343
Other income (expense), net					(358)
Income (loss) before income taxes					\$ 1,985

Year Ended December 31, 2022					
	MedSurg	% of net sales	Cardiovascular	% of net sales	Total
Net sales of reportable segments	\$ 4,855		\$ 7,679		\$ 12,535
Other ⁽³⁾					(60)
Impact of foreign currency fluctuations					208
Total net sales					12,682
Segment expenses:					
Cost of products sold	1,401	28.9 %	2,637	34.3 %	4,038
Selling, general and administrative expenses	1,510	31.1 %	2,454	32.0 %	3,965
Research and development expenses	432	8.9 %	782	10.2 %	1,214
Other segment items ⁽¹⁾	23	0.5 %	22	0.3 %	45
Segment operating income ⁽²⁾	1,489	30.7 %	1,784	23.2 %	3,272
Unallocated amounts:					
Corporate expenses, including hedging activities and impact of foreign currency fluctuations on operating income of reportable segments					29
Goodwill and other intangible asset impairment charges, acquisition/divestiture-related net charges (credits), restructuring and restructuring-related net charges (credits), certain litigation-related net charges (credits) and EU MDR implementation costs					(789)
Amortization expense					(803)
Other ⁽³⁾					(60)
Operating income (loss)					1,649
Other income (expense), net					(508)
Income (loss) before income taxes					\$ 1,141

⁽¹⁾ Includes royalty expense.

⁽²⁾ Calculated as Net sales of reportable segments less Segment expenses.

⁽³⁾ In 2022, amounts reflect sales reserves established for Italian government payback provisions, which are being disputed in the Italian court system. These amounts were not allocated to our reportable segments or considered by our CODM for resource allocation and decision-making purposes.

Year Ended December 31,			
Depreciation expense (in millions)	2024	2023	2022
MedSurg	\$ 110	\$ 103	\$ 88
Cardiovascular	302	263	245
Consolidated depreciation expense	\$ 412	\$ 367	\$ 333

As of December 31,		
Total assets (in millions)	2024	2023
MedSurg	\$ 3,093	\$ 2,888
Cardiovascular	7,084	5,988
Total assets of reportable segments	10,177	8,876
Goodwill	17,089	14,387
Other intangible assets, net	6,684	6,003
All other corporate assets	5,446	5,869
	\$ 39,395	\$ 35,136

Long-lived assets <i>(in millions)</i>	As of December 31,	
	2024	2023
U.S.	\$ 1,461	\$ 1,300
Ireland	631	598
Costa Rica	530	373
Other countries	672	587
Property, plant and equipment, net	3,294	2,859
Goodwill	17,089	14,387
Other intangible assets, net	6,684	6,003
Operating lease right-of-use assets in <i>Other long-term assets</i>	449	439
	\$ 27,516	\$ 23,688

NOTE N – REVENUE

We generate revenue primarily from the sale of single-use medical devices and present revenue net of sales taxes within our consolidated statements of operations. Our business structure is organized into five operating segments. The following tables disaggregate our revenue from contracts with customers by business unit and geographic region (in millions). Generally, we allocate revenue from contracts with customers to geographic regions based on the location where the sale originated.

Businesses	Year Ended December 31,								
	2024			2023			2022		
	U.S.	Int'l	Total	U.S.	Int'l	Total	U.S.	Int'l	Total
Endoscopy	\$ 1,651	\$ 1,036	\$ 2,687	\$ 1,511	\$ 970	\$ 2,482	1,341	\$ 880	\$ 2,221
Urology	1,557	643	2,200	1,369	595	1,964	1,257	516	1,773
Neuromodulation	847	259	1,106	736	240	976	715	202	917
MedSurg	4,054	1,939	5,993	3,617	1,805	5,422	3,312	1,599	4,911
<i>Interventional Cardiology Therapies</i>	824	1,820	2,645	743	1,674	2,417	744	1,485	2,228
<i>Watchman</i>	1,371	145	1,516	1,155	119	1,274	915	103	1,019
<i>Cardiac Rhythm Management</i>	1,403	876	2,279	1,405	813	2,218	1,337	763	2,100
<i>Electrophysiology</i>	1,256	648	1,904	370	430	800	275	310	585
Cardiology	4,855	3,490	8,344	3,673	3,036	6,709	3,271	2,662	5,932
Peripheral Interventions	1,301	1,109	2,410	1,135	975	2,110	1,048	850	1,899
Cardiovascular	6,156	4,599	10,755	4,808	4,011	8,819	4,319	3,512	7,831
Other⁽¹⁾	—	—	—	—	—	—	—	—	(60)
Total Net Sales	\$ 10,210	\$ 6,538	\$ 16,747	\$ 8,425	\$ 5,816	\$ 14,240	\$ 7,632	\$ 5,111	\$ 12,682

⁽¹⁾ In 2022, amounts reflect sales reserves established for Italian government payback provisions, which are being disputed in the Italian court system. These amounts were not allocated to our reportable segments or considered by our CODM for resource allocation and decision-making purposes.

Refer to *Note M – Segment Reporting* for information on our reportable segments.

Geographic Regions	Year Ended December 31,		
	2024	2023	2022
U.S.	\$ 10,210	\$ 8,425	\$ 7,632
Europe, Middle East and Africa	3,228	2,856	2,526
Asia-Pacific	2,686	2,400	2,116
Latin America and Canada	624	560	469
Other ¹	—	—	(60)
Total Net Sales	\$ 16,747	\$ 14,240	\$ 12,682
Emerging Markets ⁽²⁾	\$ 2,680	\$ 2,310	\$ 1,968

⁽¹⁾ In 2022, amounts reflect sales reserves established for Italian government payback provisions, which are being disputed in the Italian court system. These amounts were not allocated to our reportable segments or considered by our CODM for resource allocation and decision-making purposes.

⁽²⁾ Periodically, we assess our list of Emerging Markets countries, and effective January 1, 2023, modified our list to include all countries except the United States, Western and Central Europe, Japan, Australia, New Zealand and Canada.

Deferred Revenue

Contract liabilities are classified within *Other current liabilities* and *Other long-term liabilities* within our accompanying consolidated balance sheets. Our deferred revenue balance was \$635 million as of December 31, 2024 and \$577 million as of December 31, 2023. Our contract liabilities are primarily composed of deferred revenue related to the LATITUDE™ Patient Management System within our Cardiology business, for which revenue is recognized over the average service period based on device and patient longevity. Our contract liabilities also include deferred revenue related to the LUX-Dx™ Insertable Cardiac Monitor system, also within our Cardiology business, for which revenue is recognized over the average service period based on

device longevity and usage. We recognized revenue of \$231 million in 2024 that was included in the above contract liability balance as of December 31, 2023. We have elected not to disclose the transaction price allocated to unsatisfied performance obligations when the original expected contract duration is one year or less. In addition, we have not identified material unfulfilled performance obligations for which revenue is not currently deferred.

We capitalize sales force commissions related to contracts with customers when the associated revenue is expected to be earned over a period that exceeds one year. Deferred commissions are primarily related to the sale of devices enabled with our LATITUDE™ Patient Management System. We have elected to expense commission costs when incurred for contracts with an expected duration of one year or less. Capitalized commission fees are amortized over the period the associated products or services are transferred. Similarly, we capitalize certain recoverable costs related to the delivery of the LATITUDE™ Remote Monitoring Service. These fulfillment costs are amortized over the average service period.

Refer to *Note A – Significant Accounting Policies* for additional information on our accounting policies relating to revenue recognition.

NOTE O – CHANGES IN OTHER COMPREHENSIVE INCOME

The following table provides the reclassifications out of *Other comprehensive income, net of tax* attributable to Boston Scientific common stockholders:

<i>(in millions)</i>	Foreign Currency Translation Adjustments	Net Change in Derivative Financial Instruments	Net Change in Defined Benefit Pensions and Other Items	Total
Balance as of December 31, 2023	\$ (96)	\$ 154	\$ (8)	\$ 49
Other comprehensive income (loss) before reclassifications	246	142	(9)	379
(Income) loss amounts reclassified from accumulated other comprehensive income	(14)	(141)	1	(154)
Total other comprehensive income (loss)	232	1	(8)	225
Balance as of December 31, 2024	\$ 136	\$ 155	\$ (16)	\$ 275

<i>(in millions)</i>	Foreign Currency Translation Adjustments	Net Change in Derivative Financial Instruments	Net Change in Defined Benefit Pensions and Other Items	Total
Balance as of December 31, 2022	\$ (1)	\$ 269	\$ 1	\$ 269
Other comprehensive income (loss) before reclassifications	(87)	63	(10)	(34)
(Income) loss amounts reclassified from accumulated other comprehensive income	(8)	(178)	1	(185)
Total other comprehensive income (loss)	(95)	(115)	(9)	(219)
Balance as of December 31, 2023	\$ (96)	\$ 154	\$ (8)	\$ 49

Refer to *Note D – Hedging Activities and Fair Value Measurements* for further detail on our net investment hedges recorded in *Foreign currency translation adjustment* and our cash flow hedges recorded in *Net change in derivative financial instruments*.

The gains and losses on defined benefit and pension items before reclassifications and gains and losses on defined benefit and pension items reclassified from *Accumulated other comprehensive income (loss), net of tax* were reduced by income tax impacts of approximately \$3 million in 2024 and approximately \$5 million in 2023.

NOTE P – NEW ACCOUNTING PRONOUNCEMENTS

Periodically, new accounting pronouncements are issued by the FASB or other standard setting bodies. Recently issued standards typically do not require adoption until a future effective date. Prior to their effective date, we evaluate the pronouncements to determine the potential effects of adoption on our consolidated financial statements. During 2024, we implemented the following standards, none of which had a material impact on our consolidated financial statements:

ASC Update No. 2022-03

ASC Update No. 2022-03, *Fair Value Measurement (Topic 820): Fair Value Measurement of Equity Securities Subject to Contractual Sale Restrictions* clarifies the guidance in Topic 820 related to measuring the fair value of an equity security subject to contractual restrictions that prohibit the sale of an equity security, as well as introduces new disclosure requirements for these types of equity securities. We adopted Update No. 2022-03 on a prospective basis.

ASC Update No. 2023-07

ASC Update No. 2023-07, *Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures* requires disclosure, on an annual and interim basis, of significant segment expenses that are regularly provided to the CODM and included within each reported measure of segment profit or loss in addition to disclosure of amounts for other segment items and a description of its composition. We adopted Update No. 2023-07 on a retrospective basis.

Standards to be Implemented

In December 2023, the FASB issued ASC Update No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. Update No. 2023-09 aims to enhance the transparency and decision usefulness of income tax disclosures. Update No. 2023-09 modifies the rules on income tax disclosures to require entities to disclose (1) specific categories in the rate reconciliation, (2) the income or loss from continuing operations before income tax expense or benefit (separated between domestic and foreign) and (3) income tax expense or benefit from continuing operations (separated by federal, state, and foreign). ASU 2023-09 also requires entities to disclose their income tax payments to international, federal, state and local jurisdictions, among other changes. Update No. 2023-09 is effective for fiscal years beginning after December 15, 2024 and early adoption is allowed. Update No. 2023-09 should be applied on a prospective basis, however retrospective application is permitted. We expect to adopt Update No. 2023-09 prospectively. As this accounting standard update impacts disclosures only, we do not expect the adoption to have a material impact on our consolidated financial statements.

In November 2024, the FASB issued ASC Update No. 2024-03 *Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures*. Update No. 2024-03 aims to improve transparency of expense disclosures to enhance investor understanding of an entity's performance and to assist in comparing an entity's performance over time and with that of other entities. Update No. 2024-03 modifies the disclosures over certain costs and expenses and requires entities to disclose (1) the amounts of purchases of inventory, employee compensation, depreciation, intangible asset amortization, and depletion, included in each relevant expense caption, (2) within the same disclosure, certain amounts that are already required to be disclosed under current GAAP, (3) a qualitative description of the amounts remaining in relevant expense captions that are not separately disaggregated quantitatively and (4) the total amount of selling expenses and, in annual reporting periods, an entity's definition of selling expenses. The amendments in this Update are effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Update No. 2024-03 allows for early adoption and requires either prospective adoption to financial statements issued for reporting periods after the effective date, or retrospectively to any or all prior periods presented in the financial statements. We are currently assessing the impact of Update No. 2024-03 to our consolidated financial statement disclosures.

No other new accounting pronouncements issued or effective in the period had or are expected to have a material impact on our consolidated financial statements.

NOTE Q – EMPLOYEE RETIREMENT PLANS

Defined Benefit Pension Plans

Domestic Retirement Plans

Following our 2006 acquisition of Guidant Corporation (Guidant), we assumed the Guidant Supplemental Retirement Plan, a frozen, non-qualified defined benefit plan for certain former officers and employees of Guidant. The Guidant Supplemental Retirement Plan was partially funded through a Rabbi Trust that contains segregated company assets within restricted cash used to pay the benefit obligations related to the plan.

We also maintain an Executive Retirement Plan, a defined benefit plan covering executive officers and other key contributors. Participants may retire with benefits once retirement conditions have been satisfied.

Other International Retirement Plans

In addition, we maintain retirement plans covering certain international employees.

We use a December 31 measurement date for these plans and record the net unfunded and underfunded portion as a liability within non-current liabilities, with the current portion within accrued expenses, on the consolidated balance sheets, recognizing changes primarily through OCI. As of December 31, 2024 and 2023, the funded status of our plans was unfunded or underfunded in aggregate. The outstanding obligation is as follows:

As of December 31, 2024				
(in millions)	Accumulated Benefit Obligation (ABO)	Projected Benefit Obligation (PBO)	Fair value of Plan Assets	Unfunded/Underfunded PBO Recognized
Domestic Retirement Plans	\$ 56	\$ 60	\$ —	\$ 60
Other International Retirement Plans	150	167	100	67
	<u>\$ 206</u>	<u>\$ 227</u>	<u>\$ 100</u>	<u>\$ 127</u>

As of December 31, 2023				
(in millions)	Accumulated Benefit Obligation (ABO)	Projected Benefit Obligation (PBO)	Fair value of Plan Assets	Unfunded/Underfunded PBO Recognized
Domestic Retirement Plans	\$ 54	\$ 59	\$ —	\$ 59
Other International Retirement Plans	145	159	101	58
	<u>\$ 199</u>	<u>\$ 218</u>	<u>\$ 101</u>	<u>\$ 117</u>

A reconciliation of the changes in the PBO for our retirement plans is as follows:

(in millions)	Year Ended December 31,	
	2024	2023
Beginning obligations	\$ 218	\$ 207
Service costs	10	10
Interest costs	7	7
Actuarial (gain) loss	10	(4)
Plan curtailments/settlements	—	(0)
Plan amendments and assumption changes	4	6
Benefits paid	(10)	(10)
Impact of foreign currency fluctuations	(11)	3
Ending obligation	\$ 227	\$ 218

The critical assumptions associated with our employee retirement plans for 2024 are as follows:

	Weighted Average Discount Rate	Weighted Average Expected Return	Weighted Average Rate of Compensation Increase ⁽¹⁾
Domestic Retirement Plans	5.28%	n/a	2.00%
Other International Retirement Plans	2.50%	2.76%	3.25%

⁽¹⁾ Rates of compensation increase were not weighted by relative fair value. As such, the amount represents the median of the inputs and is not a weighted average.

The critical assumptions associated with our employee retirement plans for 2023 are as follows:

	Weighted Average Discount Rate	Weighted Average Expected Return	Weighted Average Rate of Compensation Increase ⁽¹⁾
Domestic Retirement Plans	4.89%	n/a	2.00%
Other International Retirement Plans	2.85%	2.66%	3.00%

⁽¹⁾ Rates of compensation increase were not weighted by relative fair value. As such, the amount represents the median of the inputs and is not a weighted average.

A reconciliation of the changes in the fair value of plan assets for our funded retirement plans is as follows:

<i>(in millions)</i>	Year Ended December 31,	
	2024	2023
Beginning fair value	\$ 101	\$ 101
Actual return on plan assets	3	(1)
Employer contributions	11	11
Participant contributions	1	1
Plan curtailments/settlements	—	(0)
Actuarial gain (loss)	1	(0)
Benefits paid	(10)	(10)
Impact of foreign currency fluctuations	(8)	0
Ending fair value	\$ 100	\$ 101

For our defined benefit plans, we base our discount rate on the rates of return available on high-quality bonds with maturities approximating the expected period over which benefits will be paid. The rate of compensation increase is based on historical and expected rate increases. We base our rate of expected return on plan assets on historical experience, our investment guidelines and expectations for long-term rates of return. Our assets are invested in a variety of securities, primarily equity securities and government bonds. These securities are considered Level 1 and Level 2 investments.

Expected benefit payments are estimated based on the same assumptions used in determining our benefit obligation as of December 31, 2024. Actual benefit payments will depend on future employment and compensation, average years employed and average life spans, in addition to other factors. Changes in any of these factors could significantly impact these estimated future benefit payments. Benefit payments expected to be paid during the next ten years for our Domestic Retirement Plans and our Other International Retirement Plans are as follows:

<i>(in millions)</i>	Post Retirement Benefits
2025	\$ 20
2026	12
2027	15
2028	14
2029	10
2030 - 2034	76

Defined Contribution Plan

We also sponsor a voluntary 401(k) Retirement Savings Plan for eligible employees. We match 200 percent of employee elective deferrals for the first two percent of employee eligible compensation and 50 percent of employee elective deferrals greater than two percent, but not exceeding six percent, of employee eligible compensation. Total expense for our matching contributions to the plan was \$147 million in 2024, \$135 million in 2023 and \$123 million in 2022.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

None.

ITEM 9A. CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Our management, with the participation of our President and Chief Executive Officer (CEO) and Executive Vice President and Chief Financial Officer (CFO), evaluated the effectiveness of our disclosure controls and procedures as of December 31, 2024 pursuant to Rule 13a-15(b) of the Securities Exchange Act of 1934, as amended. Disclosure controls and procedures are designed to ensure that material information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, as amended, is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and ensure that such material information is accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure. Based on their evaluation, our CEO and CFO concluded that as of December 31, 2024, our disclosure controls and procedures were effective.

Management's Annual Report on Internal Control over Financial Reporting

Management's annual report on our internal control over financial reporting is included in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of this Annual Report on Form 10-K.

Report of Independent Registered Public Accounting Firm on Internal Control over Financial Reporting

The report of Ernst & Young LLP on our internal control over financial reporting is included in Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations of this Annual Report on Form 10-K.

Changes in Internal Control over Financial Reporting

During 2022, we began a multi-year implementation of a new global enterprise resource planning (ERP) system, which will replace our existing system. The implementation is expected to occur in phases over the next several years. The portion of the transition to the new ERP system which we have completed to date resulted in changes in our internal control over financial reporting during the year ended December 31, 2024. As future phases are implemented, we expect the changes to have a material impact on our internal controls over financial reporting and we will evaluate whether these process changes necessitate further changes in the design of and testing for effectiveness of internal controls over financial reporting.

ITEM 9B. OTHER INFORMATION

On November 14, 2024, Ellen Zane, an independent member of our Board of Directors, entered into a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). Ms. Zane's plan covers the sale of 13,586 shares of our common stock. Transactions under Ms. Zane's plan are based upon pre-established dates and stock price thresholds and will only occur upon the expiration of the applicable mandatory cooling-off period. Ms. Zane's plan will terminate on the earlier of February 24, 2026 or the date all shares subject to the plan have been sold.

On November 15, 2024, Michael F. Mahoney, our Chairman and Chief Executive Officer, entered into a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). Mr. Mahoney's plan covers the sale of 493,328 shares of our common stock, including 316,856 shares to be acquired upon exercise of stock options. Transactions under Mr. Mahoney's plan are based upon pre-established dates and stock price thresholds and will only occur upon the expiration of the applicable mandatory cooling-off period. Mr. Mahoney's plan will terminate on the earlier of June 6, 2025, or the date all shares subject to the plan have been sold.

On November 21, 2024, Vance R. Brown, our Senior Vice President, General Counsel and Corporate Secretary, entered into a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). Mr. Brown's plan covers the sale of 19,304 shares of our common stock. Transactions under Mr. Brown's plan are based upon pre-established dates and stock price thresholds and will only occur upon the expiration of the applicable mandatory cooling-off period. Mr. Brown's plan will terminate on the earlier of May 30, 2025 or the date all shares subject to the plan have been sold.

On November 21, 2024, Jeffrey B. Mirviss, our Senior Vice President and President, Peripheral Interventions, entered into a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). Mr. Mirviss' plan covers the sale of up to 11,107 shares of our common stock, including up to 8,419 shares to be acquired upon vesting of restricted share units. Transactions under Mr. Mirviss' plan are based upon pre-established dates and stock price thresholds and will only occur upon the expiration of the applicable mandatory cooling-off period. Mr. Mirviss' plan will terminate on the earlier of May 21, 2025 or the date all shares subject to the plan have been sold.

On November 29, 2024, Emily M. Woodworth, our Senior Vice President, Global Controller and Chief Accounting Officer, entered into a trading plan intended to satisfy the affirmative defense conditions of Rule 10b5-1(c). Ms. Woodworth's plan covers the sale of up to 18,973 shares of our common stock, including up to 3,281 shares to be acquired upon vesting of restricted share units and 13,167 shares to be acquired upon the exercise of stock options. Transactions under Ms. Woodworth's plan are based upon pre-established dates and stock price thresholds and will only occur upon the expiration of the applicable mandatory cooling-off period. Ms. Woodworth's plan will terminate on the earlier of August 29, 2025 or the date all shares subject to the plan have been sold.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information required by this Item is set forth in our Proxy Statement for the 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of December 31, 2024 and is incorporated into this Annual Report on Form 10-K by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item is set forth in our Proxy Statement for the 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of December 31, 2024 and is incorporated into this Annual Report on Form 10-K by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required by this Item is set forth in our Proxy Statement for the 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of December 31, 2024 and is incorporated into this Annual Report on Form 10-K by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS AND DIRECTOR INDEPENDENCE

The information required by this Item is set forth in our Proxy Statement for the 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of December 31, 2024 and is incorporated into this Annual Report on Form 10-K by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

Our independent registered public accounting firm is Ernst & Young LLP, New York, NY, (PCAOB ID 42).

The information required by this Item is set forth in our Proxy Statement for the 2025 Annual Meeting of Stockholders to be filed with the SEC within 120 days of December 31, 2024 and is incorporated into this Annual Report on Form 10-K by reference.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

(a)(1) Financial Statements.

The response to this portion of Item 15 is set forth under Item 8.

(a)(2) Financial Statement Schedules.

The response to this portion of Item 15 (Schedule II) follows the signature page to this report. All other financial statement schedules are not required under the related instructions or are inapplicable and therefore have been omitted.

(a)(3) Exhibits (* documents filed or furnished with this report, # compensatory plans or arrangements)

EXHIBIT NO.	TITLE
2.1	<u>Agreement and Plan of Merger, dated as of January 8, 2024, among the Company, Sadie Merger Sub, Inc. and Axonics, Inc. (incorporated herein by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed on January 8, 2024, File No. 1-11083).</u>
3.1	<u>Third Restated Certificate of Incorporation (incorporated herein by reference to Exhibit 3.2 to the Company's Annual Report on Form 10-K for the year ended December 31, 2007, filed February 28, 2008, File No. 1-11083).</u>
3.2	<u>Amended and Restated By-Laws of the Company (incorporated herein by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 10, 2024, File No. 1-11083).</u>
4.1	Specimen Certificate for shares of the Company's Common Stock (incorporated herein by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-1. File No. 33-46980).
4.2*	<u>Description of the Registrant's Securities Registered Pursuant to Section 12 of the Securities Exchange Act of 1934.</u>
4.3	<u>Indenture dated as of June 25, 2004, between the Company and JPMorgan Chase Bank, as Trustee (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on June 25, 2004, File No. 1-11083).</u>
4.4	<u>Indenture dated as of November 18, 2004, between the Company and J.P. Morgan Trust Company, National Association, as Trustee (incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on November 18, 2004, File No. 1-11083).</u>
4.5	<u>First Supplemental Indenture dated as of April 21, 2006 between the Company and J.P. Morgan Trust Company, National Association, as Trustee (incorporated herein by reference to Exhibit 99.4 to the Company's Current Report on Form 8-K filed on April 26, 2006, File No. 1-11083).</u>
4.6	<u>Second Supplemental Indenture dated as of April 21, 2006 between the Company and The Bank of New York Mellon Trust Company, N.A., as successor to J.P. Morgan Trust Company, National Association, as Trustee (incorporated herein by reference to Exhibit 99.6 to the Company's Current Report on Form 8-K filed on April 26, 2006, File No. 1-11083).</u>
4.7	<u>Form of Global Security for the 6.25% Notes due 2035 in the aggregate principal amount of \$350,000,000, and Notice to Holders thereof (incorporated herein by reference to Exhibit 4.2 and Exhibit 99.7 to the Company's Current Reports on Form 8-K filed on November 17, 2005 and April 26, 2006, respectively, File No. 1-11083).</u>

- 4.8 [Indenture dated as of June 1, 2006, between the Company and JPMorgan Chase Bank, N.A., as Trustee \(incorporated herein by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on June 9, 2006, File No. 1-11083\).](#)
- 4.9 [7.375% Senior Note due January 15, 2040 in the aggregate principal amount of \\$300,000,000 \(incorporated herein by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on December 14, 2009, File No. 1-11083\).](#)
- 4.10 [Indenture dated as of May 29, 2013, between the Company and U.S. Bank Association, as Trustee \(incorporated herein by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-3, File No 333-188918\).](#)
- 4.11 [Form of 4.000% Senior Note Due March 1, 2028 in the aggregate amount of \\$500,000,000 \(incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on February 26, 2018, File No. 1-11083\).](#)
- 4.12 [Form of 3.750% Senior Note due March 1, 2026 in the aggregate amount of \\$850,000,000 \(incorporated herein by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on February 25, 2019, File No. 1-11083\).](#)
- 4.13 [Form of 4.000% Senior Note due March 1, 2029 in the aggregate amount of \\$850,000,000 \(incorporated herein by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on February 25, 2019, File No. 1-11083\).](#)
- 4.14 [Form of 4.550% Senior Note due March 1, 2039 in the aggregate amount of \\$750,000,000 \(incorporated herein by reference to Exhibit 4.5 to the Company's Current Report on Form 8-K filed on February 25, 2019, File No. 1-11083\).](#)
- 4.15 [Form of 4.700% Senior Note Due March 1, 2049 in the aggregate amount of \\$100,000,000 \(incorporated herein by reference to Exhibit 4.6 to the Company's Current Report on Form 8-K filed on February 25, 2019, File No. 1-11083\).](#)
- 4.16 [Form of 0.625% Senior Note Due December 1, 2027 in the aggregate amount of €900,000,000 \(incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on November 12, 2019, File No. 1-11083\).](#)
- 4.17 [Form of 1.900% Senior Note Due June 1, 2025 in the aggregate amount of \\$500,000,000 \(incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on May 18, 2020, File No. 1-11083\).](#)
- 4.18 [Form of 2.650% Senior Note due June 1, 2030 in the aggregate amount of \\$1,200,000,000 \(incorporated herein by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on May 18, 2020, File No. 1-11083\).](#)
- 4.19 [Indenture dated as of March 8, 2022, among the Company, American Medical Systems Europe B.V., and U.S. Bank Trust Company, National Association, as Trustee \(incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed on March 8, 2022, File No. 1-11083\).](#)
- 4.20 [Form of 0.750% Senior Note due March 8, 2025 \(incorporated herein by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on March 8, 2022, File No. 1-11083\).](#)
- 4.21 [Form of 1.375% Senior Note due March 8, 2028 \(incorporated herein by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed on March 8, 2022, File No. 1-11083\).](#)

- 4.22 [Form of 1.625% Senior Note due March 8, 2031 \(incorporated herein by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on March 8, 2022, File No. 1-11083\).](#)
- 4.23 [Form of 1.875% Senior Note due March 8, 2034 \(incorporated herein by reference to Exhibit 4.5 to the Company's Current Report on Form 8-K filed on March 8, 2022, File No. 1-11083\).](#)
- 4.24 [Form of 3.375% Senior Note due 2029 \(incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed on February 27, 2024, File No. 1-11083\).](#)
- 4.25 [Form of 3.500% Senior Note due 2032 \(incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K, filed on February 27, 2024, File No. 1-11083\).](#)
- 10.1 [Form of Restricted Stock Award Agreement \(Non-Employee Directors\) under the Company's 2000 Long Term Incentive Plan \(incorporated herein by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K filed on December 10, 2004, File No. 1-11083\).#](#)
- 10.2 [Form of Restricted Stock Award Agreement \(Non-Employee Directors\) under the Company's 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2012, as filed August 7, 2012, File No. 1-11083\).#](#)
- 10.3 Form of Boston Scientific Corporation Excess Benefit Plan, as amended (incorporated herein by reference to [Exhibits 10.1](#) and [10.4](#) to the Company's Current Reports on Form 8-K filed on July 5, 2005 and December 22, 2008, respectively, File No. 1-11083).#
- 10.4 [Form of Trust under the Boston Scientific Corporation Excess Benefit Plan \(incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on July 5, 2005, File No. 1-11083\).#](#)
- 10.5 [Boston Scientific Corporation Deferred Bonus Plan \(incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 17, 2010, File No. 1-11083\).#](#)
- 10.6 [Boston Scientific Corporation 2011 Long-Term Incentive Plan, as amended \(incorporated herein by reference to Exhibit 10.49 to the Company's Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 17, 2012, File No. 1-11083\).#](#)
- 10.7 [Form of Restricted Stock Award Agreement \(Non-Employee Directors\) under the Company's 2003 and 2011 Long-Term Incentive Plans \(incorporated herein by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011, filed on August 5, 2011, File No. 1-11083\).#](#)
- 10.8 [Form of Offer Letter dated September 6, 2011 between the Company and Michael F. Mahoney, as supplemented September 13, 2011 \(incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on September 19, 2011, File No. 1-11083\).#](#)
- 10.9 [Form of Amendment, dated February 14, 2012, to Offer Letter dated September 6, 2011 between the Company and Michael F. Mahoney, as supplemented September 13, 2011 \(incorporated herein by reference to Exhibit 10.100 to the Company's Annual Report on Form 10-K for the year ended December 31, 2011, filed on February 17, 2012, File No. 1-11083\).#](#)
- 10.10 [Form of Offer Letter by and between the Company and Joseph M. Fitzgerald dated February 27, 2014 \(incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 30, 2015, filed on May 6, 2015, File No. 1-11083\).#](#)
- 10.11 [Boston Scientific Deferred Compensation Option Program \(incorporated herein by reference to Exhibit 4.1 to the Company's Registration Statement on Form S-8, filed on August 27, 2002, File No. 333-98755\).#](#)

- 10.12 [Boston Scientific Corporation Domestic Relocation Policy Tier 5 Executive Officer Homeowner, effective January 2007 and updated July 2012 \(incorporated herein by reference to Exhibit 10.118 to the Company's Annual Report on Form 10-K for the year ended December 31, 2012, filed on February 22, 2013, File No. 1-11083\).#](#)
- 10.13 [Form of Letter to Key Management Personnel re: Change in Control Agreement \(incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 6, 2013, File No. 1-11083\).#](#)
- 10.14 [Form of Offer Letter by and between the Company and Daniel J. Brennan, dated October 22, 2013 \(incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on October 24, 2013 File No. 1-11083\).#](#)
- 10.15 [Form of Long-Term Incentive Plan Global Non-Qualified Stock Option Agreement under the Company's 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013, filed on August 7, 2013, File No. 1-11083\).#](#)
- 10.16 [Boston Scientific Corporation U.S. Severance Plan for Exempt Employees, as amended and restated, effective August 1, 2013 \(incorporated herein by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2013, filed on August 7, 2013, File No. 1-11083\).#](#)
- 10.17 [Boston Scientific Corporation Non-Employee Director Deferred Compensation Plan, as amended and restated, effective January 1, 2009 \(incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on October 31, 2008, File No. 1-11083\).#](#)
- 10.18 [Boston Scientific Corporation Non-Employee Director Deferred Compensation Plan, as amended and restated, effective January 1, 2014 \(incorporated herein by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013, filed on November 5, 2013, File No. 1-11083\).#](#)
- 10.19 [Boston Scientific Corporation 2006 Global Employee Stock Ownership Plan, as amended and restated, effective July 1, 2014 \(incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014, filed on August 6, 2014, File No. 1-11083\). #](#)
- 10.20* [Boston Scientific Corporation Executive Retirement Plan, as amended and restated effective March 1, 2025. #](#)
- 10.21 [Form of Non-Qualified Stock Option Agreement \(Non-Employee Directors\) under the Company's 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, filed on November 5, 2014, File No. 1-11083\). #](#)
- 10.22 [Form of Restricted Stock Award Agreement \(Non-Employee Directors\) under the Company's 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, filed on November 5, 2014, File No. 1-11083\). #](#)
- 10.23 [Form of Deferred Stock Unit Award Agreement \(Non-Employee Directors\) under the Company's 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, filed on November 5, 2014, File No. 1-11083\). #](#)
- 10.24 [First Amendment to Boston Scientific Corporation Deferred Bonus Plan, effective January 1, 2015 \(incorporated herein by reference to Exhibit 10.6 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2014, filed on November 5, 2014, File No. 1-11083\). #](#)
- 10.25 [Form of 2016 Global Non-Qualified Stock Option Agreement under the Company's 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016, filed on May 4, 2016, File No. 1-11083\). #](#)

- 10.26 [Form of 2017 Global Non-Qualified Stock Option Agreement under the Company's 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2017, filed on May 3, 2017, File No. 1-11083\).#](#)
- 10.27 [Form of 2018 Global Non-Qualified Stock Option Agreement under the Company's the 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018, as filed on May 1, 2018, File No. 1-11083\).#](#)
- 10.28 [Form of 2018 Non-Qualified Stock Option Award Agreement for Non-Employee Directors under the Company's 2011 Long-Term Incentive Plan# \(incorporated herein by reference to Exhibit 10.9 to the Company's Current Report on Form 10-Q quarter ended March 31, 2018, filed on May 1, 2018, File No. 1-11083\). #](#)
- 10.29 [Form of 2019 Global Non-Qualified Stock Option Agreement under the Company's 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2019, filed on April 29, 2019, File No. 1-11083\).#](#)
- 10.30 [Form of 2020 Global Non-Qualified Stock Option Agreement under the Company's 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.55 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, File No. 1-11083\). #](#)
- 10.31 [Form of 2020 Global Restricted Stock Unit Award Agreement under the Company's 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.56 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, File No. 1-11083\). #](#)
- 10.32* [Amended and Restated 2011 Long-Term Incentive Plan of the Company, as amended January 1, 2025.#](#)
- 10.33 [Form of 2021 Global Non-Qualified Stock Option Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.65 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, File No. 1-11083\). #](#)
- 10.34 [Form of 2021 Global Restricted Stock Unit Award Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.66 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, File No. 1-11083\). #](#)
- 10.35 [Credit Agreement, dated as of May 10, 2021, by and among Boston Scientific Corporation, the several lenders parties thereto, Barclays Bank PLC, Citibank, N.A., Deutsche Bank Securities Inc., Goldman Sachs Bank USA, and JPMorgan Chase Bank, N.A as documentation agents, and Wells Fargo Bank, National Association, as administrative agent \(incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 13, 2021, File No. 1-11083\).](#)
- 10.36 [Amendment, dated as of December 21, 2022, to Credit Agreement, dated as of May 10, 2021, by and among Boston Scientific Corporation, the several lenders parties thereto, Barclays Bank PLC, Citibank, N.A., Deutsche Bank Securities Inc., Goldman Sachs Bank USA, and JPMorgan Chase Bank, N.A as documentation agents, and Wells Fargo Bank, National Association, as administrative agent \(incorporated herein by reference to Exhibit 10.72 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, File No. 1-11083\).](#)
- 10.37 [Second Amendment, dated as of March 1, 2023, to Credit Agreement, dated as of May 10, 2021, by and among the Company, the several lenders parties thereto and Wells Fargo Bank, National Association, as administrative agent \(incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on March 1, 2023, File No. 1-011083\).](#)
- 10.38 [Third Amendment, dated as of May 10, 2024, to the Credit Agreement, dated as of May 10, 2021, by and among Boston Scientific Corporation, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent \(incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, filed on August 1, 2024, File No. 1-11083\).#](#)

- 10.39 [Boston Scientific Corporation 2022 Total Shareholder Return Performance Share Program, Performance Period January 1, 2022 - December 31, 2024 \(incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on November 23, 2021, File No. 001-11083\).](#)#
- 10.40 [Boston Scientific Corporation 2022 Free Cash Flow Performance Share Program, Performance Period January 1 - December 31, 2022 \(incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on November 23, 2021, File No. 001-11083\).](#)#
- 10.41 [Form of 2022 Global Non-Qualified Stock Option Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.76 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, filed on February 23, 2023, File No. 1-110183\).](#)#
- 10.42 [Form of 2022 Global Restricted Stock Unit Award Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.77 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, filed on February 23, 2023, File No. 1-110183\).](#)#
- 10.43 [Form of 2022 Performance Share Unit Award Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(Total Shareholder Return\) \(incorporated herein by reference to Exhibit 10.78 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, filed on February 23, 2023, File No. 1-110183\).](#)#
- 10.44 [Form of 2022 Performance Share Unit Award Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(Free Cash Flow\) \(incorporated herein by reference to Exhibit 10.79 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, filed on February 23, 2023, File No. 1-110183\).](#)#
- 10.45 [Form of EC Non-CEO Change in Control Agreement \(incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on May 6, 2022, File No. 1-11083\).](#)#
- 10.46 [Form of Offer Letter by and between the Company and Arthur Butcher, dated April 1, 2022 \(incorporated herein by reference to Exhibit 10.83 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, File No. 1-11083\).](#)#
- 10.47 [Form of Offer Letter by and between the Company and Jeffrey Mirviss, dated December 11, 2012 \(incorporated herein by reference to Exhibit 10.84 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, File No. 1-11083\).](#)#
- 10.48 [Boston Scientific Corporation Non-Employee Director Deferred Compensation Plan, as amended and restated, effective January 1, 2023 \(incorporated herein by reference to Exhibit 10.85 to the Company's Annual Report on Form 10-K for the year ended December 31, 2022, File No. 1-11083\).](#)#
- 10.49 [Employee Stock Purchase Plan, Amended and Restated Effective as of July 1, 2022 \(incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on May 6, 2022, File No. 1-11083\).](#)#
- 10.50 [Boston Scientific Corporation 2023 Relative Total Shareholder Return Performance Share Program, Performance Period January 1, 2023 - December 31, 2025 \(incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on November 21, 2022, File No. 1-11083\).](#)#
- 10.51 [Boston Scientific Corporation 2023 Organic Net Sales Growth Performance Share Program, Performance Period January 1 - December 31, 2023, \(incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on November 21, 2022, File No. 1-11083\).](#)#

- 10.52 [Form of 2023 Global Non-Qualified Stock Option Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, filed on May 4, 2023, File No. 1-11083\).#](#)
- 10.53 [Form of 2023 Global Restricted Stock Unit Award Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(incorporated herein by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, filed on May 4, 2023, File No. 1-11083\).#](#)
- 10.54 [Form of 2023 Performance Share Unit Award Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(Total Shareholder Return\) \(incorporated herein by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2023, filed on May 4, 2023, File No. 1-11083\).#](#)
- 10.55 [Form of 2023 Performance Share Unit Award Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(Organic Net Sales Growth\) \(incorporated herein by reference to Exhibit 10.5 to the Company's Quarterly Report Form 10-Q for the quarter ended March 31, 2023, filed on May 4, 2023, File No. 1-11083\).#](#)
- 10.56* [Boston Scientific Corporation 2024 Annual Bonus Plan, Performance Period January 1 to December 31, 2024, as amended.#](#)
- 10.57 [Boston Scientific Corporation 2024 Relative Total Shareholder Return Performance Share Program, Performance Period January 1, 2024 – December 31, 2026 \(incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on November 22, 2023, File No. 1-11083\).#](#)
- 10.58 [Boston Scientific Corporation 2024 Organic Net Sales Growth Performance Share Program, Performance Period January 1, 2024 – December 31, 2026 \(incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on November 22, 2023, File No. 1-11083\).#](#)
- 10.59 [Form of 2024 Global Non-Qualified Stock Option Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, filed on May 1, 2024, File No. 1-11083\). #](#)
- 10.60 [Form of 2024 Global Restricted Stock Unit Award Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, filed on May 1, 2024, File No. 1-11083\). #](#)
- 10.61 [Form of 2024 Performance Share Unit Award Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(Total Shareholder Return\) \(incorporated by reference to Exhibit 10.3 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, filed on May 1, 2024, File No. 1-11083\). #](#)
- 10.62 [Form of 2024 Performance Share Unit Award Agreement under the Company's Amended and Restated 2011 Long-Term Incentive Plan \(Organic Net Sales Growth\) \(incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2024, filed on May 1, 2024, File No. 1-11083\). #](#)
- 10.63* [Form of Restricted Stock Award Agreement for Non-Employee Directors under the Company's Amended and Restated 2011 Long-Term Incentive Plan. #](#)
- 10.64* [Form of Restricted Stock Unit Award Agreement for Non-Employee Directors under the Company's Amended and Restated 2011 Long-Term Incentive Plan. #](#)
- 10.65 [Boston Scientific Corporation 2025 Annual Bonus Plan, Performance Period January 1 to December 31, 2025, \(incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed on November 22, 2024, File No. 1-11083\).#](#)

10.66	<u>Boston Scientific Corporation 2025 Relative Total Shareholder Return Performance Share Program, Performance Period January 1, 2025 – December 31, 2027 (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed on November 22, 2024, File No. 1-11083).#</u>
10.67	<u>Boston Scientific Corporation 2025 Organic Net Sales Growth Performance Share Program, Performance Period January 1, 2025 – December 31, 2027 (incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed on November 22, 2024, File No. 1-11083).#</u>
19*	<u>Boston Scientific Corporation Stock Trading Policy</u>
21*	<u>List of Boston Scientific's subsidiaries as of January 31, 2025.</u>
23*	<u>Consent of Independent Registered Public Accounting Firm, Ernst & Young LLP.</u>
31.1*	<u>Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2*	<u>Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1*	<u>Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2*	<u>Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
97	<u>Boston Scientific Corporation Dodd-Frank Clawback Policy (incorporated by reference to Exhibit 97 to the Company's Annual Report on Form 10-K for the year ended December 31, 2023, filed on February 20, 2024, File No. 1-11083)</u>
101.SCH*	Inline XBRL Taxonomy Extension Schema Document.
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101)

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Dated: February 18, 2025

Boston Scientific Corporation

By: /s/ Daniel J. Brennan

Daniel J. Brennan
Executive Vice President and Chief Financial Officer
(duly authorized officer and principal financial officer)

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

Dated: February 18, 2025

By: /s/ Daniel J. Brennan

Daniel J. Brennan
Executive Vice President and Chief Financial Officer
(Principal Financial Officer)

Dated: February 18, 2025

By: /s/ Michael F. Mahoney

Michael F. Mahoney
Director, Chairman of the Board,
President and Chief Executive Officer
(Principal Executive Officer)

Dated: February 18, 2025

By: /s/ Emily M. Woodworth

Emily M. Woodworth
Senior Vice President, Global Controller and Chief Accounting
Officer
(Principal Accounting Officer)

Dated: February 18, 2025

By: /s/ Charles J. Dockendorff

Charles J. Dockendorff
Director

Dated: February 18, 2025

By: /s/ Yoshiaki Fujimori

Yoshiaki Fujimori
Director

Dated: February 18, 2025

By: /s/ David Habiger

David Habiger
Director

Dated: February 18, 2025

By: /s/ Edward J. Ludwig

Edward J. Ludwig
Director

Dated: February 18, 2025

By: /s/ Jessica L. Mega

Jessica L. Mega
Director

Dated: February 18, 2025

By: /s/ Susan E. Morano

Susan E. Morano
Director

Dated: February 18, 2025

By: /s/ Cheryl Pegus

Cheryl Pegus
Director

Dated: February 18, 2025

By: /s/ John E. Sununu

John E. Sununu
Director

Dated: February 18, 2025

By: /s/ David S. Wichmann

David S. Wichmann
Director

Dated: February 18, 2025

By: /s/ Ellen M. Zane

Ellen M. Zane
Director

Schedule II
VALUATION AND QUALIFYING ACCOUNTS

Description (in millions)	Balance at Beginning of Year	Credit loss exposure⁽¹⁾	Write-offs⁽²⁾	Balance at End of Year
Year Ended December 31, 2024:				
Allowances for credit losses	\$ 110	41	(43)	\$ 109
Year Ended December 31, 2023:				
Allowances for credit losses	\$ 109	50	(48)	\$ 110
Year Ended December 31, 2022:				
Allowances for credit losses	\$ 108	35	(35)	\$ 109

⁽¹⁾ We record credit loss reserves to *Allowance for credit losses* when we establish Trade accounts receivable if credit losses are expected over the asset's contractual life. Subsequent credit loss reserves are recorded when deemed uncollectible. Amounts shown within credit loss exposure above were established through selling, general and administrative expense.

⁽²⁾ Represents actual write-offs of uncollectible accounts.

DESCRIPTION OF THE REGISTRANT’S SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934

As of the date of the Annual Report on Form 10-K of which this exhibit is a part, Boston Scientific Corporation (the “Company”) has two classes of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”): (1) our common stock, \$.01 par value per share, and (2) our 0.625% Senior Notes due 2027. As used in this description, unless otherwise expressly stated or the context otherwise requires, all references to “we,” “us,” or “our” mean Boston Scientific Corporation excluding its subsidiaries.

Description of Common Stock

The following description of the terms of the common stock sets forth certain general provisions of the common stock as contained in our Charter and by-laws and is qualified in its entirety by reference to Delaware law and our Charter and by-laws in their entirety.

General

We are currently authorized to issue up to 2,000,000,000 shares of common stock, par value \$0.01 per share. As of January 31, 2025, there were 1,475,778,104 shares of our common stock outstanding. All outstanding shares of our common stock are fully paid and nonassessable. Our common stock is listed on the NYSE under the symbol “BSX.”

Holders of our common stock have no preemptive, subscription, redemption or conversion rights and the common stock is not subject to redemption. The rights, preferences and privileges of holders of common stock are subject to, and may be adversely affected by, the rights of holders of any series of preferred stock, whether currently outstanding or designated and issued in the future.

Dividends

Subject to the preferences of holders of preferred stock, if any, holders of common stock are entitled to dividends and other distributions when, as and if declared by our board of directors out of funds legally available therefor and shall share equally on a per share basis in all such dividends and other distributions.

Voting Rights

Except as otherwise provided by law or by the designation of the preferences, limitations and relative rights of any series of preferred stock, the voting power with respect to us is held by holders of our common stock. Each holder of common stock is entitled to one vote for each share held.

Liquidation and Dissolution

Except as otherwise provided by the certificate of designation and limitations and relative rights of any series of preferred stock, in the event of any of our liquidation, dissolution, or winding up, whether voluntary or involuntary, after payment of all our liabilities and obligations and after payment has been made to holders of each series of preferred stock of the full amount to which they are entitled, holders of shares of common stock will be entitled to share, ratably according to the number of shares of common stock held by them, in all remaining assets available for distribution to holders of the common stock.

Certain Provisions of Delaware Law, the Charter and the By-laws

Business Combinations with Interested Stockholders. We are subject to the provisions of the Delaware General Corporate Law, or the DGCL. Section 203 of the DGCL prohibits a publicly held Delaware corporation from engaging in a “business combination” with an “interested stockholder” for a period of three years after the date of the transaction in which the person became an interested stockholder, unless the business combination is approved in a prescribed manner. A “business combination” includes mergers, consolidations, assets sales, and other transactions resulting in a financial benefit to the interested stockholder. Subject to certain exceptions, an “interested stockholder” is a person who, together with affiliates owns, or within three years did own, 15% or more of the corporation’s voting stock.

Liability of Directors and Officers. As permitted by the DGCL, our Charter provides that our directors will not be personally liable to us or our stockholders for monetary damages for breach of fiduciary duty as a director, except in certain circumstances involving wrongful acts, such as the breach of a director’s duty of loyalty, acts or omissions which involve intentional misconduct or a knowing violation of law or for any transaction from which the director derives an improper personal benefit. Our directors are also subject to liability under Section 174 of the DGCL, which makes directors personally liable for unlawful dividends or unlawful stock repurchases or redemptions if the unlawful conduct is willful or results from negligence.

Under our Charter and by-laws (and in accordance with Section 145 of the DGCL), we will indemnify to the fullest extent permitted by the DGCL any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding. These include civil, criminal, administrative, investigative or other proceedings by reason of the fact that the person is or was one of our directors, officers or employees, or is or was serving in that capacity or as an agent at our request for another entity. Our indemnity covers expenses, judgments, fines and amounts paid or to be paid in settlement actually and reasonably incurred in connection with the defense or settlement of an action, suit or proceeding if the person acted in good faith and in a manner the person reasonably believed

to be in or not opposed to our best interest and, with respect to any criminal action or proceeding, had no reasonable cause to believe that their conduct was unlawful. We will indemnify a person in a derivative action under the same conditions, except that no indemnification is permitted without judicial approval if the person is adjudged to be liable to us in performance of his or her duty. Derivative actions are actions by us or in our right to procure a judgment in our favor. Our agents may be similarly indemnified at the discretion of our board of directors. In addition, we have entered into indemnification agreements with each of our directors and executive officers. These agreements provide rights of indemnification substantially similar to and, in certain respects, broader than those provided by the Charter and by-laws.

Election of Directors; Removal; Vacancies. Our Charter and by-laws provide that the directors shall be elected at each annual meeting or at any special meeting the notice of which specified the election of directors as an item of business for such meeting. Our by-laws provide that each nominee for director shall be elected to the board of directors by the affirmative vote of the majority of votes cast, in person or by proxy, by the holders of shares entitled to vote at a meeting at which a quorum is present; provided, however, that if the number of nominees exceeds the number of directors to be elected at any such meeting, the directors shall be elected by a plurality of the votes cast, in person or by proxy. Our Charter provides that vacancies on the board of directors may only be filled by a majority of the board of directors then in office and further provides that directors may only be removed by the affirmative vote of holders of at least 80% of the voting power of all the then outstanding shares of stock entitled to vote generally in the election of directors. The provisions of our Charter and by-laws that govern the number, election, and terms of the board of directors may not be amended without the affirmative vote of at least 80% of the voting power of all the then outstanding shares of stock entitled to vote generally in the election of directors.

Meetings of Stockholders. Our Charter provides that stockholder action can only be taken at an annual or special meeting of stockholders and that the business permitted to be conducted at any special meeting of stockholders is limited to the business brought before the meeting by the Chairman of the board of directors or our President or at the request of a majority of the members of the board of directors. Our Charter and by-laws provide that special meetings of stockholders can be called only by the Chairman of the board of directors, the Chief Executive Officer (or if there is no Chief Executive Officer, the President), or pursuant to a resolution approved by a majority of the total number of directors which we would have if there were no vacancies on the board of directors. Stockholders are not permitted to call a special meeting or to require that the board of directors call a special meeting of stockholders.

Advance Notice Requirements for Stockholder Proposals and Director Nominees. Our by-laws provide that stockholders seeking to make nominations of candidates for election as directors, or to bring other business before an annual or special meeting of the stockholders, must provide timely notice of their intent in writing. To be timely, a stockholder's notice must be delivered to and received at our principal executive offices not earlier than 120 calendar days and not later than the close of business 90 calendar days before the first anniversary date of the previous year's annual meeting of stockholders. However, if we did not hold an annual meeting the previous year, or if the date of the current year's annual meeting has been changed by more than 30 days before or more than 70 days after the first anniversary date of the

prior year's annual meeting, notice by the stockholder must be so delivered not earlier than the 120th calendar day prior to such annual meeting and not later than the close of business on the later of the 90th calendar day prior to such annual meeting or the 10th calendar day following the day on which public announcement of the date of such meeting is first made. Our by-laws also specify certain requirements as to the form and content of a stockholder's notice. These provisions may restrict the ability of our stockholders to bring business before our annual meeting of stockholders or to make nominations for directors at our annual meeting or any special meeting of stockholders.

Proxy Access. Our by-laws permit an eligible stockholder or group of stockholders to include up to a specified number of director nominees in our proxy materials for an annual meeting of stockholders. To qualify, the stockholders (or group of up to twenty stockholders) must have continuously owned for at least three years 3% or more of our outstanding shares of common stock. The maximum number of stockholder nominees permitted under the proxy access provisions of our by-laws is the greater of (i) two or (ii) 20% of the total number of our directors in office as of the last day on which notice of a nomination may be delivered.

Notice of a nomination under our proxy access by-law provisions must generally be submitted to our principal executive offices not less than 120 days nor more than 150 days prior to the first anniversary of the date that we first mailed our proxy statement to stockholders for the immediately preceding annual meeting of stockholders. The notice must contain certain information specified in our by-laws.

Stock Repurchases; Change of Control. Our Charter prohibits us, with certain exceptions, from purchasing any shares of our stock from any person, entity or group that beneficially owns 5% or more of our voting stock at an above-market price, unless a majority of our disinterested stockholders approve the transaction. In addition, our Charter empowers the board of directors, when considering a tender offer or merger or acquisition proposal, to take into account factors in addition to potential economic benefits to stockholders and to consider constituencies other than stockholders.

Amendment of Charter and By-Laws. The DGCL provides generally that the vote of a majority of shares entitled to vote is required to act on most matters and to amend a corporation's certificate of incorporation. Our Charter and by-laws contain provisions requiring the affirmative vote of the holders of at least 80% of the voting stock, voting together as a single class, to amend certain provisions of the Charter and our by-laws, including certain of the foregoing provisions. Such a supermajority vote would be in addition to any separate class vote that might in the future be required with respect to shares of preferred stock then outstanding.

Miscellaneous. The foregoing and other provisions of Delaware law and the Charter and our by-laws could make it more difficult to acquire us by means of a tender offer, a proxy contest or otherwise. These provisions may have the effect of delaying, deferring or preventing a change in control of our company, may discourage bids for the common stock at a premium over the market price of the common stock and may adversely affect the market price of the common stock.

Transfer Agent

The transfer agent and registrar for our common stock is Computershare Shareowner Services.

Description of 0.625% Senior Notes due 2027

The following description of our 0.625% Senior Notes due 2027 (the “notes”) is a summary and does not purport to be complete. It is subject to and qualified in its entirety by reference to the form of the notes and the indenture, dated as of May 29, 2013 (the “Indenture”), between us and U.S. Bank National Association, as trustee (the “trustee”), which are both incorporated by reference as exhibits to the Annual Report on Form 10-K of which this exhibit is a part.

The notes are traded on The New York Stock Exchange under the bond trading symbol of “BSX27.” Currently, U.S. Bank National Association is acting as transfer agent and registrar for the notes and Elavon Financial Services DAC (UK Branch) is acting as paying agent.

Capitalized terms that are used but not otherwise defined herein have the meanings assigned to them in the Indenture, and those definitions are incorporated herein by reference. We encourage you to read the above referenced Indenture for additional information.

General

The notes offered were initially issued in an aggregate principal amount of €900,000,000 aggregate principal amount, which is the amount outstanding as of the date of the Annual Report on Form 10-K of which this exhibit is a part. The notes will mature on December 1, 2027. The notes will not be entitled to the benefit of a sinking fund.

The notes will bear interest from November 12, 2019, payable annually in arrears on December 1 of each year, beginning December 1, 2020, to the persons in whose names such notes are registered at the close of business on the business day (for this purpose, a day on which Clearstream and Euroclear are open for business) immediately preceding the relevant interest payment date. Interest on the notes will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the notes (or November 12, 2019, if no interest has been paid on the notes), to, but excluding, the next scheduled interest payment date. This payment convention is referred to as ACTUAL/ACTUAL (ICMA) as defined in the rulebook of the International Capital Market Association.

Additional notes (the “Additional Notes”) in an unlimited amount may be issued in one or more series from time to time on the same terms and conditions, except for issue date, and in certain cases the issue price and the first interest payment, either of which may differ from the respective terms of the previously issued notes of the same series, and with the same CUSIP numbers as the notes (to the extent permissible under applicable law) without the consent of Holders of the notes.

Ranking

The notes are unsecured and rank on a parity with all of our other unsecured and unsubordinated indebtedness from time to time outstanding. The notes will rank senior to any existing and future unsecured and subordinated debt, effectively junior to our secured debt to the extent of the collateral securing such secured debt and effectively junior to liabilities of our subsidiaries, in each case as may be outstanding from time to time.

Issuance in Euro

We will pay the principal of, premium, if any, and interest on each note to the registered holder in euro in immediately available funds, provided that, if the euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or if the euro is no longer being used by the then member states of the European Economic and Monetary Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the notes will be made in U.S. dollars until the euro is again available to us or so used. In such circumstances, the amount payable on any date in euro will be converted by us into U.S. dollars at the rate mandated by the U.S. Federal Reserve Board as of the close of business on the second business day prior to the relevant payment date or, in the event the U.S. Federal Reserve Board has not mandated a rate of conversion, on the basis of the most recent U.S. dollar/euro exchange rate published in The Wall Street Journal on or prior to the second business day prior to the relevant payment date. Any payment in respect of the notes so made in U.S. dollars will not constitute an event of default under the notes or the indenture governing the notes.

Neither the trustee nor the paying agent shall have any responsibility for any calculation or conversion in connection with the foregoing.

Limitation on Liens

We will not, and will not permit any of our Subsidiaries (as defined in the Indenture) to, directly or indirectly, create, incur, assume or suffer to exist any Lien (as defined in the Indenture) upon any of our property, assets or revenues, whether now owned or hereafter acquired, except for: (i) Liens for taxes not yet due or which are being contested in good faith by appropriate proceedings; *provided* that adequate reserves with respect thereto are maintained on our or our Subsidiaries' books, as the case may be, in conformity with accounting principles generally accepted in the United States; (ii) carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business that are not overdue for a period of more than 60 days or which are being contested in good faith by appropriate proceedings; (iii) pledges or deposits in connection with workers' compensation, unemployment insurance and other social security legislation and deposits securing liability to insurance carriers under insurance or self-insurance arrangements; (iv) deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business; (v) easements, rights-of-way, restrictions and other similar encumbrances incurred in the ordinary course of business which, in the aggregate, are not substantial in amount and which do not in any case materially

detract from the value of the property subject thereto or materially interfere with the ordinary conduct of our business or that of a Subsidiary; (vi) Liens in existence on the date of the first issuance by us of Securities (as defined in the Indenture) issued pursuant to the Indenture; *provided* that no such Lien is spread to cover any additional property after such date and that the amount of Debt (as defined in the Indenture) secured thereby is not increased; (vii) Liens securing our and our Subsidiaries' Debt incurred to finance the acquisition of fixed or capital assets; *provided* that (A) such Liens will be created substantially simultaneously with the acquisition of such fixed or capital assets, (B) such Liens do not at any time encumber any property other than the property financed by such Debt and (C) the amount of Debt secured thereby is not increased; (viii) Liens on the property or assets of a corporation that becomes a Subsidiary after the date of the Indenture; *provided* that (A) such Liens existed at the time such corporation became a Subsidiary and were not created in anticipation thereof, (B) any such Lien is not spread to cover any property or assets of such corporation after the time such corporation becomes a Subsidiary, and (C) the amount of Debt secured thereby is not increased; (ix) Liens pursuant to any Receivables Transaction (as defined in the Indenture) in an aggregate principal amount not exceeding 20% of our Consolidated Tangible Assets (as defined in the Indenture); and (x) Liens (not otherwise permitted pursuant to the Indenture) (A) which secure obligations not exceeding (as to us and our Subsidiaries) the greater of (X) \$250.0 million or (Y) 20% of our Consolidated Tangible Assets (as defined in the Indenture), in each case in an aggregate amount at any time outstanding, or (B) with respect to which we effectively provide that the Securities Outstanding (as defined in the Indenture) under the Indenture are secured equally and ratably with (or, at our option, prior to) the Debt secured by such Lien.

Optional Redemption

Prior to the Par Call Date (as defined below), we may redeem the notes, in whole or in part, at our option, on at least 15 days, but no more than 60 days prior written notice mailed to the registered holders of the notes to be redeemed, at any time at a redemption price equal to the greater of:

- 100% of the principal amount of the notes being redeemed, or
- as determined by a Quotation Agent (as defined below), the sum of the present values of the remaining scheduled payments of principal and interest thereon to the applicable Par Call Date (not including any portion of such payments of interest accrued to the date of redemption) discounted to the redemption date on an annual basis (ACTUAL/ACTUAL(ICMA)) at the Comparable Government Bond Rate (defined below), plus 20 basis points for the notes,

plus, in each case, accrued and unpaid interest on the notes to, but not including, the redemption date (subject to the right of holders as of the close of business on a regular record date to receive interest due on the related interest payment date).

At any time and from time to time on or after September 1, 2027 (the date that is three months prior to the maturity date of the notes) (the "Par Call Date"), we may redeem the notes, in whole or in part, at a redemption price equal to 100% of the principal amount of the notes being redeemed plus accrued and unpaid interest to the redemption date.

“*Comparable Government Bond Rate*” means, for any redemption date, the rate per annum equal to the annual equivalent yield to maturity or interpolated yield to maturity (on a day count basis), computed as the third business day immediately preceding that redemption date, of the Comparable Government Issue (as defined below), assuming a price for the Comparable Government Issue (expressed as a percentage of its principal amount) equal to the Comparable Price (as defined below) for such redemption date.

“*Comparable Government Issue*” means the euro-denominated security issued by the German federal government selected by a Quotation Agent as having an actual or interpolated maturity comparable to the remaining term of the notes to be redeemed that would be utilized (assuming that the notes matured on the applicable Par Call Date), at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such notes.

“*Comparable Price*” means, with respect to any redemption date, (i) the average of the Reference Dealer Quotations (as defined below) for such redemption date, after excluding the highest and lowest such Reference Dealer Quotations, or (ii) if the trustee obtains fewer than three such Reference Dealer Quotations, the average of all such quotations.

“*Quotation Agent*” means the Reference Dealer appointed by the trustee after consultation with us.

“*Reference Dealer*” means (i) each of Barclays Bank PLC, Goldman Sachs & Co. LLC and Merrill Lynch International and their respective successors; *provided, however*, that, if any of the foregoing shall cease to be a broker or dealer of, and/or a market maker in, German government bonds (a “Primary Bond Dealer”), we shall substitute therefor another Primary Bond Dealer, and (ii) any other Primary Bond Dealers selected by the trustee after consultation with us.

“*Reference Dealer Quotations*” means, with respect to each Reference Dealer and any redemption date, the average, as determined by the trustee, of the bid and ask prices for the Comparable Government Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the trustee by such Reference Dealer at 5:00 p.m. London time, on the third business day preceding such redemption date.

If we redeem only some of the notes, the trustee shall determine by lot the notes to be redeemed or, in the case of notes held in global form, pursuant to applicable procedures of the depositary. Notice by the depositary to these participants and by participants to “street name” holders of indirect interests in the notes will be made according to arrangements among them and may be subject to statutory or regulatory requirements. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions of the notes called for redemption.

Repurchase at the Option of Holders Upon Change of Control Repurchase Event

If a Change of Control Repurchase Event occurs, unless we have exercised our option to redeem the notes as described under the heading “-Optional Redemption” above, each holder of the notes will have the right to require us to purchase all or a portion (equal to €100,000 and any integral multiples of

€1,000 in excess thereof) of such holder's notes pursuant to the offer described below (a "Change of Control Offer") at a purchase price equal to 101% of the aggregate principal amount of the notes repurchased, plus accrued and unpaid interest, if any, to, but not including, the date of repurchase (the "Change of Control Payment"), subject to the rights of holders of notes on the relevant record date to receive interest due on the relevant interest payment date.

We will be required to send a notice to each holder of the notes by first class mail, with a copy to the trustee, within 30 days following the date upon which any Change of Control Repurchase Event occurred, or at our option, prior to any Change of Control but after the public announcement of the pending Change of Control. The notice will govern the terms of the Change of Control Offer and will describe, among other things, the transaction that constitutes or may constitute the Change of Control Repurchase Event and the purchase date. The purchase date will be at least 30 days but no more than 60 days from the date such notice is mailed, other than as may be required by law (a "Change of Control Payment Date"). If the notice is mailed prior to the date of consummation of the Change of Control, the notice will state that the Change of Control Offer is conditioned on the Change of Control being consummated on or prior to the Change of Control Payment Date.

On the Change of Control Payment Date, we will, to the extent lawful:

- accept for payment all properly tendered notes or portions of notes not validly withdrawn;
- deposit with the paying agent the required payment for all properly tendered notes or portions of notes not validly withdrawn; and
- deliver or cause to be delivered to the trustee the repurchased notes, accompanied by an officers' certificate stating, among other things, the aggregate principal amount of repurchased notes.

We will not be required to make a Change of Control Offer with respect to the notes upon the occurrence of a Change of Control Repurchase Event if a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for such an offer made by us and the third party purchases all of the notes properly tendered and not withdrawn under its offer. In addition, we will not repurchase any notes if there has occurred and is continuing on the Change of Control Payment Date an Event of Default under the Indenture.

We will comply with the requirements of Rule 14e-1 under the Exchange Act, and any other securities laws and regulations thereunder, to the extent those laws and regulations are applicable, in connection with the repurchase of notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any such securities laws or regulations conflict with the Change of Control Offer provisions of the notes, we will comply with those securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control Offer provisions of the notes by virtue of any such conflict.

The definition of Change of Control includes a phrase relating to the direct or indirect sale, lease, transfer, conveyance or other disposition of "all or substantially all" of our properties or assets and those

of our subsidiaries taken as a whole. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require us to repurchase the notes as a result of a sale, lease, transfer, conveyance or other disposition of less than all of our assets and the assets of our subsidiaries, taken as a whole, to another person or group may be uncertain.

For purposes of the foregoing discussion, the following definitions apply:

“*Capital Stock*” means the capital stock of every class whether now or hereafter authorized, regardless of whether such capital stock shall be limited to a fixed sum or percentage with respect to the rights of the holders thereof to participate in dividends and in the distribution of assets upon the voluntary or involuntary liquidation, dissolution or winding up of such corporation.

“*Change of Control*” means the occurrence of any of the following:

- the direct or indirect sale, lease, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or more series of related transactions, of all or substantially all of our assets and the assets of our subsidiaries, taken as a whole, to any “person” (as that term is used in Section 13(d)(3) of the Exchange Act), other than us or one of our subsidiaries;
- the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any “person” (as that term is used in Section 13(d)(3) of the Exchange Act), other than us or one of our subsidiaries, becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of more than 50% of our then outstanding Voting Stock or other Voting Stock into which our Voting Stock is reclassified, consolidated, exchanged or changed, measured by voting power rather than number of shares; or
- the adoption of a plan relating to our liquidation or dissolution.

Notwithstanding the foregoing, a transaction will not be considered to be a Change of Control if (a) we become a direct or indirect wholly-owned subsidiary of a holding company and (b)(x) immediately following that transaction, the direct or indirect holders of the Voting Stock of the holding company are substantially the same as the holders of our Voting Stock immediately prior to that transaction or (y) immediately following that transaction, no person is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company.

“*Change of Control Repurchase Event*” means the occurrence of both a Change of Control and a Rating Event.

“*Fitch*” means Fitch, Inc. and its successors.

“*Investment Grade*” means a rating of Baa3 or better by Moody’s (or its equivalent under any successor rating categories of Moody’s), a rating of BBB- or better by S&P (or its equivalent under any

successor rating categories of S&P) and a rating of BBB- or better by Fitch (or its equivalent under any successor rating categories of Fitch); *provided, however*, that we shall not be required to maintain a rating by more than two Rating Agencies at any time and if only two Rating Agencies provide a rating with respect to the notes, then “Investment Grade” shall mean the applicable rating described above of such two Rating Agencies.

“*Moody’s*” means Moody’s Investors Service, Inc., a subsidiary of Moody’s Corporation, and its successors.

“*Rating Agencies*” means each of Moody’s, S&P and Fitch, or if any of Moody’s, S&P or Fitch ceases to rate the notes or fails to make a rating of the notes publicly available, any “nationally recognized statistical rating organization” within the meaning of Section 3(a)(62) under the Exchange Act that is selected by us as a replacement agency for Moody’s, S&P or Fitch, or each of them, as the case may be; *provided, however*, that the Company shall not be required to maintain a rating by more than two Rating Agencies at any time.

“*Rating Event*” means, with respect to the notes, the rating of the notes shall be decreased by each of the Rating Agencies independently by one or more gradations during the Rating Period (as defined below). If the rating of the notes by each of the Rating Agencies is Investment Grade, then “Rating Event” will mean the rating of the notes shall be decreased by one or more gradations by each Rating Agency so that the ratings of the notes by all of the Rating Agencies fall below Investment Grade, on any date from the date of the public notice of an arrangement that could result in a Change of Control until the end of the 30-day period following public notice of the occurrence of the Change of Control (the “Rating Period”) (which 30-day period shall be extended by no more than 60 days from the date of the occurrence of the Change of Control if the rating of the notes is under publicly announced consideration for possible downgrade by any of the Rating Agencies and each other Rating Agency has either downgraded, or publicly announced that it is considering downgrading, the notes). A Rating Event otherwise arising by virtue of a particular reduction in rating will not be deemed to have occurred in respect of a particular Change of Control (and thus will not be deemed a Rating Event for purposes of the definition of “Change of Control Repurchase Event”) if each Rating Agency making the reduction in rating to which this definition would otherwise apply does not announce or publicly confirm or inform the trustee under the Indenture in writing at our request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control has occurred at the time of the Rating Event).

“*S&P*” means S&P Global Ratings, a division of S&P Global Inc., and its successors.

“*Voting Stock*” means, with respect to any specified person as of any date, the Capital Stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

Redemption for Tax Reasons

Subject to a period of not less than fifteen (15) nor more than sixty (60) days' prior written notice to the registered holders of the notes to be redeemed, we may redeem the notes at any time after the issue date and prior to the maturity date, in whole, but not in part, at a redemption price equal to 100% of the aggregate principal amount of notes being redeemed, plus accrued and unpaid interest, if any, to (but not including) the redemption date, on the date determined by us for early redemption, if:

(a) as a result of any change in, or amendment to, the laws (or any regulations or rulings promulgated thereunder) of a Relevant Taxing Jurisdiction (as defined below), or any change in, or amendment to, an official position regarding the application or interpretation of such laws, regulations or rulings, which change or amendment is announced or becomes effective on or after November 6, 2019, we have become or will become obligated to pay Additional Amounts (as defined below); or

(b) any act is taken by a taxing authority of a Relevant Taxing Jurisdiction on or after November 6, 2019, whether or not such act is taken with respect to us or any of our affiliates, that results in a substantial probability that we will be required to pay Additional Amounts on the notes; provided in each case that we determine, in our business judgment (determined in good faith), that the obligation to pay the Additional Amounts cannot be avoided by the use of reasonable measures available to us (including, for the avoidance of doubt, the appointment of a new paying agent where this would be reasonable and would not cause us to incur material additional out-of-pocket costs, but not including assignment of the obligation to make payment with respect to the notes).

No redemption above may be made unless (i) we shall have received an opinion of independent counsel to the effect that any such change, amendment or act described in paragraphs (a) or (b) above results in our requirement to pay (in the case of paragraph (a)) or a substantial probability that we will be required to pay (in the case of paragraph(b)) the Additional Amounts described herein and (ii) we shall have delivered to the paying agent a certificate, signed by a duly authorized officer, stating that based on such opinion, we are entitled to redeem the notes pursuant to their terms.

Additional Amounts

All payments of principal, premium, if any, and interest by or on behalf of us pursuant to the terms of the notes shall be made free and clear of, and without deduction or withholding for or on account of, any present or future taxes, duties, assessments or other governmental charges of whatsoever nature required to be deducted or withheld by the United States, any state thereof or the District of Columbia or any other jurisdiction through which payment on a note is made, or any political subdivision or taxing authority therein or thereof (a "Relevant Taxing Jurisdiction"), unless such withholding or deduction is required by law.

In the event any withholding or deduction on payments in respect of the notes for or on account of any present or future tax, assessment or other governmental charge is required to be deducted or withheld by a Relevant Taxing Jurisdiction, we shall remit the full amount required to be deducted or withheld to the relevant authority in accordance with applicable law and pay such additional amounts (the "Additional Amounts") so that every net payment of the principal of, premium, if any, and interest on the notes will

result in receipt by each holder of a note of such amounts (after all such withholding or deduction, including on any additional amounts) as would have been received had no such withholding or deduction been required. We will not be required, however, to make any payment of Additional Amounts for or on account of certain situations, as set forth in the form of notes.

Events of Default

The Indenture provides that the following will be “events of default” with respect to any series of debt securities:

- (1) default in the payment of any interest on any debt security of that series, when it becomes due and payable, and continuance of such default for a period of 30 days;
- (2) default in the payment of, the principal of, or premium, if any, on any debt security of that series when due at its maturity or upon acceleration;
- (3) default in the deposit of any sinking fund payment, when and as due by the terms of the debt securities of that series and the Indenture;
- (4) default in the performance, or breach, of any of our covenant or agreement in the Indenture which affects or is applicable to debt securities of such series (other than a default in the performance, or breach of a covenant or agreement that is specifically dealt with elsewhere in the Indenture), and the continuation of that default or breach for a period of 90 days after the trustee has given us, or after Holders of at least 25% in aggregate principal amount of all outstanding securities of that series have given us and the trustee, written notice thereof;
- (5) certain events relating to our bankruptcy, insolvency or reorganization; or
- (6) any other event of default provided with respect to debt securities of that series.

If an event of default specified in clauses (1), (2), (3), (4) or (6) therein with respect to the notes occurs and is continuing, either the trustee or the holders of at least 25% in aggregate principal amount of the outstanding notes may declare the principal amount, plus accrued interest, if any, on all the then outstanding notes to be due and payable immediately. If an event of default specified in clause (5) therein occurs and is continuing, then the principal amount, plus accrued interest, if any, of all the notes will be due and payable immediately, without any declaration or other act on the part of the trustee or any holder. In certain cases, holders of a majority in principal amount of the outstanding notes may, on behalf of holders of all the notes, rescind and annul a declaration of acceleration.

The Indenture provides that the trustee will not be liable for any action taken, suffered or omitted by it in good faith and believed by it to be authorized or within the discretion or rights or powers conferred upon it by the Indenture. The Indenture provides that no Holder may institute any proceedings, judicial or otherwise, to enforce the Indenture except in the case of failure of the trustee thereunder to act for 60 days after it has received a request to enforce the Indenture by Holders of at least 25% in aggregate principal amount of the then outstanding debt securities of that series (in the case of an event of default specified in

clauses (1), (2), (3), (4) or (6) above) or a request to enforce the Indenture by Holders of at least 25% in aggregate principal amount of all of the debt securities then outstanding (in the case of an event of default specified in clause (5) above), and an offer of reasonable indemnity. This provision will not prevent any Holder from enforcing payment of principal thereof, and premium, if any, on and interest, if any, thereon at the respective due dates.

Holders of not less than a majority in aggregate principal amount of the debt securities of any series then outstanding may direct the time, method and place of conducting any proceeding for any remedy available to the trustee or exercising any trust or power conferred on it with respect to debt securities of that series. The trustee may, however, refuse to follow any direction that it determines may not lawfully be taken or would be illegal or in conflict with the Indenture or involve it in personal liability or which would be unjustly prejudicial to Holders not joining in that proceeding.

The Indenture provides that the trustee will, within 90 days after the occurrence of a default with respect to any series of debt securities, give to Holders of debt securities of that series notice of such default if that default has not been cured or waived. Except in the case of a default in the payment of principal of, or premium, if any, on or interest on, or in the payment of any sinking fund installment in respect of, any debt securities of that series, the trustee will be protected in withholding the notice if it determines in good faith that the withholding of the notice is in the interest of Holders of the debt securities of such series.

We will be required to deliver an officers' certificate to the trustee annually as to our compliance with all conditions and covenants under the terms of the Indenture.

Defeasance

The notes are subject to our defeasance option. At our option, the notes will be discharged from any and all obligations (except for certain obligations to register the transfer or exchange of notes, replace stolen, lost or mutilated notes, maintain paying agencies, and hold money for payment in trust), if we deposit with the trustee, in trust, money or Government Obligations (as defined in the Indenture) which through the payment of interest thereon and principal thereof in accordance with their terms will provide money in an amount sufficient to pay all the principal (including any mandatory sinking fund payments) of, and interest on, the notes on the dates such payments are due in accordance with the terms of the notes.

To exercise any such option, we are required to deliver to the trustee an opinion of counsel to the effect that the deposit and related defeasance would not cause the Holders of the notes to recognize income, gain or loss for federal income tax purposes and, in the case of a discharge pursuant to (1) above, such opinion of counsel must be based upon a ruling to such effect received by us from or published by the United States Internal Revenue Service or a change in applicable federal income tax law to such effect. We are required to deliver to the trustee an officer's certificate stating that no event of default with respect to the notes has occurred and is continuing.

Satisfaction and Discharge

As set forth in the Indenture, and upon the occurrence of certain events, the Indenture may be subject to satisfaction and discharge with respect to the notes.

Modification and Waiver

Modifications of and amendments to the Indenture may be made by us and the trustee with the consent of Holders of a majority in principal amount of the outstanding debt securities of each series issued under the Indenture that is affected by the modification or amendment; provided, however, that no such modification or amendment may, without the consent of the Holder of each outstanding debt security affected thereby make certain changes as set forth in the Indenture.

We may, with respect to any series of debt securities, omit to comply with certain restrictive provisions of the Indenture if Holders of at least a majority in principal amount of all outstanding debt securities affected waive compliance. No such waiver will extend to or affect any term, provision or condition except to the extent so expressly waived, and, until the waiver becomes effective, our obligations and the duties of the trustee to Holders of debt securities of that series in respect of the applicable term, provision or condition will remain in full force and effect.

Holders of a majority in principal amount of the outstanding debt securities of each series (in the case of an event of default specified in clauses (1), (2), (3), (4) and (6) under "Events of Default" above) or the Holders of a majority in principal amount of all of the debt securities then outstanding (in the case of an event of default specified in clause (5) under "Events of Default" above) may, on behalf of all those Holders, waive any past default under the Indenture with respect to debt securities of that series except a default in the payment of the principal of, or premium, if any, on or interest, if any, on any such debt security and except a default in respect of a covenant or provision the modification or amendment of which would require the consent of the Holder of each outstanding debt security affected.

**THE BOSTON SCIENTIFIC CORPORATION
EXECUTIVE RETIREMENT PLAN As Amended and Restated Effective March 1, 2025**

Section 1— Nature and Purpose

Boston Scientific Corporation maintains the Boston Scientific Corporation Executive Retirement Plan, which is an unfunded, nonqualified deferred compensation plan for a select group of management and highly compensated employees. The Plan is intended to be construed and administered in accordance with the Section 409A Standards. The Plan's purpose is to provide a consistent formula and system for making supplemental retirement payments to eligible Participants upon their Retirement from Covered Positions (or other eligible classifications). This document reflects the terms of the Plan in effect as of March 1, 2025, and it replaces and supersedes any prior Plan document.

The Glossary in Section 15 defines the capitalized terms used in the Plan (or tells you where in this document to find a term's meaning). When you see a capitalized term, turn to the Glossary to find its meaning.

Section 2— Participants and Eligibility Classifications

You will be a Participant in the Plan only if you are a Regular Employee who satisfies all of the requirements of **one** of the following eligibility classifications:

- You are serving in a Covered Position, which is any position on the Executive Committee, immediately preceding your Retirement and have consecutively served in a Covered Position for the three-year period immediately prior to your Retirement; or
- You are serving in a Transitional Position immediately preceding your Retirement and have consecutively served in a Covered Position for the three-year period immediately prior to serving in the Transitional Position; or
- You are a Grandfathered Individual, which means that you satisfy all of the following conditions:
 - You have completed at least 10 continuous Years of Service prior to your Retirement date, and
 - Immediately prior to your Retirement, you are serving in a Special Assignment, which is a Regular Position that you assume, at the express written request of the Chief Executive Officer or his or her designee, immediately following a period of at least five (5) consecutive Years of Service in a Covered Position (the "Five-Year Covered Position Period"), and
 - The Compensation Committee, in its sole discretion, expressly approves your inclusion in an eligibility classification under the Plan as a Grandfathered Individual in connection with your acceptance of the Special Assignment.

For purposes of determining whether you have served in a Covered Position for either of the required three-year periods specified in the first two classifications above (each a "Three-Year Covered Position Period"), your consecutive service in two Covered Positions during the Three-year period will be combined. Similarly, for purposes of determining whether you have served in a Covered Position for a

Five-Year Covered Position Period, your consecutive service in two or more Covered Positions during the period will be combined.

Section 3— Retirement and Conditions for Receipt of Benefits

For purposes of the Plan, Retirement (or to Retire) means your Separation From Service with the Company and all of its Affiliates, other than a termination of your employment by BSC for Cause, after you have satisfied all of the following conditions:

- The sum of your age and number of your Years of Service exceeds 65;
- You are at least age 55 and have completed at least five (5) continuous Years of Service; and
- You have been continuously employed by Boston Scientific during the 5-year period immediately preceding your Separation From Service. For this purpose, "Boston Scientific" does not include any business entity that was acquired by or otherwise became an Affiliate of the Company during that 5-year period.

Upon your Retirement, you will not be entitled to a benefit under this Plan unless all of the following conditions are satisfied:

- You qualify as a Participant under the terms of Section 2.
- You timely sign, and do not timely revoke, a Separation Agreement. The Separation Agreement will be a written agreement, in a form determined by the Company, that will contain, among other things, a release of employment claims against BSC and certain related entities and individuals, the restrictive covenants described in Section 12, and agreements by you not to use or disclose confidential information or make detrimental communications, to cooperate in litigation and other proceedings, and to return all BSC property.
- You comply with the restrictive covenants described in Section 12 and included in your Separation Agreement. You will be required to repay your Plan benefit if you breach these covenants. See Section 12 for details.

Section 4— Years of Service

For purposes of the Plan, except as otherwise provided in this Section 4, your Years of Service will be calculated from your date of hire with BSC through your last day worked in a Regular Position prior to your Retirement. Partially completed Years of Service will be pro-rated based on calendar days, and calculated to the second decimal point. If your date of hire originated at a predecessor or acquired company of BSC that has been accepted by BSC during your employment as part of any "bridge-of-service" or related policy, your service with the predecessor or acquired company will count as employment with BSC for purposes of calculating your total Years of Service (subject to the non-duplication provision in the last paragraph of Section 5).

Notwithstanding any other provision of the Plan, the following will not be included, and will be disregarded, in calculating your Years of Service for purposes of the Plan:

- service to BSC other than in a Regular Position (for example, service as an independent contractor or other non-employee capacity under a consulting or similar arrangement); and

- any vacation accrued, but not taken, at the time of Retirement.

If you are on long-term disability status immediately prior to your Retirement, your Years of Service will be calculated to your last day on regular BSC payroll under the terms of BSC's short-term disability plan.

Section 5— Amount of Benefit

If you qualify as a Participant who Retires under the Plan and you satisfy the conditions specified in Section 3, you will be eligible to receive the following supplemental retirement benefit:

- If you have been serving as an Executive Committee member for the entire Three-Year Covered Position Period, the gross amount of your benefit will be equal to 2.5 months of your base salary, multiplied by the number of your Years of Service, to a maximum benefit of 36 months of base salary.
- If you are a Grandfathered Individual serving in a Special Assignment immediately prior to your Retirement Date, the gross amount of your benefit will be equal to 2.5 months of your base salary, multiplied by the number of your Years of Service, to a maximum benefit of 36 months of base salary.

If you serve in a Transitional Position immediately prior to your Retirement, then for purposes of calculating your benefit, your base salary will be your base salary in effect immediately prior to your assumption of the Transitional Position.

If you are a Grandfathered Individual serving in a Special Assignment immediately prior to your Retirement, then for purposes of calculating your benefit, your base salary will be the **greater** of (1) your base salary in effect immediately prior to your Retirement, or (2) your base salary in effect immediately prior to your assumption of the Special Assignment.

Non-Duplication Provision: Benefits are not cumulative. For example, if you Retire more than once from BSC, in calculating the benefit due you upon each Retirement, only your Years of Service accumulated since your most recent prior Retirement will be considered.

Section 6— Form and Timing of Benefit Payment

If you are entitled to a supplemental retirement benefit under Section 5, your benefit will be paid to you in a single lump sum payment in the first payroll period after the last day of the 6-month period following your actual Retirement date. No annuity or other periodic or irregular partial payments will be made under the Plan. Payment will be made from the same payroll and in the same currency in which your base salary was paid immediately prior to your Retirement.

Section 7— Death-in-Service

If you die while employed by BSC, and you would have been a Participant under Section 2 if you had Retired on the date of your death, then a death benefit will be payable to your designated beneficiary(ies) as nominated under BSC's group term life insurance plan, unless you have made a separate beneficiary designation for this Plan. In the absence of any beneficiary designation, the benefit will be paid to your estate. The gross amount of the death benefit payment will be equal to the gross amount of the supplemental retirement benefit that would have been payable to you under Section 5 had you Retired on the date of your death and satisfied all of the conditions specified in Section 3. Payment will be made in a lump sum in cash within 60 days following your death and will be paid in the same currency in which your base salary was last paid prior to your death.

Section 8— Extent of Integration with Other Retirement Benefits

The benefits described in the Plan are not reduced, offset, or otherwise integrated with any other retirement benefits payable under BSC's 401(k) plan, any other BSC employee benefit plan, or U.S. Social Security payments. Notwithstanding the foregoing, if you become eligible to receive a benefit under this Plan, you will not be eligible for any payments or benefits under any existing BSC severance plan or layoff notification plan (such as, by way of example and without limitation, severance pay, outplacement assistance, COBRA subsidies or other coverage continuation or assistance, and any other benefit providing transition assistance to separated employees). Furthermore, any company-paid retirement payment that is required by law, administrative regulation or collective bargaining agreement in your local jurisdiction (but not including benefits paid pursuant to the BSC 401(k) Plan or any other BSC-sponsored benefit plan) will offset and reduce the benefit payable under this Plan, and not be additional to such Plan benefit, to the extent permitted by such law, administrative regulation or agreement.

Section 9— Plan Assets and Tax Status

The Plan is a non-qualified retirement plan for tax purposes. Accordingly, as a Participant you will not have any vested right in any benefits until such time as they are paid. The Plan is not externally funded or insured, and no individual Participant accounts are maintained. For financial accounting purposes, a book reserve is made for the projected liability of this Plan; however, all amounts are unsecured and unsegregated. As such, they are subject to the claims of BSC's creditors in case of bankruptcy or other legal action.

Section 10— Loans and In-Service Withdrawals Prohibited

No loans or other advance withdrawals may be made with respect to of any portion of the benefits described in this Plan.

Section 11— Withholding of Tax

Notwithstanding anything to the contrary in this Plan, all payments required to be made by BSC under the Plan to you; your estate or beneficiaries; or the estate of any of your beneficiaries will be subject to the withholding of such amounts as BSC may reasonably determine that it is required to withhold pursuant to applicable federal, state or local law or regulation.

Section 12— Restrictive Covenants

As a condition of receiving benefits under the Plan, you must comply with the following restrictive covenants, which will be expressly included in your Separation Agreement:

- a) During the 12-month period beginning as of your Retirement date (or such other period as is specified in your Employment Agreement), you cannot engage in solicitation of customers or employees of Boston Scientific, as defined in the Employment Agreement, unless the Chief Executive Officer or his or her designee gives prior written approval. In the absence of an Employment Agreement defining these terms, the Separation Agreement shall set forth the definition of solicitation and of BSC customers and employees as set forth in Boston Scientific's then current form of Employment Agreement for similar level employees.
- b) During the 12-month period beginning as of your Retirement date (or such other period as is specified in your Employment Agreement), you cannot directly or indirectly, engage in unfair competition with Boston Scientific, as defined in the Employment Agreement unless the Chief Executive Officer or his or her designee gives prior written approval. In the absence of an Employment Agreement defining these terms, the Separation Agreement shall set forth the definition of unfair competition as set forth in Boston Scientific's then current form of Employment Agreement for similar level employees.

- c) In the event you breach any of the provisions of this Section 12, you must repay to the Company all of the amounts paid under this Plan, and you will also be liable for any damages that a court may determine, and you will be subject to injunctive relief and any other relief that a court may award as set forth in Boston Scientific's then current form of Employment Agreement for similar level employees.

Section 13— Administration and Modification of the Plan

The Plan is administered by the highest human resources officer (the "Administrator") at the Company's headquarters, 300 Boston Scientific Way, Marlborough, Massachusetts 01752.

The Company reserves the right, by action of the Board or its designee, to amend, modify, change or eliminate the Plan, upon notice to Participants prior to their Retirement, at the Board's sole discretion.

Section 14— Claims Procedure

If you (or your beneficiary) believe that you are entitled to a Plan benefit that has not been provided or to a greater or different benefit than has been provided, or if you disagree with any other action taken by the Administrator, then you (or your beneficiary) or your authorized representative may file a claim by writing to the Administrator. The Administrator will notify you of its decision on your claim within 90 days after the Administrator receives the claim.

If special circumstances require an extension of the 90-day decision period, the Administrator may extend the period by up to an additional 90 days, by notifying you, in writing, of the extension, the reason for it, and the date by which the Administrator expects to render a decision on the claim. If the Administrator denies the claim, in whole or in part, the Administrator's written notice of its decision will include the following:

- the specific reason(s) for denying the claim;
- specific reference to the Plan provision(s) on which the denial is based;
- a description of any additional material or information that you may need to provide with respect to the claim, with an explanation of why the material or information is necessary; and
- an explanation of your right to appeal the claim denial under the Plan's review procedures and your right to bring a civil court action following any further denial of your claim on review.

If your claim is denied, in whole or in part, you may appeal to the Administrator for a full and fair review of the denial. For these purposes, you may consider your claim to have been denied if the Administrator does not respond to your claim within 90 days of having received it. The following rules apply to your right of appeal:

- You or your duly authorized representative must file a written request for review with the Administrator within 60 days after you receive the Administrator's written denial of your claim or within 150 days after the Administrator received your claim if you have not received a written response.
- Your written request for review must be signed by you or your authorized representative.

- Upon reasonable request and free of charge, you may review, or obtain copies of, records, documents, or other information in the Administrator's possession or control relevant to your claim.
- You may also submit issues, arguments, and other comments in writing to the Administrator, along with any documentary evidence in support of your claim.
- You may have representation throughout the appeal procedure.

In its review of your claim, the Administrator will take into account all comments, document, records, and other information you submit, regardless of whether the information was submitted or considered in the initial claim decision. The Administrator will give you its decision on your appeal, in writing, within 60 days after it receives your written request for review. If special circumstances require extension of the 60-day period, the Administrator may extend the period for an additional 60 days by notifying you, in writing, of the extension, the reason for it, and the date by which you may expect a decision.

If the Administrator again denies your claim on appeal, in whole or in part, it will notify you, in writing, and the notice will include the following:

- the specific reason(s) for the denial;
- specific references to the Plan provision(s) on which the denial is based;
- a description of your right to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records, and other information in the Administrator's possession or control relating to your claim;. and
- an explanation of your right to bring a civil court action under Section 502(a) of ERISA.

Section 15— Glossary

When used in this document, the following words and terms have the following meanings, unless the context clearly indicates a different meaning.

Administrator has the meaning given in Section 13.

Affiliate means any corporation, trade or business that is considered to be a single employer with the Company under Code sections 414(b), (c), (m), or (o), such as a wholly-owned (or at least 80%-owned) subsidiary of the Company.

Beneficiary means the person who, under the provisions of Section 7, may be entitled to receive a benefit under this Plan in the event you die while employed by BSC and satisfy the other applicable conditions imposed by the Plan.

Board means the Board of Directors of the Company.

Boston Scientific means the (1) Company and (2) its Affiliates other than any business entity that was acquired by, merged into, or otherwise became an Affiliate of the Company within the 5-year period immediately preceding your Separation From Service.

BSC means the Company and its Affiliates.

Cause means, with respect to you, (a) your conviction of, or your failure to contest prosecution for, a felony, or (b) your misconduct or dishonesty that is harmful to BSC's business or reputation.

Chief Executive Officer means either the Chief Executive Officer of the Company or the Chief Executive Officer and President of the Company or the Chairman, Chief Executive Officer and President of the Company.

Code means the Internal Revenue Code of 1986, as amended, and its interpretive regulations.

Company means Boston Scientific Corporation.

Compensation Committee means the Executive Compensation and Human Resources Committee of the Board.

Covered Position means any position on the Executive Committee.

Employment Agreement means the Boston Scientific Agreement Concerning Employment for U.S. Employees (ACE), or if you have not acknowledged the ACE, your Contract of Employment or other written employment contract or offer letter attachment governing and setting forth the terms and conditions of your employment with BSC.

ERISA means the Employee Retirement Income Security Act of 1974, as amended, and interpretive rules and regulations.

Executive Committee means the Executive Committee of the Company (or a successor to that committee).

Five-Year Covered Position Period is defined in Section 2.

Grandfathered Individual is defined in Section 2.

Participant has the meaning given in Section 2.

Plan means the Boston Scientific Executive Retirement Plan, as set forth in this document and as amended from time to time.

Regular Employee means a common law employee of BSC who is hired for an indefinite term and serving in a Regular Position.

Regular Position means a position classified by the Company as a regular full-time or regular part time common law employee of BSC regularly scheduled to work at least 20 hours per week. A Regular Position **does not include** any position not classified as a common law employee (such as a consultant, independent contractor, or leased employee) or any position not regularly scheduled to work at least 20 hours per week.

Retirement/Retire is defined in Section 3.

Section 409A Standards means the applicable requirements and standards for nonqualified deferred compensation plans established by Code section 409A.

Separation Agreement is defined in Section 3.

Separation From Service means, with respect to you, your termination of employment (other than by reason of your death) with the Company and all Affiliates and other entities, if any, that would be treated as a single "service recipient" with the Company under the Section 409A Standards, including §1.409A-1(h)(3). Whether your Separation From Service has occurred will be determined in accordance with the Section 409A Standard, including §1.409A-(h). The Administrator may, but need not, elect in writing, subject to the applicable limitations under the Section 409A Standards, any of the special elective rules prescribed in §1.409A-(h) for purposes of determining whether a Separation From Service has occurred. Any such written election will be deemed to be part of the Plan.

Special Assignment is defined in Section 2.

Three-Year Covered Position Period is defined in Section 2.

Transitional Position means a Regular Position that satisfies all of the following conditions with respect to you:

- You serve as a member of the Executive Committee immediately prior to your service in the position;
- The Company, at its own initiative and in its sole discretion, and with the express approval of the Compensation Committee, asks you to serve in the position for the purpose of effecting an orderly transition of responsibilities to your successor; and
- You serve in the position for a limited period of not greater than 12 months.

Years of Service is defined in Section 4.

**Boston
Scientific**

BOSTON SCIENTIFIC CORPORATION

**AMENDED AND RESTATED 2011 LONG-TERM INCENTIVE PLAN
(As Amended January 1, 2025)**

1. ADMINISTRATION

a. Administrator Authority. Subject to the express provisions of the Plan and except to the extent prohibited by Applicable Laws, the Administrator has the authority to (i) interpret the Plan; determine eligibility for and grant Awards and designate the Participants; (ii) determine, modify or waive the terms and conditions of any Award; (iii) prescribe forms, rules and procedures (which it may modify or waive); (iv) determine whether to accelerate the vesting of any Award subject to vesting conditions; (v) determine whether, to what extent, and under what circumstances Awards may be settled in, or exercised for, cash, Shares, Fractional Share Interests, other securities, other Awards or other property, or canceled, forfeited, or suspended and the method or methods by which Awards may be settled, exercised, canceled, forfeited, or suspended; (vi) reconcile any inconsistency in, correct any defect in and/or supply any omission in the Plan and any instrument or agreement relating to, or Award granted under, the Plan (vii) adopt Sub-Plans; and (viii) otherwise do all things necessary to implement the Plan, including to accommodate any specific requirements of Applicable Laws for jurisdictions outside of the U.S.

b. Amendments. Once an Award Agreement has been provided to a Participant, the Administrator may not, without the Participant's consent, amend or alter the terms of the Award so as to affect adversely in any material respect the Participant's rights under the Award, unless the Administrator expressly reserved the right to do so in writing at the time of such delivery or if the Administrator determines that such amendment or alteration is necessary or desirable to facilitate compliance with Applicable Laws. Notwithstanding any other provision of the Plan or any Award Agreement, except as provided in Section 5 herein, the Administrator may not amend, alter, suspend, discontinue or terminate the Plan or any Stock-based Award previously granted, in whole or in part, without the approval of the stockholders of the Company (i) to the extent required by Applicable Laws or (ii) that would (A) increase the total number of Shares available for Awards under the Plan, (B) replace, regrant, or exchange for cash or other Awards requiring exercise with an exercise price that is less than the exercise price of the original Stock-based Award requiring exercise, (C) lower the exercise price of a previously granted Stock-based Award requiring exercise, (D) be deemed a "repricing" for purposes of stockholder approval rules of any securities exchange or inter-dealer quotation system on which securities of the Company are listed or quoted.

c. Delegation. Except to the extent prohibited by Applicable Laws and the Company's corporate governing documents, the Board or Committee, from time to time, may further, in its discretion, delegate to one or more persons or body the authority vested in the Board or Committee under the Plan, provided that the Plan and Awards to Participants subject to the reporting requirements of the Exchange Act shall be administered (including the grants of Awards) by a Committee comprised of Qualifying Directors to the extent contemplated under the definition of "Committee." The Administrator may revoke or amend the terms of such a delegation at any time, but such revocation shall not invalidate prior actions of the delegate that were consistent with the terms of the Plan and applicable guidelines.

d. Finality of Decisions. Unless otherwise expressly provided in the Plan, all designations, determinations, interpretations, and other decisions under or with respect to the Plan, any Award or any Award Agreement shall be within the sole discretion of the Administrator, may be made at any time and shall be final, conclusive and binding upon all persons, including, without limitation, the Company and any Affiliate, any Participant, any holder or beneficiary of any Award, and any stockholder of the Company.

2. LIMITS ON AWARDS UNDER THE PLAN

a. Number of Shares. Subject to the adjustment provisions in Section 5 below, a maximum of 170,975,000 Shares (which reflects an increase of 25,375,000 Shares as of the Effective Date) may be subject to Awards granted under the Plan. For purposes of the foregoing limitation:

(1) Each Share and Fractional Share Interest covered by a Stock-based Award granted under the Plan shall count on the date of grant against the aggregate number of Shares available for grant under the Plan at the ratio of 1:1 in the case of a Stock Option or SAR, and at the ratio of 1:1.85, in the case of any other Stock-based Award.

(2) Any Shares or Fractional Share Interests subject to Awards that on or subsequent to the Effective Date are cancelled or forfeited, are settled for cash, or which have lapsed, shall become available again for grant under the Plan, at the ratio of 1:1, in the case of a Stock Option or SAR, and at the ratio of 1:1.85, in the case of any other Stock-based Award.

(3) The following Shares shall become available again for grant under the Plan at the ratio of 1:1.85: (i) Shares (including any portion that is less than a whole Share) and/or Fractional Shares Interests subject to an Award that are withheld by, or otherwise remitted to the Company to satisfy a Participant's withholding obligation with respect to Tax-Related Items for a Stock-based Award other than a Stock Option or SAR, and (ii) previously owned Shares delivered in satisfaction of a Participant's withholding obligations in respect of Tax-Related Items for an Award other than a Stock Option or SAR.

(4) Shares subject to an Award may not again be made available for grant under the Plan if such Shares are (i) Shares (including any portion that is less than a whole Share) or Fractional Share Interests that were subject to a Stock-based Award requiring exercise and were not issued upon the net settlement or net exercise of such Stock-based Award, (ii) Shares (including any portion less than a whole Share) or Fractional Share Interests subject to an Award that are withheld by, or otherwise remitted to, the Company (or to a broker in connection with a broker-assisted exercise of a Stock-based Award requiring exercise) to satisfy a Participant's exercise price obligation upon exercise, (iii) Shares (including any portion less than a whole Share) or Fractional Share Interests subject to an Award that are withheld by, or otherwise remitted to the Company to satisfy a Participant's withholding obligation with respect to Tax-Related Items upon a Participant's exercise of a Stock Option or SAR, (iv) previously owned Shares delivered in satisfaction of a Participant's exercise price or withholding obligation for Tax-Related Items in respect of a Participant's exercise of a Stock Option or SAR, or (v) shares repurchased on the open market with the proceeds from the exercise of a Stock-based Award.

(5) To the extent permitted by Applicable Laws, Awards granted in assumption of, or in substitution or exchange for, awards previously granted, or the right or obligation to make future awards, in each case by a company acquired by the Company or any Affiliate or with which the Company or any Affiliate combines, shall not reduce the shares available for grant under the Plan, nor shall shares subject to such Awards again be available for Awards under the Plan as otherwise provided in subparagraph (2). Additionally, in the event that a company acquired by the Company or any Affiliate or with which the Company or any Affiliate combines has shares available under a pre-existing plan approved by stockholders and not adopted in contemplation of such acquisition or combination, the shares available for grant pursuant to the terms of such pre-existing plan (as adjusted, to the extent appropriate, using the exchange ratio or other adjustment or valuation ratio or formula used in such acquisition or combination to determine the consideration payable to the holders of common stock of the entities party to such acquisition or combination) may be used for Awards under the Plan and shall not reduce the shares available for grant under the Plan; provided that Awards using such available shares shall not be made after the date awards or grants could have been made under the terms of the pre-existing plan, absent the acquisition or combination, and shall only be made to individuals who were not Employees prior to such acquisition or combination.

b. **Type of Shares.** Stock delivered by the Company under the Plan may be authorized but unissued Stock or previously issued Stock acquired by the Company and held in treasury.

c. **Award Limits.** Subject to the adjustment provisions in Section 5, hereof, the maximum number of Shares for which Awards may be granted to any person in any fiscal year of the Company shall be 3,000,000. The 3,000,000 share limit shall be proportionally reduced or increased in the case of any applicable Awards to be earned on the basis of performance over a performance period of less than or greater than 12 months duration.

Subject to these limitations, each person eligible to participate in the Plan shall be eligible in any year to receive Awards covering up to the full number of Shares then available for Awards under the Plan. However, in no event shall the maximum number of shares subject to Awards which are intended to qualify as ISOs exceed 170,975,000.

d. **Non-Employee Director Limit.** The maximum number of Shares subject to Awards granted during a single fiscal year to any Non-Employee Director, taken together with any cash fees paid to such Non-Employee Director during the fiscal year, shall not exceed USD 600,000 in total value (calculating the value of any such Awards based on the grant date fair value of such Awards for financial reporting purposes).

e. **Plan Term.** No Awards may be granted under the Plan after the tenth anniversary of the Board's approval of the Plan. Awards granted within the specific period may extend beyond that date, however.

f. **Fractional Shares; Fractional Share Interests.**

(1) Except as otherwise provided in Section 2(f)(2) hereof in connection with Fractional Share Interest transactions facilitated by the Company's designated Plan broker, no fractional Shares will be issued by the Company and in no event shall certificates representing fractional Shares be delivered to a Participant under any circumstances.

(2) Awards over Fractional Share Interests may be granted and Fractional Share Interests may be credited to a Participant's stock account if and to the extent determined by the Committee. Where the Committee has determined that Fractional Share Interests may be granted and/or credited to a Participant's stock account, the terms of the Award Agreement shall specify the rights the Participant shall have as a stockholder with respect to Shares underlying the Fractional Share Interests. Where the Committee has determined that Fractional Share Interests will not be credited to a Participant's stock account, the Committee shall determine, in its discretion, whether cash shall be paid in lieu of fractional Shares that vest or whether such fractional Shares shall be eliminated by rounding up or down as appropriate. Without limiting the foregoing, the Committee may authorize the withholding of less than a whole Share underlying an Award or the sale of a Fractional Share Interest to satisfy any withholding obligations for Tax-Related Items and/or to satisfy the payment of the exercise price of an Option pursuant to Section 4(b)(3) hereof, each of the foregoing which may result in the crediting of Fractional Share Interests to a Participant's stock account.

3. ELIGIBILITY AND PARTICIPATION

The Administrator will select Participants from among those key Employees, Non-Employee Directors and other individuals providing services to the Company or its Affiliates who may be offered securities registrable pursuant to a Registration Statement on Form S-8 under the Securities Act and who, in the opinion of the Administrator, are in a position to make a significant contribution to the success of the Company and its Affiliates. Eligibility for ISOs is further limited to those individuals whose employment status would qualify them for the tax treatment described in Sections 421 and 422 of the Code.

4. RULES APPLICABLE TO AWARDS

a. **ALL AWARDS**

(1) **Terms of Awards.** The Administrator shall determine the terms of all Awards subject to the limitations provided herein. Each Award shall be evidenced by an Award Agreement.

(2) **Performance Criteria.** Where rights under an Award depend in whole or in part on satisfaction of Performance Criteria, actions by the Company that have an effect, however material, on such

Performance Criteria or on the likelihood that they will be satisfied will not be deemed an amendment or alteration of the Award.

(3) Nontransferability Of Awards.

(A) Each Award shall be exercisable only by such Participant to whom such Award was granted during the Participant's lifetime, or, if permissible under Applicable Laws, by the Participant's legal guardian or representative. No Award may be assigned, alienated, pledged, attached, sold or otherwise transferred or encumbered by a Participant (including, for the avoidance of doubt, any transfers in connection with the divorce or other domestic separation of a Participant) other than by will or by the laws of descent and distribution and any such purported assignment, alienation, pledge, attachment, sale, transfer or encumbrance shall be void and unenforceable against the Company or an Affiliate.

(B) Notwithstanding the foregoing, Awards may be transferred by Participants residing in the U.S. only as follows and in any event to the extent permitted by Applicable Laws: (i) ISOs may not be transferred other than by will or by the laws of descent and distribution and during a Participant's lifetime may be exercised only by the Participant (or in the event of the Participant's incapacity, by the person or persons legally appointed to act on the Participant's behalf); and (ii) to the extent authorized and on the terms determined by the Administrator, Awards may be transferred by will or by the laws of descent and, except in the case of ISOs, distribution during the Participant's lifetime, without payment of consideration, to one or more Family Members of the Participant.

(C) The terms of any Award transferred in accordance with Section 4(a)(3)(B) above shall apply to the transferee and any reference in the Plan, or in any applicable Award Agreement, to a Participant shall be deemed to refer to the transferee, except that (i) transferees shall not be entitled to transfer any Award, other than by will or the laws of descent and distribution; (ii) neither the Administrator nor the Company shall be required to provide any notice to a transferee, whether or not such notice is or would otherwise have been required to be given to the Participant under the Plan or otherwise; and (iii) the consequences of a Participant's employment termination and other conditions under the terms of the Plan and the applicable Award Agreement shall continue to be applied with respect to the Participant, including, without limitation, that a Stock Option shall be exercisable by the transferee only to the extent, and for the periods, specified in the Plan and the applicable Award Agreement.

(D) If an Award is claimed or exercised by a person or persons other than the Participant, the Company shall have no obligation to deliver Stock, cash or other property pursuant to such Award or otherwise to recognize the transfer of the Award until the Administrator is satisfied as to the authority of the person or persons claiming or exercising such Award.

(4) Vesting, Etc. Without limiting the generality of Section 1, but subject to the Minimum Vesting Conditions, the Administrator may determine and set forth in the Award Agreement the time or times at which an Award will vest (*i.e.*, become free of forfeiture restrictions) or become exercisable and the terms on which an Award requiring exercise will remain exercisable. The Administrator may also determine and set forth in the Award Agreement the circumstances, including the termination of employment or other services, upon which the Award shall become forfeited or cease to continue vesting.

(5) Taxes. The Company and its Affiliates shall be entitled to withhold, or require a Participant to remit to the Company or one or more of its Affiliates, as applicable, the amount of any Tax-Related Items attributable to any Awards. The Company may defer making payment or delivery if any such Tax-Related Items may be pending unless and until indemnified to its satisfaction, and the Company shall have no liability to any Participant for exercising the foregoing right. The Administrator may, in its sole discretion and subject to such rules as it may adopt, permit or require a Participant to pay all or a portion of the Tax-Related Items arising in connection with an Award by, without limitation: (i) having the Participant pay an amount in cash (by check or

wire transfer), (ii) having the Company withhold Shares (including any portion that is less than a whole Share) and/or Fractional Share Interests otherwise issuable pursuant to the Award that has an aggregate Fair Market Value approximately equal to the amount to be withheld, (iii) the delivery of Shares (which are not subject to any pledge or other security interest) that have been both held by the Participant and vested for at least six (6) months (or such other period as established from time to time by the Administrator to avoid adverse accounting treatment under applicable accounting standards) having an aggregate Fair Market Value approximately equal to the amount to be withheld, (iv) selling Shares (including any portion that is less than a whole Share) and/or Fractional Share Interests issuable pursuant to such Award and having the Company withhold from the proceeds of the sale of such Shares and/or Fractional Share Interests, (v) having the Company or an Affiliate, as applicable, withhold from any cash compensation payable to the Participant, (vi) requiring the Participant to repay the Company or Affiliate, as applicable, in cash or in Shares and/or Fractional Share Interests, for Tax-Related Items paid on the Participant's behalf, or (vii) any other method of withholding determined by the Administrator that is permissible under Applicable Laws.

(6) **Dividend and Dividend Equivalents.** The Administrator may provide for the right to receive the payment of amounts (payable in cash, Stock, other Awards, or other property) having an equivalent value of cash dividends or other distributions payable with respect to Shares or Stock underlying Fractional Shares interests subject to an Award if and in such manner as it deems appropriate, provided, however, that (i) no such amounts shall be paid or accrued in respect of Awards requiring exercise and (ii) if the Administrator shall provide for the payment of such equivalents on Awards, in no event shall any such equivalents be paid unless and until such Awards shall have vested. In addition, no dividends or other distributions with respect to Restricted Stock shall be paid prior to vesting, if ever. At the discretion of the Administrator, any dividends or other distributions may be deemed invested in additional shares of Restricted Stock or Restricted Stock Units, vesting, if ever, as and when the underlying Restricted Stock or Restricted Stock Units, as applicable, vests.

(7) **Rights Limited.** Nothing in the Plan shall be construed as giving any person the right to continued employment or service with the Company or its Affiliates, or any rights as a stockholder except as to Shares actually issued under the Plan. The loss of existing or potential profit in Awards will not constitute an element of damages in the event of termination of employment or service for any reason, even if the termination is in violation of an obligation of the Company or Affiliate to the Participant.

(8) **Section 409A.**

(A) Awards under the Plan are intended to be exempt from or otherwise satisfy the requirements of Section 409A of the Code so as to avoid the imposition of any additional taxes or penalties under Section 409A of the Code. Where Section 409A applies, to the fullest extent possible, the Plan, Awards under the Plan, and terms contained in the Plan and Awards shall be interpreted in a manner consistent with Section 409A. If the Administrator determines that an Award, Award Agreement, payment, transaction or any other action or arrangement contemplated by the provisions of the Plan would, if undertaken, cause a Participant to become subject to any additional taxes or other penalties under Section 409A of the Code, then unless the Administrator specifically provides otherwise, such Award, Award Agreement, payment, transaction or other action or arrangement shall not be given effect to the extent it causes such result and the related provisions of the Plan and/or Award Agreement will be deemed modified, or, if necessary, suspended in order to comply with the requirements of Section 409A of the Code to the extent determined appropriate by the Administrator, in each case without the consent of or notice to the Participant. Notwithstanding any action or inaction by the Administrator, however, each Participant is exclusively responsible for any tax consequences under Section 409A of the Code resulting from any Award, and neither the Company nor any Affiliate shall have any obligation to indemnify or otherwise hold such Participant (or any beneficiary) harmless from any or all of such taxes or penalties.

(B) Unless otherwise provided by the Administrator in an Award Agreement or otherwise, in the event that the timing of payments in respect of any Award (that would otherwise be considered

“deferred compensation” subject to Section 409A of the Code) would be accelerated or otherwise paid by reference to the occurrence of a Change in Control, no such acceleration or payment shall be permitted unless the event giving rise to the Change in Control satisfies the definition of a change in the ownership or effective control of a corporation, or a change in the ownership of a substantial portion of the assets of a corporation pursuant to Section 409A of the Code and the Award shall instead be paid (in the form of payment determined by the Administrator) pursuant to the other distribution dates or events generally applicable to the payment of the Award and which are in any event permissible distribution dates and events under Section 409A of the Code.

b. AWARDS REQUIRING EXERCISE

(1) **Term And Manner Of Exercise.** The term of each Award requiring exercise shall not exceed ten (10) years from the date of grant (five (5) years, in the case of an ISO granted to an Employee described in Section 422(b)(6) of the Code); provided, however, that except in the case of any ISO, the term of any Stock-based Award requiring exercise will be automatically extended if it would otherwise expire on a date when the exercise is prohibited by Applicable Laws, but only until the 30th day after expiration of the prohibition. Unless the Administrator expressly provides otherwise, (a) an Award requiring exercise by the holder will not be deemed to have been exercised until the Administrator receives notice of exercise (in form acceptable to the Administrator) by the appropriate person and accompanied by any payment required under the Award, including, without limitation, the payment of all Tax-Related Items; and (b) if the Award is exercised by any person other than the Participant, the Administrator may require satisfactory evidence that the person exercising the Award has the right to do so and retains the right not to deliver the Stock until the Administrator is satisfied as to the authority of the person exercising such Award

(2) **Exercise Price.** The Administrator shall determine the exercise price of each Stock Option; *provided*, that each Award requiring exercise must have an exercise price that is not less than the Fair Market Value of the Stock subject to the Award, determined as of the date of grant, except as necessary to maintain the intrinsic value of substitute Awards in connection with a merger or acquisition consummated by the Company. An ISO granted to an Employee described in Section 422(b)(6) of the Code must have an exercise price that is not less than 110% of such Fair Market Value.

(3) **Payment Of Exercise Price, If Any.** Where the exercise of an Award is to be accompanied by payment, the Administrator may determine the required or permitted forms of payment, subject to the following: all payments will be by cash or check acceptable to the Administrator, unless one of the following forms of payment is permitted by the Administrator in its discretion in any specific instance (with the consent of the optionee of an ISO, if allowing an additional form of payment would cause the ISO to cease to qualify as an ISO), (i) through the delivery of Shares which have been outstanding for at least six months (or such other period as established from time to time by the Administrator in order to avoid adverse accounting treatment applying generally accepted accounting principles) and which have a Fair Market Value equal to the exercise price, (ii) through an election to surrender that number of shares (including any portion that is less than a whole Share) and/or Fractional Share Interests for which the Award is otherwise exercisable which have a Fair Market Value equal to the exercise price, (iii) except when prohibited by Applicable Laws, by delivery to the Company of a promissory note of the person exercising the Award, payable on such terms as are specified by the Administrator (provided, however, that no Participant who is a Board member or an “executive officer” of the Company within the meaning of Section 13(k) of the Exchange Act shall be permitted to pay the exercise price of an Option, or continue any extension of credit with respect to the exercise price of an Option, with a loan from the Company or a loan arranged by the Company in violation of Section 13(k) of the Exchange Act), (iv) by delivery of an unconditional and irrevocable undertaking by a broker to deliver promptly to the Company sufficient funds to pay the exercise price, (v) by such other method as the Administrator may permit, or (vi) by any combination of the foregoing permissible forms of payment.

(4) **Grant of Stock Options.** Each Stock Option awarded under the Plan shall be deemed to have been awarded as a non-ISO (and to have been so designated by its terms) unless the Administrator expressly provides that the Stock Option is to be treated as an ISO.

c. AWARDS NOT REQUIRING EXERCISE

Awards of Restricted Stock, Restricted Stock Units and Unrestricted Stock may be made in return for either (i) services determined by the Administrator to have a value not less than the par value of the Awarded Shares, or (ii) cash or other property having a value not less than the par value of the Awarded Shares plus such additional amounts (if any) as the Administrator may determine payable in such combination and type of cash, other property (of any kind) or services as the Administrator may determine.

5. EFFECT OF CERTAIN TRANSACTIONS

a. CHANGE IN CONTROL

In the event of a Change in Control, the following provisions shall apply.

(1) **Outstanding Awards with Time-Based Vesting.** All outstanding Awards subject to vesting based on the Participant's continued service over a period of time ("Time-Based Awards") shall be assumed by the surviving or acquiring entity, or its Affiliates (the "Continuing Entity"), or substituted for new cash or equity-based awards of such Continuing Entity, as provided in the merger or acquisition agreement, or if no such assumption or substitution is provided for, all outstanding Time-Based Awards shall become fully vested and, to the extent applicable, exercisable and all forfeiture restrictions on such Awards shall lapse. To the extent that any Time-Based Awards are to be assumed or substituted, the Administrator may provide that the vesting of any unvested portion of any one or more of such Awards will automatically accelerate upon a Participant's involuntary termination.

(2) **Outstanding Awards with Performance-Based Vesting.** All outstanding unvested Awards subject to vesting based on the achievement of performance criteria ("Performance-Based Awards") shall vest as of the effective date of the Change in Control (i) at the actual achievement level, based on the actual achievement of such performance criteria, as of the effective date of the Change in Control or the most recent practicable date immediately prior to the effective date of the Change in Control on which the performance criteria may be measured prior to such effective date, as reasonably determined by the Committee in good faith, including any reasonable assumptions, adjustments or projections related to such performance criteria, or (ii) if the achievement level of the performance criteria cannot be ascertained at such time, at the target level applicable to the Award, and in either case, prorated based on the Participant's service with the Company or the Affiliate between the commencement of the performance period and the date of the Change in Control. Any unvested portion of any outstanding Performance-Based Award that does not become vested in connection with a Change in Control in accordance with this Section 5.a(2) shall terminate and cease to be outstanding as of the effective date of the Change in Control, without payment of any consideration to the Participant.

(3) **Cancellation of Awards.** In connection with a Change in Control, the Administrator may, in its sole discretion, but shall not be obligated to, provide for cancellation of all or any portion of any one or more outstanding Awards and payment to the holders of such Awards, with respect to the portion of such Awards that are vested as of such cancellation (including, without limitation, any Awards that would vest in accordance with the terms of such Award or in accordance with this Section 5.a(1) or (2) hereof, as applicable), the value of the vested portion of such Awards, if any, as determined by the Administrator (which value, if applicable, may be based upon the per-share consideration received or to be received by the holders of the Shares upon the occurrence of the Change in Control (the "Change in Control Consideration"), including, without limitation, in the case of an outstanding Option or SAR, a cash payment in an amount equal to the excess, if any, of the Change in Control Consideration over the per-share exercise price or SAR base price, as applicable, of such Option or SAR, multiplied by the number of Shares and/or Fractional Share Interests underlying the vested portion of each such Option or SAR. Payments to holders with respect to the vested portion of such cancelled Awards pursuant to this Section 5.a(3) shall be made in cash or, in the sole discretion of the Administrator, in such other form of consideration necessary for such holders to receive the property, cash, securities, and/or other

consideration (or any combination thereof) as such holders would have been entitled to receive upon the occurrence of the Change in Control as if such holders had been, immediately prior to such Change in Control, the holder of the number of Shares and/or Fractional Shares Interests covered by the vested portion of such cancelled Awards (less any applicable exercise price or SAR base price). The unvested portion of any outstanding Award, and the vested portion of any Option or SAR having an exercise price or base price equal to, or in excess of, the Change in Control Consideration, may be canceled and terminated without any payment or consideration therefor.

For purposes of Section 5.a(1) above, the assumption or substitution of an Award may include conversion of the Stock and/or Fractional Share Interests underlying such Award into shares of the continuing entity, or, subject to any limitations or reductions as may be necessary to comply with Section 409A of the Code, into cash, property or other securities having an equivalent value as the Award, which conversion shall not affect any continued vesting requirements of the Award (other than as provided in Clause (1) above upon a Participant's involuntary termination). For the avoidance of doubt, any such substitution of an Award shall not provide for the acceleration of any vesting requirements of the Award (other than as provided in Clause (2) above upon a Participant's involuntary termination) and no Awards shall vest solely as a result of such assumption or substitution.

b. CHANGES IN AND DISTRIBUTIONS WITH RESPECT TO THE STOCK

In the event of (1) any dividend (other than regular cash dividends) or other distribution (whether in the form of cash, Stock, other securities or other property), stock split, reverse stock split, reorganization, merger, consolidation, split-up, split-off, spin-off, combination, repurchase or exchange of Shares or other securities of the Company, recapitalization, or other similar corporate transaction or event or change in the Company's capital structure that affects the Shares (including a Change in Control); or (2) unusual or nonrecurring events affecting the Company, including changes in Applicable Laws, that the Administrator determines, in its sole discretion, could result in substantial dilution or enlargement of the rights intended to be granted to, or available for, Participants (any event in (1) or (2), an "**Adjustment Event**"), the Administrator will make such appropriate substitution or adjustments, if any, as deems equitable, to any or all of (A) the maximum number of Shares or kind of other securities that may be delivered under the Plan under Section 2.a. or any Sub-Plan; (B) the maximum share limits described in Section 2.c.; and (C) the terms of any outstanding Awards, including (i) the number of Shares and/or Fractional Share Interests and kind of securities subject to Awards then outstanding or subsequently granted, (ii) any exercise prices relating to Awards and (iii) any other provision of Awards affected by such change, including without limitation, any applicable performance measures; *provided, however*, that in the case of any "equity restructuring" (within the meaning of the Financial Accounting Standards Board Accounting Standards Codification Topic 718 (or any successor pronouncement thereto)), the Administrator shall make an equitable or proportionate adjustment to outstanding Awards to reflect such equity restructuring.

6. CONDITIONS ON DELIVERY OF STOCK

a. LEGAL REQUIREMENTS

The Company's obligation to deliver or register with its transfer agent any Shares and/or Fractional Share Interests issued pursuant to the Plan or to remove any restriction from Shares and/or Fractional Share Interests previously delivered or registered shall be subject to all Applicable Laws and to such approvals by governmental agencies as may be required. Notwithstanding any terms or conditions of any Award to the contrary, the Company shall be under no obligation to offer to sell or to sell, and shall be prohibited from offering to sell or selling, any Stock pursuant to an Award unless such Stock has been properly registered for sale pursuant to the Securities Act or unless the Company has received an opinion of counsel (if the Company has requested such an opinion), satisfactory to the Company, that such Stock may be offered or sold without such registration pursuant to an available exemption therefrom and the terms and conditions of such exemption have been fully complied with. The Company shall be under no obligation to register for sale under the Securities Act any of the Stock to be offered or sold under the Plan. The Administrator shall have the authority to provide that all Stock

issued under the Plan shall be subject to such stop-transfer orders and other restrictions as the Administrator may deem advisable under the Plan, the applicable Award Agreement, U.S. and/or non-U.S. securities laws, or the rules, regulations and other requirements of the U.S. Securities and Exchange Commission, any securities exchange or inter-dealer quotation system on which the securities of the Company are listed or quoted and any other Applicable Laws and other requirements, and, without limiting the generality of this Section 6, the Administrator may cause such Stock issued under the Plan in book-entry form to be held subject to the Company's instructions or subject to appropriate stop-transfer orders. Notwithstanding any provision in the Plan to the contrary, the Administrator reserves the right to add any additional terms or provisions to any Award granted under the Plan that the Administrator, in its sole discretion, deems necessary or advisable in order that such Award complies with the legal requirements of any governmental entity to whose jurisdiction the Award is subject. The Company may require that any registration or certificates evidencing Stock issued under the Plan be subject to an appropriate notation or bear an appropriate legend reflecting any restriction on transfer applicable to such Stock.

b. COMPANY CHARTER AND BY-LAWS; OTHER COMPANY POLICIES

This Plan and all Awards granted hereunder are subject to the charter and by-laws of the Company, as they may be amended from time to time, and all other Company policies duly adopted by the Board, the Administrator or any other committee of the Board and in effect from time to time regarding the acquisition, ownership or sale of Shares or Fractional Share Interests by Employees and other service providers, including, without limitation, policies intended to limit the potential for insider trading and to avoid or recover compensation payable or paid on the basis of inaccurate financial results or statements, employee conduct, and other similar events.

7. NON-U.S. PARTICIPANTS

With respect to Participants who reside or work outside of the U.S., the Administrator may, in its sole discretion, amend the terms of the Plan and create or amend Sub-Plans or amend outstanding Awards with respect to such Participants in order to conform such terms with the requirements of local law, to obtain more favorable tax or other treatment for a Participant or the Company or any Affiliate, or to facilitate administration of the Plan.

8. NON-LIMITATION OF THE COMPANY'S RIGHTS

The existence of the Plan or the grant of any Award shall not in any way affect the Company's right to award a person bonuses or other compensation in addition to Awards under the Plan.

9. GOVERNING LAW

The Plan shall be construed in accordance with the laws of the Commonwealth of Massachusetts, without giving effect to the conflict of laws provisions thereof.

10. SEVERABILITY

If any provision of the Plan or any Award or Award Agreement is or becomes or is deemed to be invalid, illegal, or unenforceable in any jurisdiction or as to any person or Award, or would disqualify the Plan or any Award under any law deemed applicable by the Administrator, such provision shall be construed or deemed amended to conform to Applicable Laws, or if it cannot be construed or deemed amended without, in the determination of the Administrator, materially altering the intent of the Plan or the Award, such provision shall be construed or deemed stricken as to such jurisdiction, Person or Award and the remainder of the Plan and any such Award shall remain in full force and effect.

11. OBLIGATIONS BINDING ON SUCCESSORS

The obligations of the Company under the Plan shall be binding upon any successor corporation or organization resulting from the merger, consolidation or other reorganization of the Company, or upon any successor corporation or organization succeeding to substantially all of the assets and business of the Company.

12. CLAWBACK/RECOUPMENT

All Awards shall be subject to reduction, cancellation, forfeiture or recoupment to the extent necessary to comply with (i) any clawback, forfeiture or other similar policy adopted by the Board or the Administrator as in effect at the time of the applicable Award grant; and (ii) Applicable Laws. Further, to the extent that the Participant receives any amount in excess of the amount that the Participant should otherwise have received under the terms of the Award for any reason (including, without limitation, by reason of a financial restatement, mistake in calculations or other administrative error), the Participant shall be required to repay any such excess amount to the Company.

13. DEFINED TERMS

The following terms, when used in the Plan, shall have the meanings and be subject to the provisions set forth below:

“Adjustment Event”: Has the meaning ascribed to it in Section 5(b) hereof.

“Administrator”: The Board or, if one or more has been appointed, the Committee, including their delegates (subject to such limitations on the authority of such delegates as the Board or the Committee, as the case may be, may prescribe). The senior Legal and Human Resources representatives of the Company shall also be the Administrator, but solely with respect to ministerial tasks related hereto.

“Affiliate”: Any corporation or other entity owning, directly or indirectly, 50% or more of the outstanding Stock of the Company, or in which the Company or any such corporation or other entity owns, directly or indirectly, 50% of the outstanding capital stock (determined by aggregate voting rights) or other voting interests, and which also meets the requirements of an “affiliate” within the meaning of Rule 12b-2 promulgated under the Exchange Act.

“Award”: Any or a combination of the following:

- (i) Stock Options.
- (ii) SARs.
- (iii) Restricted Stock.
- (iv) Unrestricted Stock.
- (v) Restricted Stock Unit.

“Applicable Laws” The requirements relating to the administration of equity-based awards, and the related Shares and Fractional Share Interests under U.S. state corporate laws, U.S. federal and state and non-U.S. securities laws, the Code, the rules of any stock exchange or quotation system on which the Stock is listed or quoted and the applicable laws of any non-U.S. country or jurisdiction where Awards are, or will be, granted under the Plan.

“Award Agreement”: The document or documents by which each Award is evidenced, electronically or otherwise.

“Board”: The Board of Directors of the Company.

“Change in Control”: Any of:

(i) any “person,” as such term is used in Sections 13(d) and 14(d) of the Exchange Act (other than the Company or any corporation owned directly or indirectly by the stockholders of the Company in substantially the same proportion as their ownership of stock in the Company) is or becomes the “beneficial owner” (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the combined voting power of the Company’s then outstanding securities;

(ii) an acquisition, consolidation or merger if all or substantially all of the beneficial owners of the outstanding stock of the Company and the combined voting power of the outstanding voting securities of the Company entitled to vote generally in the election of Board members immediately prior to such transaction do not own beneficially, directly or indirectly, and in substantially the same proportion, more than 50% of, respectively, the then outstanding shares of common stock and the combined voting power of the then outstanding voting securities entitled to vote generally in the election of Board members, as the case may be, of the corporation resulting from such transaction;

(iii) a sale or transfer of all or substantially all the Company's assets;

(iv) a dissolution or liquidation of the Company; or

(v) if, over a period of twenty-four (24) consecutive months or less there is change in the composition of the Board such that a majority of the Board members (rounded up to the next whole number, if a fraction) ceases, by reason of one or more actual or threatened proxy contests for the election of Board members, to be composed of individuals who either (i) have been Board members continuously since the beginning of that period, or (ii) have been elected or nominated for election as Board members during such period by at least a majority of the Board described in the preceding clause (i) who were still in office at the time that election or nomination was approved by the Board.

Notwithstanding clauses (i) through (v) above, none of the following shall constitute a “Change in Control” for purposes of this definition:

(x) the Shares or the voting securities of the Company entitled to vote generally in the election of Board members are acquired directly from the Company in a capital raising transaction;

(y) the Shares or the voting securities of the Company entitled to vote generally in the election of Board members are acquired by any employee benefit plan (or related trust) sponsored or maintained by the Company or any corporation controlled by the Company; or

(z) (A) the beneficial owners of the outstanding Shares, and of the securities of the Company entitled to vote generally in the election of Board members, immediately prior to such transaction beneficially own, directly or indirectly, in substantially the same proportions immediately following such transaction more than 50% of the outstanding shares of common stock and of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of the members of the board of directors of the corporation (including, without limitation, a corporation which as a result of such transaction owns the Company or all or substantially all of the Company's assets either directly or through one or more subsidiaries) resulting from such transaction and (B) at least a majority of the members of the board of directors of the corporation resulting from such transaction were members of the board of directors at the time of the execution of the initial agreement, or of the action of the Board, authorizing such transaction.

“Code”: The U.S. Internal Revenue Code of 1986, as from time to time amended and in effect, or any successor statute as from time to time in effect. Reference in the Plan to any section of the Code shall be deemed

to include any regulations or other interpretative guidance under such section, and any amendments or successor provisions to such section, regulations or guidance.

“Committee”: The Executive Compensation and Human Resources Committee of the Board, or any other committee or committees of the Board (including any subcommittee thereof) appointed or authorized by the Board to make Awards and otherwise to administer the Plan. To the extent required to comply with the provision of Rule 16b-3 promulgated under the Exchange Act, it is intended that each member of the Committee shall, at the time such member takes any action with respect to an Award under the Plan that is intended to qualify for the exemptions provided by Rule 16b-3 promulgated under the Exchange Act be a Qualifying Director. However, the fact that a Committee member shall fail to qualify as a Qualifying Director shall not invalidate any Award granted by the Committee that is otherwise validly granted under the Plan.

“Company”: Boston Scientific Corporation, a Delaware corporation, and any successor thereto.

“Disability”: Permanent and total disability as determined under the long-term disability program of the Company or the Affiliate in which the Participant is eligible to participate, or, in the absence of such a plan, the complete and permanent inability of the Participant by reason of illness or accident to perform the duties of the occupation at which the Participant was employed or served when such disability commenced. Any determination of whether Disability exists in the absence of a long-term disability plan shall be made by the Company (or its designee) in its sole and absolute discretion. Notwithstanding the foregoing, (a) for purposes of ISO granted under the Plan, “Disability” means that the Participant is disabled within the meaning of Section 22(e)(3) of the Code, and (b) with respect to an Award that is subject to Section 409A of the Code where the payment or settlement of the Award will be made on or by reference to the Participant’s Disability, solely for purposes of determining the timing of payment, no such event will constitute a Disability for purposes of the Plan or any Award Agreement unless such event also constitutes a “disability” as defined under Section 409A of the Code.

“Effective Date”: The date that the stockholders approved the amendment and restatement of the Plan.

“Employee”: Any person who is employed by the Company or an Affiliate.

“Exchange Act”: The U.S. Securities Exchange Act of 1934, as amended. Reference in the Plan to any section of the Exchange Act shall be deemed to include any regulations or other interpretative guidance under such section, and any amendments or successor provisions to such section, regulations or guidance.

“Fair Market Value”: The closing price of a Share as reported on the New York Stock Exchange, Inc. on the relevant date (or the first preceding trading date for which a closing price was reported, if there was no closing price reported for the relevant date) or if the Stock is not listed on a national securities exchange or quoted in an inter-dealer quotation system the amount determined by the Administrator acting in good faith, under a reasonable methodology and reasonable application in compliance with Section 409A of the Code to the extent such determination is necessary for Awards under the Plan to comply with, or be exempt from, Section 409A of the Code. Notwithstanding the foregoing, for purposes other than determining the exercise price of a Stock-Based Award, Fair Market Value means, as of any date, the fair market value of a Share, as reasonably determined by the Company, which may include, without limitation, the closing sales price on the trading day immediately prior to or on such date, or a trailing average of previous closing prices prior to such date.

“Family Member”: An individual or entity included as a “family member” within the meaning of the U.S. Securities and Exchange Commission’s Form S-8 Registration Statement Under the Securities Act.

“Fractional Share Interest”: means a notional or similar interest in a Share facilitated by the Company’s designated Plan broker providing for such rights with respect to a Share as shall be specified by the Committee at the time of grant or otherwise of an Award under which Fractional Share Interests may be issued, whether or not the Award also provides for the issuance of whole Shares, including circumstances where the

Fractional Shares Interests result from the withholding of less than a whole Share to satisfy Tax-Related Items pursuant to Section 4(a)(5) hereof or the exercise price of an Option pursuant to Section 4(b)(3) hereof.

“ISO”: A Stock Option intended to be an “incentive stock option” within the meaning of Section 422 of the Code.

“Minimum Vesting Conditions”: With respect to any Stock-based Award, that vesting of (or lapsing of restrictions on) such Award does not occur prior to the first anniversary of the date of grant (or the date of commencement of employment or service, in the case of a grant made in connection with a Participant’s commencement of employment or service), other than (i) in connection with a Change in Control, as provided in 5.a. hereof, (ii) as a result of a Participant’s death or Disability, (iii) Awards that are granted as substitute Awards pursuant to Section 2.a.(5); provided, however, that an Award need not be subject to such condition so long as the number of Shares and/or Fractional Share Interest underlying such Award, together with the number of Shares and/or Fractional Share Interest underlying any other Stock-based Award granted without being subject to such condition does not exceed 5% of the Plan share reserve set forth in Section 2(a) (the **“Minimum Vesting Condition Carve Out Amount”**).

“Minimum Vesting Condition Carve Out Amount”: Has the meaning ascribed to it in the definition of **“Minimum Vesting Conditions”** in this Section 13.

“Non-Employee Director”: A member of the Board who is not an employee of any member of the Company or an Affiliate.

“Participant”: An Employee, a Non-Employee Director or other person providing services to the Company or its Affiliates who may be offered securities registrable pursuant to a Registration Statement on Form S-8 under the Securities Act who is granted an Award under the Plan.

“Performance Award”: An Award that is subject to vesting based on the attainment of Performance Criteria.

“Performance Criteria”: Specified criteria the satisfaction of which is a condition for the exercisability, vesting or full enjoyment of an Award and comprised of a measure of performance relating to the specified criteria, which may include, but is not limited to, any of the following (determined either on a consolidated basis or, as the context permits, on a market, peer group or other comparative index, functional, divisional, subsidiary, line of business, project or geographical basis or in combinations thereof): (i) sales; revenues; assets; liabilities; costs; expenses; earnings before or after deduction for all or any portion of interest, taxes, depreciation, amortization or other items, whether or not on a continuing operations or an aggregate or per share basis; return on equity, investment, capital or assets; one or more operating ratios; borrowing levels, leverage ratios or credit ratings; market share; capital expenditures; cash flow; free cash flow; working capital requirements; stock price; stockholder return; sales, contribution or gross margin, of particular products or services; particular operating or financial ratios; customer acquisition, expansion and retention; or any combination of the foregoing; or (ii) acquisitions and divestitures (in whole or in part); joint ventures and strategic alliances; spin-offs, split-ups and the like; reorganizations; recapitalizations, restructurings, financings (issuance of debt or equity) and refinancings; transactions that would constitute a change of control; or any combination of the foregoing. A Performance Criterion measure and targets with respect thereto determined by the Administrator need not be based upon an increase, a positive or improved result or avoidance of loss.

“Plan”: The Boston Scientific Corporation Amended and Restated 2011 Long-Term Incentive Plan, as set forth herein, as from time to time amended and in effect.

“Qualifying Director”: A person who is, with respect to actions intended to obtain an exemption from Section 16(b) of the Exchange Act pursuant to Rule 16b-3 under the Exchange Act, a “non-employee director” within the meaning of Rule 16b-3 under the Exchange Act.

“Restricted Stock”: An Award of Stock subject to forfeiture to the Company if specified conditions are not satisfied.

“Restricted Stock Unit”: An unfunded and unsecured promise to deliver Shares and/or Fractional Share Interests, cash, or other securities upon attainment of specified conditions or on a deferred basis following the attainment of the conditions, as specified in the Award Agreement.

“Retirement”:

With respect to Awards granted on or prior to December 31, 2011: Unless the Administrator expressly provides otherwise, cessation of employment or other service relationship with the Company and its Affiliates if, as of the date of such cessation, (i) the Participant has attained age 50, (ii) the Participant has accrued at least five years of service with the Company and its Affiliates, and (iii) the sum of the Participant’s age and years of service as of such date equals or exceeds 62.

With respect to Awards granted on or after January 1, 2012: Unless the Administrator expressly provides otherwise, cessation of employment or other service relationship with the Company and its Affiliates if, as of the date of such cessation, (i) the Participant has attained age 55, (ii) the Participant has accrued at least five years of service with the Company and its Affiliates, and (iii) the sum of the Participant’s age and years of service as of such date equals or exceeds 65.

“SARs”: Rights entitling the holder upon exercise to receive cash or Shares and/or Fractional Share Interests, as the Administrator determines, equal to a function (determined by the Administrator using such factors as it deems appropriate) of the amount by which the Stock and/or Fractional Share Interests have appreciated in value since the date of the Award.

“Securities Act”: The U.S. Securities Act of 1933, as amended. Reference in the Plan to any section of the Securities Act shall be deemed to include any regulations or other interpretative guidance under such section, and any amendments or successor provisions to such section, regulations or guidance.

“Share”: A share of Stock.

“Stock”: The Common Stock of the Company, par value USD 0.01 per share (and any stock or other securities into which such Stock may be converted or into which it may be exchanged).

“Stock Options”: Options entitling the recipient to acquire Shares or Fractional Share Interests upon payment of the exercise price.

“Sub-Plan”: Any sub-plan to the Plan that has been adopted by the Board or the Administrator for the purpose of (i) permitting the offering of Awards to Employees outside the U.S., (ii) to facilitate the administration of the Plan or (iii) to obtain favorable tax treatment. Each Sub-Plan shall be designed to comply with Applicable Laws to offerings in foreign jurisdictions. Although any Sub-Plan may be designated a separate and independent plan from the Plan in order to comply with Applicable Laws, the Plan share reserve and the other limits specified in Section 3 shall apply in the aggregate to the Plan and any Sub-Plan adopted hereunder, and the Minimum Vesting Condition shall apply to any Awards granted under any such Sub-Plan, unless prevented by Applicable Laws, in which case, they will be granted pursuant to the Minimum Vesting Condition Carve Out Amount.

“Tax-Related Items”: Any U.S. federal, state, and/or local taxes and/or any non-U.S. taxes (including, without limitation, income tax, social insurance contributions (or similar contributions), payroll tax, fringe benefits tax, payment on account, employment tax, stamp tax and any other tax or tax-related item related to participation in the Plan and legally applicable to a Participant, including any employer liability for which the Participant is liable pursuant to Applicable Laws or the applicable Award Agreement.

“Unrestricted Stock”: An Award of Stock not subject to any restrictions under the Plan and which shall be granted from the Minimum Vesting Condition Carve-Out Amount.

“U.S.”: United States of America.



I. Establishment and Purpose of the Plan

Boston Scientific Corporation has established the Boston Scientific Corporation Annual Bonus Plan ("Plan"). As explained in detail below, the Plan basically works as follows. For each Performance Year, there is a Target Bonus Pool, which is the sum of the bonus targets of all employees who are eligible to participate in the Plan for the Performance Year. After the end of the Performance Year, the Committee determines the Applicable Distribution Percentage of the Target Bonus Pool that will be distributed as bonus for the year, based on the Company's performance as to Global Sales, Adjusted Earnings Per Share, Operating Income (as a percent of sales), and its attainment of quality and Environmental, Social, and Governance (ESG) Scorecard goals. The Applicable Distribution Percentage will be between 0% and 150%.

The Compensation Management System then allocates the Applicable Distribution Percentage among the managers (resulting in a budget for each manager), who evaluate the performance of the participants under their management and determine for each participant, the percentage of the participant's Target Annual Bonus that will be the participant's Bonus Award for the Performance Year.

The Plan's purpose is to align the Company's interests and your interests as a Plan participant by providing incentive compensation for the achievement of Company and individual performance objectives.

The capitalized words and terms that are used throughout the Plan are defined in the Glossary in Article IX.

II. Eligibility and Participation

You are eligible to participate in the Plan for a Performance Year if you satisfy all of the following eligibility criteria:

- You are either a Regular Employee or an Eligible International Employee;
- You are not eligible for commissions under any sales compensation plan of the Company (unless the written terms of the plan or program expressly permit participation in both that plan or program and the Plan);
- You are not eligible to participate in any other incentive plan or program of the Company (unless the written terms of that plan or program expressly permit participation in both that plan or program and the Plan); and
- You complete at least two full months of Eligible Service during the Performance Year.

For Exempt Employees and Eligible International Employees, if you are eligible to participate in the Plan for only part of the Performance Year (for example, because you change positions or business units during the Performance Year), then you may participate in the Plan on a prorated basis for the Performance Year, provided that you complete at least two full months of Eligible Service during the Performance Year. If you are eligible for prorated participation, the Bonus Award, if any, otherwise payable to you for the Performance Year will be prorated based on your percentage of time in an eligible position during the Performance Year. This paragraph does not apply to Non-Exempt Employees.

III. Target Annual Bonus

Exempt Employees and Eligible International Employees: For each Performance Year in which you are eligible to participate, you will be assigned a Target Annual Bonus, which will be a specified percentage of your annual base salary, determined based on your position. The Bonus Award, if any, that you ultimately receive for the Performance Year will be a percentage of your Target Annual Bonus, determined pursuant to Article IV. The Target Bonus Pool for a Performance Year will be the sum of the Target Annual Bonuses of all employees who are eligible to participate in the Plan for the Performance Year. All Bonus Awards will be based on your annual base salary and incentive target as of December 31 of the Performance Year.

Non-exempt employees: For each Performance Year in which you are eligible to participate, you will be assigned a Target Annual Bonus, which will be a specified percentage of your Total Annual Earnings, determined based on your position. The Bonus Award, if any, that you ultimately receive for the Performance Year will be a percentage of your Target Annual Bonus, determined pursuant to Article IV. The Target Bonus Pool for a Performance Year will be the sum of the Target Annual Bonuses of all employees who are eligible to participate in the Plan for the Performance Year. All Bonus Awards will be based on your annual earnings and incentive target as of December 31 of the Performance Year.

IV. Steps For Determining Bonus Awards

Bonus Awards for a Performance Year will be determined pursuant to the following steps:

Step One: Establish performance goals and the Corporate Performance Scale

On or before March 15 of a Performance Year, the Committee will establish performance goals for each of the Plan's Performance Metrics, including quality and ESG Scorecard goals, for the Performance Year. The Performance Metrics are Global Sales, Adjusted Earnings Per Share and Operating Income (as a percent of Sales). The Committee will also approve the Corporate Performance Scale for the Performance Year, which will be set forth in a separate schedule.

Step Two: Measure achievement and determine Total Annual Bonus

After the end of the Performance Year, the Committee will evaluate the Company's financial performance results for the Performance Year and determine the extent to which the performance goals were attained. The Committee will adopt a written resolution as to the extent of the attainment of the performance goals with respect to each of the Performance Metrics. Based on the extent to which the performance and ESG Scorecard goals were attained, the Chief Executive Officer will make a recommendation to the Committee, consistent with the Corporate Performance Scale, as to the Applicable Distribution Percentage (between 0% and 150%). Taking into account the Chief Executive Officer's recommendation and any other factors that the Committee, in its discretion, deems appropriate, the Committee will approve an Applicable Distribution Percentage for the Performance Year, which must be consistent with the Corporate Performance Scale. The Committee retains the right to reduce the Applicable Distribution Percentage for the Performance Year based on the Committee's Quality Assessment.

Step Three: Determine participants' individual Bonus Awards

The Compensation Management System then allocates the Applicable Distribution Percentage among the managers of Plan participants (resulting in a budget for each manager), who evaluate

the performance of the participants under their management. Each manager will determine each participant's performance rating as well as the distribution of performance ratings under their management and within their total organization, based on the guidelines established in the system.

The Dynamic Bonus is a portion of the Aggregate Bonus Pool established to help managers better differentiate rewards for the highest performers—those participants rated “Outstanding”—while recognizing the largest participant population whose performance has been rated “Successful” or “Too New” and appropriately recognizing lower performers rated “Improvement Required” with a lower bonus.

Once all the performance ratings have been submitted, managers will assign each participant under their management an Individual Performance Modifier based on their performance rating.

The sum of Applicable Distribution Percentage (0% - 150%) multiplied by the Individual Performance Modifier (0% - 150%) will not exceed 225% for any individual participant.

Annual Base Salary (as of December 31)	X	Target Annual Bonus	X	Applicable Distribution Percentage (0% - 150%)	X	Individual Performance Modifier (0% - 150%)	=	Annual Bonus Plan Award (0% - 225% of Target Annual Bonus)
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If participants leave the Company before the Payment Date and, as a result, do not earn their Bonus Awards for the Performance Year, their Bonus Awards will be reallocated by the Chief Executive Officer, in his or her discretion, to other participants who are employed on the Payment Date and will become part of the Bonus Awards paid to those other participants. As provided in Article V, all Bonus Awards for a Performance Year (including those reallocated pursuant to the previous sentence) will be paid to eligible participants no later than March 15 of the following year.

V. Payment Conditions

Payment Date and Form of Payment. Bonus Awards in the United States will be made by March 15 of the year following the Performance Year for which the Bonus Awards are made. Bonus Awards outside the United States will be processed as soon as administratively possible in each region following the end of the Performance Year and after the Committee has adopted its written resolution as to the attainment of performance goals pursuant to Article IV. Your Bonus Award, if any, will be paid in a single lump sum payment.

Required Employment on the Payment Date. Except as otherwise expressly provided in this Article V, to be eligible to receive payment of any Bonus Award, you must be employed by the Company on the Payment Date for that Bonus Award. In other words, except as expressly provided in this Article V, if you cease employment with Boston Scientific Corporation and all of its

Affiliates before the Payment Date, you will not be eligible to receive any Bonus Award that would otherwise have been payable to you if you had been a Company employee on that date. Conversely, if you are an employee of the Company on the Payment Date, you will be entitled to your Bonus Award, if any, even if you are not actively performing duties on that date. For example, if you are not required to report to work during a notification period applicable under a Company severance or separation plan, but you are still a Company employee during that period, and the Payment Date occurs during your notification period, you will remain eligible to receive your Bonus Award.

Exception Under Written Company Plan or Agreement. If you are specifically exempted, under a written Company plan or agreement, from the requirement to be employed on the Payment Date, you may remain eligible for payment of your Bonus Award, depending on the terms of the applicable written plan or agreement. In such cases, the terms of such written plan or agreement will govern in all respects.

Layoff. Also, notwithstanding any other provision of the Plan, if you are a participant and your employment ceases prior to the Payment Date by reason of Layoff, you may be eligible for payment of part or all of your Bonus Award, depending on the terms and conditions of the applicable severance pay plan, if any, for the country in which you are employed at the time of layoff. In the event that there is no country-specific severance plan for the country in which you are employed at the time of your Layoff, applicable law will apply. In the event a previously eligible participant is re-hired within the Performance Year after a layoff and meets the eligibility criteria, if the participant was paid out a pro-rated bonus at the time of severance, then the payout period will not be bridged. If the rehired participant did not receive a pro-rated bonus payout at the time of severance, then the payout period will be bridged, and participant will receive a pro-rated Bonus Award for the Performance Year.

Leaves of Absence. Also, notwithstanding any other provision of the Plan, if you are a participant on a paid leave of absence, you are bonus eligible as long as you meet performance expectations during the Performance Year. Your Bonus Award will be made on the payment date within the applicable country. If you are a participant on an unpaid leave of absence, your Bonus Award, if any, will be pro-rated if the unpaid leave is longer than a continuous six (6) months in duration during the Performance Year. Country specific regulations regarding leaves of absence and bonus eligibility supersede this Plan document.

Retirement. Also notwithstanding any other provision of the Plan, if you are a participant for a Performance Year and your employment ceases due to Retirement prior to the Payment Date for a Bonus Award but after September 30 of the Performance Year to which the Bonus Award pertains, and you had at least nine months of Eligible Service in the Performance Year, you will be entitled to a prorated portion of the Bonus Award, if any, that would otherwise be paid you for the Performance Year. In such a case, proration will be based on the percentage of time in the Performance Year during which you were employed and eligible to participate in the Plan. The prorated Bonus Award, if any, will be paid on the Payment Date. For purposes of this paragraph, your employment ceases due to "Retirement" if, as of the date of your cessation of employment, (1) you had attained age 55, (2) you had accrued at least five years of service with the Company and (3) the sum of your age and years of service as of your date of cessation of employment equals or exceeds 65.

Death. For Exempt Employees and Eligible International Employees, if your employment ceases prior to the Payment Date by reason of your death, but you otherwise met all eligibility criteria specified in Article II, your estate may receive a prorated portion of the Bonus Award, if any, that

would have been paid had you lived to the Payment Date. In such a case, proration will be based on the percentage of time in the Performance Year during which you were employed and eligible to participate in the Plan. The prorated Bonus Award, if any, will be paid on the Payment Date.

For Non-Exempt employees, if your employment ceases prior to the Payment Date by reason of your death, but you otherwise met all eligibility criteria specified in Article II, your estate will receive your Bonus Award, if any, that would have been paid had you lived to the Payment Date.

Adjustment for Changes in Standard Hours. Also notwithstanding any other provision of the Plan, if you are an Exempt Employee or Eligible International employee participant and have a change in standard hours (part-time to full-time, full-time to part-time) during a Performance Year, your Bonus Award, if any, for the Performance Year will be calculated as follows: Target Annual Bonus percentage multiplied by the average annualized base salary for each period of employment at a specific salary divided by the percentage of the year during which that salary was earned. For example, if your Target Annual Bonus percentage is 10% and you worked full-time for six (6) months at an annual base salary of 100,000 and moved to a part-time arrangement for the remaining (6) months at an annual base salary of 50,000, your bonus award, if any, would be 7,500. $[0.10 \times (100,000 \times 0.50) = 5,000]$ and $[0.10 \times (50,000 \times 0.50) = 2,500]$. This paragraph does not apply to Non-Exempt Employee participants.

No Guarantee of a Bonus Award. Nothing in this Plan guarantees that any Bonus Award will be made to any individual. Receipt of a Bonus Award in one year does not guarantee eligibility in any future year.

VI. Incentive Compensation Recoupment Policy

General Recoupment Policy. To the extent permitted by governing law, the Board, in its discretion, may seek reimbursement of a Bonus Award paid to you if you are a Current Executive Committee Member or Former Executive Committee Member and, in the judgment of the Board, you, while serving in capacity as a Current Executive Committee Member, commit misconduct or a gross dereliction of duty that results in a material violation of Company policy and causes significant harm to the Company. Further, in such case:

- if you are a Current Executive Committee Member, the Board may seek reimbursement of all or a portion of the Bonus Award paid to you during the one-year period preceding the date on which such misconduct or dereliction of duty was discovered by the Company, or
- if you are a Former Executive Committee Member, the Board may seek reimbursement of all or a portion of the Bonus Award paid to you during the one-year period preceding the last date on which you were a Current Executive Committee Member.

Recoupment Required by Law. Bonus Awards and any compensation associated therewith are subject to forfeiture, recovery by the Company or other action pursuant to any compensation recovery policy adopted by the Board or the Committee in effect from time to time, which includes but is not limited to the Company's Dodd-Frank Clawback Policy and any other compensation recovery policy adopted by the Board or the Committee including in response to the requirements of Section 10D of the Securities Exchange Act of 1934, as amended, the U.S. Securities and Exchange Commission's final rules thereunder, and any applicable listing rules or other rules and regulations implementing the foregoing or as otherwise required by law.

VII. Termination, Suspension or Modification and Interpretation of the Plan

The Board may terminate, suspend or modify (and if suspended, may reinstate with or without modification) all or part of the Plan at any time, with or without notice to participants. The Committee has sole authority over administration and interpretation of the Plan, and the Committee retains its right to exercise discretion as it sees fit.

The Committee reserves the exclusive right to determine eligibility to participate in this Plan and to interpret all applicable terms and conditions, including eligibility criteria, performance objectives and payment conditions, for the Company's executive officers. The Committee delegates to the Company's highest human resources officer the authority to administer, and determine eligibility to participate in, the Plan and interpret all applicable terms and conditions, for employees who are not executive officers of the Company. The determinations and interpretations of the Committee and its delegates will be conclusive.

All Bonus Awards are paid from the Company's general assets. No trust, account or other separate collection of amounts will be established for the payment of Bonus Awards under the Plan. Bonus Awards are unfunded obligations of the Company, so if and when a Bonus Award becomes due, a participant's rights to payment are no greater than the rights of a general unsecured creditor.

VIII. Other

This document sets forth the terms of the Plan and is not intended to be a contract or employment agreement between you or any other participant and the Company. As applicable, it is understood that both you and the Company have the right to terminate your employment with the Company at any time, with or without cause and with or without notice, in acknowledgement of the fact that your employment relationship with the Company is "at will."

IX. Glossary

As used in the Plan, the following words and terms, when capitalized, have the following meanings:

Adjusted Earnings Per Share means, with respect to a Performance Year, Adjusted Net Income (loss) divided by weighted average shares outstanding for the Performance Year (determined in accordance with generally accepted accounting principles).

Adjusted Net Income (loss) equals the Company's GAAP Net Income (loss) excluding certain charges (credits) from GAAP net income, including, but not limited to, amortization expense, goodwill and intangible asset impairment charges, acquisition- and divestiture-related net charges (credits), restructuring and restructuring-related net charges (credits), litigation-related net charges (credits), certain investment impairment losses (gains), EU Medical Device Regulation implementation charges, pension termination charges, debt extinguishment charges and discrete tax items.

Affiliate means any corporation, trust, partnership, or any other entity that is considered to be a single employer with Boston Scientific Corporation under Code sections 414(b), (c), (m), or (o), such as a wholly-owned (or at least 80%-owned) subsidiary of Boston Scientific Corporation.

Aggregate Bonus Pool means, the Target Bonus Pool multiplied by the Applicable Distribution Percentage and modified by the Dynamic Bonus within the Compensation Management System.

Annual Bonus Plan Award means, with respect to a participant for a Performance Year, the annual incentive bonus, if any, payable to the participant for the Performance Year, subject to the terms and conditions of the Plan.

Applicable Distribution Percentage means, with respect to a Performance Year, a percentage, determined by the Committee in accordance with the Corporate Performance Scale, which is between 0% and no more than 150%.

Board means the Board of Directors of Boston Scientific Corporation.

Chief Executive Officer means the Chief Executive Officer of Boston Scientific Corporation.

Code means the Internal Revenue Code of 1986, as amended, and its interpretive rules and regulations.

Committee means the Executive Compensation and Human Resources Committee of the Board.

Company means Boston Scientific Corporation and its Affiliates.

Compensation Management System means the software tool used by the Company for various compensation management purposes.

Corporate Performance Scale means, with respect to a Performance Year, the schedule used to determine, based on the extent of attainment of the performance goals for the Performance Year, the Applicable Distribution Percentage

Current Executive Committee Member means any individual currently designated as a corporate officer of the Company who is in an organizational job level of E-4 or E-5 (or any equivalent level under any future organizational framework).

Dynamic Bonus means the portion of the Aggregate Bonus Pool that is modified when participants' Individual Performance Modifiers are input into the Compensation Management System. The Dynamic Bonus for a Performance Year shall not exceed 10% of the Target Bonus Pool for the Performance Year.

Eligible International Employee means an international, international operations, or expatriate employee of the Company working in a position designated by the Company as eligible to participate in the Plan.

Eligible Service means periods in which you are considered, under the rules and procedures of the Company, to be in active service as a Regular Employee or Eligible International Employee (including, but not limited to, time away from work for approved vacation, recognized holidays, and FMLA leave).

Environmental, Social and Governance (ESG) Scorecard means, with respect to a Performance Year, performance against global gender and US (inclusive of Puerto Rico) multicultural goals, Engagement goals, and performance against annual environmental goals that are aligned with the Company's environmental strategic plan goals.

Executive Committee Member means any Current Executive Committee Member or Former Executive Committee Member.

Exempt Employee means an employee of the Company who is on the Company's United States payroll and (1) classified by the Company as a regular full-time or regular part-time Employee; (2) performs a job that the Company has determined to be exempt from the minimum wage and

overtime requirements of the Fair Labor Standards Act of 1938, as amended (FLSA); and (3) is **not** any of the following:

- classified by the Company as an intern, summer student, co-op employee, or similar short-term employee; or
- classified by the Company as a consultant, temporary or defined-term employee (such as temporary fellowship program employees), or similar category of limited-term employment, regardless of their work schedule or number of hours worked.

Former Executive Committee Member means any individual previously (but not currently) designated as a corporate officer of the Company who was in an organizational job level of E-4 or E-5 (or any equivalent level under any future organizational framework).

Global Sales for purposes of the Annual Bonus Plan measures sales using constant currency rates and excludes acquisitions and divestitures not included in the annual operating plan.

Individual Performance Modifier means, with respect to a Performance Year, the percentage assigned by a participant's manager based on such participant's performance rating for the Performance Year.

Layoff means a layoff or similar involuntary termination from employment that renders you eligible for severance pay under a Company severance plan or applicable law.

Non-Exempt Employee means an employee of the Company who is on the Company's United States payroll and (1) classified by the Company as a regular full-time or regular part-time Employee; and (2) performs a job that the Company has determined to be non-exempt from the minimum wage and overtime requirements of the Fair Labor Standards Act of 1938, as amended (FLSA).

Operating Income (as a percent of Sales) means the company's revenue less cost of goods sold less operating expenses, adjusted for certain items consistent with those used to determine the company's adjusted earnings per share. These adjustment items include amortization expense, goodwill and other intangible asset impairments, acquisition/divestiture-related net charges (credits), restructuring and restructuring-related net credits, certain litigation-related net charges (credits), and EU MDR implementation costs.

Payment Date means, with respect to a Performance Year, the date on which Bonus Awards for the Performance Year are paid to participants, which will be no later than March 15 of the following year.

Performance Metrics means Global Sales, Adjusted Earnings Per Share, and Operating Income (as a percent of Sales).

Performance Year for all metrics except environmental metrics, means the 12-month period beginning on January 1 and ending on the following December 31. For the environmental metrics, the 12-month period beginning October 1, 2023 and ending on the following September 30, 2024.

Plan means the Boston Scientific Annual Bonus Plan, which is set forth in this document, as it may be amended from time to time.

Quality Assessment means the process undertaken by the Committee following the end of each Performance Year, to evaluate the Company's progress made toward achievement of its quality objectives and the performance of the Company-wide quality system.

Regular Employee means an employee of the Company who is on the Company's United States payroll and is considered an Exempt Employee or Non-Exempt Employee.

Retirement has the meaning given in Section V in the paragraph entitled "Retirement."

Target Annual Bonus has the meaning given to that term in Article III.

Target Bonus Pool means, with respect to a Performance Year, the sum of the Target Annual Bonuses of all employees who are eligible to participate in the Plan for the Performance Year.

Total Annual Earnings means, for a Non-Exempt Employee, total annual earnings including regular pay, shift differentials, overtime, vacation, holiday pay, sick hour earnings, and pay during maternity, bonding, sabbatical and disability leave.

BOSTON SCIENTIFIC CORPORATION
RESTRICTED STOCK AWARD AGREEMENT
FOR NON-EMPLOYEE DIRECTORS

This Agreement, dated as of the %%OPTION_DATE, Month DD, YYYY%-% (the “Grant Date”), is between Boston Scientific Corporation, a Delaware corporation (the “Company”), and the person whose name appears on the Signature Page of this Agreement (the “Participant”), a non-employee director of the Company. All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Company’s Amended and Restated 2011 Long-Term Incentive Plan, as amended from time to time (the “Plan”).

1. **Grant and Acceptance of Award.** The Company hereby awards to the Participant that number of shares set forth on the Signature Page of this Agreement (the “Restricted Stock”) of the Company’s Stock, subject to the restrictions set forth below. This award is granted pursuant to and is subject to the terms and conditions of this Agreement and the provisions of the Plan. The Participant hereby accepts the award of the Restricted Stock.

2. **Restrictions on Shares of Stock.** Shares of Restricted Stock awarded hereunder shall be subject to the forfeiture restrictions described in Section 5 hereof and the limits on transferability described in Section 12 below.

3. **Lapse of Restrictions.** Except as otherwise provided in Section 5 hereof (relating to a Separation From Service (as defined in the Boston Scientific Corporation Non-Employee Director Deferred Compensation Plan, as may be amended from time to time (the “Director Deferred Compensation Plan”)) and Section 6 hereof (relating to a Change in Control of the Company), shares of Restricted Stock awarded hereunder shall become free of the forfeiture restrictions described in Section 5 hereof on the last day of the Participant’s current term as a non-employee director of the Company.

4. **Participant’s Rights in Restricted Stock.** The shares of Restricted Stock awarded hereunder shall be evidenced in the manner as the Company may determine. Any shares of Stock issued shall be registered in the name of the Participant and any certificates representing those shares of Stock may be held by the Company and not be delivered to the Participant until the lapse of all forfeiture restrictions with respect to the shares of Restricted Stock. The Participant

agrees to deliver a stock power, endorsed in blank, relating to the shares of Restricted Stock awarded hereunder, if so requested by the Company. During the period that shares of Restricted Stock are subject to forfeiture (subject, however, to Section 12 of this Agreement relating to limits on transferability), the Participant will have all the rights of a stockholder of the Company with respect to the shares of Restricted Stock, including the right to receive dividends and the right to vote the shares of Restricted Stock.

5. Separation From Service. If the Participant experiences a Separation From Service (as defined in the Director Deferred Compensation Plan) from the Company for any reason other than for cause prior to the end of the Participant's current term as a non-employee director of the Company, any shares of Restricted Stock awarded hereunder that remain subject to forfeiture shall be free of restrictions pro rata based on the number of months of service completed by the Participant (rounded up to the nearest whole month) prior to such Separation From Service, and the remainder of such shares of Restricted Stock shall be immediately and automatically forfeited to the Company. If the Participant experiences a Separation From Service from the Company for cause, any shares of Restricted Stock awarded hereunder that have not been delivered to the Participant shall be immediately and automatically forfeited to the Company. For purposes of this Agreement, "cause" means a felony conviction of the Participant or the failure of the Participant to contest prosecution for a felony, or the Participant's misconduct or dishonesty that is harmful to the business or reputation of the Company.

6. Change in Control of the Company. In the event of a Change in Control of the Company, any shares of Restricted Stock awarded hereunder that remain subject to forfeiture shall immediately be free of restrictions.

7. Consideration for Restricted Stock. The shares of Restricted Stock are being issued for no cash consideration.

8. Legend on Certificate. The certificates representing the shares of Restricted Stock awarded hereunder, if delivered to the Participant prior to the lapse of the forfeiture restrictions, shall bear a legend substantially in the following form:

The transferability of this certificate and the shares of common stock represented hereby are subject to the terms and conditions (including forfeiture) of a Boston Scientific Corporation Long-Term Incentive Plan and a Restricted Stock Award Agreement entered into between the registered owner and Boston Scientific Corporation. Copies of the Plan and Agreement are on file in the offices of Boston Scientific Corporation at 300 Boston Scientific Way, Marlborough, MA 01752, USA.

In addition, certificates representing shares of Restricted Stock shall also bear an Affiliate Legend.

9. Delivery of Stock. The Company shall not be obligated to deliver any shares of Restricted Stock awarded hereunder until (i) all United States (“U.S.”) federal, state, local and non-U.S. laws and regulations as the Company may deem applicable have been complied with, and (ii) all other legal matters in connection with the issuance and delivery of such shares of Restricted Stock have been approved by the Company’s legal department.

10. Responsibility for Taxes; Tax Withholding. The Participant shall be responsible for the payment of any and all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance or other taxes of any kind (“Tax-Related Items”) required by law to be paid with respect to the shares of Restricted Stock awarded hereunder, including, without limitation, the payment of any applicable withholding, Self-Employment Contributions Act of 1954, as amended, and similar taxes or obligations. If the Participant elects pursuant to Code Section 83(b) to recognize taxable income in connection with the award of Restricted Stock pursuant to this Agreement, the Participant must notify the U.S. Internal Revenue Service (with a copy to the Company) of such election in writing within thirty (30) days of the Grant Date and must pay in cash to the Company the amount of withholding and other tax obligations associated with the election or make other arrangements satisfactory to the Company for the payment thereof. The Company (a) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Restricted Stock award, and (b) does not commit to structure the terms of the award to reduce or eliminate the Participant’s liability for Tax-Related Items.

The Company shall have the right and is hereby authorized to withhold Tax-Related Items required by law to be withheld with respect to the shares of Restricted Stock awarded hereunder from any compensation or other amount owing to the Participant, as may be necessary in the opinion of the Company to satisfy all such Tax-Related Items, requirements and withholding obligations. The Participant agrees to indemnify the Company and its Affiliates against any and all liabilities, damages, costs and expenses that the Company and its Affiliates may hereafter incur, suffer or be required to pay with respect to the payment or withholding of any Tax-Related Items.

11. Investment Intent. The Participant acknowledges that the acquisition of the Restricted Stock is for investment purposes without a view to distribution thereof.

12. Limits on Transferability. Until the restrictions imposed upon the Restricted Stock by this Agreement lapse in accordance with the terms of this Agreement and any applicable Addendum or by action of the Administrator, the shares of Restricted Stock awarded and accepted hereby are not transferable and shall not be sold, transferred, assigned, pledged, gifted, hypothecated or otherwise disposed of or encumbered by the Participant. Transfers of shares of Stock by the Participant are subject to the Company's Stock Trading Policy and any applicable laws, rules and regulations.

13. Repatriation and Legal/Tax Compliance Requirements. If the Participant is resident outside of the United States, the Participant agrees to repatriate all payments attributable to the shares of Restricted Stock and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the shares of Stock acquired pursuant to the award) in accordance with local foreign exchange rules and regulations in the Participant's country of residence. In addition, the Participant agrees to take any and all actions, and consent to any and all actions taken by the Company, as may be required to allow the Company to comply with local laws, rules and regulations in the Participant's country of residence. Finally, the Participant agrees to take any and all actions as may be required to comply with the Participant's personal legal and tax obligations under local laws, rules and regulations in the Participant's country of residence.

14. Data Privacy. *The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in this Agreement and any other grant materials by the Company for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan.*

The Participant understands that the Company may hold certain personal information about the Participant, including (but not limited to) the Participant's name, home address, email address and telephone number, date of birth, social insurance, passport or other identification number (e.g., resident registration number), nationality, job title, any shares of Stock or directorships held in the Company, and details of all shares of Restricted Stock awarded to the Participant or any other entitlements to shares of Stock awarded, canceled, exercised, vested, unvested or outstanding in the Participant's favor ("Data") for the purpose of implementing, managing and administering the Plan.

The Participant understands that Data may be transferred to any third parties assisting the Company with the implementation, administration and management of the Plan, including but not limited to Morgan Stanley Smith Barney LLC and its affiliates ("Morgan Stanley") or any successor or any other third party that the Company or Morgan Stanley (or its successor)

may engage to assist with the administration of the Plan from time to time. The Participant understands the recipients of the Data may be located in the Participant's country, in the United States or elsewhere, and that the recipients' country may have different data privacy laws and protections than the Participant's country. The Participant understands that the Participant may request a list with the names and addresses of any potential recipients of the Data by contacting the Company's Vice President, Total Rewards.

The Participant authorizes the Company and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Participant may elect to deposit any shares of Stock acquired under the Plan. The Participant understands that the Participant may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Company's Vice President, Total Rewards. Further, the Participant understands that the Participant is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or if the Participant later revokes his or her consent, the Participant's service with the Company will not be adversely affected; the only consequence of refusing or withdrawing the Participant's consent is that the Company would not be able to grant the Participant shares of Restricted Stock or other equity awards or administer or maintain such awards. Therefore, the Participant understands that refusing or withdrawing the Participant's consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of the Participant's refusal to consent or withdrawal of consent, the Participant understands that he or she may contact the Company's Vice President, Total Rewards.

15. Nature of Grant. By participating in the Plan, the Participant acknowledges, understands and agrees that:

(a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Administrator at any time, to the extent permitted by the Plan;

(b) the grant of shares of Restricted Stock is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants or benefits in lieu of shares of Restricted Stock, even if shares of Restricted Stock have been granted in the past;

(c) all decisions with respect to future grants of shares of Restricted Stock, if any, will be at the sole discretion of the Administrator;

(d) the grant of the shares of Restricted Stock and the Participant's participation in the Plan shall not be interpreted to form a contractual or other relationship with the Company or its Affiliates; further, the award of shares of Restricted Stock hereunder shall not confer upon the Participant any right to continued service as a director of the Company and this Agreement shall not be construed in any way to limit the rights of the Company or its shareholders pursuant to the organizational documents of the Company and applicable law;

(e) the Participant is voluntarily participating in the Plan;

(f) the future value of the shares of Restricted Stock is unknown, indeterminable and cannot be predicted with certainty;

(g) no claim or entitlement to compensation or damages shall arise from (i) the forfeiture of the Restricted Stock resulting from the termination of the service relationship and/or (ii) the forfeiture or cancellation of the Restricted Stock and/or recoupment of any shares of Stock, cash, or other benefits acquired under the Plan resulting from the application of the Company's recoupment policies, as may be applicable; and

(h) the following provisions apply only if the Participant is resident outside the United States: (A) the shares of Restricted Stock, and the income and value of same are not part of normal or expected compensation for any purpose; and (B) the Company shall not be liable for any foreign exchange rate fluctuation between the Participant's local currency and the U.S. dollar that may affect the value of the shares of Restricted Stock or of any amount due to the Participant upon lapse of restrictions on the Restricted Stock or the subsequent sale of any shares of Stock acquired.

16. Not a Public Offering. If the Participant is resident outside of the United States, the grant of Restricted Stock under the Plan is not intended to be a public offering of securities in the Participant's country of residence. The Company has not submitted any registration statement, prospectus or other filings to securities authorities outside the United States unless otherwise required under local law, and the grant of Restricted Stock is not subject to the supervision of securities authorities outside the United States.

17. Insider Trading Restrictions/Market Abuse Laws. The Participant acknowledges that, depending on the Participant's or his or her broker's country of residence or where the shares of Stock are listed, the Participant may be subject to insider trading restrictions and/or market abuse laws that may affect the Participant's ability to accept, acquire, sell or otherwise dispose of shares of Stock, rights to those shares of Stock or rights linked to the value of shares of Stock (e.g., phantom awards, futures) during such times the Participant is considered to have "inside information" regarding the Company, as defined in the laws or regulations in the Participant's country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Participant placed before the Participant possessed insider information. Furthermore, the Participant could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant acknowledges that it is the Participant's responsibility to comply with any restrictions and is advised to speak to the Participant's personal advisor on this matter.

18. No Advice Regarding Grant. No Employee of the Company is permitted to advise the Participant regarding participation in the Plan or the Participant's acquisition or sale of the shares of Stock. Investment in shares of Stock involves a degree of risk. Before deciding whether to participate in the Plan, the Participant should carefully consider all risk factors relevant to the acquisition of shares of Stock under the Plan, and the Participant should carefully review all of the materials related to the Restricted Stock and the Plan. The Participant is hereby advised to consult with the Participant's own personal tax, legal and financial advisors before taking any action related to the Plan.

19. Electronic Delivery of Documents. The Company may, in its sole discretion, deliver any documents related to the Restricted Stock and participation in the Plan or future grants of Restricted Stock that may be granted under the Plan, by electronic means unless otherwise prohibited by local law. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party-designated by the Company.

20. Language. If the Participant is resident outside of the United States, the Participant hereby acknowledges and agrees that it is the Participant's express intent that this Agreement and any applicable Addendum, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Restricted Stock, be drawn up in English. The Participant acknowledges that he/she is proficient in the English language and

understands the terms of this Agreement or has had the ability to consult with an advisor who is proficient in the English language. If the Participant has received this Agreement and any applicable Addendum, the Plan or any other documents related to the Restricted Stock translated into a language other than English, and if the meaning of the translated version is different than the English version, the English version will control.

21. Addendum. Notwithstanding any provision of this Agreement to the contrary, the Restricted Stock shall be subject to any special terms and conditions for the Participant's country of residence as are forth in an applicable addendum to the Agreement, if any (the "Addendum"). Further, if the Participant transfers residence to another country reflected in an Addendum to the Agreement, the special terms and conditions for such country will apply to the Participant to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Restricted Stock or the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant's transfer of residence). Any applicable Addendum shall constitute part of this Agreement.

22. Additional Requirements. The Administrator reserves the right to impose other requirements on the Restricted Stock, any shares of Stock acquired pursuant to the Restricted Stock and the Participant's participation in the Plan to the extent the Administrator determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Restricted Stock or the Plan. Such requirements may include (but are not limited to) requiring the Participant to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

23. Legal Notices. Any legal notice necessary under this Agreement shall be addressed to the Company in care of its General Counsel at the principal executive offices of the Company and to the Participant at the address appearing in the records of the Company for such Participant or to either party at such other address as either party may designate in writing to the other. Any such notice shall be deemed effective upon receipt thereof by the addressee.

24. Award Subject to the Plan; Conflicts. The award of Restricted Stock granted pursuant to this Agreement and any applicable Addendum is subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. This Agreement contains terms and provisions established by the Administrator specifically for the grant described herein. Unless the Administrator has exercised its authority under the Plan to establish specific terms of an Award, the terms of the Plan shall govern.

Subject to the limitations set forth in the Plan, the Administrator retains the right to alter or modify the award of Restricted Stock granted pursuant to this Agreement as the Administrator may determine are in the best interests of the Company. The Participant hereby accepts the award of Restricted Stock subject to all the terms and provisions of the Plan and this Agreement and agrees that all decisions under, and interpretations of, the Plan and this Agreement by the Administrator, Committee or the Board shall be final, binding and conclusive upon the Participant and the Participant's heirs and legal representatives.

25. Governing Law and Venue. The interpretation, performance and enforcement of this Agreement shall be governed by the laws of The Commonwealth of Massachusetts (without regard to the conflict of laws principles thereof) and applicable federal laws. For the purpose of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of The Commonwealth of Massachusetts and agree that such litigation shall be conducted in the state courts of Massachusetts or the federal courts of the United States for the District of Massachusetts.

26. Headings. The headings contained in this Agreement are for convenience only and shall not affect the meaning or interpretation of this Agreement.

27. Severability. The Participant agrees that the provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

28. Waiver. The Participant understands that the waiver by the Company with respect to the Participant's compliance of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach of such party of a provision of this Agreement.

29. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to the one and the same instrument.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Company, by its duly authorized officer, has executed and delivered this Agreement as a sealed instrument as of the date and year first above written.

PLAN: AMENDED AND RESTATED 2011 LONG-TERM INCENTIVE PLAN

Number of Shares: %%TOTAL_SHARES_GRANTED%%

BOSTON SCIENTIFIC CORPORATION

**Boston
Scientific**

Name: Michael F. Mahoney

Title: President and Chief Executive Officer

%%FIRST_NAME%%-%%LAST_NAME%%

PARTICIPANT*

**Signed via electronic signature*

BY ELECTRONICALLY ACCEPTING THE AWARD, THE PARTICIPANT AGREES THAT (i) SUCH ACCEPTANCE CONSTITUTES THE PARTICIPANT'S ELECTRONIC SIGNATURE IN EXECUTION OF THIS AGREEMENT; (ii) THE PARTICIPANT AGREES TO BE BOUND BY THE PROVISIONS OF THE PLAN, THE AGREEMENT AND ANY ADDENDUM; (iii) THE PARTICIPANT HAS REVIEWED THE PLAN, THE AGREEMENT AND ANY ADDENDUM IN THEIR ENTIRETY, HAS HAD AN OPPORTUNITY TO OBTAIN THE ADVICE OF COUNSEL PRIOR TO ACCEPTING THE AWARD AND FULLY UNDERSTANDS ALL OF THE PROVISIONS OF THE PLAN, THE AGREEMENT AND ANY ADDENDUM; (iv) THE PARTICIPANT HAS BEEN PROVIDED WITH A COPY OR ELECTRONIC ACCESS TO A COPY OF THE U.S. PROSPECTUS FOR THE PLAN; AND (v) THE PARTICIPANT HEREBY AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE ADMINISTRATOR OR ITS AUTHORIZED DELEGATE UPON ANY QUESTIONS ARISING UNDER THE PLAN, THE AGREEMENT AND ANY ADDENDUM.

BOSTON SCIENTIFIC CORPORATION

RESTRICTED STOCK UNIT AWARD AGREEMENT
FOR NON-EMPLOYEE DIRECTORS

This Agreement, dated as of the %%OPTION_DATE,'Month DD, YYYY'%%-% (the “Grant Date”), is between Boston Scientific Corporation, a Delaware corporation (the “Company”), and the person whose name appears on the Signature Page of this Agreement (the “Participant”), a non-employee director of the Company. All capitalized terms not otherwise defined herein shall have the meaning ascribed thereto in the Company’s Amended and Restated 2011 Long-Term Incentive Plan, as amended from time to time (the “Plan”).

1. **Grant and Acceptance of Award.** The Company hereby awards to the Participant that number of Restricted Stock Units set forth on the Signature Page of this Agreement (the “Units”). Each Unit represents the Company’s commitment to issue to the Participant one share of Stock, subject to the conditions set forth in this Agreement. This award is granted pursuant to and is subject to the terms and conditions of this Agreement and the provisions of the Plan. The Participant hereby accepts the award of Units.

2. **Restrictions on Units.** Units awarded hereunder shall be subject to the forfeiture restrictions described in Section 5 hereof and the limits on transferability described in Section 11 below.

3. **Vesting.** Except as otherwise provided in Section 5 hereof (relating to a Separation From Service (as defined in the Boston Scientific Corporation Non-Employee Director Deferred Compensation Plan, as may be amended from time to time (the “Director Deferred Compensation Plan”)) and Section 6 hereof (relating to a Change in Control Event (as defined in the Director Deferred Compensation Plan))), the Units awarded hereunder shall vest in full on the last day of the Participant’s current term as a non-employee director of the Company.

4. **Participant’s Rights in Stock.** The shares of Stock, if and when issued to the Participant pursuant to this Agreement, shall be registered in the Participant’s name and evidenced in a manner as determined by the Company, in its sole discretion. Under no circumstance will the Participant be deemed, by virtue of the granting of the Units, to be a holder of any shares of Stock underlying the Units or be entitled to the rights or privileges of a holder of

such shares of Stock (including the right to receive dividends or vote the shares of Stock), unless and until the Units have vested and the underlying shares of Stock have been issued to the Participant.

5. Separation From Service. If the Participant experiences a Separation From Service (as defined in the Director Deferred Compensation Plan) from the Company for any reason other than for cause prior to the end of the Participant's current term as a non-employee director of the Company, any Units awarded hereunder that remain unvested shall vest pro rata based on the number of months of service completed by the Participant (rounded up to the nearest whole month) prior to such Separation From Service, and the remainder of such Units shall be immediately and automatically forfeited. If the Participant experiences a Separation From Service from the Company for cause, any Units awarded hereunder that have not been settled shall be immediately and automatically forfeited. For purposes of this Agreement, "cause" means a felony conviction of the Participant or the failure of the Participant to contest prosecution for a felony, or the Participant's misconduct or dishonesty that is harmful to the business or reputation of the Company.

6. Change in Control Event. In the event of a Change in Control Event (as defined in the Director Deferred Compensation Plan), any unvested Units shall immediately vest in full.

7. Consideration for Stock. The shares of Stock subject to the Units are intended to be issued for no cash consideration.

8. Issuance of Stock. Shares of Stock will be issued in settlement of vested Units within sixty (60) days after the earlier of (i) a Change in Control Event or (ii) the Participant's Separation From Service (as defined in the Director Deferred Compensation Plan). Notwithstanding the foregoing, in the event that a Participant is a Specified Employee (as defined in the Director Deferred Compensation Plan) at the time of his Separation From Service, then notwithstanding any other provision of the Plan, unless the Participant's Separation From Service is by reason of the Participant's death, then any Units that becomes payable under the Plan due to the Participant's Separation From Service will be paid six (6) months and one (1) day after the date on which the Participant's Separation From Service occurs.

The Company shall not be obligated to issue any shares of Stock until (a) all United States ("U.S.") federal, state, local and non-U.S. laws and regulations, as the Company may deem applicable, have been complied with; (b) the shares of Stock have been listed or authorized for listing upon official notice to the New York Stock Exchange, Inc. or have otherwise been accorded trading privileges; and (c) all other legal matters in connection with the issuance and delivery of the shares of Stock have been approved by the Company's legal department.

Further, notwithstanding anything in the Agreement to the contrary, if the Participant resides outside the United States, the Company may, in its sole discretion, settle the Units in the form of a cash payment to the extent that settlement in shares of Stock is prohibited under local law or would require the Company to obtain the approval of or complete any legal or regulatory filing with any governmental and/or regulatory body in the Participant's country of residence. Alternatively, the Company may, in its sole discretion, settle the Units in the form of shares of Stock but require the Participant to sell such shares of Stock immediately or within a specified time following the Participant's Separation From Service (in which case, this Agreement shall give the Company the authority to issue sales instructions on the Participant's behalf).

9. Responsibility for Taxes; Tax Withholding. The Participant shall be responsible for the payment of any and all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance or other taxes of any kind ("Tax-Related Items") required by law to be paid with respect to the grant, vesting and settlement of Units hereunder, including, without limitation, the payment of any applicable withholding, Self-Employment Contributions Act of 1954, as amended, and similar taxes or obligations. The Company (a) makes no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Units or the shares of Stock issued upon vesting of the Units, and (b) does not commit to structure the terms of the Award (or any aspect of the Units) to reduce or eliminate the Participant's liability for Tax-Related Items.

Upon the issuance of shares of Stock or the satisfaction of any vesting condition with respect to the shares of Stock to be issued hereunder, if the withholding of Tax-Related Items is required, the Company may hold back from the total number of shares of Stock to be delivered to the Participant, and shall cause to be transferred to the Company, whole shares of Stock that have an aggregate Fair Market Value sufficient to pay the Tax-Related Items required to be withheld with respect to the shares of Stock, or to the extent it would not result in adverse accounting treatment, the Company may, in its sole discretion, hold back shares of Stock based on a rate of up to the maximum applicable withholding rate. If the obligation for Tax-Related Items is satisfied by holding back shares of Stock to be delivered upon settlement of the Units, for tax purposes, the Participant is deemed to have been issued the full number of shares of Stock subject to the Units, notwithstanding that a number of shares of Stock are held back solely for the purpose of paying the Tax-Related Items. The Participant will have no further rights with respect to any shares of Stock that are retained by the Company pursuant to this provision. By accepting the grant of Units, the Participant expressly consents to the withholding of shares of Stock and/or cash as provided for hereunder.

Alternatively, the Participant hereby authorizes the Company (on the Participant's behalf and at the Participant's direction pursuant to this authorization) to immediately sell a sufficient whole number of shares of Stock acquired upon vesting resulting in sale proceeds sufficient to pay the Tax-Related Items required to be withheld. The Participant agrees to sign any agreements, forms and/or consents that reasonably may be requested by the Company (or the Company's designated brokerage firm) to effectuate the sale of the shares of Stock (including, without limitation, as to the transfer of the sale proceeds to the Company to satisfy the Tax-Related Items required to be withheld). Further, the Company may, in its discretion, withhold any amount necessary to pay the Tax-Related Items from the Participant's compensation or any other amounts payable to the Participant, with no withholding of shares of Stock or sale of shares of Stock, or may require the Participant to submit a cash payment equivalent to the Tax-Related Items required to be withheld with respect to the Units.

All other Tax-Related Items related to the grant or vesting of Units and any shares of Stock delivered in settlement thereof are the Participant's sole responsibility. In no event shall whole shares of Stock be withheld by or delivered to the Company in satisfaction of any Tax-Related Items in excess of the maximum statutory tax withholding required by law. The Participant agrees to indemnify the Company and its Affiliates against any and all liabilities, damages, costs and expenses that the Company and its Affiliates may hereafter incur, suffer or be required to pay with respect to the payment or withholding of any Tax-Related Items.

The Units are intended to comply with or be exempt from the requirements of Code Section 409A. The Plan and this Agreement shall be administered and interpreted in a manner consistent with this intent. If the Company determines that the Agreement is subject to Code Section 409A and that it has failed to comply with the requirements of that Section, the Company may, in its sole discretion, and without the Participant's consent, amend this Agreement to cause it to comply with Code Section 409A or be exempt from Code Section 409A. Notwithstanding any action or inaction by the Administrator, the Participant is exclusively responsible for any tax consequences under Code Section 409A resulting from the award of Units.

10. Investment Intent. The Participant acknowledges that the acquisition of the Units and underlying shares of Stock is for investment purposes without a view to distribution thereof.

11. Transferability; Restrictions on Shares; Legend on Certificate. Until the vesting conditions of this award have been satisfied and shares of Stock have been issued in accordance with the terms of this Agreement and any applicable Addendum or by action of the Administrator, the Units awarded under this Agreement are not transferable and the Participant shall not sell, transfer, assign, pledge, gift, hypothecate or otherwise dispose of or encumber the Units awarded under this Agreement. Transfers of shares of Stock by the Participant are subject

to the Company's Stock Trading Policy and applicable laws, rules and regulations. Shares of Stock issued to the Participant in certificate form or to the Participant's book entry account upon settlement of the Units may be restricted from transfer or sale by the Company and evidenced by stop-transfer instructions upon the Participant's book entry account or restricted legend(s) affixed to certificates in the form as the Company or its counsel may require with respect to any applicable restrictions on sale or transfer.

12. Repatriation and Legal/Tax Compliance Requirements. If the Participant is resident outside of the United States, the Participant agrees to repatriate all payments attributable to the Units and/or cash acquired under the Plan (including, but not limited to, dividends and any proceeds derived from the sale of the shares of Stock acquired pursuant to the award) in accordance with local foreign exchange rules and regulations in the Participant's country of residence. In addition, the Participant agrees to take any and all actions, and consent to any and all actions taken by the Company, as may be required to allow the Company to comply with local laws, rules and regulations in the Participant's country of residence. Finally, the Participant agrees to take any and all actions as may be required to comply with the Participant's personal legal and tax obligations under local laws, rules and regulations in the Participant's country of residence.

13. Data Privacy. *The Participant hereby explicitly and unambiguously consents to the collection, use and transfer, in electronic or other form, of the Participant's personal data as described in this Agreement and any other grant materials by the Company for the exclusive purpose of implementing, administering and managing the Participant's participation in the Plan.*

The Participant understands that the Company may hold certain personal information about the Participant, including (but not limited to) the Participant's name, home address, email address and telephone number, date of birth, social insurance, passport or other identification number (e.g., resident registration number), nationality, job title, any shares of Stock or directorships held in the Company, and details of all Units awarded to the Participant or any other entitlements to shares of Stock awarded, canceled, exercised, vested, unvested or outstanding in the Participant's favor ("Data") for the purpose of implementing, managing and administering the Plan.

The Participant understands that Data may be transferred to any third parties assisting the Company with the implementation, administration and management of the Plan, including but not limited to Morgan Stanley Smith Barney LLC and its affiliates ("Morgan Stanley") or any successor or any other third party that the Company or Morgan Stanley (or its successor) may engage to assist with the administration of the Plan from time to time. The Participant

understands the recipients of the Data may be located in the Participant's country, in the United States or elsewhere, and that the recipients' country may have different data privacy laws and protections than the Participant's country. The Participant understands that the Participant may request a list with the names and addresses of any potential recipients of the Data by contacting the Company's Vice President, Total Rewards.

The Participant authorizes the Company and any other possible recipients which may assist the Company (presently or in the future) with implementing, administering and managing the Plan to receive, possess, use, retain and transfer the Data, in electronic or other form, for the sole purpose of implementing, administering and managing the Participant's participation in the Plan. The Participant understands that Data will be held only as long as is necessary to implement, administer and manage the Participant's participation in the Plan, including any requisite transfer of such Data as may be required to a broker or other third party with whom the Participant may elect to deposit any shares of Stock acquired upon settlement of the Units. The Participant understands that the Participant may, at any time, view Data, request additional information about the storage and processing of Data, require any necessary amendments to Data or refuse or withdraw the consents herein, in any case without cost, by contacting in writing the Company's Vice President, Total Rewards. Further, the Participant understands that the Participant is providing the consents herein on a purely voluntary basis. If the Participant does not consent, or if the Participant later revokes his or her consent, the Participant's service with the Company will not be adversely affected; the only consequence of refusing or withdrawing the Participant's consent is that the Company would not be able to grant the Participant Units or other equity awards or administer or maintain such awards. Therefore, the Participant understands that refusing or withdrawing the Participant's consent may affect the Participant's ability to participate in the Plan. For more information on the consequences of the Participant's refusal to consent or withdrawal of consent, the Participant understands that he or she may contact the Company's Vice President, Total Rewards.

14. Nature of Grant. By participating in the Plan, the Participant acknowledges, understands and agrees that:

- (a) the Plan is established voluntarily by the Company, it is discretionary in nature and may be modified, amended, suspended or terminated by the Administrator at any time, to the extent permitted by the Plan;
- (b) the grant of the Units is exceptional, voluntary and occasional and does not create any contractual or other right to receive future grants or benefits in lieu of Units, even if Units have been granted in the past;

(c) all decisions with respect to future grants of Units, if any, will be at the sole discretion of the Administrator;

(d) the grant of the Units and the Participant's participation in the Plan shall not be interpreted to form a contractual or other relationship with the Company or its Affiliates; further, the award of Units hereunder shall not confer upon the Participant any right to continued service as a director of the Company and this Agreement shall not be construed in any way to limit the rights of the Company or its shareholders pursuant to the organizational documents of the Company and applicable law;

(e) the Participant is voluntarily participating in the Plan;

(f) the future value of the underlying shares of Stock is unknown, indeterminable and cannot be predicted with certainty;

(g) no claim or entitlement to compensation or damages shall arise from (i) the forfeiture of the Units resulting from the termination of the service relationship and/or (ii) the forfeiture or cancellation of the Units and/or recoupment of any shares of Stock, cash, or other benefits acquired under the Plan resulting from the application of the Company's recoupment policies, as may be applicable; and

(h) the following provisions apply only if the Participant is resident outside the United States: (A) the Units, the underlying shares of Stock, and the income and value of same are not part of normal or expected compensation for any purpose; and (B) the Company shall not be liable for any foreign exchange rate fluctuation between the Participant's local currency and the U.S. dollar that may affect the value of the Units or of any amount due to the Participant pursuant to the settlement of the Units or the subsequent sale of any shares of Stock acquired upon settlement.

15. Not a Public Offering. If the Participant is resident outside the United States, the grant of Units under the Plan is not intended to be a public offering of securities in the Participant's country of residence. The Company has not submitted any registration statement, prospectus or other filings to securities authorities outside the United States unless otherwise required under local law, and the grant of Units is not subject to the supervision of securities authorities outside the United States.

16. No Advice Regarding Grant. No Employee of the Company is permitted to advise the Participant regarding participation in the Plan or the Participant's acquisition or sale of the

shares of Stock. Investment in shares of Stock involves a degree of risk. Before deciding whether to participate in the Plan, the Participant should carefully consider all risk factors relevant to the acquisition of shares of Stock under the Plan, and the Participant should carefully review all of the materials related to the Units and the Plan. The Participant is hereby advised to consult with the Participant's own personal tax, legal and financial advisors before taking any action related to the Plan.

17. Insider Trading Restrictions/Market Abuse Laws. The Participant acknowledges that, depending on the Participant's or his or her broker's country of residence or where the shares of Stock are listed, the Participant may be subject to insider trading restrictions and/or market abuse laws that may affect the Participant's ability to accept, acquire, sell or otherwise dispose of shares of Stock, rights to those shares of Stock (e.g., Units) or rights linked to the value of shares of Stock (e.g., phantom awards, futures) during such times the Participant is considered to have "inside information" regarding the Company, as defined in the laws or regulations in the Participant's country. Local insider trading laws and regulations may prohibit the cancellation or amendment of orders the Participant placed before the Participant possessed insider information. Furthermore, the Participant could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. The Participant acknowledges that it is the Participant's responsibility to comply with any restrictions and is advised to speak to the Participant's personal advisor on this matter.

18. Electronic Delivery of Documents. The Company may, in its sole discretion, deliver any documents related to the Units and participation in the Plan or future grants of Units that may be granted under the Plan, by electronic means unless otherwise prohibited by local law. The Participant hereby consents to receive such documents by electronic delivery and agrees to participate in the Plan through an on-line or electronic system established and maintained by the Company or a third party-designated by the Company.

19. Language. If the Participant is resident outside of the United States, the Participant hereby acknowledges and agrees that it is the Participant's express intent that this Agreement and any applicable Addendum, the Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Units, be drawn up in English. The Participant acknowledges that he/she is proficient in the English language and understands the terms of this Agreement or has had the ability to consult with an advisor who is proficient in the English language. If the Participant has received this Agreement and any applicable Addendum, the Plan or any other documents related to the Units translated into a language other than

English, and if the meaning of the translated version is different than the English version, the English version will control.

20. Addendum. Notwithstanding any provision of this Agreement to the contrary, the Units shall be subject to any special terms and conditions for the Participant's country of residence as are forth in an applicable addendum to the Agreement, if any (the "Addendum"). Further, if the Participant transfers residence to another country reflected in an Addendum to the Agreement, the special terms and conditions for such country will apply to the Participant to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Units or the Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate the Participant's transfer of residence). Any applicable Addendum shall constitute part of this Agreement.

21. Additional Requirements. The Administrator reserves the right to impose other requirements on the Units, any shares of Stock acquired pursuant to the Units and the Participant's participation in the Plan to the extent the Administrator determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local laws, rules and/or regulations or to facilitate the operation and administration of the Units or the Plan. Such requirements may include (but are not limited to) requiring the Participant to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

22. Legal Notices. Any legal notice necessary under this Agreement shall be addressed to the Company in care of its General Counsel at the principal executive offices of the Company and to the Participant at the address appearing in the records of the Company for such Participant or to either party at such other address as either party may designate in writing to the other. Any such notice shall be deemed effective upon receipt thereof by the addressee.

23. Award Subject to the Plan; Conflicts. The award of Units granted pursuant to this Agreement and any applicable Addendum is subject to the Plan. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. This Agreement contains terms and provisions established by the Administrator specifically for the grant described herein. Unless the Administrator has exercised its authority under the Plan to establish specific terms of an Award, the terms of the Plan shall govern. Subject to the limitations set forth in the Plan, the Administrator retains the right to alter or modify the award of Units granted pursuant to this Agreement as the Administrator may determine are in the best interests of the Company. The Participant hereby accepts the Units subject to all the terms and provisions of the Plan and this Agreement and agrees that all decisions under, and interpretations

of, the Plan and this Agreement by the Administrator, Committee or the Board shall be final, binding and conclusive upon the Participant and the Participant's heirs and legal representatives.

24. Governing Law and Venue. The interpretation, performance and enforcement of this Agreement shall be governed by the laws of The Commonwealth of Massachusetts (without regard to the conflict of laws principles thereof) and applicable federal laws. For the purpose of litigating any dispute that arises directly or indirectly from the relationship of the parties evidenced by this Agreement, the parties hereby submit to and consent to the exclusive jurisdiction of The Commonwealth of Massachusetts and agree that such litigation shall be conducted in the state courts of Massachusetts or the federal courts of the United States for the District of Massachusetts.

25. Headings. The headings contained in this Agreement are for convenience only and shall not affect the meaning or interpretation of this Agreement.

26. Severability. The Participant agrees that the provisions of this Agreement are severable and if any one or more provisions are determined to be illegal or otherwise unenforceable, in whole or in part, the remaining provisions shall nevertheless be binding and enforceable.

27. Waiver. The Participant understands that the waiver by the Company with respect to the Participant's compliance of any provision of this Agreement shall not operate or be construed as a waiver of any other provision of this Agreement, or of any subsequent breach of such party of a provision of this Agreement.

28. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be the one and the same instrument.

[remainder of page intentionally left blank]

IN WITNESS WHEREOF, the Company, by its duly authorized officer, has executed and delivered this Agreement as a sealed instrument as of the date and year first above written.

PLAN: AMENDED AND RESTATED 2011 LONG-TERM INCENTIVE PLAN

Total Granted: %%TOTAL_SHARES_GRANTED%%-

BOSTON SCIENTIFIC CORPORATION

**Boston
Scientific**

Name: Michael F. Mahoney

Title: President and Chief Executive Officer

%%FIRST_NAME%%-%%LAST_NAME%%-

PARTICIPANT*

**Signed via electronic signature*

BY ELECTRONICALLY ACCEPTING THE AWARD, THE PARTICIPANT AGREES THAT (i) SUCH ACCEPTANCE CONSTITUTES THE PARTICIPANT'S ELECTRONIC SIGNATURE IN EXECUTION OF THIS AGREEMENT; (ii) THE PARTICIPANT AGREES TO BE BOUND BY THE PROVISIONS OF THE PLAN, THE AGREEMENT AND ANY ADDENDUM; (iii) THE PARTICIPANT HAS REVIEWED THE PLAN, THE AGREEMENT AND ANY ADDENDUM IN THEIR ENTIRETY, HAS HAD AN OPPORTUNITY TO OBTAIN THE ADVICE OF COUNSEL PRIOR TO ACCEPTING THE AWARD AND FULLY UNDERSTANDS ALL OF THE PROVISIONS OF THE PLAN, THE AGREEMENT AND ANY ADDENDUM; (iv) THE PARTICIPANT HAS BEEN PROVIDED WITH A COPY OR ELECTRONIC ACCESS TO A COPY OF THE U.S. PROSPECTUS FOR THE PLAN; AND (v) THE PARTICIPANT HEREBY AGREES TO ACCEPT AS BINDING, CONCLUSIVE AND FINAL ALL DECISIONS OR INTERPRETATIONS OF THE ADMINISTRATOR OR ITS DULY AUTHORIZED DELEGATE UPON ANY QUESTIONS ARISING UNDER THE PLAN, THE AGREEMENT AND ANY ADDENDUM.

Boston Scientific Corporation Stock Trading Policy

Purpose	The purposes of this Stock Trading Policy (this "Policy") are: (1) to prevent insider trading by persons subject to this Policy in violation of the securities laws of the United States; (2) to prevent the possible appearance of impropriety in connection with trading or other related activities; and (3) to reduce the risk that persons subject to this Policy might be found to have engaged in activities that are otherwise inconsistent with Boston Scientific Corporation's ("BSC" or the "Company") Code of Conduct or standards of business ethics.
Scope	This Policy applies to all directors, officers and employees of BSC and, as appropriate, vendors, contractors or consultants who may come into possession of material non-public information about BSC and all other Covered Persons, as further described in this Policy. If you have any questions about this Policy, please contact BSC's office of the General Counsel, which for purposes of this Policy means BSC's General Counsel, Chief Corporate Counsel or one of its Securities & Governance Counsel.

Statement of Policy:

A. General

As a general rule, it is against the law to buy or sell any securities while in possession of material non-public information relevant to that security (sometimes called "inside information"), or to communicate this information or a recommendation to others who trade on the basis of this information (known as "tipping").

Individual Liability: The consequences of an insider trading violation can be severe and may subject any person who trades on inside information, and any person who communicates inside information ("tippees") to other persons who trade on the basis of that information ("tippees"), to personal civil and criminal liability, including the following penalties:

- A civil penalty of up to three times the profit gained or loss avoided;
- A criminal fine of up to \$5,000,000 (regardless of the size of the actual profit); and
- A jail term of up to twenty years.

A tipper who provides information to a person who then trades is subject to the same penalties as the tippee, even if the tipper did not trade and did not profit from the tippee's trading.

In addition, Company policy prohibits all misuse of confidential information obtained by employees in connection with their employment, including any securities trading based on such information. Please review the Company's Code of Conduct for a description of the Company's policies regarding business conduct and practices, including, among other things, the use of confidential information, conflicts of interest and the consequences to employees in the event they violate Company policies (including this Policy). Company policy prohibits any illegal activity, and, as such, insider trading may result in termination for cause.

BSC Liability: The securities laws also expose employers, such as BSC, and their supervisory personnel, to possible serious liability on account of insider trading violations by an employee if it is found that the employer failed to take appropriate steps to prevent the employee's insider trading. This Policy is one step taken by BSC to prevent insider trading.

B. Scope

Covered Activities:

This Policy covers “trading” activity which includes not only purchases and sales of BSC’s stock, but transactions in other securities, including options, warrants, puts and calls, forward contracts, and other derivative securities related to BSC’s stock. BSC considers this to include purchases and sales of interest in mutual funds and exchange traded funds in which BSC stock represents 5% or more of fund holdings at the time of purchase or sale. Further, maintaining the confidence of investors and the Company’s reputation for business integrity is critical to the achievement of BSC’s strategic objectives as a company. This policy identifies certain circumstances when trading in BSC’s securities by directors, employees and others, while legal, may create the appearance of impropriety, and this Policy prohibits trading in those circumstances in addition to those instances in which trading would be illegal.

Covered Persons: This Policy covers activities by the following persons (each a “Covered Person”):

- You, as a BSC director, employee, or third-party vendor, contractor, consultant or other staff or service provider of BSC;
- Your family members who reside with you;
- Anyone else who lives in your household; and
- Any family members who do not live in your household but whose transactions in BSC securities are directed by you or are subject to your influence or control (such as parents or children who may consult with you before they trade in BSC securities);
- Partnerships of which you are the general partner;
- Corporations of which you are the controlling shareholder;
- Trusts of which you are the trustee; and
- Estates of which you are the executor.

You may be responsible for the transactions of other Covered Persons and, therefore, you may wish to make them aware of the need to confer with you before they trade in BSC’s securities, to ensure that their trading would not be prohibited under this Policy.

Please note that many countries in addition to the U.S. have laws regarding insider trading. This Policy applies to all Covered Persons, even if the activities prohibited under this Policy are not illegal in the country where a Covered Person is located. Pursuant to the Company’s Code of Conduct, employees are expected to comply with all applicable laws, including those outside the U.S.

Covered Information:

Materiality: In general, information is “material” if it is significant to BSC’s business or if its public disclosure could reasonably be expected to affect the price of BSC securities or a person’s decision to buy, sell or recommend BSC securities. Material information may be positive or negative. Examples of events or developments that should be presumed to be “material” include, but are not limited to:

- Any non-public information regarding earnings or related financial performance information, including but not limited to guidance or trends;
 - Success or failure of a significant research and development project or existing product, including achievement of, or failure to achieve, development or commercial milestones;
-

- Gain or loss of a major customer, supplier, finance source or order;
- Significant changes in senior management or directors;
- A declaration of a stock split, dividend or an offering of additional securities or share repurchase;
- Actual or threatened significant litigation or governmental investigations;
- The existence of liquidity problems;
- A purchase or sale of a business or substantial assets (M&A), or other significant strategic activity;
- A significant cybersecurity breach or other incident;
- Possible changes in credit ratings;
- Significant labor disputes or negotiations, including possible strikes;
- Possible proxy contests;
- Possible analyst upgrades or downgrades of Company securities;
- A field action related to a significant product family; and
- Clinical trial results for significant PMA (Class III) products.

Non-Public Information: BSC considers information to be non-public until:

- It has been released to the public by BSC through appropriate channels, e.g., by means of a Securities and Exchange Commission ("SEC") filing, a press release, during a conference call or a web cast, in each case made available to a broad investor audience and with proper notice; and
- Enough time has elapsed to permit the investment market to absorb and evaluate the information. As a general rule, you should consider information to be non-public for two business days after its public disclosure.

Ultimately, you are responsible for making a judgment as to whether you have material, non-public information at the time you or a Covered Person are contemplating a trade in BSC securities. Trading during a permitted window and/or obtaining pre-clearance in accordance with this Policy does not relieve you or a Covered Person of the legal obligation to refrain from trading while in possession of material non-public information.

Your conduct will be judged with 20/20 hindsight; although an event may not seem to be material at the time, there is a possibility that it will ultimately be significant to the market once made public. Accordingly, when in doubt as to a particular item of information that is non-public, always presume it to be material and refrain from trading or disclosing it to others.

Violation of this Policy by any Covered Person is grounds for disciplinary action, including immediate dismissal from employment or service from BSC. Violations by persons related to such Covered Person that may be attributable to such Covered Person may also result in disciplinary action to the Covered Person associated with BSC.

C. Policy and Procedure

1. General Restriction on Trading While in Possession of Material Non-Public Information. No Covered Person may (i) trade in BSC's stock during any period of time in which such person has knowledge of material information about BSC that has not been made available to the investing public (other than trades made pursuant to a pre-approved trading plan that complies with SEC Rule 10b5-1 or certain specified activity under Company employee plans,

including the Company's employee stock purchase plan (ESPP), as discussed below) or (ii) "tip" or disclose material non-public information concerning BSC or make any recommendations or express opinions on the basis of material non-public information as to trading in BSC stock (or any other company or its securities to the extent such information is acquired in the course of employment with, or the performance of services on behalf of, BSC) to any other persons or entities (including Covered Persons, analysts, individual investors and members of the investment community and news media), unless such disclosure is made in accordance with BSC's policies regarding the protection or authorized external disclosure of information and only to the extent permitted by securities laws. If material nonpublic information is inadvertently disclosed by any Covered Person, the person making or discovering that disclosure should immediately report the facts to BSC's office of the General Counsel.

2. Quarterly "Windows" for Information Sensitive Positions. In order to avoid the risk of improper trading and to avoid even the appearance of improper trading practices, individuals with access to certain sensitive information concerning BSC are subject to certain quarterly restrictions on their trading activities. The following persons are considered to hold positions that are "information sensitive": (i) any director, executive officer, or employee holding the title of Vice President and above at BSC; (ii) any person who has access to corporate-wide or other material financial information prior to its public release; (iii) designated employees responsible for the preparation of financial information concerning BSC; and (iv) any other employee who has been notified by BSC's office of the General Counsel that such person is in an information-sensitive position on either a permanent or temporary basis.

Individuals holding any of the above-listed positions may only trade in BSC's stock during "open window periods" set by the Company. There will ordinarily be a window for trading open in each fiscal quarter during the period beginning on the second business day after the date upon which BSC's earnings for BSC's immediately preceding fiscal quarter have been publicly announced and ending at market close on the last business day of the second calendar month of the quarter in which the announcement is made. There is also an additional trading limitation with respect to the release of annual financial results. Individuals holding any of the above-listed positions may only trade in BSC's stock during the period beginning on the second business day after the date upon which BSC's earnings for the immediately preceding fiscal year have been announced and ending on the later of (i) market close ten business days thereafter or (ii) market close on the last business day of the second calendar month of the quarter in which the announcement is made. All such persons may be subject to further restrictions on trading under paragraph 3 below.

Compliance with the trading periods set forth in this paragraph does not excuse an individual from compliance with the prohibitions in this Policy, including against trading on material non-public information, trading during limited trading periods ("blackout periods"), selling short, failing to provide notice to BSC prior to a trade, or trading in the stock of third parties while in possession of material non-public information. All employees, including those in information sensitive positions, are required to evaluate whether they are in possession of material, non-public information prior to executing transactions involving BSC stock, even during open window periods.

Open Window periods are subject to adjustment by the Company and may be closed early or adjusted without prior notice.

3. Designated Limited Trading ("Blackout") Periods. BSC's President and Chief Executive Officer, General Counsel or Chief Financial Officer may from time to time declare a restricted trading period for a designated group of individuals who they deem to have knowledge

of significant events or projects, apart from the quarterly periods discussed in paragraph 2 above (these additional restricted trading periods are also called "blackout periods"). Individuals who are designated as members of such a group may not trade in BSC's stock during this restricted trading period. Individuals will be notified if and when they become part of a designated group. A notified person must not discuss the fact that the security is restricted or "blackout" with any person (other than a designated Company representative to the extent necessary for the resolution of any questions or issues).

4. Notice to the Office of the General Counsel and Pre-Clearance for Certain Individuals. Prior to making any trade, including gifts, in BSC stock, all directors and executive committee members must contact BSC's office of the General Counsel for pre-clearance. The pre-clearance process helps to facilitate compliance with the two-day filing requirement under Section 16 of the Securities Exchange Act for directors and executive officers. During the pre-clearance process, the Office of the General Counsel will consider if there are any important pending developments that need to be made public before the person may properly participate in the market, or if BSC is engaged in an activity that may require BSC to limit trading by such persons, as well as compliance with stock ownership guidelines.

5. No Short Sales. In no event should any person in an information-sensitive position sell BSC's stock "short" (a sale in which the seller does not own the stock at the time) or "short against the box" (a seller owns stock but does not plan to deliver it currently), nor should such a person buy a put option or write a call option on BSC's stock unless such a person otherwise owns at least the number of shares underlying the option. Short sales of BSC securities evidence an expectation on the part of the seller that the securities will decline in value, and, therefore, signal to the market that the seller has no confidence in BSC or its short-term prospects. In addition, short sales may create a conflict of interest and reduce the seller's incentive to improve BSC's performance. For these reasons, short sales of BSC securities by all persons in information-sensitive positions are prohibited. Moreover, it is illegal for officers and directors of BSC and any other person reporting under Section 16 with respect to BSC to affect short sales of BSC securities under Section 16 of the Exchange Act.

6. No Hedging and Pledging Transactions. Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow an individual to lock in much of the value of such a person's stock holdings, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow an individual to continue to own the covered securities, but without the full risks and rewards of ownership. Similarly, pledging of stock or the use of stock as margin to secure borrowings potentially divests individuals of control over the sale of the stock. Accordingly, BSC directors and executive committee members are prohibited from entering into transactions that hedge the value of BSC stock or pledge stock as collateral for a loan, including a margin loan. New directors or executive committee members must unwind pre-existing hedging or pledging arrangements within nine months of their election or appointment. Hedging or pledging arrangements entered into by directors or executive committee members may need to be disclosed in certain of BSC's filings with the SEC.

7. Trading Securities of Third Parties. Any Covered Person who possesses non-public information that is material to any company with which BSC does business or is considering doing business (including a company with respect to which BSC is considering a potential acquisition or investment) may not purchase or sell securities of that company while in possession of such information.

8. Transactions Under Company Plans. This Policy does not apply to the cash exercise of an employee stock option, the vesting of restricted stock, or to the exercise of a tax withholding right pursuant to which you elect to have BSC withhold shares of stock to satisfy tax withholding requirements. This Policy does apply, however, to any sale of stock, including as part of a “broker-assisted” cashless exercise of an option or any other market sale for the purpose of generating the cash needed to pay the exercise price of an option. For additional information concerning equity awards granted by BSC, please consult the plan prospectus, available on the BSC intranet site.

9. 401(k) Plan. This Policy does not apply to purchases of BSC stock in the Company’s 401(k) Retirement Savings Plan resulting from your periodic contribution of money to the plan pursuant to your payroll deduction election. This Policy does apply, however, to certain elections you may make under the 401(k) Retirement Savings Plan, including; (i) an election to make an intra-plan transfer of an existing account balance into or out of BSC’s stock fund; (ii) an election to borrow money against your 401(k) Retirement Savings Plan account if the loan will result in a liquidation of some or all of your BSC stock fund balance; and (iii) your election to pre-pay a plan loan if the pre-payment will result in allocation of loan proceeds to the BSC stock fund. For additional information concerning the 401(k) Retirement Savings Plan, please consult the plan summary plan description, available on the BSC intranet site.

10. Employee Stock Purchase Plan (ESPP). This Policy does not apply to purchases of BSC stock, made via regular payroll deductions, through the ESPP. This Policy does apply, however, to sales of shares acquired through the ESPP. For additional information concerning the ESPP, please consult the ESPP Prospectus, available on the BSC intranet site.

11. Gifts. Gifts may be considered transactions covered by this Policy under certain circumstances. In general, bona fide gifts (where no value is exchanged for shares) are permissible, notwithstanding open window periods and blackout periods, although special consideration should be given where the recipient of the gift is expected to sell the gifted securities. Individuals subject to trading pre-clearance under this Policy are required to request pre-clearance prior to making any gifts.

12. Pre-arranged 10b5-1 Trading Plans. SEC Rule 10b5-1 provides an affirmative defense to a claim of insider trading if trades occur pursuant to a pre-arranged ‘trading plan’ that meets specified conditions. Under this rule, if you execute a binding contract, an instruction, or a written plan that specifies the amount, price and date on which securities are to be purchased or sold, at a time when you do not possess material non-public information, then you may assert the existence of the contract, instruction, or plan as an affirmative defense to a subsequent claim that you have engaged in insider trading. Arrangements under this rule may specify amount, price, and date through a formula or may specify trading parameters that another person has discretion to administer; however, you may lose the affirmative defense afforded by the rule if, among other things, you exercise any subsequent discretion affecting the transactions, including modification or termination of a trading plan. Please note that, in addition to the requirements of a trading plan described above, there are a number of additional procedural conditions that must be satisfied under Rule 10b5-1 before you can rely on this rule. You should seek the advice of qualified securities law counsel in connection with establishing such a plan or if you have any questions about an existing plan. Any Rule 10b5-1 plan must comply with this Policy, including the requirements set forth below, as well as any additional guidelines with respect to such plans as BSC may from time to time adopt. Any Rule 10b5-1 trading plan must be submitted to BSC’s office of the General Counsel for review and pre-clearance at least two weeks before the

anticipated execution of the plan. Covered Persons may only enter into a Rule 10b5-1 trading plan during a period in which they are allowed to trade in BSC stock pursuant to this Policy.

In general, a Rule 10b5-1 plan must be entered into or modified (as defined below) at a time when the person entering into or modifying the plan is not aware of material nonpublic information about BSC. Once the plan is adopted, the person must not exercise any influence over the amount of securities to be traded, the price at which they are to be traded or the date of the trade. The plan must either specify the amount, pricing and timing of transactions in advance or delegate discretion on these matters to an independent third party. The plan must include a cooling-off period before trading can commence that, (i) for directors or executive committee members, ends on the later of 90 days after the adoption or modification of the Rule 10b5-1 plan or two business days following the disclosure of the Company's financial results in an SEC periodic report for the fiscal quarter in which the plan was adopted or modified (but in any event, the required cooling-off period is subject to a maximum of 120 days after adoption or modification of the plan), and (ii) for all other Covered Persons, 30 days following the adoption or modification of a Rule 10b5-1 plan. A person may not enter into overlapping Rule 10b5-1 plans (subject to certain exceptions pursuant to Rule 10b5-1) and may only enter into one "single trade" Rule 10b5-1 plan during any 12-month period (subject to certain exceptions pursuant to Rule 10b5-1). A Rule 10b5-1 Plan must include a representation certifying that the adopting person (a) is not aware of any material nonpublic information; and (b) is adopting the plan in good faith and not as part of a plan or scheme to evade the prohibitions of Rule 10b-5. All persons entering into a Rule 10b5-1 plan must act in good faith with respect to that plan. As used herein, "modification" and "modified" shall mean any modification or change to the amount, price, or timing of the purchase or sale of the securities underlying a Rule 10b5-1 plan, or a Rule 10b5-1 plan modification, such as the substitution or removal of a broker that is executing trades pursuant to such Rule 10b5-1 plan on behalf of the person, that changes the price or date on which purchases or sales are to be executed. These requirements may be amended from time to time in accordance with applicable law.

Please contact BSC's office of the General Counsel with any questions you may have about this Policy or the foregoing procedures.

POLICY UPDATE

This Policy shall be republished annually following the close of BSC's fiscal year, at which time copies will be made available to all directors and employees, with specific notice to those individuals in information-sensitive positions as of that date.

DISCLAIMER OF NEW LIABILITIES

This Policy is not intended and shall not be deemed to impose on BSC or its directors or employees any civil, criminal, or other liability that would not exist in the absence of this Policy.

April 30, 2024

Questions?

If you have any questions about this Policy, please contact BSC's office of the General Counsel.

List of worldwide subsidiaries of Boston Scientific Corporation as of January 31, 2025**Structure of ownership and control:**

Boston Scientific wholly owns or has a majority interest in all of the below mentioned entities.

Ablacon GmbH (Germany) Ablacon SA, en liquidation (Switzerland)
Acotec Scientific Holdings Limited (Cayman Islands)
Acurate Industria e Comercio Ltda. (Brazil)
American Medical Systems Europe B.V. (The Netherlands)
Apollo Endosurgery UK Ltd (England)
Apollo Endosurgery US, Inc. (Delaware)
Apollo Endosurgery, Inc. (Delaware)
Axonics Europe SAS (France)
Axonics GmbH (Germany)
Axonics, Inc. (Delaware) Axonics Modulation Technologies Australia Pty Ltd (Australia)
Axonics Modulation Technologies, U.K. Limited (England)
Axonics Women's Health Limited (England)
Baylis Medical Company Inc. (Canada)
Baylis Medical USA Inc. (Delaware)
Bighorn Merger Subsidiary, Inc. (Delaware)
Biocompatibles UK Limited (England)
Biocompatibles, Inc. (Delaware)
Boston Scientific (Malaysia) Sdn. Bhd. (Malaysia)
Boston Scientific (South Africa) Proprietary Limited (South Africa)
Boston Scientific (Thailand) Ltd. (Thailand)
Boston Scientific AG (Switzerland)
Boston Scientific Argentina S.A. (Argentina)
Boston Scientific Asia Pacific Pte. Ltd. (Singapore)
Boston Scientific Benelux NV (Belgium)
Boston Scientific Cardiac Diagnostic Services, LLC (Delaware)
Boston Scientific Cardiac Diagnostic Technologies, Inc. (Delaware)
Boston Scientific Cardiac Diagnostics, Inc. (Delaware)
Boston Scientific Ceska republika s.r.o. (Czech Republic)
Boston Scientific Chile SpA (Chile)
Boston Scientific Clonmel Limited, in liquidation (Ireland)
Boston Scientific Colombia Limitada (Colombia)
Boston Scientific Comercial de Costa Rica BSCR, S.R.L. (Costa Rica)
Boston Scientific de Costa Rica S.R.L. (Costa Rica)
Boston Scientific de Mexico, S.A. de C.V. (Mexico)
Boston Scientific del Caribe, Inc. (Puerto Rico)
Boston Scientific do Brasil Ltda. (Brazil)
Boston Scientific Egypt LLC (Egypt)
Boston Scientific Far East B.V. (The Netherlands)
Boston Scientific Gesellschaft m.b.H. (Austria)
Boston Scientific Group plc (Ireland)
Boston Scientific Gulf for Trading (Saudi Arabia)
Boston Scientific Healthcare Technology (Shanghai) Co., Ltd. (China)
Boston Scientific Hellas S.A. (Greece)
Boston Scientific Hong Kong Limited (Hong Kong)
Boston Scientific Iberica, S.A. (Spain)
Boston Scientific India Private Limited (India)
Boston Scientific International B.V. (The Netherlands)
Boston Scientific International Distribution FZE (UAE)
Boston Scientific International Finance Limited (Ireland)

Boston Scientific International S.A. (France)
Boston Scientific International Sdn. Bhd. (Malaysia)
Boston Scientific Israel Ltd. (Israel)
Boston Scientific Japan K.K. (Japan)
Boston Scientific Korea Co., Ltd. (Korea)
Boston Scientific Korea Holding Co., Ltd. (Korea)
Boston Scientific Limited (England)
Boston Scientific Limited (Ireland)
Boston Scientific LLC (Russian Federation)
Boston Scientific Ltd./Boston Scientifique Ltee. (Canada)
Boston Scientific Medical Device Limited (Ireland)
Boston Scientific Medical Device (Malaysia) Sdn. Bhd. (Malaysia)
Boston Scientific Medical Technology (Shanghai) Co., Ltd. (China)
Boston Scientific Medizintechnik GmbH (Germany)
Boston Scientific Middle East FZ-LLC (UAE)
Boston Scientific Middle East SAL (Offshore) (Lebanon)
Boston Scientific Nederland B.V. (The Netherlands)
Boston Scientific Neuromodulation Corporation (Delaware)
Boston Scientific New Zealand Limited (New Zealand)
Boston Scientific Nordic AB (Sweden)
Boston Scientific Pakistan (Private) Limited (Pakistan)
Boston Scientific Peru S.A.C. (Peru)
Boston Scientific Philippines, Inc. (Philippines)
Boston Scientific Polska Sp. z o.o. (Poland)
Boston Scientific Portugal - Dispositivos Medicos, Lda (Portugal)
Boston Scientific Pty Ltd (Australia)
Boston Scientific Puerto Rico LLC (Puerto Rico)
Boston Scientific Regional Headquarters (Saudi Arabia)
Boston Scientific Romania S.R.L. (Romania)
Boston Scientific S.A.S. (France)
Boston Scientific S.p.A. (Italy)
Boston Scientific Scimed, Inc. (Minnesota)
Boston Scientific Technology & Engineering Services Private Limited (India)
Boston Scientific TIP Gerecleri Limited Sirketi (Turkey)
Boston Scientific Vietnam Company Limited (Vietnam)
Bravo Bidco Limited (England)
BSC International Medical Trading (Shanghai) Co., Ltd. (China)
BSC Medical Device Technology (Shanghai) Co., Ltd. (China)
BTG IM Holdings Ltd. (Israel)
BTG International Canada Inc. (Canada)
BTG International Limited (England)
BTG Limited (England)
Bulkamid SARL (France)
Cardiac Pacemakers, Inc. (Minnesota)
CarioICE LLC (Delaware)
CeloNova BioSciences Germany GmbH, in liquidation (Germany)
Chess Medical Inc. (Delaware)
Cortex, Inc. (Delaware)
DeVoro Medical Inc. (Delaware)
eCardio Sequoia Blocker Corp. (Delaware)
Electron Acquisition Corporation (Delaware)
EndoChoice, Inc. (Delaware)
EP Technologies, Inc. (Delaware)
Farapulse, Inc. (Delaware)
Galil Medical Inc. (Delaware)
Galil Medical Ltd. (Israel)
Golden Woods Services, LLC (Texas)
Guidant Delaware Holding Corporation (Delaware)

Guidant Europe NV (Belgium)
Guidant Puerto Rico B.V. (The Netherlands)
Impala Merger Subsidiary, Inc. (Delaware)
Laguna Holdco Ltd. (Israel)
Lumenis (HK) Limited (Hong Kong)
Lumenis (Italy) S.r.l. (Italy)
Lumenis Holdings Inc. (Delaware)
Lumenis Inc. (Massachusetts)
Lumenis India Private Limited (India)
Lumenis Ltd. (Israel)
Lumenis Medical Laser Equipment Trading (Beijing) Co., Ltd. (China)
Notebook Merger Sub, Ltd. (Delaware)
NXT Merger Corp. (Delaware)
Obsidio, Inc. (Delaware)
Provensis Limited (England)
PT Boston Scientific Indonesia (Indonesia)
Relievan Medsystems, Inc. (Delaware)
RMI Acquisition Corp. (California)
Silk Road Medical, Inc. (Delaware)
SNS Merger Corp. (Delaware)
SoundCath, Inc. (Delaware)
Special K Merger Corp. (Delaware)
Starhealth Distribuidora de Produtos para a Saude Ltda. (Brazil)
Stream Enterprises LLC (Delaware)
Symetis SA, en liquidation (Switzerland)
Target Therapeutics, Inc. (Delaware)
Zuma Investment Pty Ltd (Australia)
34 Biomedical Merger Corp. (Delaware)
9357-1867 Quebec Inc., d/b/a Cryterion Medical Enterprise Canada (Canada)

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

- (1) Registration Statement (Form S-3 Nos. 333-262937, 333-76346, 333-61994, and 333-64991) of Boston Scientific Corporation,
- (2) Registration Statement (Form S-4 Nos. 333-131608 and 333-22581) of Boston Scientific Corporation,
- (3) Registration Statement (Form S-8 Nos. 333-25033, 333-25037, 333-36636, 333-61056, 333-61060, 333-76380, 333-98755, 333-111047, 333-131608, 333-133569, 333-134932, 333-151280, 333-174620, 333-174622, 333-188905, 333-196672, 333-241022, and 333-264754) of Boston Scientific Corporation;

of our reports dated February 18, 2025, with respect to the consolidated financial statements and schedule of Boston Scientific Corporation and subsidiaries and the effectiveness of internal control over financial reporting of Boston Scientific Corporation and subsidiaries included in this Annual Report (Form 10-K) of Boston Scientific Corporation for the year ended December 31, 2024.

/s/ Ernst & Young LLP
Boston, Massachusetts
February 18, 2025

CERTIFICATIONS

I, Michael F. Mahoney, certify that:

- 1 I have reviewed this Annual Report on Form 10-K of Boston Scientific Corporation;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2025

/s/ Michael F. Mahoney

Michael F. Mahoney

President and Chief Executive Officer

CERTIFICATIONS

I, Daniel J. Brennan, certify that:

- 1 I have reviewed this Annual Report on Form 10-K of Boston Scientific Corporation;
- 2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
- 3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
- 4 The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
- 5 The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 18, 2025

/s/ Daniel J. Brennan

Daniel J. Brennan

Executive Vice President and Chief Financial Officer

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO 18 U.S.C.
SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Boston Scientific Corporation (the “Company”) for the period ending December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned Chief Executive Officer of the Company hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that based on his knowledge:

- (1) the Report fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Boston Scientific Corporation.

By: /s/ Michael F. Mahoney
Michael F. Mahoney
President and Chief Executive Officer

February 18, 2025

**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO 18 U.S.C.
SECTION 1350 AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Boston Scientific Corporation (the “Company”) for the period ending December 31, 2024 as filed with the Securities and Exchange Commission on the date hereof (the “Report”), the undersigned Chief Financial Officer of the Company hereby certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that based on his knowledge:

- (1) the Report fully complies with the requirements of Section 13 (a) or 15 (d) of the Securities Exchange Act of 1934; and
- (2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Boston Scientific Corporation.

By: /s/ Daniel J. Brennan
Daniel J. Brennan
Executive Vice President and Chief Financial Officer

February 18, 2025