



Edwards Lifesciences
2020 Sustainability Report

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

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A Message from our Chairman and CEO

The year 2020 brought unprecedented challenges to communities, organizations and patients around the world, and truly tested our resilience and sustainability as a company. Edwards Lifesciences successfully navigated these challenges by remaining singularly focused on our purpose.

More than 20 years ago, Edwards was established on the foundation of our **Credo**, which defines our culture and values. This Credo, which inspires our more than 15,000 employees worldwide in their daily work, united our employees around an unwavering commitment of helping patients fighting structural heart disease and critical illness around the world.

I am pleased to welcome you to Edwards Lifesciences' 2020 Sustainability Report, which details the continued progress and commitment of Edwards to address the needs of our stakeholders globally and to create shared value in the communities in which we operate.

While it is common for many to associate sustainability narrowly with topics such as environmentalism or philanthropy, the global pandemic and dialogue around social injustice really underscored the importance of a much broader set of priorities. Those priorities include not only embracing methods of renewable energy or community giving programs to support the areas where we live and work, but also responsible and strategic deployment of resources and assets, focus on employee well-being, the value of nurturing an open and inclusive environment, sound operations of a company and redundancy to withstand unprecedented circumstances and an unyielding commitment to ethics and governance even when unthinkable challenges arise.

Our Credo and Aspirations help us define our company's strategic priorities and objectives, with our sustainability strategy fully aligning with our values and business strategy. As detailed in this report, we have established measurable sustainability goals that align with our Aspirations and we track our progress throughout the year. Following the UN Sustainable Development Goals (SDG), we focus our efforts on those goals where we believe we can have the greatest impact – SDG 3: Good Health and Well-Being; SDG 8: Decent Work and Economic Growth; and SDG 12: Responsible Consumption and Production.

We continue to seek out opportunities to help structural heart disease patients, and the communities where we live and work. We supported the launch of the American Heart Association's **Target: Aortic Stenosis initiative**, a program aimed to develop optimal standards of care via a learning collaborative comprised of experts and volunteers from pilot hospital locations around the nation. We announced our focus on the next phase of **Every Heartbeat Matters**: We will improve the lives of 2.5 million additional underserved structural heart and critical care patients by the end of 2025. And to help restore health to our local communities, Edwards partnered with Providence to provide a facility, staff and funding to operate a COVID-19 vaccination clinic at the Edwards headquarters campus over several months, giving approximately **9,000 vaccine doses for free** – and the promise of more as the effort turned mobile in local communities throughout Orange County, Calif.

Now more than ever, I am proud of our strong team, community-minded employees and patient-focused culture. It is their talent, their diverse perspectives and their passion for making a difference that makes Edwards so special. The feedback over the last year specifically has informed priorities and initiatives to enhance our global diversity, inclusion and belonging strategy, as we ask, "What else can we do?" I was pleased to share updates on some of our engagements in a **letter in Jan. 2021**, and also discuss meaningful steps we expect in the months and years ahead to lead the change we seek in advancing a more inclusive workplace and community.

Thank you for your interest and support as we continue to reflect, take action and progress further in our sustainability journey. We know that when we act with purpose and as trusted partners, we create a community unified in its mission to improve the quality of life around the world.

Michael A. Mussallem

Chairman & Chief Executive Officer

Our approach



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

Throughout the global pandemic in 2020 and 2021, Edwards Lifesciences has continued investing in our people, our innovative technologies and our growth, and has remained dedicated to helping as many patients as possible. At the same time, we recognize that our work impacts many stakeholders around the world, and we are committed to contributing value to the communities in which we operate.

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

The Edwards Lifesciences 2020 Sustainability Report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards and with reference to the [United Nations' 17 Sustainable Development Goals](#) (SDGs). Based on our assessment of the SDGs, we have focused our efforts on those areas where we believe we can have the most significant and meaningful impact:

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

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

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

Through our business activities and philanthropic efforts, we believe Edwards can contribute meaningfully to these three goals.

Our Aspirations



Transforming patient lives with breakthrough medical technologies

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

Sustainability Targets

● met ● in progress ○ not met

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



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



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



Our Aspirations



Excelling as a trusted partner through distinguished quality and integrity

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

Sustainability Targets

● met ● in progress ○ not met

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



100% of managers to complete learning module on ethical decision making by 2020



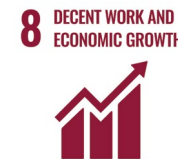
No significant disruption of product availability



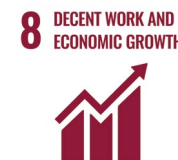
Roll-out Sustainability Program and Review process to strategic suppliers by 2020 and key suppliers by 2021, assessing current plans and improving on any identified opportunities



Achieve a 35% reduction in recordable injury rates by 2025



Implement an Occupational Health & Safety Management System consistent with ISO 14001:2015 and 45001:2018 standards at all of our manufacturing locations by 2023



Aim to achieve information security and privacy certifications for our digital and connected medical device platforms



Our Aspirations



Fostering an inclusive culture where all employees grow and thrive

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

Sustainability Targets

● met ◐ in progress ○ not met

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



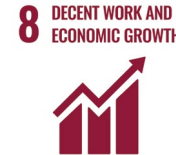
Year-over-year positive trending globally of women in leadership positions



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



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



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



Our Aspirations



Passionate engagement that strengthens our communities

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

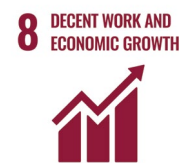
Sustainability Targets

● met ● in progress ○ not met

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



By end of 2021, reduce product distribution air miles traveled by 3 million vs 2018 baseline



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



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



Supplier Code of Conduct policy development and implementation by 2021



Our Aspirations



Passionate engagement that strengthens our communities

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Sustainability Targets

● met ● in progress ○ not met

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

- 10% reduction of total energy usage

7 AFFORDABLE AND CLEAN ENERGY



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- 35% renewable energy

7 AFFORDABLE AND CLEAN ENERGY



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- 10% reduction in water intake

6 CLEAN WATER AND SANITATION



8 DECENT WORK AND ECONOMIC GROWTH



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- 10% reduction in total waste generation (solid and hazardous)

12 RESPONSIBLE CONSUMPTION AND PRODUCTION



- 10% reduction in greenhouse gas emissions

13 CLIMATE ACTION



16 PEACE, JUSTICE AND STRONG INSTITUTIONS



Our Aspirations



Delivering exceptional shareholder value

Through all of our sustainability initiatives and delivering on our focused company strategy, Edwards positions our company for long-term profitability that will benefit our stakeholders and also our bottom line.

Sustainability Targets

● met ● in progress ○ not met

Integrate sustainability factors in the strategic planning process annually



Include sustainability targets in the CEO's performance goals annually



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

In 2018, we consolidated several of these topics to group those with similar management approaches. For instance, Employee Recruitment, Engagement and Retention; Workplace Health and Safety; and Diversity and Inclusion are now grouped into Talent Management.

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

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

We use [Governance Maps](#) to outline our accountability process for each material topic in one overarching, interactive graphic. In our 2018 report, we added Supply Chain Management and Talent Management to the map, which now covers seven material topics:

- Ethics & Compliance
- Product Safety & Quality
- Edwards Lifesciences Foundation
- Corporate Governance
- Environment, Health & Safety
- Supply Chain Management
- Talent Management

Governance Map



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

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

Organizational Profile

Since Edwards was established as an independent public company in 2000, the company has grown to more than \$4 billion in revenue with product sales in more than 100 countries. We are dedicated to the development of medical technologies that improve both patient outcomes and speed of recovery. Our technologies include transcatheter and surgical heart valve therapies and critical care technologies, such as:

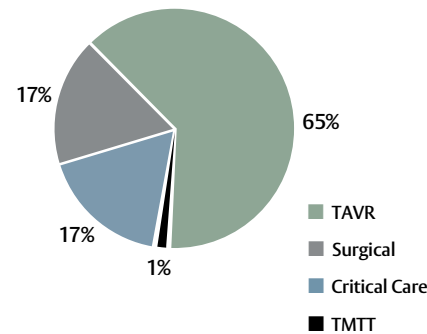
- **Transcatheter Aortic Valve Replacement** – In partnership with physicians worldwide, Edwards continues to lead the development of minimally invasive heart valve technologies enabling a streamlined procedure with excellent outcomes, rapid discharge and improved quality of life for patients with aortic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

Every year, Edwards Lifesciences continues to innovate life-saving therapies. In 2020, Edwards Lifesciences received several product approvals for commercialization:

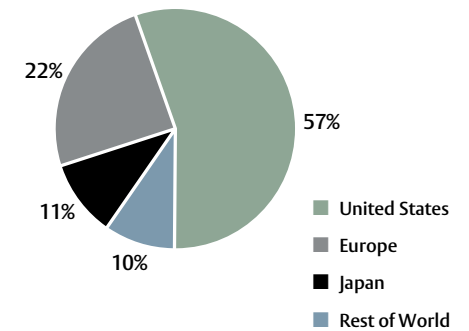
- Edwards’ [KONECT RESILIA Aortic Valved Conduit Receives FDA Approval](#) For Complex Aortic Valve Surgeries in the U.S.
- Edwards’ [SAPIEN 3 Transcatheter Heart Valve Receives Approval In China](#)
- Edwards’ [PASCAL Transcatheter Valve Repair System Receives European Approval](#) For Tricuspid Repair

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

2020 Sales by Product Line



2020 Sales by Geographic Region



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

Edwards by the Numbers

Total Number of Operations	65 (7 manufacturing locations)
Total Number of Employees as of December 31, 2020 (Including Part-Time and Temporary Employees)	14,900
Global Employees by Gender in 2019	60% Female 40% Male



Customers

Across the U.S. and international markets, our customers include physicians, medical professionals, hospitals and group purchasing organizations. In 2020, we derived 57 percent of our sales from the U.S. and 43 percent from international markets.

Direct Suppliers

Our primary direct materials suppliers provide:

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

We source about 80 percent of our manufacturing materials from preferred and strategic suppliers. We only add suppliers if new technology or capability is required for our business and not already present in our supplier base. Recently, we added between five and eight new direct materials suppliers per year. New suppliers undergo a thorough due diligence process, including screening for adverse conditions or events. We prioritize partnerships with suppliers headquartered in countries that enforce stringent standards and regulations to help reduce risks of non-compliance in our supply chain. For example, we source bovine pericardial tissue exclusively from the U.S. and Australia. Our largest indirect suppliers provide telecommunication services, food and catering services, office supplies, uniforms, lab products and cloud software. Please see our topic disclosures and governance map for more on Supply Chain management.

Materiality & Stakeholder Engagement

Edwards' Aspirations guide us in our work to positively impact patient lives. In 2016, we conducted a materiality assessment to objectively determine what environmental, social, and governance (ESG) topics mattered most to our stakeholders, to inform and drive our sustainability strategy, reporting, and actions moving forward. This comprehensive assessment engaged more than 60 internal and external stakeholders. In 2019, our Sustainability Council completed a refresh of that assessment to identify and prioritize the most important topics for achieving our ESG commitments. We leveraged big data software and engaged 13 stakeholder groups through nearly 50 interviews. We also conducted surveys for employees and patients and received nearly 1,000 responses. Such in-depth analysis delivers a comprehensive materiality assessment, providing confidence in the results and insight into the areas of importance and emphasis.

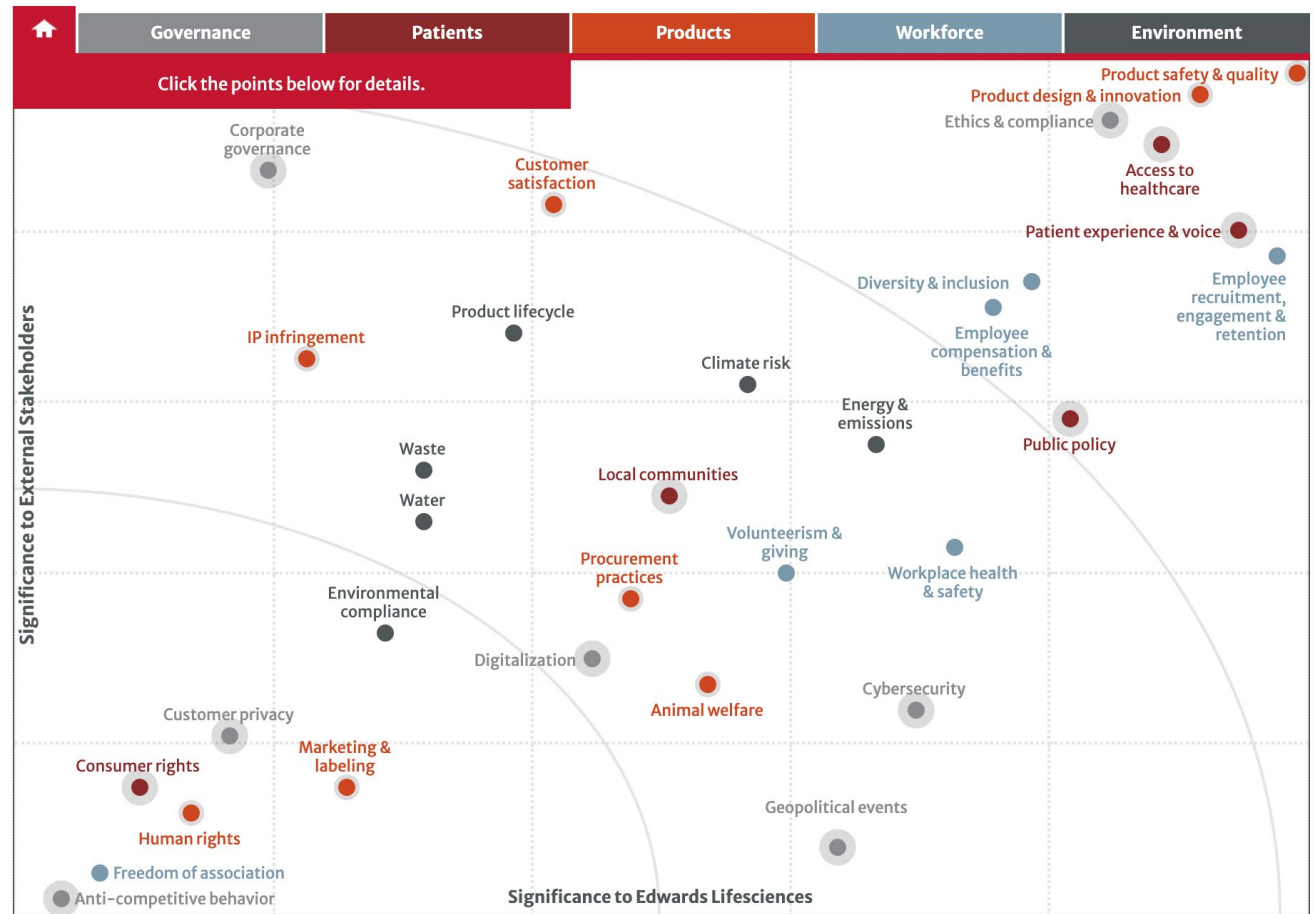
Note: To learn more about our original materiality assessment process, please see our [2017 Sustainability Report](#).

We had several objectives for the assessment refresh:

- Update our value chain to reflect the evolution of the business and strategy
- Further integration of sustainability factors into the strategic planning process to ensure our sustainability goals continue to closely align with our business strategy
- Collect evidence of Edwards' value creation through the lens of sustainability
- Determine sustainability strategy, key indicators and reporting practices

Materiality matrix

Learn more about the results of our 2019 assessment on ESG topics of importance to our stakeholders, and our business, by clicking on the matrix below.



Value Chain

Edwards Lifesciences' [Credo](#) reinforces our dedication to providing innovative solutions for people fighting cardiovascular disease. We believe that the management of our material topics supports this mission through our [aspiration](#) to Create Exceptional Shareholder Value.

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

Governance



Edwards Lifesciences is committed to responsible and ethical business practices. The Governance section of our 2020 Sustainability Report contains our management approach and annual performance for the following material topics:

- Ethics & Compliance
- Corporate Governance

Ethics & Compliance

Edwards Lifesciences' work to manage ethics, compliance, corruption and bribery supports our **aspirations** of excelling as a trusted partner through distinguished quality and integrity and delivering exceptional shareholder value.

Definition

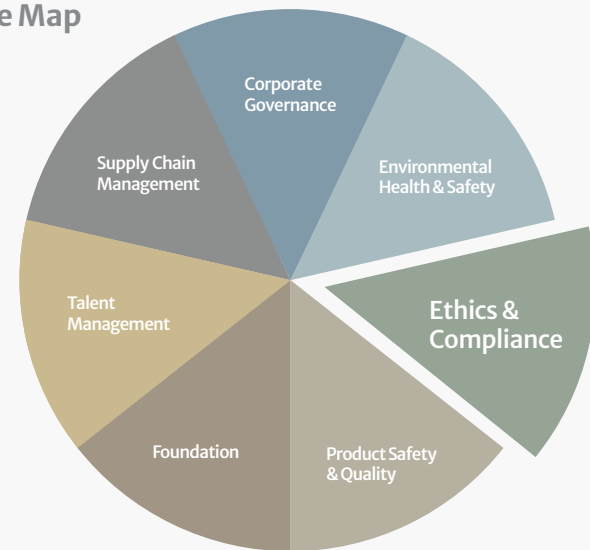
Driving a culture of integrity that promotes ethical behavior at Edwards through training, policies and compliance with our code of conduct, as well as relevant laws and regulations. Enacting management practices and policies to prevent corruption and bribery at Edwards, by our employees or our third-party vendors.

Management Approach

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

Governance Map

[click to view](#)



Global Integrity Program

Our Global Integrity Program establishes a comprehensive framework for promoting compliance with applicable laws, regulations, and standards of conduct, and reinforces our culture of integrity and ethics. Our Board of Directors and senior leadership are committed to maintaining our ethical culture and to supporting our Global Integrity Program.

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

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

3. **Edwards' Speak-Up Program.** Edwards recognizes that ethical business conduct is the responsibility of every employee. Our employees are expected to raise any questions or concerns they may have through one of our multiple communications channels. Employees have several communication channels available to them for raising ethical questions or concerns, that are outlined not only in our Standards but also on the employee intranet, posters, wallet cards and other communications. The [Edwards Integrity Helpline](#) can be accessed globally by telephone or a web portal and is available 24 hours a day, 7 days a week. Edwards strictly prohibits retaliation against any employee who raised a concern in good faith.
4. **Training and Communications.** Edwards employees must complete a comprehensive training program designed to help employees understand and comply with applicable laws and regulations as well as our Global Business Practices Standards, policies and procedures. We expect our employees to be able to recognize and appropriately respond to potential compliance risks and ethical issues. Training is delivered through a combination of live sessions and targeted on-line training modules that are regularly reviewed and updated.
5. **Risk Assessments; Auditing & Monitoring.** Edwards regularly assesses the compliance risks that are facing the company and continuously updates and improves its Global Integrity Program to address those risks. In addition, Edwards implements annual audit and monitoring plans to assess overall compliance and to identify any potential weaknesses in the program and/or need for corrective actions.

Anti-Corruption

Edwards promotes compliance with all applicable anti-corruption laws and regulations, including but not limited to the US Foreign Corrupt Practices Act and UK Bribery Act and we expect all third parties doing business on our behalf to uphold the same high standards. Our third-party management program includes rigorous due diligence, training and ongoing monitoring to ensure compliance with anti-corruption laws and to promptly identify and remediate any potential issues.

Interactions with Healthcare Professionals

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

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

Responsible Marketing

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

100% code of conduct certification of all professional employees

Annual Performance

Global Business Practice Standards

We require all professional employees to complete an annual online certification reinforcing their understanding of, and commitment to follow, the Global Business Practices Standards. In 2020, we surveyed and sought certification from over 8,500 professional employees, representing 58 percent of our total employee population, and achieved nearly a 100 percent completion rate.

Global Integrity Program

In 2020, we held our eighth annual Titanium Day event. On this day, we celebrate Edwards' [Credo](#) and reinforce our commitment to conducting business according to the highest standards of business integrity and ethics. Although typically these events are conducted live at multiple of our sites around the world, this year we moved to an online platform due to COVID-19 restrictions. Nonetheless, we connected with thousands of employees across multiple geographies through leadership presentations, panel discussions, videos and engaging educational activities focused on our Global Business Practices Standards (or "Titanium Book"). In early 2021, we celebrated our fifth consecutive recognition as one of the [World's Most Ethical Companies](#).

Leadership Training

In 2019, we developed an online learning module on ethical decision-making for managers, rolling out the training in the U.S. in early 2020, and achieved a 94 percent completion rate. This represents significant progress toward our goal to have 100 percent of managers complete learning module on ethical decision making by 2020.

Corruption and Bribery

Edwards routinely assesses compliance risks impacting our business; and in 2020, we launched a comprehensive review of our Global Integrity Program with particular emphasis on anti-corruption and anti-bribery. Learnings from that review will support further enhancement and continuous improvement of our program, while also ensuring that we are well positioned for sustainable growth.



HIGHLIGHT STORY



Edwards Receives Top Ethics and Business Recognitions

World's Most Ethical Companies: For the fifth year in a row, Edwards Lifesciences was recognized by the Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices, as one of the [2021 World's Most Ethical Companies](#). Edwards is one of only two honorees in the medical devices industry, underscoring our commitment to leading with integrity and prioritizing ethical business practices.

Newsweek's America's Most Responsible Companies: Newsweek partnered with global data research firm Statista Inc. to publish its second ranking of [America's Most Responsible Companies 2021](#). Statista worked from a universe of 2,000 public companies to determine which firms were tops when it came to doing good. Results are based on publicly available key performance indicators derived from CSR Reports, Sustainability Reports, and Corporate Citizenship Reports as well as an independent survey among 7,500 U.S. citizens about their perceptions of the companies related to corporate social responsibility. The final list recognizes the top 400 most responsible companies in the United States, spanning 14 industries. Edwards moved up in rank to #61 overall.

Edwards Named One of America's Most JUST Companies

Edwards Lifesciences was honored by being recognized as one of [America's Most JUST Companies](#), according to Forbes and JUST Capital, a nonprofit that ranks the largest publicly traded corporations in the United States on the issues Americans care about most. Edwards ranked #48 overall out of 928 for America's best corporate citizens. Edwards was recognized, for the fifth consecutive year, for outperforming its peers on the criteria deemed to be most important, including providing workers with good benefits and supporting work-life balance; giving back to local communities; diversity, equity, and inclusion; leadership integrity and more.



Corporate Governance

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

Definition

Corporate governance is a system of rules, procedures, practices, policies and relationships by which a company is controlled and operates. It is important to maintain accurate, clear, and accessible transparency in corporate decision-making, organizational process and company operations. Good corporate governance involves balancing the interests of a company’s many stakeholders, including shareholders, employees, customers, the community and, for Edwards, a vital stakeholder group: patients.

into quantifiable metrics to be achieved in any given year. Our Board and management strive to implement policies and processes that promote ethical and sustainable corporate governance practices for the benefit of all stakeholders. Our governance practices guide us as we grow so that our leaders’ values align with those of our company and our unique, patient-focused culture. Our CEO has a goal to include sustainability targets in his performance goals annually.

Our Board of Directors

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

- Board size and composition
- Director selection and qualification
- Director responsibilities and operation of the Board
- Responsibilities of Board committees
- Board oversight for strategic planning and fiduciary responsibility
- Director compensation
- Process for performance evaluations

Our Board members share responsibility for oversight of the corporate strategy development, financial and operational risk, information security and cybersecurity, among other matters.

At Edwards, we always look to refresh our company and Board leadership. Our Board strives to maintain a highly independent, balanced and diverse set of directors that collectively possess the expertise to ensure effective management oversight. In 2020, Board independence was 88 percent, 38 percent of members were women, and 25 percent of members were ethnically diverse. The average age of our members was 64 years, and the average tenure was seven years. The independent directors evaluate the Board’s leadership structure regularly to ensure that the approach continues to provide independent oversight of the Company and serves the best interests of stockholders.

Management Approach

Through our corporate governance practices, the Board of Directors and management create a responsible organization from the top, setting the tone of our culture and supporting our strong reputation. This begins with our Chairman and CEO, who regularly meets with key stakeholders including investors, customers, patients, employees and legislators, to discuss their needs and share our progress. Annually, our Board of Directors approve Edwards’ Strategic Imperatives, and it is from these Strategic Imperatives that our key operating drivers (KODs) – quantifiable strategic milestones that include financial objectives and are tracked using a points system across our entire organization – are derived. The KODs contemplate near and long-term objectives of our multi-year strategy, which outlines our portfolio, pipeline innovation and overall innovation strategy. We use KODs to translate these strategic goals





Our Chief Executive Officer also serves as the Chairman of the Board. Our Board believes this has been and continues to be an effective approach for our Company. Edwards has experienced strong financial and operational growth over its 20 years as a public company, most recently providing a cumulative TSR of 247 percent to stockholders from 2015 to 2020. Edwards' [2021 Proxy Statement](#) further describes our corporate governance policies and practices for shareholders.

Our Board has established two committees:

1. [Audit Committee](#) – assists our Board in fulfilling its oversight responsibilities relating to:

- The integrity of the Company's financial statements;
- Compliance with the Company's code of conduct and ethical standards, as well as legal and regulatory requirements;
- Enterprise-wide risk management practices, including the consideration of macro trends such as climate change;
- Continuity of our operations and information technology infrastructure and cybersecurity and information security risks.

2. [Compensation and Governance Committee](#) – is responsible for:

- Determining the compensation of executive officers and recommending to our Board the compensation of independent directors;
- Overseeing management of succession planning, attraction and retention of talent, and risks related to the design of executive compensation programs and arrangements;
- Developing and recommending to the Board corporate governance guidelines;
- Identifying, evaluating and recommending individuals qualified to be directors to the Board;
- Overseeing the evaluation of the Board and management; and
- Overseeing the Company's principles, programs and practices on sustainability topics, including environmental and social affairs.

The Compensation Committee maintains formal criteria for selecting director nominees who will best serve the interests of Edwards and its stakeholders. These written membership criteria state that Edwards "seeks a board with diversity of background among its members, including diversity of experience, gender, race, ethnic or national origin and age." Discussions have also included reviews of current director skills against an established skills matrix and consideration of each director's retirement horizon, as well as the Board's self-evaluation and peer evaluation processes. Please see page 6 of our [2021 Proxy Statement](#) for a more in-depth description of the criteria.

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

Our Board and our Executive Leadership Team recognizes the importance of diversity and inclusion. We consider diversity critical to our mission of transforming patient care through medical breakthroughs. Our dedication and commitment to diversity and inclusion start with our leaders and are visible throughout Edwards. Our leaders regularly review internal activities to ensure that they foster a culture that actively and consistently values diversity. Please see our [Talent Management](#) section for more information.

CEO Pay Ratio

Edwards believes incentive-based executive compensation programs can mitigate risks and foster long-term value creation and sustainable growth. We design our compensation programs to align with the Edwards strategy and the interests of our stakeholders. Pursuant to the Securities Exchange Act of 1934, as amended, our Proxy Statement contains the ratio of the total annual compensation of our CEO to the median of the total annual compensation of all our employees (excluding our CEO), which is reported in the annual performance section of this report. Page 59 of our [2021 Proxy Statement](#) specifies our methodology for calculating this figure.

Governance for Sustainability

Our Board's Compensation and Governance Committee maintains formal oversight responsibilities for Edwards' sustainability principles and has regular discussions on our progress at meetings of our Board. Our Chairman and CEO also has performance management objectives for improving our sustainability program, metrics and disclosures. A cross-functional Sustainability Council develops and drives the implementation of these initiatives using a robust management framework. Led by our Chief Responsibility Officer, the Council comprises leaders from functions across the organization.

Council members represent their areas of responsibility and collaborate to identify priorities, set goals and improve performance. They meet regularly to review Edwards' progress and develop implementation strategies. Our Chief Responsibility Officer reports on the Council's activities to our Board's Compensation and Governance Committee, and to our Executive Leadership Team.

Enterprise Risk Management

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

- Patient Safety
- Business and Financial metrics
- Operational risks (disruptive events)
- Reputation/Brand
- Legal/Regulatory
- Talent/Employee wellness

Our strategic planning process summarizes key areas of strategic risk. Our Enterprise Risk Council reviews and prioritizes our top risks quarterly and reviews updates provided to the Board and management. The Council discusses enterprise risk at each regularly scheduled board meeting to inform the Board on the latest posture of key risks. We have a strong business continuity program with standardized plans across global manufacturing sites. We conduct exercises to test readiness. We have a crisis management process that leverages insight and leadership from an experienced and cohesive management team. Please see our [Governance Map](#) for more details.

Annually, and as needed, the Board's Audit Committee, the CFO and Vice President of Enterprise Risk Management consider various potential risks to the company, including those related to financial reporting, product development, continuity of operations, regulatory compliance, succession planning, physical facilities and other topics.

Edwards is aware that natural disasters, including those caused by changing weather patterns may cause business interruptions. In response, we incorporate the potential impact of floods, wildfires and other weather events into our assessments. We have established emergency response systems and business recovery processes and test them regularly. We work with our insurance provider to ensure our global facilities have appropriate weather damage-prevention features and resilient infrastructure. We continue to review and assess the risk factors outlined in the Taskforce for Climate-related Financial Disclosures for material relevance to Edwards and, where needed, to shape appropriate mitigation strategies. For more information, please see "Risk Factors" in our [2020 Annual Report](#) and "Board Role in Risk Oversight" in our [2021 Proxy Statement](#).

Cybersecurity

Our Information Security team, overseen by the Chief Security Officer, works to maintain cyber and information security practices with the objective of strengthening cyber resiliency. The team operates our Information Security Program, which follows the principles of industry standards such as the NIST Cybersecurity Framework, ISO/IEC 27002:2013 Standard, CIS Framework, SANS Top 20 Controls and OWASP Top 10, among others. These frameworks allow us to apply our priorities in a consistent and risk-based manner. We leverage these frameworks to help provide security controls that are aligned with best practices and are consistently deployed across the business. Due to Edwards' global presence, we navigate regional expectations to ensure secure business continuity. To prepare for potential cybersecurity incidents, we maintain both a business continuity plan and cyber incident response plan with formalized workflows, playbooks and simulation exercises conducted periodically and involve our CEO. We also engage external partners in conducting various audits and tests on our IT infrastructure to identify potential vulnerabilities proactively.

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

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

We aim to achieve the following information security and privacy certifications for our digital and connected medical device platforms:

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

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

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

Respecting the General Data Protection Regulation (GDPR)

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

Privacy

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

Approach to Taxation

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

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



Annual Performance

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

Board of Directors

Our Board remains committed to ensuring we have the appropriate skills, experience and diversity to independently guide and oversee Edwards' long-term strategy. As a result of our ongoing board refreshment efforts, we appointed Ramona Sequeira and Paul LaViolette to our Board in the past year. These additions are the result of a thoughtful process that has involved the participation of all directors, and occasionally an executive search firm to assist in evaluating candidates. Edwards' designed this process to ensure that our Board benefits from fresh perspectives, diversity of thought and a collective skill set that aligns with the needs of our business. With the retirement of board member Wesley von Schack, our Board now consists of eight directors. For more information, please see our [2021 Proxy Statement](#).

During an unprecedented year, our Board remained actively engaged in guiding Edwards' response to the COVID-19 pandemic. The Board met 12 times, both virtually and in person, and received regular updates from our leadership team as the pandemic unfolded. Throughout this time, the Board has supported Edwards' focus on protecting the health and wellbeing of our employees, patients and supporting our communities.

Engaging our Shareholders

Throughout 2020, we continued our stakeholder engagement practices with our shareholders and incorporated feedback into our decision-making processes. For information on Edwards' engagement with shareholders, please see our [2021 Proxy Statement](#). Additional information about Edwards' corporate governance practices can be found in our [Bylaws](#), [Corporate Governance Guidelines](#) and the [Charters of the Audit Committee and the Compensation and Governance Committee](#).

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

In 2020, approximately 89 percent of the total direct compensation of our CEO, and an average of 78 percent of the total direct compensation of our other Named Executive Officers, was performance-based. For more information, please see our [2021 Proxy Statement](#).

Based on SEC rules for CEO pay ratio disclosure and applying the methodology described on page 59 of the [2021 Proxy Statement](#), we determined that our CEO's total compensation for 2020 was \$10,050,933, and the median of the total 2020 compensation of all our employees (excluding our CEO) was \$51,685. Accordingly, we estimate the ratio of our CEO's total compensation for 2020 to the median of the total 2020 compensation of all our employees (excluding our CEO) to be 194 to 1.

Governance for Sustainability

We continue to align our sustainability efforts with our Aspirations and patient-focused innovation strategy. Our corporate Aspirations are taken very seriously throughout the organization. In 2020, we again met our goal to integrate sustainability factors in the strategic planning process annually, furthering our alignment of sustainability targets with our overall corporate goals. The Chief Responsibility Officer provides Compensation and Governance Committee members with past and proposed future goals and solicits input. Part of the new director orientation program is an introduction to the Chief Responsibility Officer, who presents on both compliance and corporate sustainability.

Enterprise Risk Management

Edwards' Board of Directors and ELT continually refine and strengthen our enterprise risk management (ERM) process, aiming to identify emerging risks better and minimize impact. In 2020, we continued to integrate sustainability factors into our ERM process by incorporating ESG considerations into our Strategic Planning process, reviewing our climate risks, and refining business continuity plans. The Strategic Planning process, in part, considers risks and opportunities to Edwards on a seven-year time horizon. Incorporating sustainability factors into our risk assessments provides Edwards with a more robust understanding of potential risks to the company. For more information, please see "Risk Factors" in our [2020 Annual Report](#).

In 2020, the global COVID-19 pandemic was a key risk that has impacted companies and organizations around the world. Under the guidance of Edwards' executive leadership team, Edwards' ERM program was instrumental in implementing our crisis response process at the onset of COVID-19 and providing risk leadership as the company has managed through the pandemic. In this capacity, the enterprise risk program has provided insight into the company's COVID response plans, protocols, and road map. It also has provided periodic updates to management and the board on the COVID risk environment.

Cybersecurity

Edwards experienced no cyber breaches or incidents of material impact in 2020. Attempted cyber-attacks on our network were detected and responded to promptly, resulting in de minimus impact on the business. We have not incurred expenses from information security breach penalties or settlements over the last three years.

Looking forward, our Information Security Program is focusing on implementing new digital products that are certified under HITRUST and UL2900 certifications. We are also focusing on further building cyber resiliency throughout our value chain. We are closely monitoring new and emerging cybersecurity regulations around the world, assessing their potential impacts on our business, and responding accordingly.

Patients



Access to Healthcare

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

Definition

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

Management Approach

Edwards Lifesciences believes patients should have access to affordable, high-quality care and new therapies, and that patient care can always be improved. Unfortunately, patients in today's global healthcare system often face numerous barriers to treatment. These can include lack of disease awareness, restricted access to coverage, geographic barriers, inaccurate physician referrals and policy restrictions. Edwards' focus on improving access to care contributes to a more sustainable healthcare system and addresses unmet patient needs. It is our goal to make the patient experience better, reduce overall healthcare costs and continuously improve quality of care. We address this in our goal to remove barriers along the patient journey to continuously increase treatment rates for all indicated severe aortic stenosis patients. This goal aligns with the United Nations Sustainable Development Goal (SDG) 3: Good Health & Well-Being.

Our programs began with the recognition that patients, providers and healthcare systems have come to recognize and require the monitoring of more non-clinical health outcome measures like quality of life (QoL) that lead to meaningful changes in healthcare status.

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

Global Health Economics & Reimbursement (GHER)

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

Edwards employs a GHER team whose mission is to increase patient access by developing and defining the related clinical and economic data that healthcare decision-makers need. The GHER team compensation is not linked to sales performance. Our dedicated GHER staff supports customers' and healthcare systems' efforts to improve patient outcomes and reduce costs. We work directly with healthcare systems to provide the clinical and economic data that ensures equitable access, coverage and payment for our technologies is to be available to patients in need.

Improving Access to Care

Together with support from Edwards Lifesciences, the American Heart Association's (AHA) new quality improvement initiative addresses need for improvements in identification of patients with aortic stenosis and adherence to treatment guidelines. This new initiative around structural heart disease will begin with an intensive approach to aortic stenosis in a select number of communities that will be identified in the first phase of the initiative. These locations will be the front lines to identify best practices for in-patient and out-patient settings alike. The goal is to improve the patient experience from symptom onset to appropriate diagnosis and follow-through, to timely treatment and disease management. The program consists of evidence-based measurement development to better identify and treat patients, as well as multi-media educational resources and self-management care plans for people living with structural heart disease. For more details please see [AHA's press release](#).

Edwards further supports improvements in the care pathway of structural heart disease patients through our CardioCare program. CardioCare is a platform that automates clinical workflow to help improve symptom recognition and referral rates of patients with aortic stenosis and mitral regurgitation among providers. Through the CardioCare program, heart teams and hospitals are better equipped to assist patients and manage the care pathway for structural heart disease while identifying and addressing existing gaps in the care pathway. We leverage Artificial Intelligence to

review echocardiograms and support physician and nurse decision-making, enabling follow-up for heart valve disease patients. By automating clinical workflow, the CardioCare program provides visibility to all patients in hospital systems with aortic stenosis and mitral regurgitation, enabling providers to prioritize care for the most critical patients. For more information, please see our [CardioCare page](#).

Philanthropic Support

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

Every Heartbeat Matters

Our signature philanthropic initiative is [Every Heartbeat Matters](#) (EHM). The initial goal of EHM was to impact the global burden of heart valve disease by supporting the education, screening and treatment of 1 million underserved people by 2020, which we met early, in 2019. Based on the accumulated knowledge and experience over the past six years on how to have the greatest impact on patients, Edwards is focused on its next phase of EHM. Our new goal is to improve the lives of 2.5 million additional underserved structural heart and critical care patients by the end of 2025. This goal aligns with SDG 3: Good Health & Well-Being. More on this initiative can be found on our [EHM](#) page. A complete list of grantees is available on our [website](#). Each partner is required to adhere to our [program and reporting guidelines](#).

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

Political Activities

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

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

Annual Performance

Edwards is passionate about increasing access for all patients in need. Each year, we challenge ourselves to do more—for our patients, philanthropic partners and communities.

The COVID pandemic limited access elective surgeries. Although a valve procedure is not considered elective, the need for a valve procedure most times does not require immediate intervention. During 2020, this impacted hospitals performing procedures depending on how impacted they were by COVID cases. In some cases, hospitals were overwhelmed with COVID patients, juggling to manage COVID versus severe conditions. In other hospitals, TAVR patients may have stayed away.

Our U.S. TAVR field teams remained steadfast during the pandemic and in most cases were available for TAVR cases where and when they were performed. The flexibility of the TAVR field team allowed Edwards to meet each customer's needs based on what worked best for those providers and their patients, always putting patient care at the center of approach. The TAVR physician education team created and implemented remote proctoring programs, TAVR's Valve Clinic Coordinator programs transitioned predominately to remote due to travel restrictions but kept hybrid models for hospitals where the physicians wanted hands on education.

During the height of COVID lockdown in 2020, the Edwards Manufacturing team in Singapore rose to the challenge to ensure production of our life-saving technologies. Approximately 1,000 employees traveled from their homes in Malaysia each day to our Singapore facility to assemble our surgical and transcatheter heart valve technologies. When we learned that the Malaysian government decided to close the border due to

COVID, our local team sprang into action. They quickly found more than 400 Malaysian employees willing to volunteer to remain in Singapore for several weeks to support our supply chain. Local leaders located hotel accommodations, secured means of transportation, food and other safety necessities to ensure that we could continue to produce our heart valves.

Global Health Economics & Reimbursement

Our Global Health Economics and Reimbursement (GHER) program strives to provide reimbursement education to individual hospitals or health systems providing Transcatheter Aortic Valve Replacement (TAVR) and other Edwards technologies. While working with TAVR programs in support of their efforts to deliver quality care remained a top priority for Edwards throughout 2020, we also focused efforts assuring the appropriate access for our new technologies in our Surgical Structural Heart business. For example, we received approval from the U.S. Food and Drug Administration for the KONECT RESILIA aortic valved conduit, the first ready-to-implant solution for bio-Bentall procedures, a complex surgery that involves replacement of a patient's aortic valve, aortic root and the ascending aorta.

We also furthered our work with hospital sites on understanding and adopting best demonstrated quality practices and realizing care efficiencies associated with TAVR and Surgical Aortic Valve Replacement. These efforts continue to increase overall patient access to care and significantly reduce the costs of care. In 2020, we received Chinese regulatory approval for the Edwards SAPIEN 3 transcatheter heart valve, which marked a major milestone for Chinese physicians and their patients living with severe aortic stenosis in need of alternatives to open-heart surgery.

In 2020, we received CE Mark for the Edwards PASCAL transcatheter valve repair system for the treatment of European patients with tricuspid regurgitation (TR). We were the first company to introduce multiple transfemoral tricuspid repair therapies in Europe, providing physicians with both leaflet repair and annular reduction therapies to help meet their patients' needs. We continue to build a body of clinical evidence for transfemoral tricuspid therapies, including with the CLASP II TR pivotal study investigating the PASCAL system in patients with symptomatic functional or degenerative TR, the TRISCEND study investigating the EVOQUE system for tricuspid valve replacement, as well as real-world experience.

In support of our Critical Care business, we continued the generation of evidence necessary to understand how intra-operative hypotension can lead to poor patient outcomes and supported a provider quality initiative centered on the recognition and correction of this problem.



One health economics approach is social value analysis, which seeks to monetize the health benefits of a therapy and assess the relative share of those benefits going to society (as health gains) versus returning to manufacturers (as profits). In February 2020, an analysis commissioned by the Edwards GHER team was published in the [American Journal of Managed Care](#) demonstrating substantial social value created from the use of TAVR as the treatment for inoperable aortic stenosis patients. Between 2018 and 2028, the study projects that TAVR will yield a cumulative social benefit of up to \$48 billion, with 80 percent of that benefit accruing to patients. These findings and analyses inform a broader discussion of value and suggest that companies like Edwards Lifesciences can generate large returns for patients and society.

Improving Access to Care

In 2020, the American Heart Association (AHA) continued with its quality improvement initiative. With support from Edwards Lifesciences, the patient-centered initiative is dedicated to improving disease recognition and appropriate treatment with an initial focus on a prevalent structural heart disease, aortic stenosis. According to AHA, the comprehensive and scalable program continues to raise patient awareness and deepen patient engagement while delivering guideline-directed, optimal-care standards education.

Our CardioCare program has processed more than 830,000 echocardiograms through a national network of structural heart programs since 2015, with expectations to process 1,000,000 echocardiograms by the end of 2020. Currently in 2020, we have numerous sites engaged in the CardioCare program around the U.S. with several research and development programs underway to further improve and expand the platform.

Digital and Remote Access

Edwards is further embracing digital and remote modalities to reach, educate, train and proctor clinicians on both the diseases treated by Edwards' therapies and the technologies. By advancing these approaches, Edwards can work with customers – at whatever stage of digital or technology utilization they are – to extend our reach and support access to healthcare. In some cases, Edwards has advised customers in advancing their own approaches.

Educational Initiatives for Better Care

In 2020, Edwards continued its “Reach for the Heart” Direct-to-Consumer Disease Awareness Campaign in the United States. This campaign is raising awareness about Heart Valve Disease (HVD) and improving treatment rates for patients diagnosed with HVD. While knowledge and awareness of HVD is low, it affects millions of people. Up to 50 percent of those with severe aortic stenosis will die within two years after symptoms begin, if left untreated. To address the low survival and diagnosis rates associated with this disease, Edwards designed this campaign to empower seniors and their loved ones to “Reach For The Heart”, turning the instinctual act of reaching out into a simple, yet emotional, rallying cry to spread awareness about this fatal disease.

Edwards employees have been actively engaged with the campaign through an organized internal campaign initiative. There are several ways employees stay informed and get involved:

- An online course about Disease Awareness is offered through Edwards' Learning Management System
- During the nationwide Heart Month in February, the Disease Awareness team hosted a virtual activities to raise awareness about HVD
- Employees have shared personal stories about their own experiences with HVD
- Employees are encouraged to take a campaign pledge to help continue providing awareness and education about Heart Valve Disease amongst their families and communities

As the campaign evolves, the Edwards Disease Awareness team remains focused on providing patients with the education and support they need. In 2021, the campaign plans to expand its reach by continuing to provide relevant and meaningful education to patients and their loved ones.

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

Campaign Website: [ReachForTheHeart.com](https://www.reachfortheheart.com)

Facebook Page: [Reach Out: Heart Valve Disease](https://www.facebook.com/ReachOutHeartValveDisease)

YouTube Channel: [Reach Out: Heart Valve Disease](https://www.youtube.com/channel/UC...)

Philanthropic Support

Our philanthropic initiative, Every Heartbeat Matters (EHM), focuses on impacting the lives of underserved patients. By partnering with more than [60 patient- and cardiac-focused charitable partners around the world](#), we have invested more than \$30 million and countless hours of employees' dedication to creating the EHM community. In 2020, we set a new, ambitious goal for EHM: Improve the lives of 2.5 million additional underserved structural heart and critical care patients by the end of 2025.

This builds on the success of our partners who, since 2014, have impacted over 1.7 million underserved people. EHM is focused on addressing an urgent need: over 11 million people in the U.S. and millions more globally are affected by heart valve disease—a deadly, yet treatable, disease.

Even with the hardship of COVID-19, in 2020 EHM expanded its impact on patients:

- Approximately 130,000 underserved patient lives impacted
- A total of 24 countries positively impacted
- Detection: 90,000 underserved patients impacted
- Treatment: 50,000 underserved patients impacted
- Recovery: 45,000 underserved patients impacted

For more on the EHM initiative, please see our Volunteerism & Giving section of this report.

Political & Lobbying Expenditures

In 2020, Edwards made \$70,000 in [state political contributions](#), and the Edwards PAC made \$169,000 in [federal contributions](#). A full list of recipients and donation amounts is available on our [website](#). Additionally, a portion of our industry association membership dues were spent on federal lobbying. These include:

- Advanced Medical Technology Association: \$31,754
- California Life Sciences Association: \$13,800

Edwards once again received the highest score in the [2020 CPA-Zicklin Index](#) for political disclosure and accountability. Edwards is designated as a “CPA-Zicklin Trendsetter.” The CPA-Zicklin Index benchmarks the political disclosure and accountability policies and practices of leading U.S. public companies. The Center for Political Accountability in conjunction with the Zicklin Center for Business Ethics Research at The Wharton School at the University of Pennsylvania produce the Index annually.



HIGHLIGHT STORY

Edwards Establishes CardioCare as a New Standalone Company



In order to accelerate efforts to improve care for structural heart disease patients, in 2020, Edwards made the decision to establish its CardioCare business as a separate standalone company while remaining a key investor and holding seats on the Board. CardioCare, was developed at Edwards, and achieved several key innovation milestones and commercial successes over the past six years, including partnering with more than 50 hospitals and systems across the U.S. and surpassing one million echocardiograms processed in their cloud database.

Now known as egnite, its CardioCare program is a leading solution in structural heart disease data analytics and clinical process improvement, focused on reducing variability in diagnoses and ensuring more patients receive appropriate care. “We recognize that the acceleration of digital health has provided patients, doctors and health systems with tools that can significantly improve the diagnosis and treatment of structural heart disease while providing our customers with higher quality and differentiated patient care,” said Donald E. Bobo, Jr., corporate vice president of strategy and corporate development at Edwards Lifesciences. “We have also seen the positive impact of the CardioCare program to strengthen structural heart programs and drive meaningful improvements in the patient’s experience. We are enthusiastic about egnite’s opportunity to accelerate this patient impact as a standalone company.”

egnite is a digital healthcare company dedicated to improving structural heart patient care by delivering actionable insights through intuitive digital health platforms, proprietary A.I. powered analytics, and deep clinical expertise. egnite’s charter is to spark transformation in fragmented healthcare systems by delivering integrated solutions that help elevate the standard of care for patients with structural heart disease. The company is based in Aliso Viejo, California. More information can be found by visiting www.egnitehealth.com.

Patient Experience & Voice

Edwards Lifesciences' work to improve Patient Experience and Voice supports our aspiration of transforming patient lives with breakthrough medical technologies. As one of Edwards' most important topics, we continue to evolve our program to better meet the needs of our patients. Understanding the patient experience and listening to patient voices strengthens our innovation, production, and delivery of solutions to help those fighting cardiovascular disease.

Definition

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

Our CEO has a performance management objective (PMO) tied to increasing employee exposure to patients; this promotes a strong culture consistent with the Credo and our Aspirations. The Vice President of Patient Engagement is responsible for ensuring that all patient engagement activities are aligned with our Aspirations to transform patient care through innovative technologies and to attract and engage talented employees. Our global Patient Engagement team designs activities to better incorporate the patient perspective into our business strategy. We enable meaningful patient-driven innovation by authentically empowering patients, advocates and healthcare stakeholders to widen access to treatments and transform quality of life.

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

Growing the Patient Voice through Support of Patient-Focused Organizations

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

Edwards Lifesciences Foundation provides [charitable grants to the American Heart Association for their Heart Valve Ambassador](#) Program, which connects heart valve patients to a group of dedicated individuals who offer resources and support, as well as the Heart Valve Education Center, where patients can connect with and learn from other patients. This connection opportunity is critical to patient comfort levels and therapy adoption. Our Foundation also supports Heart Valve Voice – a patient-focused advocacy organization that collects and shares patient stories and advocates on behalf of patients' interests. This investment is only a small part of a growing global program among heart valve patient organizations that reaches patients in the U.S., Canada, U.K., Ireland, Italy, Germany, France, Japan, Australia and several other countries.

Management Approach

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

In [Our Aspirations](#), we set forth to “Ensure that our therapies are addressing the needs of patients through an increasingly collaborative patient engagement process.” Our work in this area aligns to SDG 3: Good Health and Well-being, in particular sub-target 3.4 that says, “by 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being.”

Edwards became the first medical device company in the world to establish a formal patient engagement function designed to lead and empower everyone in the company to engage with, learn from and support patients and their families to improve the healthcare experience. We lead our industry in best practices, including being the first medical device company to publish global guidance on how and why we work with patient organizations. This helps provide disclosure and transparency into our relationships that could generate concerns or criticisms for conflicts of interest.



The Foundation supports several patient advocacy programs. The WomenHeart: National Coalition for Women with Heart Disease and Heart Champions program has immense reach globally, with 18 million instances of disease awareness. In addition, the Foundation supports the Mended Hearts Trained Accredited Patient Visitor Program and Mended Hearts Peer Advocate program and the Patient Advocate Foundation's Heart Valve CareLine and Financial Aid Fund.

The Patient Experience

Our annual [Patient Experience](#) event brings together patients and caregivers in multiple Edwards locations around the world to connect and share their experiences with our employees and other patients. Through this program, Edwards gains important insights into the patient journey, from symptoms and diagnosis through treatment and recovery, as well as the patient concerns and challenges along the way. Despite the challenges presented during the pandemic, we were able to expand our program reach, discussed further in the Annual Performance section.

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

Addressing Patient Needs and Connection Along the Journey to Heart Health

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

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

In recent years, Edwards advanced its efforts to bring data representing the patient perspective into various stages of product development, including input from patients into early-stage product development and acquisition decision-making, regulatory decisions and health technology assessments. Edwards places a priority on gathering patient insights across the total product lifecycle, so we invest in patient preference studies among various patient groups to determine the benefit-risk trade-offs for new therapies. Using qualitative and quantitative methods, Edwards ensures the patient voice is heard from development to commercialization of new technologies.

Patient Resources

Edwards believes informed patients have a more successful treatment experience. We continue to focus on raising patient awareness and ensuring patients have the resources and access to the therapies they need. To read more about our educational initiatives for better care and our work to improve access, please see our Annual performance in the Access to Healthcare section.

Our [website](#) offers information on heart valve disease and treatment, as well as FAQs and a glossary of terminology. Additionally, our [NewHeartValve](#) website provides comprehensive information on aortic stenosis and options for treatment. Our Foundation also invests in educational resources for patients [with Mended Hearts](#), [the American Heart Association](#) and with [the Alliance for Aging Research Foundation](#).

Patient Voice in Product Design & Development

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

We look to continue investment in the development of quantitative data to evaluate the relative importance and value of products through the eyes of the patient community. We are the first medical devices company to develop and publicly publish these studies, leading the charge in improving the patient experience.

Our most recent [work](#) studied patient preferences when choosing between aortic stenosis (AS) treatments, taking into account the risk–benefit analysis that is done when choosing between two surgical replacements. The study focused on the patient experience and how they weigh the decision on what surgical replacement to pursue, which informs Edwards’ approach in product development in the future.

Annual Performance

Patient Engagement and Events

As a result of COVID–19, we converted our 2020 Patient Experience to a virtual model, allowing employees to safely engage with patients through videoconferencing. While the experience was not as rewarding to participants as our in–person event, the virtual format allowed for more employees to participate, resulting in more employees hearing patient stories and nearly doubling year–over–year employee exposure to patients. We look forward to expanding this to a “hybrid” in–person and virtual experience, providing the high–quality connection of the in–person meetings with the expanded access for our global employee base.

Elevating Partnerships Focused on Patient Voice

Throughout 2020, our partners found new, creative ways to continue their work in amplifying patient voice. COVID–19 provided unique opportunities to grow partnerships as these organizations reached even more patients:

- Through a grant from Edwards, Mended Hearts quickly trained their peer–support ambassadors to provide support to heart valve patients online, expanding their ability to reach more patients than prior years (typically, ambassadors connected with other patients in the hospital or over the phone)
- Under a grant from Edwards, Heart Valve Voice (US), the Global Heart Hub and scores of patient organizations worked to reach patients through social and earned media to educate them on the dangers of avoiding heart disease care in the pandemic
- Patient organizations supported through general grants from Edwards advocated for public policies to allow for telehealth reimbursement

Consistently Embedding Patient Focus Across Edwards

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

In addition to maintaining consistency in our patient–focused culture across geographic locations, we also standardize our approach to managing patient engagement from a corporate level. In 2020, one effort is our newly created Patient Support Center, which acts as a centralized place to collect, organize and address any patient inquiries received by Edwards. The Center was initially set up to provide rapid response to incoming patient phone and email inquiries but has since provided Edwards with early insights into patient concerns and questions regarding COVID–19. In addition, this provided Edwards the ability to develop dynamic educational materials to ease patients’ concerns about transmission. To read more about the Patient Support Center, please see the highlight story.



HIGHLIGHT STORY

Edwards' Patient Support Center Provides Rapid Response to Patient Inquiries



To support Edwards' strategy of patient-focused innovation, the company decided in 2019 to develop a comprehensive response system to the increasing volume of incoming patient inquiries. As the company has grown rapidly in its reputation for patient-focused products, particularly its Transcatheter Aortic Valve Replacement system, public inquiries and questions about its products have increased substantially. To meet this demand, the company created a centralized Patient Support Center (PSC) to provide compassionate, full-service support that contributes to a consistent, positive patient experience across Edwards.

The PSC was designed to:

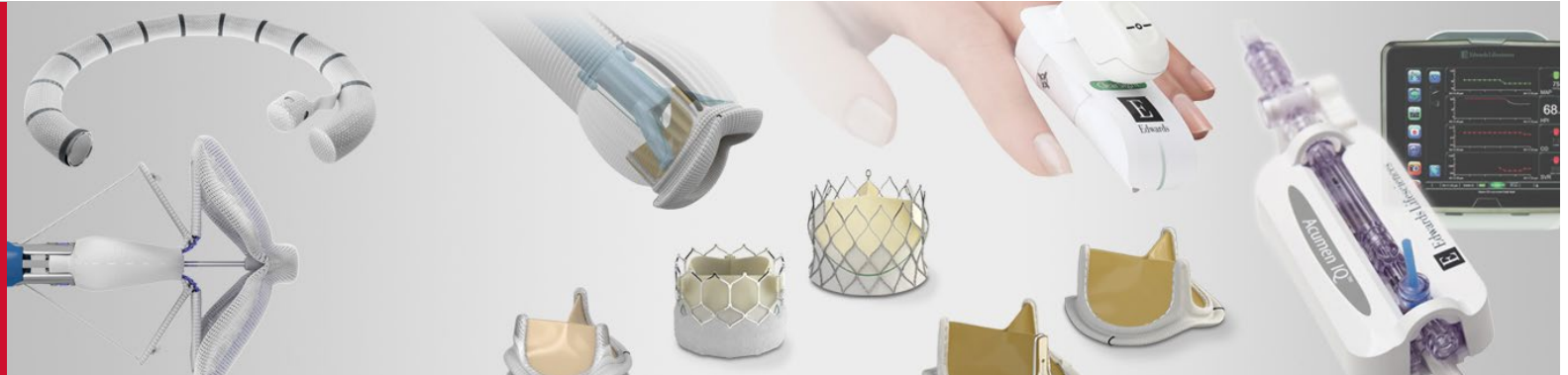
- Provide one point of contact for *timely support and resolution* of questions/concerns
- *Deliver unique patient journey* through a continual data feedback loop
- *Mitigate reputation risk* by promptly de-escalating potential complaints or other issues
- Utilize metrics to *inform business needs*

As the PSC was put into place over the course of 2020, it provided our incoming patient inquiries with a timely and comprehensive conclusion to their interaction with Edwards. In addition, the PSC:

- Provided all incoming inquiries with <24 hour turnaround and regular updates as the inquiry was being resolved
- Completed most (70%) patient inquiries in one interaction – an 80% improvement from 2019
- Provided patients a “one-stop-shop,” with easy access in phone, email and web channels
- Provided an early warning system of patient interest/activity for “hot” topics. This produced, for example, quick-response COVID-19 web materials, providing concerned patients with easy answers and quickly de-escalating potential risks of concern
- Produced management monthly reports with early insights into the types and forms of information that patients need to make healthcare decisions

As Edwards expands the PSC to provide increasingly high-quality patient interactions, the company expects to continue to improve the patient experience and ensure Edwards is delivering patient-focused innovation.

Products



Edwards Lifesciences is a leader in patient-focused innovations for structural heart disease and critical care technologies. The products section of our 2019 Sustainability Report contains our management approach and annual performance for the following material topics:

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

Product Safety & Quality

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

Definition

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

Management Approach

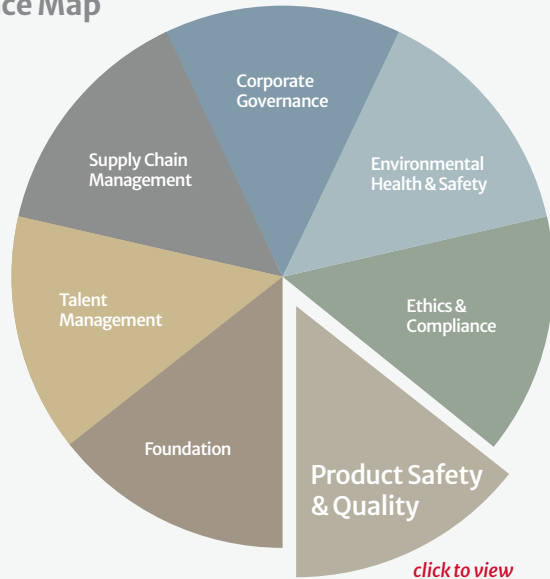
High quality products are at the core of our commitment to being a trusted partner to patients and healthcare professionals. We hold ourselves accountable for developing products that enable patients to enjoy long and healthy lives.

Product safety is part of our Quality Management System and we provide related training to employees through our Learning Management System and in-person classes, when appropriate. The Edwards team determines the level of training necessary based on each role, taking into account the amount of impact each role has on the safety of our products. Employees receive annual training and recertification based on potential risk of the process on product or patient safety associated with their role. We also require re-training based on different trigger events such as training or document content change, prolonged absence from executing the task or process, and process or product non-conformance that requires employee training.

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

The [governance map](#) below illustrates our management structure for product quality and safety.

Governance Map



Regulatory Compliance for Quality

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

We have established a company-wide Quality System defined in our Edwards Lifesciences Quality Manual. The quality framework helps to advance our goals of ensuring Edwards' products and services satisfy customer requirements while complying with regulatory requirements in every country where Edwards sells products. The regulatory requirements we adhere to include, but are not limited to, the following:

- ISO 13485:2016 Medical Devices – Quality Management Systems – Requirements for Regulatory Purposes*
- ISO 14971:2007 Medical Devices Application of Risk Management to Medical Devices
- U.S. Food, Drug and Cosmetic Act:
 - 21 CFR part 11 – Electronic Records; Electronic Signatures
 - 21 CFR part 820 – Quality System Regulations

- 93/42/EEC, 2003/32/EC European Medical Device Directive (MDD)
- Canadian Medical Device Regulations (CMDR)
- Medical Device Single Audit Program (MDSAP)
- Japan Pharmaceutical Affairs Law (JPAL)
- Australian Therapeutic Goods Act 1989 and associated regulations
- Brazilian Good Manufacturing Practices (RDC ANVISA 16/2013)

Our Quality System enables us to meet all regulatory requirements of each regulation in which we operate, where applicable.

*For manufacturers of medical devices, ISO 13485:2016 is a widely accepted model for demonstrating compliance to worldwide laws and regulations. The ISO standard meets the comprehensive requirements for a Quality Management System and ensures a consistent output. The Edwards Lifesciences LLC ISO 13485:2016 Certification includes the design, development, production and distribution of:

- Biological Heart Valves, Heart Valve Delivery Systems, Valvuloplasty Catheters, Annuloplasty Rings; Pericardial Patches, Accessories (Valve Handles, Valve and Ring Sizers, Trays, Heart Support Devices), Suture Fastener and Delivery Systems, Transcatheter Valve Repair Systems, and Cardiovascular and Vascular products; Cardioplegia Delivery Systems, Catheters for Perfusion, Drainage, Pressure Monitoring, and Venting during Cardiopulmonary Bypass and accessories; Accessories for Heart Valve Repair and Replacement; Instruments and Accessories; and Retractors.
- Hemodynamic Monitoring Equipment, Disposables and Related Accessories; Medical Devices used for the Diagnosis of Coronary Artery Disease; Medical Devices and Related Accessories used in the Diagnosis and Treatment of Peripheral Vascular Disease; and Medical Devices used in Support of Cardiopulmonary Bypass Surgery

Internal Quality Controls

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

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

Manufacturing Execution System

Edwards has additional product quality and safety initiatives to streamline and improve our product manufacturing processes. Our Manufacturing Execution System (MES) aims to reduce waste, inventory and cycle times while improving quality, efficiency and overall product performance. This system helps increase compliance at our facilities and prepares us for FDA inspections.

Managing Product Recalls

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

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

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

In the U.S., the FDA categorizes recalls into **three classes**:

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

Within the European Union, manufacturers must submit a Field Safety Notice to inform the National Competent Authority/Authorities of any action taken to reduce risk of death or serious deterioration in health associated with the use of a medical device already on the market.

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

Managing Clinical Research

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

United States of America:

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

European Union:

- ISO 14155:2020 Clinical Investigation of Medical Devices for Human Subjects – Good Clinical Practice
- MDD 93/42/EEC European Medical Device Directive 93/42/EEC (MDD)
- MEDDEV 2.7.1 revision 4 Clinical Investigations: Serious Adverse Event Reporting under Directives 90/385/EEC and 93/42/EEC.

Japan:

- Japan Pharmaceutical Law (JPAL) Medical Device Ordinances China
- China Food and Drug Administration (CFDA) Regulations

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

Annual Performance

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

Improving Patient Safety through Device Tracking

In 2013, the U.S. FDA established a [Unique Device Identification \(UDI\)](#) system that enables more comprehensive tracking of medical devices. UDI system implementation will continue according to established compliance dates based primarily on device classification. Using UDI numbers reduces the chance of patient misidentification of products. Edwards continues to implement this system within our processes in alignment with the FDA's [required schedule](#).

Product Recalls

In 2020, Edwards did not have any Class I recalls resulting in device retrievals. Edwards provides complete information on recalls through the FDA's [publicly available database](#) for medical device recalls.



HIGHLIGHT STORY



Edwards' KONECT RESILIA Aortic Valved Conduit Receives FDA Approval For Complex Aortic Valve Surgeries

In 2020, Edwards received approval from the U.S. Food and Drug Administration (FDA) for the KONECT RESILIA aortic valved conduit (AVC), the first ready-to-implant

solution for bio-Bentall procedures, a complex surgery that involves replacement of a patient's aortic valve, aortic root and the ascending aorta.

The KONECT device is the company's latest innovation offering the advanced RESILIA tissue, which incorporates integrity-preservation technology that may help improve valve durability. The RESILIA tissue technology also allows devices to be stored under dry packaging conditions, facilitating ease of use during patient care.

The KONECT device represents a meaningful advancement that offers surgeons a preassembled device with two leading technologies, which can streamline treatment for patients requiring this complex and technical procedure. Because the typical patient is under the age of 60, advanced technologies such as the KONECT device with the RESILIA tissue might provide extended valve durability for a more active patient population.

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

Supply Chain Management

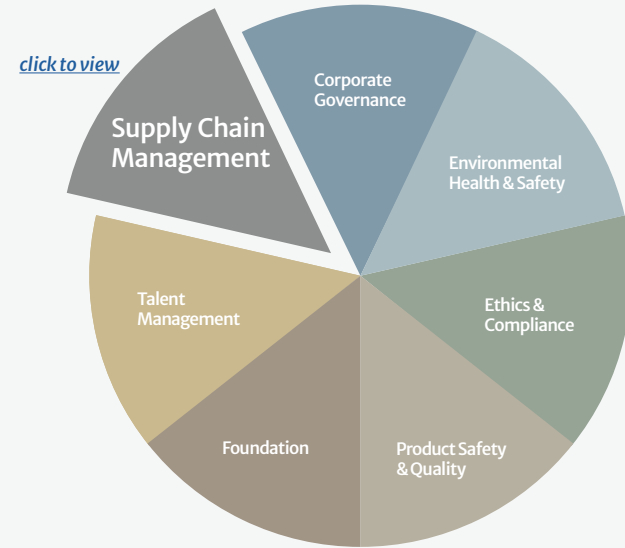
Edwards Lifesciences' supply chain management practices focus on product lifecycle, design and innovation, and commitment to product stewardship supports our aspiration of transforming patient lives with breakthrough medical technologies.

Definition

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

Governance Map

The governance map illustrates our Supply Chain Management structure.



Procurement Practices

With approximately 350 direct material suppliers for all of our global products, Edwards is highly selective when evaluating and adding new suppliers to our portfolio. To limit risk exposure, we avoid adding new direct materials suppliers, and only add them when there is a clear business case, such as a new technology or new capability or capacity needs. In the few cases where we do add suppliers, we follow a rigorous process that includes extensive due diligence. We have designated and prioritized a significant reduction of our direct materials supplier base over the upcoming years.

We operate a Global Supplier Portal through which suppliers can access key information, provide feedback and notification of any significant changes as required per the Quality Agreement. We request that they pre-notify us of product changes in a timely manner to allow us time to qualify the change as necessary.

Additionally, in 2021 Edwards developed a Supplier Code of Conduct that sets forth expectations for suppliers working with Edwards. The Code also ties our expectations to our Credo and importance of business integrity, in addition to the following:

Management Approach

To create industry-leading therapies for cardiovascular disease, we rely on our suppliers. We strive to improve our supplier base annually by ensuring that our best suppliers work on our new products, that we continue to rationalize and reduce our supply base and that we improve performance.

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

Edwards' Supply Chain segmentation has established the top 12 strategic direct materials suppliers. Our goal is to roll-out a sustainability program and review process to strategic suppliers by 2020 and key suppliers by 2021, assessing current plans and improving on any identified opportunities. This goal aligns with SDG 12: Responsible Consumption and Production. Edwards Supply Chain holds an annual Partner Forum to facilitate sustainability reviews and further alignment, to share progress on sustainability goals and practices, and to set expectations for the coming year.



- Labor and Employment Standards (Prohibition of Child Labor, Human Trafficking, and Fair Working Conditions)
- Data Privacy and Confidentiality
- Environmental Standards

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

Our R&D Sourcing team is responsible for all direct materials source selection on all of our new products and components. This team executes source selection per our global category strategies that identify the preferred and approved suppliers to award new products. These suppliers represent our best performers and partnerships and we prioritize their bids on new product work. Edwards has dashboards and metrics that track the amount of new product awarded to these suppliers. To facilitate prioritizing high-performing suppliers, the R&D Sourcing Portal lists our preferred suppliers for each category and an Advanced Sourcing Lead participating on all of the R&D New Product teams. Our system generates automated notifications when someone tries to award work to a non-preferred supplier.

Assessing and Monitoring Supply Chain Risk

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

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

ethical standards and protections for information technology and intellectual property, reducing the chance that sustainability violations will impact our stakeholders and business. Approximately 80 percent of Edwards annual spend comes from these lower-risk locations.

We use a risk monitoring tool that provides updates on our suppliers' business developments, acquisitions and credit performance as well as financial default risk. Our team sets automatic alerts on key suppliers and immediately forwards important information to the designated Edwards employee for evaluation and action, if necessary.

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

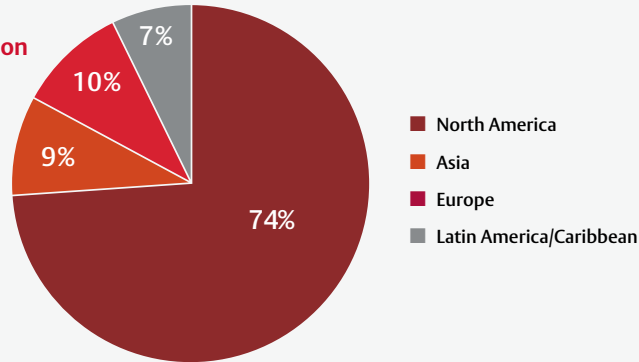
We conduct audits on an annual rotational basis targeting highest-risk suppliers to assess their quality systems in support of Edwards' compliance to regulations applicable to production of medical devices. Approval is granted upon completion of an audit, any corrective action plan and part qualification process. We have an established decision tree process that considers the potential impact of supplied materials to patient safety and product performance, which then assigns the risk level per part number sourced. Additionally, we established similar decision trees for service suppliers that fall within the requirements of our quality management system to be qualified and monitored.

Localizing Supply and Distribution

Edwards protects both the environment and our bottom line by striving to source materials close to our manufacturing sites. Where feasible, we as close as possible to our manufacturing sites. Where feasible, we strategically align distribution facilities with the global markets we serve, reducing the costs and environmental impacts of transportation. Having achieved our goal for 2020 with our heart valve and critical care businesses, we are now working on optimizing our distribution network with our hemodynamic monitoring systems business. Once complete in 2022, we expect another reduction in air freight resulting in decreased freight and distribution costs.



Supply base by region



Supplier Sustainability

While sustainability for Edwards and our suppliers is driven by our ability to produce lifesaving technologies, significant ESG impacts occur in various parts of the Edwards supply chain:

- Product Quality – Across all sites, we continue to focus on improved process capability, yield improvement and scrap reduction, thus allowing for a smaller amount of product needing to be disposed of on an annualized basis.
- Patient Safety/Impact – We worked to upgrade our new product development process and simplify our Quality System to allow for continued focus on product improvement and building quality in at the source during product development and launch.
- Lean Manufacturing Efforts – We identify lines each year for reconfiguration to determine where and how we can eliminate waste and increase outputs with the same amount of people, which reduces environmental impact.
- Product Design & Innovation – We build collaborative, long-term relationships with strategic and key suppliers who support our vision for innovation and engage our partner suppliers during the product innovation stage.

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

- Fair labor practices
- Environmental responsibility
- Workplace health and safety
- Ethical practices
- Protection of human rights
- Socially responsible behavior
- Legal compliance

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

- ISO13485 Certification where applicable
- Completion of comprehensive quality audit with no critical findings
- Minimum lot acceptance rates
- Minimum scar-free rates
- Minimum performance on good delivery and service levels

Supplier Partnerships for Innovation

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

Edwards is also a member of the Medical Device Industry Supply Chain council, an informal network that identifies opportunities to improve the medical devices supply chain through appropriate collaboration and positively impacting the industry standard for operational efficiency and effectiveness. To read more about the supply chain council, please visit their [website](#).

Intellectual Property

Protecting intellectual property is important to maintaining Edwards' leadership position in medical technology innovation. The strength of our proprietary technology fuels our research and development of new, patient-focused solutions. Edwards owns more than 6,000 issued patents and pending patent applications in both the U.S. and foreign jurisdictions. We monitor our competitors to identify possible infringement, protect our patents and take appropriate action when required. We actively generate new intellectual property (IP) and pursue acquisition of complementary IP across our businesses.

Chemical & Material Stewardship

Edwards Lifesciences is committed to the long-term health of patients. Our goal is to ensure that our products are fully compliant with FDA and similar regulations, as well as chemical regulations and requirements. We have procedures in place to assess the materials in our products and make continuous improvements to remove banned materials. Safety procedures protect our employees by limiting exposure to potentially harmful chemicals.

The Product Stewardship Steering Committee meets on a quarterly basis to provide updates on the status of each business unit's activities as well as updates on new or revised chemical regulations that will impact Edwards Lifesciences.

Edwards strives for 100 percent compliance with various materials regulations ranging from restricting the use of certain hazardous substances in medical devices to labeling the products. For example, Europe's [Restriction of Hazardous Substances \(RoHS\)](#) directive restricts hazardous substances used in electrical and electronic equipment, whereas China RoHS requires these products to be labeled appropriately. Our focus extends to our supply chain, where we require compliance with all applicable regulations for chemical and materials use.

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

Conflict Minerals

We use 3TG (tantalum, tin/tungsten and gold) for the functionality and production of certain Critical Care products. Edwards is working to eliminate conflict minerals from our supplied materials in a continual process. Our [Conflict Minerals Policy Statement](#) describes our support of the Security and Exchange Commission (SEC) disclosure requirement for conflict mineral sourcing. Since 2014, we have also published an annual [Conflict Minerals Report](#) highlighting our progress. For every new part awarded to our suppliers, we require the applicable supplier to submit a written disclosure of compliance to this standard. Each year, we work with a third-party consultant to monitor our progress, analyze data and identify strategies to improve our performance.



HIGHLIGHT STORY



Supply Chain Team Rises to Pandemic Challenges for Patients

Before COVID-19, Senior Director of Supply Chain, Glynis Sylvester, says her team, based in Nyon, Switzerland, was quite used to working in the background. But that was before the COVID-19 pandemic.

“With COVID-19, especially at the beginning of the pandemic, we were seeing daily changes. Countries were impacted at different times and were at different levels of preparedness. This changed the demand for Edwards products dramatically,” Glynis explains. “For one Business Unit, we were suddenly receiving a number of orders for a product in one day that we would usually receive in one month.

These obstacles required a fast and significant change in mindset. “We are learning a lot from this crisis. We were forced to become much more agile, to shift from a regional focus to a market focus. We became almost joined at the hip with Customer Service, the Commercial teams and our Global Partners, collaborating daily to make sense of how our process would have to evolve to |catch up to the new demand.”

Glynis emphasizes that what makes the greatest difference during these challenging times is the dedicated group of people who work in Supply Chain. “I am so, so proud of the team. Their commitment is what drives me, every day. I know I ask a lot from them, and they take it all in stride – no complaints, no questions. They roll up their sleeves, and they do it all with the patient in mind.”



Annual Performance

Supply Chain Management

During 2020, we continued to focus on strengthening our procurement practices, especially during the COVID-19 pandemic. A significant effort was put forth to uplift supplier performance in our top strategic and key suppliers, who account for about 70 percent of our direct material spend. We spent time developing technical assessments and improvement plans, to bolster supply chain resilience and partnership. We conducted more than 40 technical assessments in 2020. These assessments helped identify gaps in supplier capability and maturity, allowing us to help develop improvement plans for those suppliers.

In 2020, we engaged a third-party to evaluate all 350 direct suppliers to initiate a new supplier diversity program. Multiple diversity categories were identified, such as, small, disadvantaged businesses, and are now tracking our US suppliers utilizing a diversity metric dashboard. Going forward, we are working closely with Edwards' new Sr. Director of Diversity, Inclusion & Belonging to set new goals specific to supplier diversity.

We also successfully deployed our Sustainability Program and Review process to strategic suppliers in 2020, achieving our goal, and we look forward to engaging our key suppliers in this process throughout 2021.

During 2020, we joined MedAccred, a medical device industry-managed supply chain oversight program that identifies and verifies compliance to critical manufacturing process requirements. This quality improvement program aims to enhance patient safety, improve device quality and reduce recalls. During our 2020 Annual Supplier Forum, we presented the MedAccred approach, our alignment and integration program and encouraged our suppliers to pursue accreditation. We are currently incorporating MedAccred into our quality system and are actively participating on several task forces, including electronics, metals, sterilization, packaging and labeling.

Our work in 2020 also implemented a focused awareness training for supply chain employees on three key quality initiatives to deploy a common framework and approach to problem solving. These training initiatives will result in improved quality performance and be completed in 2021 for our top strategic suppliers, which includes development of improvement and implementation plans. The training included Critical Control Points (CCP), Measurement System Alignment (MSA), and Root Cause Corrective Action (RCA). We chose to focus on these due to the technical assessment results on deficiencies identified.

This year, we also published our [Supplier Code of Conduct](#). This document continues to serve as a key governance document in our supplier relationships, reinforcing our processes and screening criteria. To read more about the Supplier Code of Conduct, see the Supplier sustainability section in Management approach.

COVID-19 Response

Edwards responded quickly and effectively to supply chain needs in response to the COVID-19 pandemic. Like many companies, our team had to adjust to remote working environments, leveraging technology to keep us connected with each other and our suppliers. In 2020, we focused on being resilient and communicating with our suppliers to ensure stability and long-term partnership.

Throughout 2020 we conducted formal follow-ups with our supply base on two occasions over the course of a few months. These follow-ups created support systems and continuity during uncertain times for many of our suppliers. Additionally, during Quarterly Business Reviews, we made COVID-19 response for strategic and key suppliers a critical agenda topic, to keep us informed on any potential impacts to the supply chain. We also presented three suppliers a formal award at our annual supplier forum for our top key and strategic suppliers. These awards recognized suppliers for their responsiveness to Edwards during the COVID-19 pandemic.

We also worked with our Legal team to set up a process for assisting suppliers, identified by local governments, as an essential supplier to Edwards for medical devices. We created a customizable letter template for impacted suppliers in different countries. We utilized these customized letters in countries like France, Germany, and Malaysia, in addition to working with the US Embassy in countries where extra effort was needed. These efforts kept suppliers and stakeholders engaged throughout 2020.

Distribution Network Optimization

Throughout 2020, Edwards continued to address climate-related risks through our Global Distribution Strategy. Our medical device products have low energy demand, and therefore little opportunity to reduce product environmental impacts. However, we continued to transform our distribution network to provide our products to global customers through more efficient delivery methods. In 2020, we met our goal early and exceeded our target.

- Goal: By the end of 2021, reduce product distribution air miles traveled by 3 million vs 2018 baseline
 - Product distribution air miles reduced in 2020 were 7.9 million, achieving an 80% overall reduction (as compared to 2018 baseline)

This reduction was accomplished primarily through further localization in our JAPAC region with our heart valve manufacturing plant in Singapore. This includes a global shift away from air freight to more localized ground transportation and ocean liners with temperature-controlled containers. Through these methods we can achieve more cost efficiencies and carbon footprint reduction, and we expect further optimization in our hemodynamic monitoring product line by 2022.

Conflict Minerals

For the 2020 reporting period, Edwards conducted two stages of reasonable country of origin inquiry (“RCOI”), supplier and smelter, in accordance with the Conflict Minerals Rule and the [OECD](#) Due Diligence Guidance.

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

Edwards’ suppliers that provided product level responses identified 20 smelters in their CMRT responses during the 2020 reporting period included two gold refiners, six tantalum smelters and 12 tin smelters. The majority of the smelters and refiners identified by our suppliers for the 2020 reporting period have been audited and recognized as conformant by the RMAP. Please see the [Edwards’ Conflict Minerals Report](#) for the 2020 fiscal year, as filed with the Securities and Exchange Commission on May 28, 2021.

Edwards also has a company- and mine-level grievance mechanism in place. We recognize the Conflict Free Smelter Program’s three audit protocols for gold, tin/ tantalum and tungsten as valid sources of smelter- or mine-level grievances.

A company-wide grievance mechanism, the Edwards Integrity Helpline, is available 24/7, through which our employees and suppliers can confidentially report a violation of our policies without fear of retaliation. See the [Ethics & Compliance](#) section of this report for more details. We also maintain an e-mail address (conflict_minerals@edwards.com) for suppliers and employees to ask questions and voice concerns.



HIGHLIGHT STORY



New Dream Big Complex in Irvine, CA Incorporates Sustainable Design Principles

Construction on our new Irvine headquarters Dream Big Complex was completed in 2020 and we began moving into our new state-of-the-art laboratories at the end of the year. The site is constructed and furnished with environmentally friendly building materials, solar panel systems, low water appliances, site-wide xeriscaping and energy efficient lighting, air handling systems and building automation.

To gain LEED certification, Edwards has incorporated sustainable design principles into our buildings including sustainable site selection, energy-efficient equipment and appliances, renewable energy sources, low-emitting materials, alternative transportation provisions, recycled materials, water use reduction measures, and enhanced commissioning. Along with our manufacturing plants in Costa Rica and Ireland, our Dream Big Complex will become LEED certified in 2021.





Product Design & Innovation

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

Definition

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

Product Design & Innovation Management

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

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

Strategy and Execution

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

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

Management Approach

Product Design and Innovation continues to set Edwards apart. Our patient-focused innovation strategy is unwavering, differentiated and global. We are uniquely focused. At a time when medical technology companies are diversifying, we remain laser-focused on innovations for structural heart disease and critical care monitoring. By staying focused, we're able to bring our decades of expertise and clinical knowledge, more resources and understand the patient's journey to better advance potential solutions.

Another key element of our strategy is bold innovation, and we are pursuing a rich pipeline. We are focused on innovations that change the practice of medicine, supported by rigorous clinical trials and achieving best-in-class outcomes. We know that change doesn't come easily and must be supported with strong evidence. And while some evidence collection was slowed because of the COVID-19 pandemic, Edwards and the clinical community remained committed to delivery.

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



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

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

Product Development Process

Our product development process is a streamlined and flexible approach to accommodate the needs of each business area and all new products. It is a five-phased process that includes a core team comprising an independent reviewer, delegates from R&D, Quality, Manufacturing/Operations, Regulatory Affairs, Marketing and Clinical Affairs, if applicable. When sufficient technical information is available, a design review can take place. After the design review approval, and when all design and development plan deliverables are completed and approved, a gate review is held at the end of each phase.

In **2020** Edwards invests
17%+ of annual sales
into product innovation

Managing Regulatory Changes

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

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

Packaging Design & Innovation

Edwards strives to maximize the value and function of our products from design to end-of-life. We continue to strengthen our packaging design process to enable safer, more efficient and cost-effective product delivery. This includes exploring sustainable solutions that decrease environmental impact. Our medical device products (primarily the heart valves and implantable devices) have low direct energy and emissions impact and the choice of materials from which they are constructed is limited and stringently regulated. In addition, these devices remain in the patient, therefore, there is little opportunity for product takeback and environmental impacts in this area. However, we have initiated new measures to minimize packaging waste associated with our products, which has the impact of reducing cost, indirect emissions and waste. In 2019, we completed five significant projects to achieve our 2020 goal of reducing packaging by 15 percent in targeted, high-volume commercial products, resulting in a total reduction of 150,000 kgs per year of packaging waste (based on current sales volumes) and resulting Scope 3 GHG emissions. We also plan to roll-out electronic instructions-for-use to all business regions by the end of 2022. Both goals align to SDG 8: Decent Work and Economic Growth and SDG 12: Responsible Consumption and Production.

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



Annual Performance

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

In 2020, there were four Strategic Imperatives from which the KODs were derived:

- Lead the expansion of Transcatheter Aortic Valve Replacement (“TAVR”) and accelerate the treatment of aortic stenosis
- Transform the treatment of mitral and tricuspid valve disease
- Strengthen global leadership in surgical heart valve and critical care
- Strengthen capabilities and talent to execute key initiatives

Underlying these Strategic Imperatives are approximately 75 specific KOD metrics and milestones relating to, among other things, research and development, commercial and financial milestones in each of the four business areas, key initiatives to increase patient access to our therapies and specific milestones for global supply chain as it relates to launches of products, supply, capacity, quality, productivity, service and capabilities. Approximately 20 percent of the KODs include a financial component.

We do not disclose our KODs in detail because we believe doing so would cause a meaningful competitive disadvantage. However, we do provide additional transparency on the structure and outcomes of the KODs with specific illustrative examples of milestones in our 2021 Proxy Statement.

For example, the strategic imperative “Strengthen capabilities and talent to execute key initiatives” has underlying KODs such as “Achieved global supply chain milestones through innovative efforts that enabled continuous production of life-saving heart valve therapies.” The following milestone achievement in product packaging provides further elaboration and connection to our KODs:

As a result of meeting our packaging reduction target one year ahead of schedule, and looking towards the future, in 2020 we revamped our product stewardship organization, leadership and engineering staff to provide a stronger focus on meeting our materials and packaging regulatory requirements, quality, social issues, environment, employee safety and community health.

Our Product Stewardship team is a cross function of business area product stewards and subject matter experts that meet on a quarterly basis to drive our commitment of product stewardship governance across our global businesses, evaluate our status on material compliance and provide complete visibility across Edwards into our material composition and product lifecycle leadership.

We believe our new approach will provide three primary benefits to Edwards, our patients and our communities:

- Differentiate capabilities to shape the future
- Develop the ability to rapidly respond to change
- Provide a strong foundation to support Edwards' growth

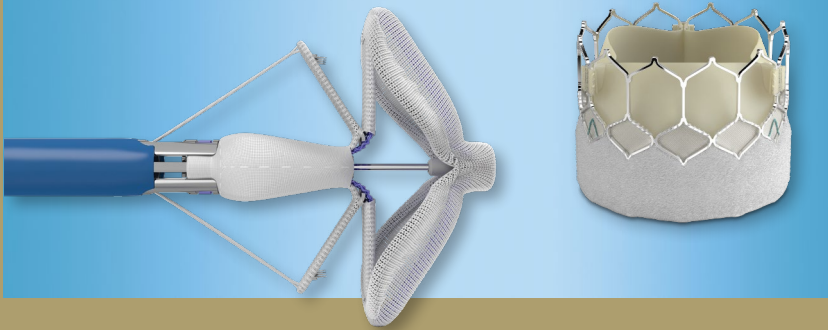
In support of our Strategic Imperative “Strengthen global leadership in surgical heart valve and critical care,” we achieved KOD milestones in the product design and innovation of our KONECT RESILIA aortic valved conduit (AVC), the first ready-to-implant solution for bio-Bentall procedures, a complex surgery that involves replacement of a patient's aortic valve, aortic root and the ascending aorta. “The KONECT device represents a meaningful advancement that offers surgeons a preassembled device with two leading technologies, which can streamline treatment for patients requiring this complex and technical procedure,” said Joseph E. Bavaria, MD, Brooke Roberts-William M. Measey professor of surgery and vice chief of the division of cardiovascular surgery, University of Pennsylvania.

Edwards is dedicated to partnering with clinicians to develop patient-centric innovations for complex surgical structural heart procedures that improve long-term care and outcomes for patients. For patients with mitral valve disease in which there is no standard solution for treatment, the recently launched Physio Flex annuloplasty ring is the first-ever product of its kind that mimics the natural anatomy of the mitral valve. Edwards is also investing in innovations in the areas of beating heart mitral valve therapies, more durable surgical mitral tissue valve replacement, minimally invasive surgical suture securing systems and other surgical structural heart devices.



HIGHLIGHT STORY

Edwards SAPIEN 3 Approved in China; PASCAL Approved in Europe



In 2020, Edwards received Chinese regulatory approval for the Edwards SAPIEN 3 transcatheter heart valve for the treatment of patients suffering from severe, symptomatic aortic stenosis (AS) at high risk for or unable to undergo open-heart surgery. Our globally trusted SAPIEN 3 transcatheter valve is the only FDA approved transcatheter heart valve in China.

The SAPIEN 3 valve builds on Edwards' decades of experience in the development of tissue heart valves, and the proven benefits of the Edwards SAPIEN transcatheter heart valves. The SAPIEN TAVR valves are the most widely studied transcatheter valves, with more than 30,000 patients treated in clinical trials and registries in over 65 countries around the world. The

approval for high-risk and extreme-risk patients in China was supported by the China SAPIEN 3 study, which complements a highly robust set of clinical outcomes from three randomized controlled PARTNER studies, along with excellent real-world results. We look forward to continuing to partner with clinicians and hospitals across the country to introduce the SAPIEN 3 through our comprehensive, proven training program, and get great results for patients.

In 2020, Edwards also received CE Mark for the Edwards PASCAL transcatheter valve repair system for the treatment of European patients with tricuspid regurgitation (TR). "Patients with tricuspid valve disease are in great need of solutions," said Bernard J. Zovighian, Edwards' corporate vice president, transcatheter mitral and tricuspid therapies. "Edwards is the first company to introduce multiple transfemoral tricuspid repair therapies in Europe, providing physicians with both leaflet repair and annular reduction therapies to help meet their patients' needs." The PASCAL system is indicated in Europe for the percutaneous reconstruction of the tricuspid valve through leaflet repair by tissue approximation. The clasps and paddles gently grasp the leaflets to facilitate coaptation, while the spacer is designed to fill the regurgitant orifice area and prevent backflow. The clasps can be operated independently to facilitate optimized leaflet capture and the implant can be elongated to a narrow profile, allowing for safe maneuvering in dense chordal anatomy.

The PASCAL repair system is not approved in the United States.

Workforce



Edwards Lifesciences' employees drive our work with their passion for helping others. The Workforce section of our 2019 Sustainability Report covers all of our business operations and contains our management approach and annual performance for the following material topics:

- Talent Management
- Volunteerism & Giving

Talent Management

Edwards Lifesciences' work to improve employee recruitment, engagement and retention supports our aspiration of Fostering an Inclusive Culture Where all Employees Grow and Thrive.

Definition

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

Management Approach

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

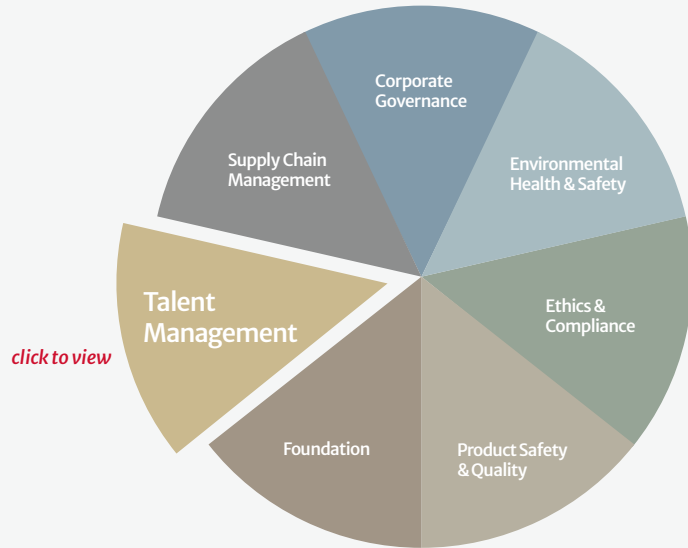
Diversity is a vital part of our company culture, and also foundational to Edwards work to innovate life-saving therapies for patients. Diverse talent is crucial for driving innovation. We foster a company culture that actively values diversity and is inclusive of people from a variety of backgrounds and experiences.

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

As we continue to grow our global footprint, we work to enhance our talent's ability to think and operate on a global scale. As the workforce demographics change, we also recognize the need to focus on how works gets done rather than where it gets done. The high expectations of our partners and the patients we serve in the midst of a fast-changing world present a challenge as they require more agile methodologies and mindsets, and new technological skillsets, such as artificial intelligence. We aim to foster and recruit talent that can exceed these expectations in fulfilling the needs of patients.

Governance Map

The governance map below illustrates our Talent Management structure.



Supply Chain Development Program

These programs continue to have a positive business impact. For example, through our TDP and University Engineering Program in 2020, 55 percent of eligible interns were hired for full-time positions (100 percent of offers accepted), and we have found that these employees are more than twice as likely to become designated as Top Talent as those who did not intern. Individuals hired through the TDP and University Engineering programs have an 83 percent combined retention rate.

Employee Survey

Our multilingual global employee surveys, known as myVoice, help us identify what we do well and what needs additional development or attention from leadership.

The objectives of myVoice include:

- Provide employees with the opportunity to share their open and honest feedback about what it's like to work at Edwards
- Enhance our understanding of how we are doing, what is going well and what needs our attention
- Take action to ensure we continue to foster an inclusive culture where all employees grow and thrive

Our global employee engagement survey includes multiple categories including belonging, a diversity and inclusion indicator, where employees rate the extent to which they agree with the statement: "I feel a sense of belonging at Edwards Lifesciences."

Edwards partners with a third party to assess our performance, values and behaviors that drive engagement, alignment and other factors. We also measure patient focus, innovation and quality as our business priorities. Employees complete the survey online using company computers. We also send tablet devices to manufacturing sites to gather input from employees who do not have access to a computer on a daily basis for their work.

Patients First

Edwards' "Patients First" Credo in action serves as a force multiplier enabling Edwards to attract, engage and retain the best and brightest. A priority is to expose all employees to patient stories and patient interactions annually to improve engagement and remind our team that working at Edwards means making a difference in people's lives. This goal aligns with SDG 3: Good Health and Well-Being. Whenever our CEO conducts an employee meeting, the meeting always concludes with a patient video or testimony,

Recruiting Top Talent

To attract and recruit top talent, Edwards leverages our strong culture in addition to providing competitive compensation and benefits packages. Our goal is to have annual top talent retention resulting in voluntary turnover of less than high performing benchmarks. We offer performance-based incentives, stock options, retirement plan options, paid time off, family leave and health, life and disability insurance.

Edwards **recruits top students from universities** across the world to join our team.

Our opportunities for students include:

- Internships
- Edwards University Summer Program
- Finance Development Program
- University Engineering Program
- Clinical & Regulatory Development Program
- Engineering Technical Development Program
- Strategic Leadership Development Program

and many of the leaders throughout Edwards include in their all hands meetings a patient video or story, as well. Patient videos are also shown in new hire orientations around the globe. For more information on other Patients First programs, please see the [Patient experience & voice](#) section of this report.

Training & Leadership Development

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

- Tuition assistance for continuing education and degree programs at higher educational institutions
- Edwards University, an online platform, offers our employees a wide variety of training, education and other resources, as well as learning partnerships with University of California, Irvine and eCornell
- Aspire, our leadership development curriculum, offers skill-based open enrollment workshops, including topics such as critical thinking, strategic execution, leading at Edwards, effective conversations, powerful speaking, communicating among different personalities, leveraging diversity and emotional intelligence
- A variety of nomination-based programs that build leaders for the future offering emerging and senior leaders challenging programming, coaching and assessments
- Global Talent Management & Learning architects and develops career broadening experiences for critical talent populations, globally and across business units

Talent Development Review (TDR)

The purpose of our TDR process is to continually support the growth of all employees through the effective assessment of talent throughout the organization. We aim to identify and evaluate talent pools, enhance the strength of our talent through career development, and align our business strategy and talent strategies. As part of the annual process, our CEO meets with each business unit and functional manager to conduct a full review of their respective organizations' talent and talent needs for Edwards to pursue its life-saving work and patient-focused strategy.

Active and expanding mentoring programs

Mentors can help employees identify personal and professional goals, access resources and reach individual potential. We leverage various mentoring programs across

Edwards to build internal talent, transfer/share knowledge and increase employee engagement and satisfaction. In tracking our program over the years, we found a strong correlation between mentorship participation and employee retention. Flash mentoring is also being utilized to drive development through less formal, more rapid mentoring connections.

Diversity and Inclusion Programs

Diversity is more than numbers and statistics. Edwards' vision is to foster a culture that actively and consistently values diversity. We aim to become a leading workplace for diversity and inclusion. Please read more on our commitment to diversity in a recent [letter from our CEO](#).

Embracing a diverse workforce helps drive Edwards' commitment to innovation. Companies with diverse talent have a wider range of perspectives, which can foster a stronger pool of ideas, creativity and innovation. We have created a culture that understands the strength of diversity, the power that comes from an inclusive environment and the impact that we can have on so many patients if we listen to the ideas and diverse thinking of those around us.

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

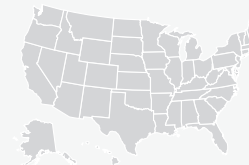
- Career fairs for engaging traditionally underrepresented groups at conferences and university chapters (e.g., National Society of Black Engineers (NSBE) and the Society of Women Engineers)
- Welcome Reception for summer interns recruited from the NSBE
- Active engagement in the [MedTech and BioTech Veterans Program](#), which connects transitioning military professionals with careers in lifesciences companies
- Panel discussions about managing your career at Edwards featuring guests from our executive or senior leadership teams
- Speed mentoring with senior leadership team members
- Leadership development classes
- Hospital observation opportunities to see our products in clinical use
- Monthly mix & mingle social events
- Summer externship program

U.S. EEO-1 Infographic 2020

Fulfilling Edwards Lifesciences' mission to help patients requires a strong, healthy and talented workforce. Year-over-year we have met our goal for women in leadership to increase globally, and we have experienced the same with ethnically diverse talent in U.S. leadership positions.

Edwards Lifesciences hires top talent, offers employee wellbeing and engagement programs and fosters a diverse and inclusive culture to help employees deliver their best. We are proud that our talented and passionate workforce exceeds industry, region and high performing benchmarks for employee engagement.

Fostering an inclusive culture where all employees grow and thrive.

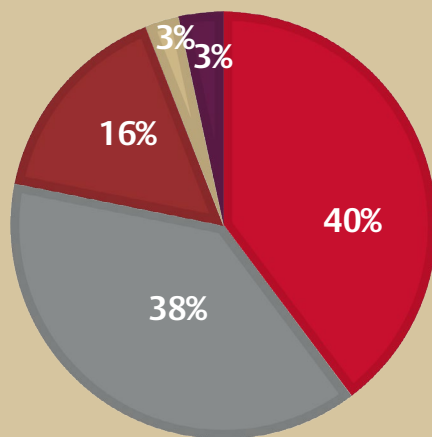


56% of the U.S. Workforce are women

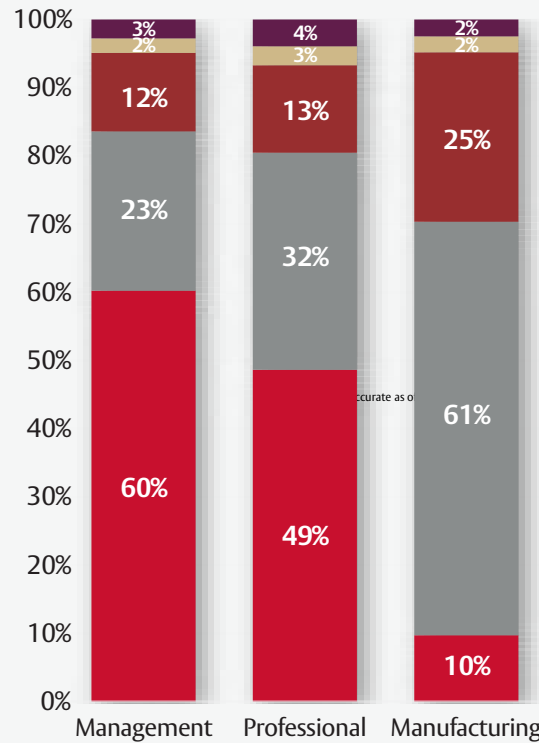
2020 Race / Ethnicity Representation...

- White
- Hispanic/Latino
- Pacific Islander, American Indian, Two or More Ethnicities
- Asian
- Black/African American

... By U.S. Workforce



... By Career Band

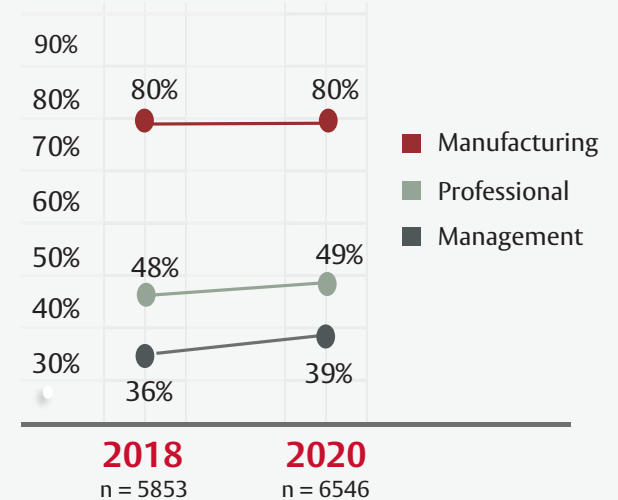


Data as of: 12/31/2020

2020 Gender Representation by Career Band

Career Band	Female	Male
Management	38%	62%
Professional	49%	51%
Manufacturing	80%	20%
Grand Total	56%	44%

2018 - 2020 Gender Representation



2020 Board of Directors Representation by Gender

Female: 37.5% | Male: 62.5%

Engaging Employees in Diversity

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

ERGs provide effective levers to engage and support our diverse employees. Research has shown that ERG and mentor program participants are more likely to perceive Edwards positively. The ERGs also provide avenues for Edwards employees to engage with communities, particularly groups within communities with whom we might not have otherwise connected.

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

Preventing Unconscious Bias

Unconscious bias refers to the underlying beliefs, perceptions and assumptions we develop based on our past experiences. They can frame the way we look at the world. As Edwards advances our culture of inclusion, it is important we educate employees around the identification and adjustment of unconscious biases in the workplace. Building on our achievement of diversity training for all of our executive and senior leadership team members and their direct reports, our new goal is that by 2022, all global employees will complete unconscious bias training and new hires will complete the training within six months of their start date.

Edwards' Commitment to Employees and Fair and Equitable Pay

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

Family Support and Benefits

To best meet the needs of our employees, we continually evolve our programs to provide a robust benefits package for our diverse and growing population. In addition to periodically reviewing the market to understand the competitive landscape, we conduct research and analysis on emerging trends, as well as the legislative landscape that can directly impact the benefit programs we offer to employees. In the U.S., as of 2018, Edwards provides all employees – hourly and salaried – with 100 percent of their salary for six weeks of disability leave, even though not all U.S. states require it.

Edwards offers subsidized offsite day care services to full-time employees. There are two “arms” of this benefit:

Back-up Care

Bright Horizons helps identify back-up dependent care options. All U.S. employees can receive center-based back-up childcare, as well as in-home care.

Additional Family Support

The Additional Family Support program is a resource to identify center-based and in-home care options for short-term and/or long-term care needs, with a variety of benefits available to employees.

Total Wellness at Edwards

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

Six pillars for Total Wellness

Edwards has six pillars for total wellness: Prevention, Nutrition, Physical Activity, Education, Financial Fitness, and Community Service. We offer many programs to support our team members within each pillar. Please see our [2021 Total Wellness Lookbook](#) for some of our offerings.

Some of our global wellness programs include:

- Preventive health exams and screenings
- Tools and resources to eat well and move more
- Financial education classes
- Physical and mental health education seminars
- Flu vaccinations

All benefits and wellness programs are reviewed annually, and recommendations made to our Administrative and Investment Committee for their review and approval.

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

Wellness and Charity

Edwards offers opportunities for employees to support charity as they work toward their fitness goals. We have Fitness + Charity Challenges that run most of the year and are open to all U.S. employees. After employees meet their fitness goals, Total Wellness donates proceeds to support designated charitable organizations, such as the American Red Cross.



Workplace Health & Safety

At Edwards, we are committed to providing a safe and healthy workplace for all of our employees, visitors and guests who frequent our facilities. We believe that a safe and healthy workplace not only helps prevent injuries, but it also helps us recruit, retain and engage talented employees while driving employee satisfaction. Please see our [Workplace health & safety](#) section and supplemental [Environment Health & Safety \(EHS\)](#) report for more. Our safety record is in the top quartile of performance for our industry. Our two safety goals are: 1) by 2025, achieve a 35 percent reduction in injury rates and 2) implement an Occupational Health & Safety Management System consistent with ISO 14001:2015 and ISO 45001:2018 standards at all our manufacturing locations by 2023. These goals align with SDG 8: Decent Work and Economic Growth.

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

Annual Performance

COVID Pandemic Response

Edwards global, talented team accomplished much and remained flexible during an unprecedented year full of challenges. Many on our team had to quickly adapt to remote work, and their transition was impressive, as we continued pushing forward and innovating on our vast array of new technologies. Our resilient global supply chain team continued to come to work in-person at our manufacturing facilities around the world, ensuring that we could continue to bring our most important lifesaving technologies to patients in need. Our committed field teams found creative ways to support physicians, and our engineers kept innovation alive. We began supplying our heart valve technologies from one of our global network facilities in Costa Rica, advanced our new facilities in Ireland and Irvine and received approval of TAVR in China. We are pleased that we did not make staff reductions as a result of COVID, and, instead, grew our team and invested in long-term programs to ensure a brighter future.

In 2020, our talent organization worked closely with other internal teams to effectively survey, communicate with and support our global employees during the pandemic:

- Specific COVID communication strategies for people leaders and employees were developed and communicated on a regular basis,
- COVID and social unrest messages on Edwards' stance were disseminated to all employees, and
- Support was provided to employees with qualifications to work in hospital settings to support COVID patient care.

A dedicated Edwards COVID-19 Global Information Website was launched containing global and regional resources for all employees, such as news updates, internal policies and key announcements, guidebooks, videos, IT help resources, volunteer opportunities information, and HR resources.

Remote work during the pandemic

In order to prioritize the health and safety of our global employees during the pandemic, Edwards transitioned a large portion of our workforce to a remote work environment. Rapid change can be a challenge, however our teams were flexible and made the transition with impressive efficiency while remaining focused on serving patients. Guidance and resources were made available, including:

- Flexible, remote work schedules with teams and leadership
- Series of remote work user guides, regional live information sessions and interactive training
- Software upgrades and hardware options
- Regular communications via email, Teams and quarterly virtual all employee meetings
- Virtual team building activities and resources
- Workshops and toolkits for people leaders

As the pandemic continues into 2021, employees who can effectively work remotely have been enabled to do so as we navigate the future of work and the hybrid workplace.

Engaging Employees in Sustainability

Eighty-six percent of professional employees who responded to our 2020 employee engagement survey reported participating in charitable activities within the past 12 months. These results support our goal to drive Edwards' aspiration of 100 percent global employee participation in charitable activity with participation goals of 100 percent for the SLT and an increase in global participation as measured by the employee engagement survey. Not only are most of our employees having a positive impact on our community,

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

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

Patients First

In 2020, we shared patient stories and interactions with the vast majority of our employees through virtual meetings. To estimate the number of employees who experienced a patient story, we rely on the leaders of each regional office and plant to assess the types of patient exposure methods used at their respective sites. We estimate that 97 percent of our global employees were able to experience at least one patient story in 2020, and believe the majority had the opportunity to interact with multiple stories during the year. This goal aligns to SDG 3: Good Health & Well-Being. In our 2020 employee survey, 90 percent of employees agreed that at Edwards, we consider what is important to patients when making decisions. Below are some examples of our 2020 “patients first” activities:

- The annual meetings for field personnel are mandatory and patient stories and/or in-person patient testimonials are a content item at each
- During regional all-employee meetings, employees engage with patients, including through patient videos and panels featuring physicians and local Edwards representatives discussing patient care
- Employees, both salaried and hourly, at our regional offices and manufacturing facilities are provided time away from their roles to attend the employee meetings where patient stories are always featured
- Our online platforms including [NewHeartValve.com](#) and [ReachForTheHeart.com](#) include patient stories

Training & Leadership Development Initiatives

In 2020, due to the COVID pandemic all training and development was converted to live virtual formats across the globe. New skills were required for leaders and employees in terms of new remote working environments. We conducted a robust exploration of new platforms and technologies to enable training to go to the employees rather than have the employees come to the training. Our virtual training methodologies opened up capacity and time zone constraints. We introduced new programs or expanded upon existing programs, including:

- Global individualized coaching
- Remote worker training series
- Exploring leadership for individual contributors

These programs continue to have a positive business impact. For example, through our TDP and University Engineering Program in 2020, 55 percent of eligible interns were hired for full-time positions with a 100 percent offer acceptance rate. We have found that these employees are more than twice as likely to become designated as top talent as those who did not intern. Individuals hired through the TDP and University Engineering programs have an 83 percent combined retention rate.

Critical Jobs Development initiative

We implemented several talent development programs and activities designed for critical talent populations. Several of these were pilot programs launched globally across business groups to help target critical focus areas and measure business impact. We designed communications strategies customized for each business group, as well as strategies to build leadership relationships and accelerate emerging leaders' development. We expanded mentoring programs to connect protégés with a range of mentors during speed sessions, in addition to formal one-on-one mentors. We rolled out specific courses geared toward senior leaders including advanced presentation and communications skills for executives. We launched a variety of learning sessions to build key technical competencies and to support collaborative development and sharing of key technical and business knowledge. Additionally, we created career workshops for people leaders to help them understand key motivators for professionals based on their life experiences, generation, etc.

Moving forward, we will further focus efforts around specific, critical jobs within each of the employee segments, including:

- Leveraging skill set inventory heatmap data to identify emerging needs, successor pipeline and talent development project prioritization
- Creating success profiles for each critical job
- Developing assessment tools and resources for each critical job

Talent Development Review (TDR)

In 2020, through the research and creation of the Talent and Organization (T&O) report, we identify expanded talent capabilities that are needed for the future, as well as review the applicable human resource trends and technology. The T&O report is used as an input to understand where our talent strengths and gaps exist when building our strategic plan. Each business area, region and function create their respective T&O Strategy which consists of an assessment on current and future needs related to the Work, the Workforce and the Workplace. The business, region and function specific T&O reports are included in the CEO Talent Development Reviews.

Human Resource Technology

As Edwards continued to grow even during the pandemic, our global Human Resources team renewed its journey to enhance the experience of our valued employees. Our “MyHR” experience introduced several new features and functionality to further enhance our systems capabilities and improve our employees’ experience with our HR technologies.

Diversity & Inclusion

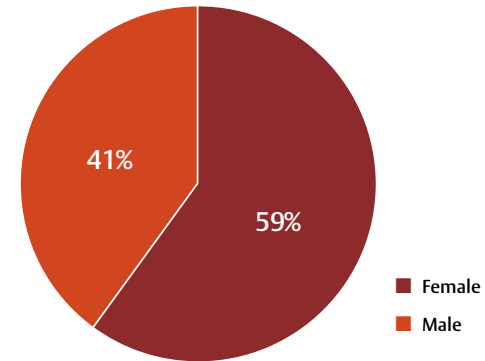
Our Employee Resource Groups (ERG) network includes ERG categories: Multi-Cultural, Friends of Veterans, Generations, Edwards Network of Women, Edwards Rainbow Alliance and Enable. In 2020, we held a Diversity and Inclusion (D&I) virtual event to discuss ways of expanding our ERG capabilities, share best practices and provide internal networking opportunities among our 11 ERGs. Each month, our ERGs are the driving force behind several nationally recognized commemorative month activities, such as Black History month, AAPI Month and Pride Month. These are opportunities to celebrate the cultures, identities and backgrounds of employees and patients. Building awareness and promoting initiatives across a variety of affinity groups.

Our diversity and inclusion goals are to achieve year-over-year positive trending globally of women in leadership positions, and to achieve year-over-year positive trending in ethnically diverse talent in leadership positions in the U.S. In addition, we plan to continue expanding our ERG programs, initiatives and resources. For example, E.NOW further expanded and evolved its Amplify Global Development program globally and continued to develop the Mentoring Circles program in 2020.

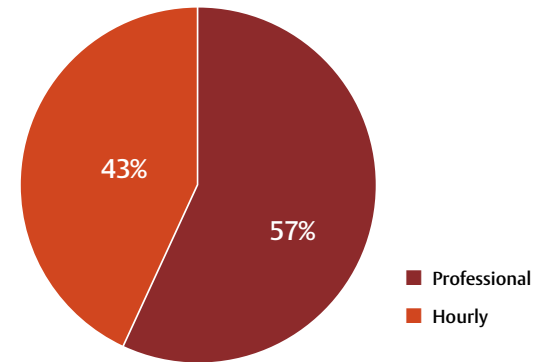
Edwards’ Social Impact Investment Fund

In 2021, Edwards announced the Social Impact Investment fund, to expand access to capital in underserved communities. The fund of \$100 million aims to advance racial equity through economic development, especially in predominantly Black and underserved communities in the United States. Edwards has already committed \$70 million of the \$100 million fund to provide additional capital for targeted programs, economic initiatives and community development projects. To read more about the Social Impact Investment Fund, please see the [press release](#).

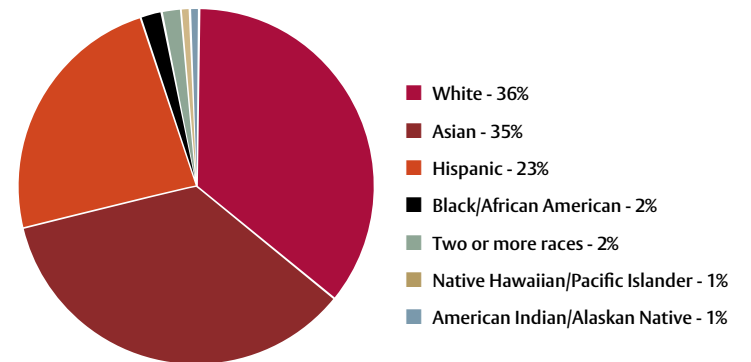
Global Employees by Gender in 2020



Global Employees by Type in 2020



U.S. Employees by Ethnicity in 2020



*In 2020, we included ethnicity data for Puerto Rico along with the rest of the United States.

Women’s Ranks in Leadership Globally*

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

Women in Leadership	2020 %	2019 %	2018 %	2017 %
	34	33	32	31

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

In addition, we annually benchmark our performance utilizing select McKinsey data sets. While we include the proportion of female people managers in our CEO’s performance objectives, the McKinsey report includes all women in management (including those who do not manage people). For 2020, our comparable female leadership population was equal to or exceeded the benchmark average in 4 of 5 levels when compared to the McKinsey Women in the Workplace Report 2020.

Preventing Unconscious Bias

Our Cultivate Curiosity: Unconscious Bias e-learning provides employees flexibility in modality and location. Achieving Edwards’ patient-focused innovation strategy requires an inclusive culture where our employees can bring their best ideas to solve challenges and achieve business goals. The role of our leaders is to understand the power of leveraging diversity of thought within teams to encourage innovation to emerge at every level of the company.

Objectives of the course include:

- Identify Bias: Understand the neuroscience behind bias, build awareness and recognize the impact of bias on behavior and decision-making.
- Choose Courage: Increase cultural competency skills to work effectively across similarities and differences.
- Cultivate Curiosity: Develop the skillset of curiosity and empathy to build connections, mitigate bias and accelerate performance and that of others.

As of 2019, 100 percent of ELT, SLT and their Director and above direct reports completed the Unconscious Bias Training. Our current goal states: by 2022, all global employees will have completed unconscious bias training, and new hires complete the training within six months of employment. As of 2020, we are on track to achieve this target in 2022.

Family Support and Benefits

In 2020, we further enhanced our Back-up Care program with Bright Horizons to include an extra 10 back up care days for a total of 30 days per year. We also introduced a new maternity program to support families through pre-pregnancy, during pregnancy and post pregnancy.

Tuition Assistance Program

Edwards continues to offer employees tuition assistance for educational programs. We are experiencing an increase in the utilization of this benefit.

U.S. Employees Participating*	2020	%	2019	%	2018	%
Hourly Non-Exempt	23	< 1	26	< .1	16	< .1
Salaried Exempt Employees	144	3.7	123	2.6	119	2.6
Salaried Non-Exempt	30	3.5	32	2.7	33	2.7

*As of December 2020

Parental Leave

In 2020, Edwards offered all U.S. employees the opportunity to take up to 12 weeks of parental leave.

	Male				Female			
	2020	2019	2018	2017	2020	2019	2018	2017
U.S. employees 40 or under**	1396	1305	1,102	1,022	1561	1,535	1,266	1,154
Employees who took parental leave	86	93	43	37	187	126	111	129
Employees who returned from leave	85	93	43	37	183	126	108	123
Employees still employed within 12 months after leave*	77	84	39	34	160	118	107	116
Return to work rate	99%	100%	100%	100%	98%	100%	97%	95%
1-year retention rate	91%	90%	91%	92%	86%	94%	96%	90%

*As of December 31, 2020

Total Wellness

Every year, Edwards becomes stronger in our mission to improve health—starting with our workforce. In 2015 and 2016, 93 percent of U.S. Edwards employees participated in free biometrics screenings. Participation in this program increased to 94 percent for 2017/2018 and again in 2018/2019. Please note that our program year runs from July 2019 through June 2020.

U.S. Wellness Numbers 2019–2020

U.S. Employee Participation in Biometric Screenings	94%
U.S. Employees Enrolled in an Edwards–Sponsored Medical Plan	90%
Health Costs Per Employee Per Year (PEPY)	2.6% under market PEPY

For more information, please see our [2020 EHS Report](#).



Workplace Safety

In 2020, our COVID-19 Preparedness and Prevention Program was extraordinarily successful in preventing the spread of COVID-19 among employees at our sites. Of our almost 15,000 global employees, our Case Management and employee tracing investigations determined that only 27 employees were suspected of contracting COVID-19 while in the course of employment at Edwards. Twelve of these cases occurred from Edwards' field employees working in hospitals and medical centers while treating COVID-19 patients or working in COVID-19 environments.

As a result, COVID-19 related illnesses contracted at work account for 23 percent of Edwards global injuries and illnesses. Even with these cases, our injury rate increased only slightly from 0.79 to 0.81 year-over-year; still meeting the target to beat our medical industry benchmark by 25%. With regards to recording lost time, we adopted the protocol that our manufacturing employees receive 14 days of lost time due to a COVID-19 illness whereby non-manufacturing employees receive 14 days of restricted work while working in quarantine from home. Our Highlight Stories in this section provides a few examples of the actions and programs we have in place to protect our employees and prevent the spread of COVID-19. Please see our [2020 EHS Report](#) for more information.

2012	2013	2014	2015	2016	2017	2018	2019	2020
Global Lost Time Injury Rate Over Time (Days away from work cases per 100 employees)								
0.62	0.42	0.32	0.36	0.35	0.51	0.49*	0.33*	0.32
Global Recordable Case (Injury) Rate Over Time (Cases per 100 employees)								
1.83	1.42	1.28	1.13	1.23	0.99	1.04	0.79	.63

Edwards defines a recordable injury as any work-related injury requiring treatment beyond first aid, as defined in the US OSHA recordkeeping standard 29 CFR 1904. For corporate reporting purposes, this definition is applied at all Edwards locations, regardless of local agency reporting guidelines. Edwards defines a lost-time case as any work-related injury that results in a full day or more away from work, in accordance with the U.S. OSHA recordkeeping standard 29 CFR 1904. Please see our [EHS Report](#) for more information on Workplace Health & Safety performance in 2020.

External Recognition and **Awards** for 2020:

- Management Top 250 (Wall Street Journal)
- Leadership Society Award, United Way of Orange County
- Celebration of International Philanthropy Award, Charities Aid Foundation of America
- Best ESG Companies Top 50 (Investor's Business Daily)
- DJSI World, Dow Jones Sustainability Index constituent
- MSCI ESG Leaders Indexes Constituent, MSCI 'AA' ESG Rating
- FTSE Russell FTSE4Good Index series constituent
- ISS Environmental and Social Disclosure QualityScore, Best-in-class
- DJSI World, Dow Jones Sustainability Index constituent

94%
of employees
consider what's
important to
patients
when making
decisions



Volunteerism & Giving

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

Definition

Dedicating time, talent and resources to communities where Edwards' employees live and work and supporting community health and well-being. Our charitable activity and giving work centers around increasing [Access to Healthcare](#), another material topic.

Management Approach

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

Philanthropy at Edwards Lifesciences

As part of our commitment to our global community, we provide philanthropic support to important health-related and community causes. Through our [Global Corporate Giving](#) program, Edwards Lifesciences Foundation supports advancements in knowledge and improvements in quality of life. We leverage our expertise in structural heart disease and critical care monitoring to elevate the impact of our philanthropy efforts. These initiatives include [grants from the Edwards Lifesciences Foundation](#), [strong employee charitable activity](#), [donation of our medical innovations](#), [corporate donations](#) and [employee gift matching](#) from our Foundation. We support several employee matching gift programs including dollar-for-dollar match programs, an additional match for employees serving in leadership positions with non-profits, and an additional match for our United Way Giving Campaign. The purpose and goals of our philanthropy include:

- Improve the lives of underserved patients by increasing access to healthcare and our donated technologies
- Execute our [Every Heartbeat Matters](#) philanthropic initiative with a goal to improve the lives of 2.5 million additional underserved structural heart and critical care patients by the end of 2025

- Inspire passionate employee engagement in charitable activity
- Strengthen the communities where our employees live and work
- Live by the principles of Edwards Lifesciences' [Credo](#)

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

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

Employee Charitable Activity & Giving

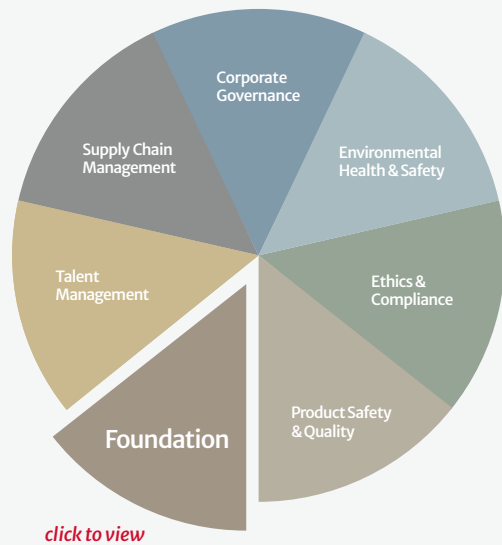
Edwards' employees are caring individuals with a shared focus to improve lives and our communities. We have a strong, employee-led culture of giving and charitable activity supported by an authentic commitment that spans from leadership across all employee populations. We provide monthly opportunities for our employees to participate in charitable activities during their workday and encourage employees to give a few hours of Edwards time a few times a year.

Our more than 30 global [Strengthen Our Community](#) committees are cross-functional groups of passionate employees dedicated to living Edwards' Credo of "creating a community unified in its mission to improve the quality of life around the world." These committees organize our global volunteerism efforts, connecting Edwards' volunteers with organizations that are addressing community needs, often funded by Edwards Foundation. Each committee is empowered to give their time and talents according to both local community needs and the interest of employees in their region. Notably, Edwards provides platforms, tools and resources for our employees to find a way of giving back that is meaningful and relevant to them.

Edwards' culture of giving also comes to life through our Employee Resource Groups (ERGs), organizations that lead communities of employees from similar backgrounds/interest areas in representing that group in the community. Please find more information about our ERGs in our [Talent Management](#) section of this report.

Governance Map

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



Annual Performance

Even during the challenging times of the COVID-19 pandemic, the culturally engrained spirit of giving is as strong as ever. Amid unprecedented challenges for underserved patients and communities, 2020 was our most significant year of giving yet as Edwards nearly doubled its giving support by providing almost \$20 million to charitable causes around the world, including:

- Increased Foundation funding, including:
 - new funding for urgent use to meet COVID-19 hardship needs
 - pivoted existing funding enabling previously issued grants to be used to address urgent needs
 - expedited funds bypassing our annual grant cycle
- Approximately \$10 million in donated Edwards product technologies for urgent humanitarian patient support, including critical care technologies to address COVID-19 hot spots
- Amplified employee giving through:
 - New clinical volunteer policy allowing employees to take paid time off to serve hospitals understaffed to treat COVID-19 patients
 - Employees training frontline clinicians supporting critical care patients
 - Elevated our employee matching gift program to a \$2:\$1 ratio
 - Increased in-kind donations including food, refurbished computers and personal protective equipment

Employee Charitable Activity and Giving

From the COVID-19 pandemic and its impact on patients and our communities, to the racial equity conversation sweeping the globe, now more than ever, there is an urgent need to listen, connect, support, give and grow together. Edwards is energized by our work to support those in need, and we seek to embed this spirit throughout our culture by encouraging our employees to support others and give back.

In 2020, we had an 89 percent response rate on our engagement survey with over 12,500 employees responding. We found that Edwards employee engagement scores outpaced the Global Top Performing Companies benchmark by 7 points. This benchmark is composed of the top 20 percent of scores across companies in all industries. Coming in above this benchmark showcases just how engaged our workforce truly is.

Not only are our employees incredibly engaged, but they also are firm believers in giving back to the communities we serve. According to the same survey, 83 percent of our employees stated they participated in charitable activities over the prior 12 months, through volunteering their time, or donating money or goods to non-profit organizations. This brings us closer to our company-wide aspiration to have 100 percent employee participation in engagement of a charitable activity. Across the VP and above level, 100 percent of our employees stated they participated in charitable activities. Of those, these individuals reported having a higher level of patient focus, engagement, culture, belonging, empowerment, and innovation than individuals who did not participate in charitable activities. This is a testament to how integral philanthropy is to Edwards and our patient-focused workforce.

Highlights of 2020 global employee community giving activities and in-kind donations:

- A member of our TMTT R&D team in Israel helped solve a ventilator shortage by assisting the Israeli Defense Forces in the development of a prototype, resulting in 1,000 ventilation monitoring systems ready for COVID-19 patient use
- Our Irvine IT team donated over 100 repurposed computers for at-risk youth in Orange County, as more students struggled with online learning
- One employee in India prepared and distributed food to 100 families in need each week during a significant COVID-19 case surge
- In Ireland, Edwards and employees united to refurbish four different youth athletic clubs with fresh paint, repairs and revitalized grounds
- Our Irvine headquarters café team donated over 20,000 meals and 3,400 hours of team member's time to local homeless shelters experiencing increased demand from clients suffering from economic downfall, also keeping our café employees working with purpose
- Our Irvine sales and marketing team filled 600 backpacks with school supplies, personal notes and materials for the teachers and children of Pedawa, Bali
- Edwards volunteers in Costa Rica built 40 wheelchairs that were donated to local community members in need near our manufacturing facility in Cartago, Costa Rica
- Edwards employees in Brazil launched a campaign to raise money for a local nursing home to provide more than 100 food baskets, which Edwards matched, resulting in 363 food baskets for the elderly in need



HIGHLIGHT STORY



Critical Care Team Named “Volunteer of the Year” by International Medical Outreach

Our employees continue to ask, “How can I help?” and the generosity of our global employees continues to lift our spirits. In response, one way we amplified employee giving was by supporting critical care clinical employees in giving Edwards time to train frontline clinicians caring for underserved patients, as well as provide ongoing real-time support when needed.

A shining example was a small team of Edwards Critical Care employee volunteers, who traveled to Belize along with volunteers from the Atrium Health cardiac team, to work on-site at Karl Heusner Memorial Hospital (KHHM). This trip, funded by Edwards Foundation, provided the opportunity to donate monitoring equipment for the hospital's intensive care unit, via the Edwards Product Donation program. The combined group of six clinicians spent a week assisting clinicians and provided extensive training to clinical staff members at KHHM who provide critical care for heart patients and high-risk surgical patients in the intensive care unit.

Both of the critical care employees from Edwards described their time in Belize as a life changing experience, stating “As we were preparing to conduct heart surgery on a 15-year-old girl, I looked down and realized she was very frightened. My immediate assignment was to help the heart team get prepared, but I changed focus as soon as I saw the fear in her eyes. I grabbed her hand and told her it was going to be all right. When we took her off the ventilator on the day following her surgery, her face lit up with a smile that warmed my heart. I'll never forget her comment. She said, simply, ‘Thank you all for saving my life.’ We adored this experience and were incredibly excited to be part of such an amazing team.”

This small but mighty Critical Care team was honored to receive the annual outstanding “volunteer of the year” award from International Medical Outreach, a collaboration of Atrium Health and EHM partner Heineman Medical Outreach.

The Edwards Lifesciences Foundation

Increased funding during 2020 allowed the Edwards Lifesciences Foundation to issue emergency grants to organizations serving on the frontlines of COVID-19 and providing community safety net services such as financial assistance for food, medication and rent to vulnerable communities. We joined with our Every Heartbeat Matters partners to re-purpose funds to meet immediate needs; supported COVID-19 testing sites in underserved communities; moved clinical education to virtual settings; performed research and education on COVID-19 impact on structural heart disease patients, and redirected funding on STEAM education to hunger and housing. [View list of these partners and grants.](#)

As non-profits struggled with reduced operational support and increased demand, we bypassed our annual grant cycle process for long-term relationships, providing trusted partners with emergency safety net and patient service grants immediately. For new funding issued via our annual grant cycle, our global committee of reviewers centered on the most urgent needs, making hard decisions. Funding specifically focused on operational support for our trusted partners, including eight trusted EHM partners to address U.S. black patient health care gaps for structural heart and critical care patients.

In 2020, Edwards global giving totaled nearly \$20 million, a significant increase from approximately \$11 million in 2019, with over \$8 million in [cash grants from our Foundation](#), and approximately \$10 million in donations of technologies for humanitarian aid. Additionally, we align our Foundation giving with employee engagement through our foundation's employee matching gift program, which matches donations to non-profit organizations up to \$5,000 per employee each year. In 2020, we elevated this match program by offering a \$2 to \$1 ratio, resulting in nearly 20 percent of our Foundation grants to be focused on matching employee donations and campaigns to help global communities and when included with all matching programs, totaled \$1.6 million.

Every Heartbeat Matters

When we launched Every Heartbeat Matters (EHM) in 2014, our goal was to impact the global burden of heart valve disease by supporting the education, screening or treatment of 1 million underserved people by 2020. At an all-employee event in 2020, we proudly recognized our 60+ charitable partners who not only made the achievement of this goal possible, they also helped us exceed it. To date, we have been able to impact structural heart and critical care patients by diagnosing, treating and aiding recovery for nearly 2 million underserved people in 46 countries.

In support of our new EHM commitment – We will improve the lives of 2.5 million additional underserved structural heart and critical care patients by the end of 2025 – we address stages of the patient journey, beginning with detection through treatment and now through recovery. We are broadening the focus from heart valve disease to all structural heart disease and critical care support. We enhanced our product donation program to provide humanitarian treatment for underserved patients outside the U.S. We are significantly increasing donations of Edwards technologies for humanitarian care in partnership with [MAP International](#). This includes donations of our most advanced surgical heart valves, heart valve repair rings, and critical care monitors and sensors.

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

80%+ global professional employees engaged in charitable activity



Environment



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

- Energy & emissions
- Water
- Waste
- Environmental compliance

Achieved **65%** below medical device industry benchmark for recordable injuries and illnesses.

Best recordable rate in *Edwards history*

Governance Map

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

