



Edwards

2015 SUSTAINABILITY REPORT



A MESSAGE FROM OUR CHAIRMAN AND CEO



I am pleased to welcome you to Edwards Lifesciences' 2015 Sustainability Report. While we continue to enhance our reporting efforts, we have stayed true to our company's commitments to helping patients, acting as responsible corporate citizens and advancing the trust of our stakeholders, partners and communities—commitments that are long-held and strong. It begins with Our Credo, which guides our values, spirit and conscience in everything that we do, and forms the framework for our **Aspirations**, which are the goals that inspire our more than 10,000 talented global employees every day.

Our **Credo** and **Aspirations** help us define our annual strategic priorities and objectives. We align our sustainability reporting efforts to our **Aspirations**, as they represent the relationships and constituencies that are important to the success of our company as we serve patients around the world. Each **Aspiration** describes a theme that relates to our business environment and our stakeholders, and includes additional information on our sustainability efforts.

The medical technology industry is constantly evolving, with increasing demands placed upon us in the areas of regulations and transparency. With these as a guide, we are transforming our own sustainability efforts. Based upon feedback from our stakeholders, we established several new goals this year covering product health and safety, ethics and compliance, access to healthcare, transparent communications, patient experience, product design and innovation and employee engagement. To continue creating exceptional shareholder value, we have also developed new goals to create Board-level oversight of our efforts, as well as to incorporate sustainability into our strategic planning process by the year 2017.

While I'm pleased with our goals and what we are able to report on today, we are committed to refining our thinking on sustainability and identifying additional opportunities to enhance our practices. Thank you for your partnership and support as we continue to help more patients around the world.

A handwritten signature in black ink, which reads "Michael A. Mussallem". The signature is fluid and cursive, written in a professional style.

Michael A. Mussallem, Chairman & Chief Executive Officer



Edwards



SUSTAINABILITY REPORT

OUR APPROACH

G4-15, G4-32 

Welcome to Edwards Lifesciences' 2015 Sustainability Report. While acting as a trusted partner in a responsible manner has always been a key element of our company's core competencies, in 2014, Edwards first formally disclosed our sustainability progress. This year, our transition to an online, interactive report reflects the recognition of sustainability within our core strategy—and our belief that it is essential to long-term growth.

Throughout this report, we connect each material topic to one or more of our **Aspirations**. Along with our **Credo**, the **Aspirations** highlight our approach toward providing innovative solutions for people fighting cardiovascular disease.

Our Aspirations



Transforming Patient Care Through Innovative Technology

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

- Conduct Edwards Patient Day event once per year in Irvine and inspire additional Patient Day events in other Edwards regions around the world
- Educate 13,000 clinicians on patient and provider benefits of perioperative and directed therapy to achieve fluid optimization and enhanced surgical recovery by 2017
- Connect with top 10 suppliers to provide additional training and patient interactions



Excelling as a Trusted Partner and Global Leader Through the Quality of Our Work

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

SUSTAINABILITY TARGETS

- Drive continuous improvement efforts to eliminate patient safety-related class 1 product removals
- Conduct leadership training on making ethical decisions in 100% of Edwards Lifesciences Leadership Program courses
- Ensure 100% of applicable employees certify to understanding and agree to comply with Edwards' code of conduct on an annual basis
- Obtain reports on product materials from 80% of applicable suppliers by 2018
- Achieve third-party ISO 14001:2015 Certification at 100 percent of global manufacturing facilities by 2018
- Ensure that 100% of our products are conflict mineral free by 2020



Attracting and Engaging Talented Employees

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

- Actively engage all Edwards employees by exposing them to patient stories each year
- Offer and encourage participation in health and wellness programs that align with all six Total Wellness pillars at 100% of locations with more than 100 employees
- Aim to have 100% of ELT, SLT and their direct reports complete Leverage Diversity Training by 2018
- Provide a vehicle for employees to engage in sustainability efforts by 2018



Strengthening 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

- Aim to have 100% of ELT and SLT participate in at least one philanthropic activity per year
- Increase employee participation in philanthropic activities every year toward our aspiration of 100%
- Assess lifecycle impacts on packaging designs and product materials for existing products across all business units by 2018
- By 2020, reduce our environmental footprint according to Edwards' Environmental, Health and Safety plan
- Complete cost/benefit assessment for alternate and renewable energy opportunities by 2020
- Impact the global burden of heart valve disease by supporting the education, screening and treatment of 1 million underserved people by 2020



Creating 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 TARGET

- Implement board-level oversight and incorporate sustainability into corporate aspirations by 2017

To guide our strategy and disclosure, this year we established a **Sustainability Council** comprised of senior leaders from across the organization. We conducted our first **materiality assessment**, which allowed us to prioritize our management of environmental, social and governance topics. The Council assessed **stakeholder feedback** over the course of multiple planning sessions. We identified practices currently in place and assessed our gaps. In response to the valuable feedback we received, we set sustainability targets for each of our most material topics. These align naturally with Edwards' **Aspirations** and together serve our goal to create exceptional shareholder value. Our executive leadership team approved the targets and our team plans to report progress against them on an annual basis.

SUSTAINABILITY REPORT

ORGANIZATIONAL PROFILE

G4-3, G4-4, G4-5, G4-6, G4-7, G4-8, G4-9, G4-10, G4-11, G4-12, G4-13, G4-16, G4-EC1 

Edwards Lifesciences is the global leader in patient-focused innovations for structural heart disease, as well as critical care and surgical monitoring. Our core strategy is to put patients first, challenging ourselves to create innovative products that save and enhance lives.

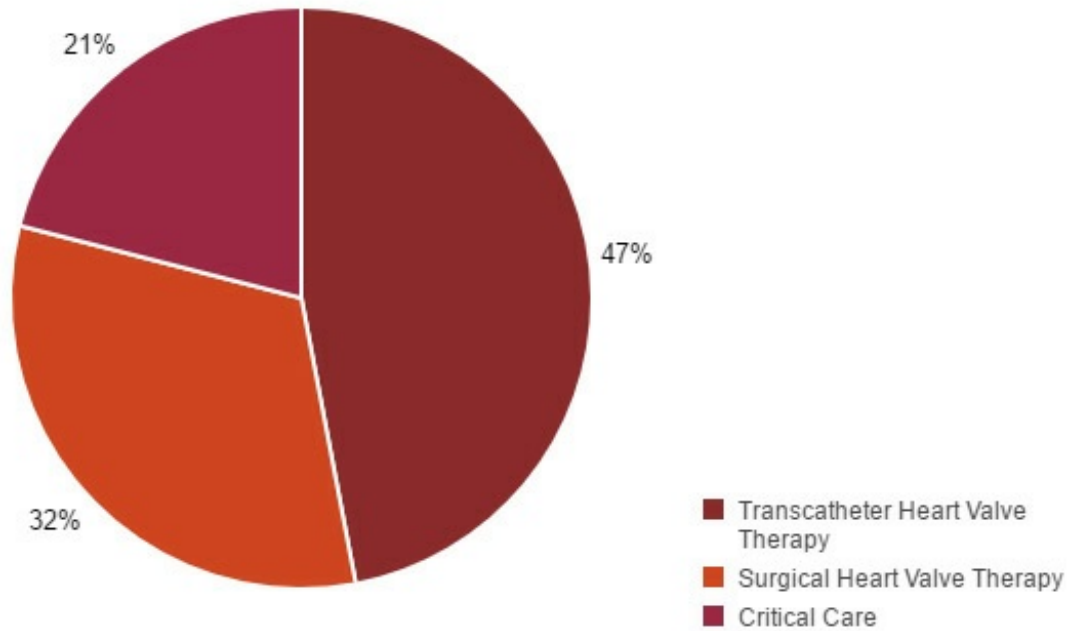
Since our inception as an independent, public company in 2000, Edwards has grown to more than \$2.5 billion in revenue with product sales in nearly 100 countries. We have driven the development of minimally invasive technologies that improve patient outcomes and speed of recovery. Our medical technologies include transcatheter heart valves, surgical heart valves and critical care technologies. The **devices** we develop and manufacture include:

- Bioprosthetic tissue heart valves
- Annuloplasty rings
- Hemodynamic monitoring products
- Pressure monitoring products
- Accessories and instruments

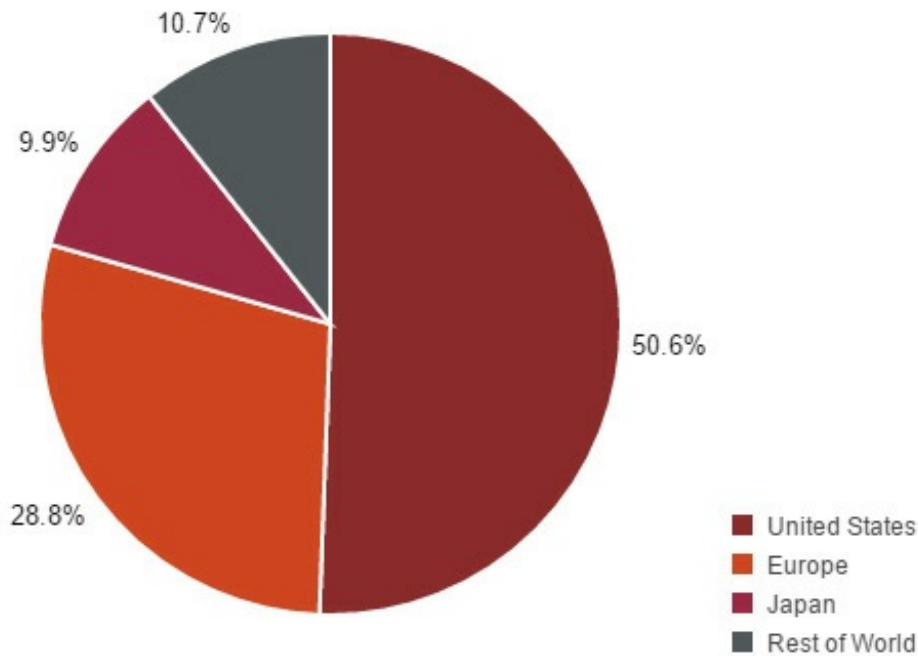
In 2015, Edwards completed the acquisition of CardiAQ Valve Technologies, Inc., a privately held company and developer of a transcatheter mitral valve replacement system. We issued a two-for-one stock split and repurchased 3.9 million split-adjusted shares for \$280.1 million.

Also in 2015, the U.S. Food and Drug Administration (FDA) approved the Edwards SAPIEN 3 valve for the treatment of high-risk patients in the United States and the SAPIEN XT valve for aortic valve-in-valve procedures. In 2016, the FDA approved an indication expansion for the SAPIEN 3 valve for the treatment of intermediate risk patients with severe symptomatic aortic stenosis, the SAPIEN XT valve for pulmonic procedures and the EDWARDS INTUITY Elite valve system, a rapid deployment device for surgical aortic valve replacement.

2015 Sales by Product Group



2015 Sales by Geographic Region



Edwards is incorporated in Delaware and headquartered in Irvine, Calif. We operate major manufacturing facilities in the United States, Puerto Rico, the Dominican Republic, Switzerland and Singapore. We also have significant concentrations of employees in Europe and Japan. In 2015, we formed a committee to evaluate the possible establishment of a new facility in Costa Rica. The committee decided in 2016 in favor of the decision, establishing operations for our heart valve network in Costa Rica. We recently welcomed our first class employees there.

Edwards by the Numbers

Total Number of Operations	42 (6 manufacturing locations)
Total Number of Employees as of December 31, 2015 (Including Part-Time and Temporary Employees)	10,116
Employees by Gender in 2015	62% Female 38% Male

Across U.S. and international markets, our customers include physicians, medical professionals, hospitals and group purchasing organizations. In 2015, we derived about half of our sales from the U.S. and half from international markets.


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 80 percent of our manufacturing materials from preferred suppliers and in recent history we typically added fewer than 10 suppliers per year. We minimize the number of suppliers we source from companies headquartered outside the U.S. 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.

SUSTAINABILITY REPORT

MATERIALITY & STAKEHOLDER ENGAGEMENT

G4-17, G4-18, G4-19, G4-20, G4-21, G4-24, G4-25, G4-26, G4-27 

Edwards' five **Aspirations** guide us in our work to positively impact patient lives. In 2016, our Sustainability Council completed our first comprehensive materiality assessment to identify the most important topics for achieving this commitment. We engaged 42 internal and 20 external stakeholders, and analyzed 30 sources to uncover the priorities highlighted in our matrix.

Materiality Matrix

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Materiality Assessment Process

Throughout 2015 and 2016, Edwards' Sustainability Council worked with a third-party firm to identify our most material topics through a multi-step process.

Benchmarking	We researched competitors and peer companies to establish a baseline understanding of trends, best practices and material topics in our industry. In the fall of 2015, we conducted an executive education workshop to brief our leadership.
Value Chain Mapping	To ensure we manage impacts across all of our operations, we created a value chain map showing the process through which we create products that meet patient needs. The map also illustrates our relationships with the stakeholder groups with which we interact in the course of our work.
Identification	We consulted a broad collection of stakeholder sources to identify an initial universe of environmental, social and governance topics.
Prioritization	We conducted in-person phone interviews with 42 internal and 20 external stakeholders to gather feedback on our most impactful environmental, social and governance topics. We asked stakeholders to select issues that present significant risk, leadership opportunities or long-term effects on our business. Additionally, we scored 30 stakeholder reports, websites and other sources to gain broader perspective on topics of interest.
Validation	In mid-2016, we hosted a Validation Workshop with our Sustainability Council to review the materiality results and key findings. We discussed all feedback in total, as well as next steps for Edwards' management of the matters raised in the interviews.

Stakeholder Engagement

Through our value chain mapping exercise, Edwards identified the major stakeholder groups who impact or are impacted by our business decisions. Our Sustainability Council reviewed a broad list of potential representatives and then subsequently selected a sample that reflects our geographic footprint, customer

and supplier base, primary investors and internal departments. Throughout 2016, we engaged each of these groups to discuss topics of interest. The interviews also provided information we have included in our 2015 report.

Stakeholder Group	Type and Frequency of Engagement	Top Five Topics of Interest
Executives	Formal interviews conducted by third party, workshops	<ul style="list-style-type: none"> ■ Product Health, Safety & Quality ■ Ethics & Compliance ■ Employee Recruitment, Engagement & Retention ■ Patient Experience & Voice ■ Healthcare Process Innovation
Employees	Survey of participants in the Edwards Leaders' Forum and Edwards Lifesciences Leadership Program	<ul style="list-style-type: none"> ■ Patient Experience & Voice ■ Product Health, Safety & Quality ■ Employee Recruitment, Engagement & Retention ■ Ethics & Compliance ■ Access to Healthcare
Investors	Formal interviews conducted by third party, correspondence regarding ratings surveys	<ul style="list-style-type: none"> ■ Corporate Governance ■ Corruption & Bribery ■ Energy & Emissions ■ Transparent Communications & Reporting ■ Ethics & Compliance
Patients	Formal interviews conducted by third party	<ul style="list-style-type: none"> ■ Patient Experience & Voice ■ Access to Healthcare ■ Product Health, Safety & Quality ■ Transparent Communications & Reporting ■ Diversity & Inclusion
Board of Directors	Formal interview conducted by third party	<ul style="list-style-type: none"> ■ Corporate Governance ■ Diversity & Inclusion ■ Employee Recruitment, Engagement & Retention ■ Ethics & Compliance ■ Product Health, Safety & Quality

Stakeholder Group	Type and Frequency of Engagement	Top Five Topics of Interest
Opinion Leaders (Industry Associations)	Formal interviews conducted by third party; reviewed relevant reports	<ul style="list-style-type: none"> ■ Access to Healthcare ■ Ethics & Compliance ■ Healthcare Process Innovation ■ Transparent Communications & Reporting Employee Recruitment, Engagement & Retention
GPOs	Formal interviews conducted by third party	<ul style="list-style-type: none"> ■ Waste ■ Water ■ Energy & Emissions ■ Transparent Communications & Reporting ■ Healthcare Process Innovation
Wholesalers/Distributors	Formal interviews conducted by third party	<ul style="list-style-type: none"> ■ Ethics & Compliance ■ Corruption & Bribery ■ Product Health, Safety & Quality ■ Waste
Regulatory & Certifying Bodies	Reviewed proxy materials (ISO standards, FDA documentation)	<ul style="list-style-type: none"> ■ Water ■ Chemical & Materials Stewardship ■ Access to Healthcare ■ Product Health, Safety & Quality ■ Patient Experience & Voice
Customers and Physicians	Formal interviews conducted by third party; reviewed customer sustainability reports	<ul style="list-style-type: none"> ■ Access to Healthcare ■ Energy & Emissions ■ Water ■ Transparent Communications & Reporting ■ Waste
Suppliers	Formal interviews conducted by third party; reviewed supplier sustainability reports	<ul style="list-style-type: none"> ■ Product Health, Safety & Quality ■ Transparent Communications & Reporting ■ Product Lifecycle, Design & Innovation ■ Supply Chain Management ■ Chemical & Materials Stewardship

Stakeholder Group	Type and Frequency of Engagement	Top Five Topics of Interest
Community Organizations	Reviewed reports and public materials	<ul style="list-style-type: none"> ■ Volunteerism & Giving ■ Access to Healthcare ■ Product Health, Safety & Quality ■ Corporate Governance ■ Transparent Communications & Reporting

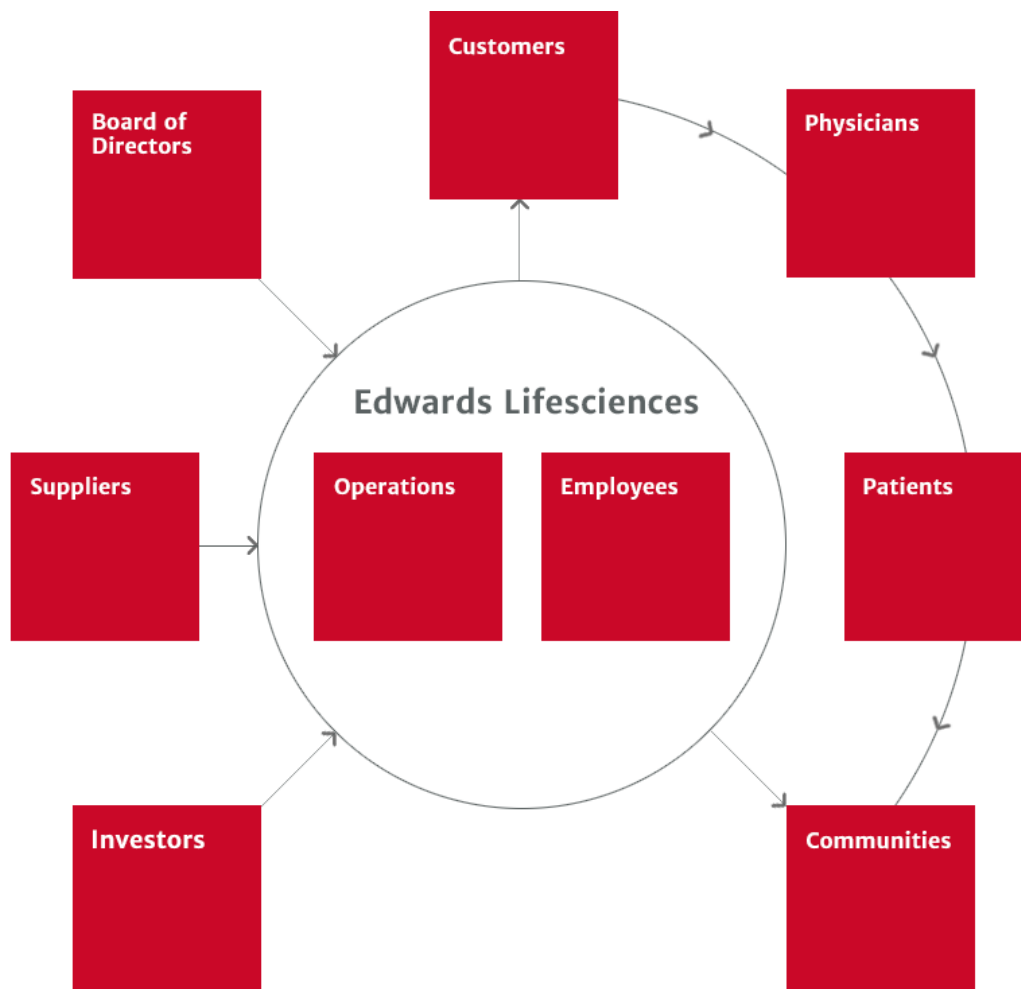
We utilize several regular communication channels to provide sustainability performance data and hold ourselves accountable to our stakeholders. This report satisfies requirements for the Global Reporting Initiative (GRI) G4 Core standards. We annually report our climate and water impacts to CDP and respond to several sustainability rating and ranking surveys. We publish periodic [philanthropy reports](#) on our corporate giving initiatives. Furthermore, we publish our [Sustainability Metrics at a Glance](#), which offers a two-page snapshot of our metrics most used by external stakeholders.

SUSTAINABILITY REPORT

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 process, geographic footprint and stakeholder relationships. This map demonstrates our understanding of our impacts across our value chain.

Value Chain Map



Topic	Primary Stakeholders Impacted/Boundary
Corporate Governance	Investors
Ethics & Compliance	All Stakeholders
Corruption & Bribery	Physicians

Topic	Primary Stakeholders Impacted/Boundary
Transparent Communications & Reporting	All Stakeholders
Access to Healthcare	Patients, Communities
Healthcare Process Innovation	Patients, Customers
Patient Experience & Voice	Patients, Customers
Supply Chain Management	Suppliers, Operations
Product Health, Safety & Quality	Patients, Customers
Product Lifecycle, Design & Innovation	Patients, Customers
Chemical & Materials Stewardship	Suppliers, Communities, Patients
Employee Recruitment, Engagement & Retention	Employees
Workplace Health & Safety	Employees
Diversity & Inclusion	Employees, Board of Directors
Volunteerism & Giving	Employees, Communities
Energy & Emissions	Operations, Communities
Waste	Operations, Communities
Water	Operations, Communities
Environmental Compliance	Operations, Communities



Edwards



SUSTAINABILITY REPORT GOVERNANCE

Edwards Lifesciences is committed to responsible and ethical business practices. The Governance section of our 2015 Sustainability Report contains our management approach and annual performance for the following material topics:

- Ethics & Compliance
- Corporate Governance
- Corruption & Bribery

SUSTAINABILITY REPORT

ETHICS & COMPLIANCE

G4-DMA, G4-56 

Edwards Lifesciences' work to manage Ethics and Compliance supports our **Aspirations** to Excel as a Trusted Partner and Global Leader Through the Quality of Our Work and Create Exceptional Shareholder Value.

DEFINITION

Implementing training and policies that promote ethical behavior at Edwards, and compliance with all relevant laws and regulations

Management Approach

At Edwards Lifesciences, our commitment to ethics shapes all that we do. We build our success from a foundation of integrity and have long been dedicated to doing the right thing. In our work to develop life-saving therapies, our leadership and employees know every decision matters, no matter how small. We hold our team to the highest ethical standards, strengthening Edwards' reputation as a trusted partner.

Global Integrity Program

The purpose of Edwards' **Global Integrity Program** is to detect and prevent behaviors that could harm our company and the people we serve. It includes written policies, communication channels, employee training and audits and monitoring to ensure compliance.

Our Chief Responsibility Officer (CRO) oversees daily implementation and typically reports monthly to our Executive Leadership Team (ELT) and quarterly to the Board of Directors. Our future goal is to conduct leadership training on making ethical decisions in 100% of Edwards Lifesciences Leadership Program courses. We believe a culture of integrity exists only when each employee makes ethical decisions in their daily interactions.

Our Corporate Compliance Committee provides support and guidance to the CRO. Comprised of executive team members, including business unit leads and functional heads, the Committee meets quarterly to discuss progress. In addition, our regional compliance officers chair regional committees that oversee compliance at a local level.

Global Business Practice Standards

Edwards strives to be transparent regarding our standards for ethics and compliance. We make our **Global Business Practice Standards**, also known as the "Titanium Book", publicly available on our website. The Standards outline ethical behaviors to which all employees and third-party contractors must adhere. These include interactions with health care professionals, quality control practices, intellectual property and patient privacy. We promptly investigate any reports of misconduct and take appropriate disciplinary action. Edwards' Board of Directors receives a quarterly briefing of all reports and findings.

All new employees receive a copy of the Titanium Book and must certify they have read it and agree to abide by all applicable laws, industry codes and company policies relevant to their work. We mandate online training on the Titanium Book upon hire, and bi-annually thereafter. Through this online training, we aim to ensure 100 percent of our employees certify to understanding and agree to comply with these standards.

All professional employees must also complete an annual online certification, reinforcing their commitment to the Standards. We conduct this process in multiple languages, including Chinese, English, French, German, Japanese, Portuguese and Spanish. In conjunction with the certification, we survey professional employees on topics such as fear of retaliation and whether they have reported misconduct. Our future goal is to achieve 100 percent certification from professional employees every year.

Edwards Integrity Helpline

Our goal is to create a culture of trust so all employees feel comfortable sharing their concerns. The **Edwards Integrity Helpline** is available 24/7 for both **United States** and **international** employees. The Integrity Helpline is hosted by a third party. We treat all reports as confidential and share only with those participating in the investigation and, if appropriate, corrective action.

We treat each concern seriously and with equal respect, care and consideration for all involved. We strictly prohibit retaliation against any individual who reports a concern in good faith or participates in the company's investigation.

Compliance with Industry Codes

Edwards' collaboration with physicians is essential for the continued innovation of our technologies and therapies. We align our internal ethics standards with country-specific industry codes of conduct and require adherence by all of our representatives. These organizations include:

- AdvaMed (U.S. and China)
- Canada's Medical Technology Companies
- Amid (Mexico)
- Korea Medical Devices Industry Association
- Medical Technology Association of New Zealand
- Taiwan Code (TAMTA)
- MedTech Europe (Europe)
- Abimed (Brazil)
- Asociacion Nacional de Empresarios de Colombia
- The Japan Federation of Medical Devices Association
- Medical Technology Association of Australia
- Thai Medical Device Technology

Annual Performance

Edwards continually strives to improve our culture to promote ethical business practices, trust and good decision-making. We require all professional employees to complete an annual online certification, reinforcing their commitment to our **Global Business Practice Standards**. In 2015, this included 2,544 professional employees, representing 46 percent of our total population. For those certifying, we achieved a 98 percent participation rate and did not ask employees on leaves of absence to respond. Less than one percent indicated they did not feel comfortable openly discussing ethical or business practice concerns without fear of retaliation. We followed up with 100 percent of employees surveyed who indicated a concern.

Also in 2015, we held our 3rd annual Compliance Day in over 15 sites worldwide and issued more than 4,000 raffle tickets to both corporate and manufacturing employees. Each location chose a theme, which included:

- Reminding employees to speak up and report concerns;
- Compliance with quality and industry code standards; and,
- Following our Global Business Practice Standards.

SUSTAINABILITY REPORT

CORPORATE GOVERNANCE

G4-DMA, G4-34 

Edwards Lifesciences' work to improve Corporate Governance supports our **Aspiration** to Create Exceptional Shareholder Value.

DEFINITION

Implementing mechanisms and processes that promote ethical governance at Edwards, including board diversity, proxy access, executive compensation and accountability, and developing a culture where leaders are engaged in support of sustainability performance

Management Approach

Edwards Lifesciences' Board of Directors drives our unique, patient-focused culture. Through our corporate governance practices, we create a powerful and responsible organization from the top down. 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. Our governance practices guide us as we grow, ensuring our leaders' values align with those of our company.

Our Board of Directors

A talented and knowledgeable team of directors oversees our organization's success. We outline expectations for Board members that demonstrate our commitment to ethical and effective governance. These **guidelines** cover topics such as:

- Board size and composition
- Selection process and required qualifications of Board members
- Board oversight for strategic planning and fiduciary responsibility
- Process for performance evaluations
- Responsibilities of Board committees

Edwards' **2016 Proxy Statement** describes our corporate governance practices for stockholders. Our Board of Directors consists of nine members who share responsibility for risk, fiduciary and strategic oversight. They serve on two committees:

1. **Audit Committee** – Responsible for oversight of financial statements, legal and regulatory requirements and audit functions.
2. **Compensation and Governance Committee** – Responsible for the compensation of executives and directors, employee benefit plans, sustainability and corporate governance matters.

Our CEO, CFO and Vice President of Investor Relations regularly meet with current and prospective stockholders to discuss our strategy and performance. We seek and incorporate feedback on issues related to governance, compensation and other matters.

Additional information about Edwards' corporate governance practices can be found in our [Bylaws](#) and [Executive Stock Ownership Guidelines](#).

Governance for Sustainability

The Compensation and Governance Committee of our Board of Directors has oversight for Edwards' sustainability principles and programs, and periodically reviews reports on our progress. Our Chairman and CEO also has performance management objectives for improving our sustainability strategy, metrics and disclosure. The Edwards Sustainability Council drives the implementation of these initiatives. Led by our Chief Responsibility Officer, the Council comprises leaders from functions across the organization. These include:

- Corporate Responsibility
- Corporate Secretary
- Corporate Strategy
- Enterprise Risk Management
- Environmental Health & Safety
- Global Communications
- Global Corporate Giving
- Global Quality
- Government Affairs
- Human Resources
- Investor Relations
- Operations
- Supply Chain

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

Annual Performance

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

Engaging Our Stockholders

In 2015, Edwards' management team contacted 26 of our largest stockholders, representing about 54 percent of outstanding shares, to gather feedback on governance-related issues. In general, stockholders expressed support for our current governance practices, pay for performance philosophy and innovation strategy.

They also expressed a strong preference for the right to call special meetings over the right to act by written consent. Edwards' management shared this feedback with our Compensation and Governance Committee, who spent several months discussing and collecting additional input. In February 2016, they amended our Bylaws to lower the threshold requirement to hold a special meeting from 25 percent to 15 percent of outstanding shares.

Changes in Governance

Edwards recently appointed three new directors to our Board: **Martha H. Marsh** in October 2015, **Steven R. Loranger** in March 2016 and **Leslie Heisz** in July 2016. Mr. Loranger brings experience in global operations and manufacturing, while Ms. Marsh has an extensive background in the healthcare industry. Ms. Heisz is an experienced investment banker and finance executive. All three add valuable perspective to Edwards' board.

Sustainability Governance

Over the past year, our Sustainability Council made significant progress in aligning our sustainability strategy with our corporate strategy. Their achievements include:

- Working with a third-party consultant to complete a comprehensive **materiality assessment** to identify our most important environmental, social and governance issues
- Drafting a sustainability mission statement
- Engaging internal subject matter experts and executive leaders to draft and approve sustainability goals for 2016–2020

Status of Pay-for-Performance & Executive Compensation

Edwards believes incentive-based executive compensation programs can mitigate risks and foster long-term, sustainable growth. We design our compensation systems to align with the interests of our stockholders. In 2015, about 88 percent of the direct compensation for our CEO, and an average of 77 percent for our other Named Executive Officers (NEOs), was performance-based.

SUSTAINABILITY REPORT

CORRUPTION & BRIBERY

G4-DMA, G4-SO3 

Edwards Lifesciences' work to prevent Corruption and Bribery supports our **Aspirations** to Excel as a Trusted Partner and Global Leader Through the Quality of Our Work and Create Exceptional Shareholder Value.

DEFINITION

Enacting management practices and policies to prevent corruption and bribery at Edwards

Management Approach

The nature of our work means Edwards Lifesciences regularly interacts with healthcare professionals who use our products. Some countries where we operate have socialized healthcare, meaning most physicians work for state-owned entities and can be considered public officials. To ensure these interactions remain appropriate, Edwards has long-held high standards for preventing corruption and bribery in connection with our external relationships.

Edwards conducts business consistently in all countries. We require all employees, as well as agents acting on Edwards' behalf, to adhere to the following government regulations for preventing corruption:

- The U.S. Foreign Corruption Practices Act
 - The U.K. Bribery Act
 - All applicable local and regional laws, including anti-corruption and anti-competition laws
-

Financial Relationships with Physicians

Collaboration with medical experts provides immense value to our research and development efforts. Physicians can offer insight from a "ground level" and advise product improvements that keep us at the forefront of innovation. Our most significant risks related to corruption are financial relationships with physicians.

Edwards is transparent about the nature of these relationships and their benefit to all. In 2008, Edwards became the first of our peers to voluntarily publicly disclose all **financial interactions** with physicians in the United States. Now, in accordance with the U.S. Affordable Care Act., we report all financial relationships with physicians and teaching hospitals through the **Open Payments** system on the Center for Medicare and Medicaid Services website.

Reporting requirements vary by country and by nature of the transactions. Edwards also reports at the country and state level in several locations:

- Massachusetts – pursuant to law since 2011
- Vermont – pursuant to law since 2012

- Japan – voluntary report to meet industry code of conduct since 2014
- France – pursuant to law since 2013
- Romania – pursuant to law since 2015

Edwards is committed to a free and competitive global marketplace. We believe buyers should be able to select from a variety of products at competitive prices. Edwards does not condone any form of gifts or entertainment in pursuit of a business advantage. We detail these requirements on pp. 22–23 of our [Global Business Practices Standards](#).

Third-Party Anti-Corruption Training

In 2014, Edwards expanded due diligence and anti-corruption training to our global third-party sales intermediaries. We continued these efforts in 2015 and 2016. Following review, we require annual certification renewals and due diligence renewals every two to three years.

Annual Performance

Edwards continually improves our governance and policies for corruption and bribery. In 2015, our corruption risk assessment covered 100% of our operations. We also developed Anti-Corruption and Anti-Bribery Guidelines to supplement our [Global Business Practice Standards](#). They further assist employees in making informed and ethical decisions by the following:

1. Explaining the importance of compliance and requiring employee adherence
2. Defining improper payments or bribes, including examples and red-flags
3. Defining who is considered a government official in our industry
4. Explaining how to work with third parties acting on our behalf, including appropriate due diligence prior to engagement
5. Identifying the need to maintain accurate books and records
6. Explaining the need for appropriate diligence in mergers, acquisitions and joint ventures

We conducted training for these guidelines in 2015, and required all employees with email accounts to certify compliance online. We also continued to conduct due diligence and anti-corruption training for our third-party sales intermediaries.



Edwards



SUSTAINABILITY REPORT PATIENTS

Edwards Lifesciences is dedicated to improving the lives of patients fighting cardiovascular disease. The Patients section of our 2015 Sustainability Report contains our management approach and annual performance for the following material topics:

- Access to Healthcare
- Patient Experience & Voice
- Healthcare Process Innovation

SUSTAINABILITY REPORT

ACCESS TO HEALTHCARE

G4-DMA, G4-EC8, G4-SO6 ✓

Edwards Lifesciences' work to improve Access to Healthcare supports our [Aspirations](#) to Transform Patient Care Through Innovative Technologies and Strengthen 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, participating in public policy development and providing financial contributions in support of Edwards' goals and aspirations

Management Approach

Edwards Lifesciences believes all patients deserve access to affordable and high-quality care. Unfortunately, patients in today's global healthcare system often face numerous barriers to treatment. These can include 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 the long-term well-being of our company.

Political Activities

As a highly-regulated medical device company, public policy impacts our ability to help patients, and we are active in the policy making and political process through regular and constructive engagement with government officials, policy makers and stakeholder groups. The goal of Edwards Lifesciences' policy and political process engagement is to advance sound public policy on areas related to the company's focus on patient-focused medical innovations for structural heart disease, as well as critical care and surgical monitoring, to improve patient outcomes and enhance lives.

One way Edwards participates in the policy making process is through political involvement. We outline our approach in our [Policy on Political Activities](#) and disclose all federal and state [political contributions](#) on our corporate website.

Philanthropic Support

Edwards is proud to serve patients from diverse economic, cultural and racial backgrounds. Through the [Edwards Lifesciences Foundation](#), we support many philanthropic initiatives that increase access for patients in need. The Foundation also seeks to expand access to therapies in emerging markets through support of clinical education and medical mission work. This includes underserved regions all around the world, such as Africa, Brazil, China, Haiti, India, Jamaica, Peru, Puerto Rico, Russia, The Dominican Republic and Vietnam.

We recognize that racial/ethnic disparities exist in the treatment and outcomes associated with cardiovascular disease and we are working with the Association of Black Cardiologists (ABC) to address these issues. With a grant from our Foundation, ABC plans to develop a Structural Heart Task Force that

will seek to provide patient populations disproportionately impacted by heart disease with the educational tools that will increase awareness, screening and treatment of heart valve disease. The task force will also work to deliver recommendations to healthcare providers that will bridge the gap leading to a reduction of racial differences in rates of valve screening and replacement.

Every Heartbeat Matters

Our signature philanthropic initiative is [Every Heartbeat Matters](#) (EHM). Our initiative's goal is to impact the global burden of heart valve disease by supporting the education, screening and treatment of one million underserved people by 2020. To date, more than 40 philanthropic partners have impacted more than 200,000 [underserved patients](#) through this initiative. A complete list of grantees is available on our [website](#).

Educational Initiatives for Better Care

Education has the power to form a bridge between [underserved patients](#) and better healthcare. That's why Edwards offers [NewHeartValve.com](#), a patient-focused website with information and resources about [aortic stenosis](#), treatment options and [transcatheter aortic valve replacement \(TAVR\)](#) centers.

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.

Improving Access to Care

We made progress in 2015 toward our Every Heartbeat Matters philanthropic goal of supporting the education, screening and treatment of 1 million underserved people*. To date, Edwards has impacted 200,000 underserved people.

Political & Lobbying Expenditures

In 2015, Edwards made \$91,000 in [state political contributions](#), and the Edwards PAC made \$132,500 in [federal contributions](#). A full list of recipients and donation amounts is available on our [website](#). Additionally, in 2015 a portion of our industry association membership dues were spent on federal lobbying. These include:

- **Advanced Medical Technology Association:** \$44,433
- **Healthcare Leadership Council:** \$23,000
- **California Life Sciences Association:** \$28,210

PATIENT EXPERIENCE & VOICE

G4-DMA, G4-SO2 

Edwards Lifesciences' work to improve Patient Experience and Voice supports our **Aspirations** to Transform Patient Care Through Innovative Technologies and Attract and Engage Talented Employees.

DEFINITION

Providing products that continuously improve patient experience and empowering patients to support and aid other patients

Management Approach

Edwards Lifesciences is focused on providing therapies that save and enhance patient lives. We understand that too often, patients do not have a say in the administration of cardiovascular procedures. As part of our research and development, we work to incorporate patients' input into the development of our products. By listening to patients, we provide care that meets their individual needs. We know patients do better when they have support from others. For this reason, we sponsor patient listening sessions, support patient advocacy groups and help patients exercise their voices in the policy making process.

Growing the Patient Voice Through Partnerships

When patients use their voices, they do more than advocate for themselves—they inspire others to speak up and support each other toward healthier outcomes. The Edwards Lifesciences Foundation provides charitable grants to the American Heart Association to support the **Heart Valve Ambassador Program**, a group of dedicated individuals who offer resources and support to patients. The Foundation supports **Heart Valve Voice**—a patient-focused advocacy organization—to develop and share collections of patient stories. Some other patient advocacy programs that the Foundation has supported in the past include the Mended Hearts Trained Accredited Patient Visitor Program and WomenHeart: National Coalition for Women with Heart Disease.

Patient Days

Our annual **Patient Day** brings together patients and caregivers at our corporate headquarters in Irvine, California. Here they participate in discussions, learn about our innovations and meet the Edwards employees who make our heart valves. Edwards also hopes to give our heart valve recipients the opportunity to connect with other patients and share their experiences. At Patient Day, we empower patients to use their experiences to help themselves and others.

The experience for those suffering from valvular disease remains complex and filled with obstacles. The treatment process can be inconsistent from one patient to the next. Through Patient Days, Edwards gains important insight into the patient journey, from symptoms and diagnosis through recovery, including patient-defined concerns. These learnings help Edwards identify opportunities to address these gaps, and to prioritize tools, support resources and programs we develop to improve patient access, experience and outcomes.

Incorporating Patient Needs

Edwards strives to ensure all patients have a voice in shaping their treatment experience. Many patients benefit from minimally invasive procedures, and we have responded by driving innovation in Transcatheter Aortic Heart Valve (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](#).

Patient Resources

Edwards believes informed patients have a more successful treatment experience. Our [website](#) offers information on heart valve disease and treatment, as well as FAQs and a glossary of terminology. Additionally, our [NewHeartValve.com](#) microsite provides comprehensive information on [aortic stenosis](#) and options for treatment.

Annual Performance

Edwards Lifesciences is inspired by listening to the patient voice and continues to improve our patient engagement initiatives. Patients value the opportunity to share their stories with people who can understand their journey; [evidence](#) shows that patients with a peer support network have better clinical outcomes. At Patient Days, we empower patients to use their experiences to help themselves and others. We welcomed 100 patients and caregivers to our 2015 Patient Day program.

In a post-event survey, 100 percent of attendees rated the experience as "Excellent." Participants expressed the value of the opportunity to meet with other patients, and that learning about ways to become an ambassador or peer supporter themselves was an important part of the experience. They called the day "fulfilling," "inspirational" and "informative." Edwards is deeply proud of these results and hopes to extend the program's benefits to more patients as we grow.

HEALTHCARE PROCESS INNOVATION

G4-DMA, G4-EC8 

Edwards Lifesciences' work to support Healthcare Process Innovation supports our **Aspiration** to Transform Patient Care Through Innovative Technologies.

DEFINITION

Monitoring, managing, and reducing negative health and safety impacts of Edwards' products and improving product quality

Management Approach

Edwards is powered by the unwavering belief that patient care can always be improved. It is our goal to make the patient experience better, reduce overall healthcare costs and continuously improve quality of care.

Global Health Economics & Reimbursement

Edwards envisions a future where all patients in need have access to cardiovascular care. To achieve this, we must ensure 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 credible health economic data and tools to hospitals and healthcare systems implementing our therapies.

Our Global Health Economics and Reimbursement (GHER) team's mission is to increase patient access by developing and defining the related clinical pathways and economic benefits important to healthcare decision makers. Our dedicated GHER staff support customer sites' efforts to improve patient outcomes and reduce costs. They report to our corporate functions, yet, work directly with business units to ensure we use appropriate data, tools and materials to accomplish this mission. We do not tie compensation to sales performance, but rather to a broad set of clinical and economic benchmarks.

Enhanced Surgical Recovery

Edwards is more than a medical technology innovator and manufacturer—we provide solutions that transform possibilities for patient care. Post-surgery complications can increase the risk of patient mortality and extend the patient's length of stay in a treatment center. Edwards is driving best practice standardization among hospitals with individual approaches to surgical recovery.

Our **Enhanced Surgical Recovery (ESR) Program** provides guidance to surgical teams as they care for patients undergoing complex surgeries. We share **best practices** for keeping patients in an optimum hemodynamic volume range after an operation. When implemented correctly, these strategies improve post-operative outcomes and reduce patient length of stay. **Research** has also shown this approach can reduce complications by up to 32 percent, enabling more patients to return to their lives, family and home.¹ In 2017, we strive to educate 13,000 clinicians on the benefits of Enhanced Surgical Recovery.

Therapy Awareness Programs

Edwards' Therapy Awareness Programs (TAP) aim to support and educate clinicians who treat patients with structural heart disease. We empower our clinical specialists, working with hospitals and physicians, to conduct regular outreach that improves awareness of diseases and available treatment options. Our objective is to ensure the ability of all patients to receive the most appropriate care for their needs.

¹Grocott et al. Perioperative increase in global blood flow to explicit defined goals and outcomes after surgery: a Cochrane systematic review. Br J Anaesth 2013.

Annual Performance

One goal of our Global Healthcare Economics Reimbursement (GHER) program is to provide reimbursement support through collaborating on economic reviews with individual hospitals or health systems providing TAVR. We focus on helping these providers improve their processes to assure more efficient, appropriate care that improves the quality of their programs and enhances patient experience. We also support our customers who perform quality of life research, and develop economic data that can be used by their healthcare systems in performance improvement activities. Edwards aims to support more TAVR centers each year—leading to better quality, more affordable patient care.

In 2015, Edwards educated more than 13,000 clinicians on the benefits and best practices for **Enhanced Surgical Recovery**. These trainings empower clinicians with strategies that improve patient outcomes after an operation.

Clinicians Educated on ESR by Region

United States	1,700
Europe	5,500
Japan	3,690
Asia-Pacific	1,280
Canada	100
LATAM	546
EEMEA	468
Total	13,284



Edwards



SUSTAINABILITY REPORT PRODUCTS

Edwards Lifesciences is a leader in patient-focused innovations for structural heart disease and critical care technologies. The Products section of our 2015 Sustainability Report contains our management approach and annual performance for the following material topics:

- Product Health, Safety & Quality
- Product Lifecycle, Design & Innovation
- Supply Chain Management
- Chemical & Materials Stewardship

PRODUCT HEALTH, SAFETY & QUALITY

G4-DMA, G4-PR1, G4-PR2 

Edwards Lifesciences' work to maintain Product Health, Safety and Quality supports our **Aspiration** to Excel as a Trusted Partner and Global Leader Through the Quality of Our Work.

DEFINITION

Monitoring, managing, and reducing negative health and safety impacts of Edwards' products, improving product quality

Management Approach

High quality products are a core part of Edwards Lifesciences' commitment to be a trusted partner to our patients. We hold ourselves accountable for developing products that enable patients to enjoy a long, healthy and happy life.

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.

Edwards has established a Quality System as defined in our Corporate Quality Manual. This ensures Edwards' products and services satisfy customer requirements while complying with regulatory requirements. Our Quality System ensures we meet the regulatory requirements of the countries in which Edwards products are sold. These include, but are not limited to, the following:

- ISO 13485:2003 Medical Devices – Quality Management Systems – Requirements for Regulatory Purposes
- ISO 14971:2007 Application of Risk Management to Medical Devices
- US Food, Drug and Cosmetic Act:
 - 21 CFR part 11 – Electronic Records; Electronic Signatures
 - 21 CFR part 820 – Quality System Regulations
 - 21 CFR part 210/211 – Current Good Manufacturing Practice for Finished Pharmaceuticals
- 93/42/EEC, 2003/32/EC European Medical Device Directive (MDD)
- Canadian Medical Device Regulations (CMDR)
- Japan Pharmaceutical Affairs Law, 2005 (PAL)
- Australian Therapeutic Goods Act 1989 and associated regulations

Not all requirements of the regulations are explicitly stated in Edwards' Corporate Quality Manual. However, the intent of our Quality System is to ensure all requirements of these regulations are met where applicable.

Internal Quality Controls

An Edwards Management Representative with executive responsibility is responsible for the development, implementation and maintenance of our Quality System. The system is integral to how we operate and is implemented and maintained at all levels of our organization.

The Management Representative conducts quarterly reviews with the Executive Leadership Team to apprise them of significant quality issues, and periodically reports on quality to the Board of Directors. The reviews address opportunities to improve Edwards' Quality System, policy and objectives. These ongoing assessment activities empower Edwards' Quality Leadership Team to implement changes and mandate corrective action.

Quality and Supply Chain Management

Edwards insists on quality and safety at every stage of the supply chain. We align our supply chain and product quality departments, creating an open channel for partnership with suppliers in managing risk and improving controls.

Our supplier partnerships are essential in delivering the quality products that drive Edwards' success. We evaluate and select suppliers based on their ability to meet our quality requirements. We ensure that purchased raw materials, components and products conform to our specifications and monitor key supplier performance. When needed, we take appropriate corrective action to resolve supplier-related issues. Edwards also proactively engages with suppliers to establish and execute against appropriate qualification requirements for all purchased components.

Our global product complaint handling system collects, analyzes and manages customer feedback regarding Edwards products. All Edwards' employees must report complaints within 48 hours of receipt and receive ongoing education about their reporting responsibilities. We assess all feedback with the aim of continually improving our products to meet customer and patient needs.

Managing Product Recalls

Edwards' Quality System is based on the transfer of strong design and development work into manufacturing. We monitor post-market product performance and manage a feedback loop to continually make product improvements. If one of our products fails to meet safety or regulatory requirements, a cross-functional team performs an in-depth assessment to determine the need for a Field Corrective Action. This team includes the Corporate Vice President of Quality, Regulatory and Clinical, the Vice President of Product Safety (a former Cardio-thoracic Surgeon), our head of Compliance and the Quality Management Representative of the affected business unit.

If a Field Corrective Action is deemed necessary, the Vice President of Quality for the impacted unit is responsible for promptly executing this action to ensure all affected products are remediated appropriately. In addition, we have systems in place to ensure that all necessary actions are taken to correct and prevent the reoccurrence of the issue.

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 inform the National Competent Authoriti(es) 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. This takes place through a Field Safety Notice.

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.

Annual Performance

Edwards Lifesciences' performance highlights our relentless focus on managing and improving our quality control systems. In 2015, we reported no Class I recalls in the United States. We provide complete information on recalls through the Food and Drug Administration's **publicly available** database for medical device recalls.

Improving Patient Safety Through Device Tracking

The U.S. Food and Drug Administration (FDA) has established a **unique device identification** (UDI) system that will enable better tracking of medical devices. Using UDI numbers reduces the chance of patient impacts that can occur when a customer misidentifies a product. Edwards is implementing this system within our processes and our timeline is aligned with the FDA's **schedule** for implementation.

SUSTAINABILITY REPORT

PRODUCT LIFECYCLE, DESIGN & INNOVATION

G4-DMA 

Edwards Lifesciences' work to improve Product Lifecycle, Design and Innovation supports our **Aspirations** to Transform Patient Care Through Innovative Technologies and Strengthen Our Communities.

DEFINITION

Innovating to improve quality, design and performance of products and reducing environmental impacts of Edwards' products throughout their lifecycle

Management Approach

Innovation is at the core of Edwards Lifesciences. We challenge ourselves to envision new ways to advance our technologies and improve patient quality of life. When it comes to cardiovascular disease, there is always more to be done. Our focus on innovation allows us to produce **life-saving products and therapies** that transform the lives of patients around the world.

Focused Innovation

Edwards takes a strategic, thoughtful and disciplined approach to product innovation. We focus our work on exploring the valves that power the human heart and the technology that monitors the heart's performance. This enables us to stay at the forefront of our industry and continually expand the possibilities of patient care.

Edwards typically invests around 15 percent of annual sales into product innovation, which benefits our ultimate, and most important, customer—patients. Each of our business units lead in innovations that benefit our ultimate customer—patients. Our approach drives strong **financial performance** and provides us with unmatched expertise on therapies that enhance patient lives.

- Edwards' Critical Care group invests to strengthen our core hemodynamic portfolio and drive standardization of **Enhanced Surgical Recovery** programs
 - Our Surgical Heart Valve Therapies group is developing new tissue platforms that improve durability, ease of use and expand therapies to broader populations
 - Our Transcatheter Heart Valve Therapies group leads the industry in innovation for less-invasive aortic heart valve replacement therapies that improve patient outcomes
-

Intellectual Property

Protecting intellectual property is important to maintaining Edwards' leadership position in medical device innovation. The strength of our proprietary technology fuels our research and development of new, patient-focused solutions. Edwards owns more than 2,700 issued patents and pending patent applications in both

U.S. and foreign locations. We monitor our competitors to identify possible infringements, protect our patents and take appropriate follow-up when required.

Packaging Design & Innovation

Edwards strives to maximize the value and function of our products from design to end-of-life. We strengthen our new packaging design to enable safer, more efficient and more cost-effective product delivery. This includes exploring sustainable solutions that decrease impact to our environment. For example, our Corporate Packaging Engineering Group is pursuing options for biodegradable and high-barrier materials that may improve packaging performance while reducing cost and waste. By 2018, we will assess lifecycle impacts on packaging designs and product materials for existing products across business units.

Supplier Partnerships for Innovation

Edwards builds collaborative, long-term relationships with key suppliers who support our vision for innovation. We ask our suppliers to provide insight into the design and manufacturing of new products. We also include supply chain employees on most research and development product teams to facilitate supplier selection and early supplier involvement. This enables our research and development teams to collaborate with suppliers throughout the product development process.

Annual Performance

Every year, Edwards Lifesciences creates new products with the power to save lives. In 2015, Edwards received **FDA approval** for two new devices. The SAPIEN 3 transcatheter heart valve enables minimally invasive procedures for high-risk patients with reduced likelihood of adverse complications. **Clinical results** have shown significantly lower mortality and stroke rates for high- and intermediate-risk patients compared with traditional surgical replacement.¹ The device has been commercially available in Europe since 2014.

Also in 2015, we received **FDA approval** for use of the SAPIEN XT valve in aortic valve-in-valve procedures. This minimally invasive procedure provides advanced treatment for high-risk patients suffering from severe aortic stenosis. Furthermore, our 2015 **acquisition of CardiAQ** has better positioned us to develop our transcatheter mitral valve replacement systems. The combined knowledge and efforts of our teams will enable Edwards to advance this patient-focused innovation.

¹Herrmann, H.C. Evaluation of a Balloon-Expandable Transcatheter Aortic Valve in High-Risk and Inoperable Patients With Aortic Stenosis – One-Year Outcomes. American College of Cardiology 2015.

SUSTAINABILITY REPORT

SUPPLY CHAIN MANAGEMENT

G4-DMA, G4-HR10, G4-LA14 

Edwards Lifesciences' Supply Chain Management practices supports our **Aspiration** to Transform Patient Care Through Innovative Technologies.

DEFINITION

Monitoring and assessing product quality, safety, social and environmental performance of Edwards' suppliers

Management Approach

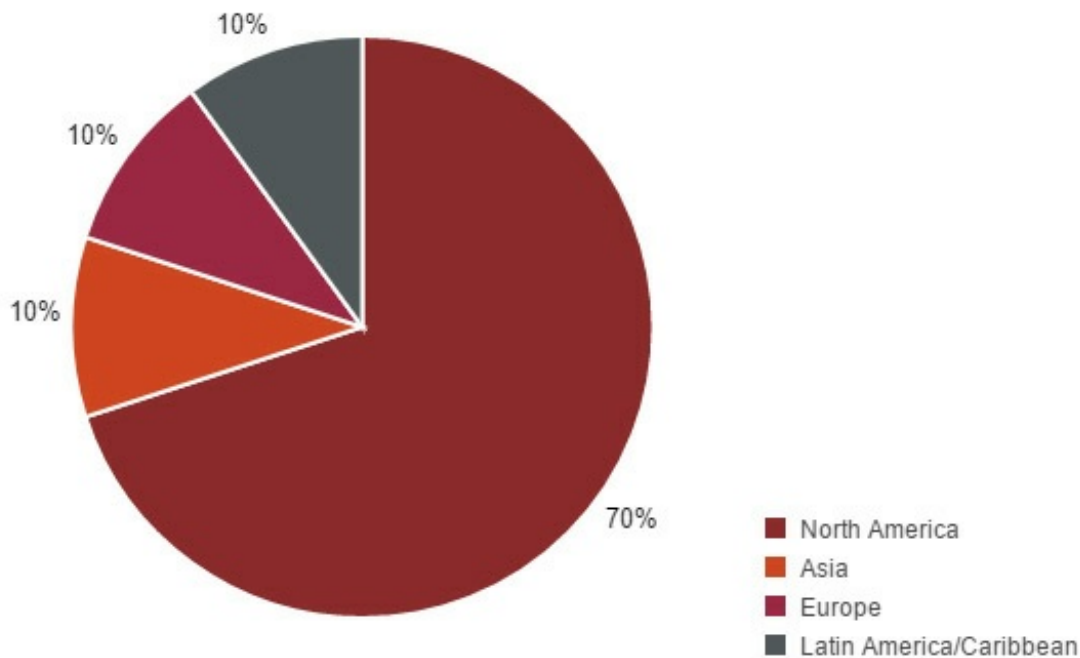
To create industry-leading therapies for cardiovascular disease, we rely on our suppliers. We know supply chain performance can directly impact the quality and innovation of Edwards' products. With just over 400 direct material suppliers, Edwards is highly selective when evaluating and adding new suppliers to our portfolio. These include suppliers of the following materials and services:

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

Localizing Supply and Distribution

Edwards protects both the environment and our bottom line by sourcing materials close to our manufacturing sites. Where possible, we strategically align distribution facilities with the global markets we serve, reducing the costs and environmental impacts of transportation. Our supply base is primarily located in North America.

Supply Base by Region



Supplier Sustainability

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

Our future goal is to connect with our top 10 suppliers to provide additional training and patient interactions. Through this, we aim to provide our suppliers with enhanced awareness of quality issues and engagement with our mission to serve patients. We've also developed supplier metrics which include quality levels and expectations that each of our preferred suppliers must meet. These include:

- ISO Certification where applicable
- Completion of comprehensive quality audit with no critical findings
- Minimum lot acceptance rate
- Minimum scar-free rate

- Minimum performance on good delivery and service levels

Assessing and Monitoring Supply Chain Risk

Before partnering with suppliers, Edwards conducts a comprehensive risk evaluation. Certain suppliers require on-site assessment of facilities and quality control systems. Once approved, we periodically conduct supplier audits and performance reviews to ensure continual adherence to our standards. For every new part established for use, the supplier completes a form through which they must disclose the material inputs to their products. Edwards evaluates potential risks due to location and country regulations. We prefer doing business in countries with higher ethical standards and protection for information technology and intellectual property. This reduces the chance of sustainability violations that could impact our stakeholders and business. Edwards also uses a risk monitoring tool that provides updates on our suppliers' business developments, acquisitions and credit performance. Our team sets automatic alerts so important information is forwarded immediately to the right employee at Edwards.

Annual Performance

Edwards continually works to localize our supply base and distribution centers. Freight is the largest component of our distribution costs. We have reduced these costs by shifting freight from air to ocean, eliminating warehouses, consolidating shipments and increasing our direct shipments to regions. Over 90 percent of Edwards' global freight is with our strategic partners, who have sustainability programs in place and monitor their impact.

CHEMICAL & MATERIALS STEWARDSHIP

G4-DMA 

Edwards Lifesciences' work to manage our Chemical and Materials Stewardship serves our **Aspiration** to Excel as a Trusted Partner and Global Leader Through the Quality of Our Work.

DEFINITION

Reducing environmental and human health impacts from Edwards' use of materials and harmful chemicals in products or operations, including the sourcing of conflict minerals

Management Approach

Edwards Lifesciences is committed to the long-term health of patients. We strive to ensure our products are free from harmful substances. To do this, Edwards implements chemical safety procedures in our manufacturing and removes toxic materials from our product formulations.

Chemical Management and Reduction

Edwards complies with local regulations governing the use of chemicals in medical devices. In Europe this includes **REACH**, which prevents the impact of chemicals on human health and the environment. It also includes **RoHS**, which restricts chemicals used in electronic products. Our focus extends to our supply chain—where we require compliance with all applicable regulations for chemical and material use.

Hazardous material regulations can evolve quickly. For example, REACH adds new substances of very high concern to its list every six months. Edwards monitors these changes using **Chemtrac**, a comprehensive online application that provides notifications on new and updated regulations. When Edwards becomes aware of a pending restriction that might impact our business, we act. We brief our Steering Committee for Product Stewardship and begin assessing our products immediately.

Supplier Materials Database

While Edwards already screens suppliers for hazardous substances, we know customers increasingly demand full transparency about materials in their products. In 2015, Edwards began developing our Material Compliance Module (MCM), an internal database to collect and manage information about product materials. The database will allow us to provide our customers with clear and complete reports on product composition.

Conflict Minerals

Edwards is committed to ensuring all our products are free of conflict minerals. We use minerals for the functionality and production of certain of our Critical Care products. Our **Conflict Minerals Policy Statement** describes our support of the Security and Exchange Commission (SEC) disclosure requirement for conflict mineral sourcing. Since 2013, we have also published an annual **Conflict Minerals Report** highlighting our progress.

We include a clause in all supplier contracts prohibiting the use of conflict minerals. For every new part ordered, we require suppliers to submit 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. Our goal is to ensure that 100 percent of our products are conflict free by 2020.

Annual Performance

In 2015, Edwards continued to build our Material Compliance Module database with supplier materials information. With tens of thousands of pieces of material disclosure documents, we aim to have 80 percent of applicable supplier responses entered by 2018. Our Product Stewardship department launched the module in 2015.

We also conducted two stages of Reasonable Country of Origin Inquiry (RCOI) as outlined by the Organisation for Economic Co-operation and Development (OECD). We identified 39 smelters that may have sourced from countries in question. Of these, we verified that 37 have been audited and determined conflict-free by the Conflict Free Smelter Program (CFSP). Our consultants identified that the remaining two smelters are not certified conflict-free, but are pursuing certification. We continue to maintain communications with these smelters to ensure they are on track.



Edwards



SUSTAINABILITY REPORT WORKFORCE

Edwards Lifesciences' employees drive our work with passion for helping others. The Workforce section of our 2015 Sustainability Report contains our management approach and annual performance for the following material topics:

- Employee Recruitment, Engagement & Retention
- Workplace Health & Safety
- Diversity & Inclusion
- Volunteerism & Giving

EMPLOYEE RECRUITMENT, ENGAGEMENT & RETENTION

G4-LA1, G4-LA2, G4-LA3, G4-LA9, G4-LA10, G4-LA11 

Edwards Lifesciences' work to improve Employee Recruitment, Engagement and Retention supports our **Aspiration** to Attract and Engage Talented Employees.

DEFINITION

Developing strategies for attracting, developing and retaining employees

Management Approach

Edwards Lifesciences unites our employees around a common passion for improving patients' lives. We execute our work with the utmost precision and care, knowing our therapies have the power to affect patients in a real and lasting way. And we're committed to this vision for years to come. As a growing company, our **culture** must attract and retain top talent that will continue to move us forward.

Training & Leadership Development

Our greatest assets are our employees' knowledge and skills. To foster their personal and professional growth, we provide **development opportunities** through many programs. Edwards University is an online platform comprised of "colleges" and other training categories with targeted instruction for the diverse responsibilities of our workforce. These include:

- College of Engineering
- College of Sales and Marketing
- College of Quality, Regulatory and Clinical
- Leadership Development
- Corporate Business Practices
- Business Excellence

Our signature leadership development curriculum, Aspire, offers skill-based workshops to our professional employees. Curriculum topics include performance management, finance for non-financial managers, effective conversations, powerful speaking, situational leadership and communicating among different personalities.

We design our signature programs target for our top talent around the globe. These are nomination-based programs that build leaders for the future. The Edwards Lifesciences Leadership Program (ELLP) focuses on our culture and living the Edwards Credo. Participants learn to be trusted partners with each other, in business and in the community. With cases studies, experiential learning and a capstone closing activity, the program offers participants an experience they will take with them through the course of their career.

We also nominate leaders to participate in the Edwards Leaders Forum, a nine-month cohort-based program that focuses on the whole person. Incorporating a variety of assessments, executive speakers and discussion-based learning, participants apply what they learn in their current and future roles. Finally, we offer employee tuition assistance for continuing education and degree programs at higher educational institutions.

Fostering Employee Engagement

Edwards regularly conducts an Employee Survey to measure employee satisfaction across a variety of dimensions, including quality, trust, empowerment, involvement, retention and charitable activities. This feedback helps us sustain the things we do well and close the gap where we need improvement. Our Executive Leadership Team reviews survey results, selects priority areas for development and implements action plans at both the corporate and manufacturing levels.

One priority is to expose all Edwards employees to patient stories each year to improve engagement. Additionally, we have a goal to provide a vehicle to engage employees in sustainability efforts by 2018.

Recruiting Top Talent

To attract and retain top talent, Edwards provides competitive compensation and **benefits** packages. Our goal is to maintain a healthy and productive workforce and provide effective programs while continuing to manage costs. We offer performance-based incentives, stock options, retirement plan options, paid time off, family leave and health, life and disability insurance.

Edwards recruits the best students from universities across the world to join our team. Our programs include:

- Internships
- Edwards University Summer Program
- Finance Development Program
- University Engineering Program
- Engineering Technical Development Program (TDP)
- Strategic Leadership Development Program (SLDP)

Labor Relations

Edwards does not operate in collective bargaining environments. In Singapore, we register with the National Trade Union Consortium to help maintain positive relations. We've established a good reputation for workplace standards, collaborating with the union to maintain balance in our Singaporean workforce.

Annual Performance

As we grow, Edwards Lifesciences continues to strengthen our employee engagement initiatives. In our 2015 Employee Survey, we measured higher levels of engagement, intent to stay and trust in leadership than our industry benchmark. We also rate highly on items measuring belief in our vision, dedication to employee development and work-life integration. Our leadership team continually seeks to improve employee productivity. In 2015 we added survey metrics for efficiency and effectiveness to gauge our progress. Using our results, each of our executive leaders identified a process or system for which they could improve efficiency.

Parental Leave

In 2015, Edwards continued to offer both our male and female U.S. employees the opportunity to take parental leave.

	Male	Female
U.S. employees 40 or under	734	789
Employees who took parental leave	28	100
Employees who returned from leave	27	94
Employees still employed within 12 months after leave*	24	82
Return to work rate	96%	94%
1 year retention rate	86%	82%

*As of November 22, 2016

Employee Training

Edwards supported employee development in 2015 by providing instructor-led training opportunities, tracked through our Learning Management System (LMS), as well as online training through Edwards University.

Employees who completed instructor-led training	80%
Employees who completed online training	52%

Tuition Assistance Program

In 2015, Edwards offered our U.S. employees tuition assistance for educational programs.

	Employees Participating in 2015	Percent of Employees Participating*
Hourly Non-Exempt	14	>1%
Salaried Exempt Employees	74	3.5%
Salaried Non-Exempt	25	4%

*As of December 2015

WORKPLACE HEALTH & SAFETY

G4-DMA, G4-LA6 

Edwards Lifesciences' work to ensure Workplace Health and Safety serves our **Aspiration** to Attract and Engage Talented Employees.

DEFINITION

Providing Edwards employees with health resources and safe working conditions

Management Approach

Edwards Lifesciences believes our mission 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 towards the development of life-saving therapies.

Total Wellness at Edwards

Our Executive Leadership Team (ELT) drives Edwards' wellness efforts across our organization. They believe better health leads to better performance and ensure that we regularly sponsor wellness initiatives for our employees. Edwards also offers a competitive **employee benefits package** that includes health and welfare insurance, health savings accounts and on-site programs and offerings.

Our Total Wellness program supports employees across the globe to enhance, maintain and achieve a healthy lifestyle. This holistic approach improves well-being through six pillars. We aim to offer and encourage participation in programs aligning with all six Total Wellness pillars at 100 percent of locations with more than 100 employees.

"I think Edwards' Total Wellness program is a big success. It helps develop tools we can use to maintain a healthy, balanced life in a very busy world." - Kevin Osterman, Senior Manager, Global Equity

Six Pillars for Total Wellness

1. Prevention	<ul style="list-style-type: none">■ Annual <i>Know Your Numbers</i> biometric wellness screenings■ Healthy lifestyle wellness coaching for all employees and their covered spouses■ On-site HIGI machines at our Irvine, Calif. and Draper, Utah facilities that allow employees to track biometric numbers■ Online Health Risk Assessments■ Quit for Life® smoking cessation program■ Annual on-site flu clinics
2. Nutrition	<ul style="list-style-type: none">■ 12-week weight loss programs■ On-site cafeteria with healthy food options at Irvine

3. Physical Activity	<ul style="list-style-type: none"> ■ On-site fitness centers at our Irvine and Draper campuses ■ Workout competitions ■ Lean for Life challenge in partnership with the American Heart Association ■ Month of Fitness challenges that give active employees the opportunity for raffle prizes
4. Education	<ul style="list-style-type: none"> ■ Quarterly <i>Take Charge</i> newsletter with information about wellness and employee benefits ■ Wellness and benefit resources on employee intranet ■ On-site information sessions ■ <i>Take Charge</i> mobile site with health resources
5. Financial Fitness	<ul style="list-style-type: none"> ■ Annual retirement plan education meetings ■ Retirement readiness program ■ One-on-one financial planning assistance ■ On-site educational webinars
6. Community Service	<p>Please refer to Volunteerism & Giving for information about our employee volunteer programs</p>

We also offer Total Wellness programs at global facilities with more than 30 employees. For example, many employees at Edwards' Singapore facility have long commutes and limited time for exercise and food preparation. To help these employees achieve a better balance in their lifestyle, we provide annual health checks, education on oil-free nutrition, a cafeteria with healthy eating choices and weight-loss programs. Our global wellness programs include:

- Weight loss competitions
- Walking challenges
- Preventive health exams and screenings
- Financial education classes
- Health education seminars
- Monthly and quarterly wellness newsletters

Workplace Safety

Edwards focuses on workplace design, early intervention and overall prevention of injuries and illnesses before they become a concern. We 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. We track and report injury rates and consistently perform favorably when compared with our industry benchmarks.

Annual Performance

Every year, Edwards becomes stronger in our mission to improve health—starting with our workforce. In

2014 and 2015, 94 percent of Edwards employees participated in free biometrics screenings

U.S. Wellness Numbers

U.S. Employee Participation in Biometric Screenings (2014/2015)	94%
U.S. Employees Enrolled in an Edwards-Sponsored Medical Plan (2015/2016)	91%
Health Costs Per Employee Per Year (2014/2015)	8.2% below market

Over a period of six months in 2015, Edwards sponsored a 10,000 steps challenge and competition. Participants received pedometers, and employees who reached 70,000 steps per week were eligible for monthly raffles. Our executives led by example, encouraging walking meetings and sharing reminders with team members. At the end of the challenges, Edwards donated 60 wheelchairs to *Free Wheel Chair Mission*, which supports people in need in developing countries.

Edwards' dedication to Total Wellness continued to earn recognition in 2015 among leading health organizations and standards. This includes:

- CEO Cancer Gold Standard for workplace wellness
- American Heart Association Platinum Achievement for Fit-Friendly Worksite
- Singapore Health Award for promoting workplace health
- Recognition for our benefits program from the National Human Resources Association of Orange County

Additionally, our two Critical Care manufacturing sites in the Caribbean have achieved OHSAS 18001 accreditation for excellence in occupational health and safety. This includes a strong commitment to preventing and reducing employee injuries. We continue to track incident rates and improve our manufacturing practices to ensure a safe workforce.

2010	2011	2012	2013	2014	2015
Global Lost Time Injury Rate Over Time (Days away from work cases per 100 employees)					
0.38	0.20	0.62	0.42	0.32	0.36



Global Recordable Case (Injury) Rate Over Time (Cases per 100 employees)					
1.25	0.78	1.83	1.42	1.28	1.16



SUSTAINABILITY REPORT

DIVERSITY & INCLUSION

G4-LA12, G4-HR3 

Edwards Lifesciences' work to promote Diversity and Inclusion serves our **Aspiration** to Attract and Engage Talented Employees.

DEFINITION

Promoting diversity in Edwards' leadership, employee population and suppliers through fostering an inclusive culture

Management Approach

Diversity is foundational to Edwards Lifesciences' work to innovate life-saving therapies. We encourage our employees to share new ideas, take risks and push the boundaries of traditional norms for thinking and creating. For this, diverse talent is crucial. We believe change leads to improvement, and envision a culture that actively values diversity and is inclusive of people from a variety of backgrounds and experiences.

Governance for Diversity

Edwards has convened a Diversity and Inclusion sub-committee within our Executive Leadership Team (ELT). The group discusses strategy around employee resource groups, intentional versus organic efforts and results from Diversity and Inclusion programming. We aim to have 100 percent of ELT, Senior Leadership Team (SLT) members and their direct reports complete the Leveraging Diversity Training by 2018.

Our Quality Diversity and Inclusion Council has a mission to introduce diverse thought into technical teams and recruit talent that reflects Edwards' diverse customer base. The Council conducts national outreach to attract diverse talent, such as recruiting at engineering conferences for minorities. It also collaborates with the Edwards University Recruiting Team to engage with university chapters such as the National Society of Black Engineers and the Society of Women Engineers.

Recently, the Council has expanded its focus to include networking and learning events for Edwards employees. For example, the Council hosted a panel discussion with speakers who moved to the U.S. from other countries. Participants learned about each employee's home country and what they value about the U.S.

Building a Diverse Workforce

Embracing a diverse workforce goes hand in hand with Edwards' commitment to innovation. Companies that recruit diverse talent have a stronger pool of ideas, perspectives and skill sets that can lead to discovery.

Edwards' commitment to diversity includes the hiring of **U.S. Veterans**. Those who have defended our country bring strength, integrity and unique technical knowledge to our team. We are active in the **MedTech and BioTech Veterans Program**, which connects transitioning military professionals with careers in life sciences companies.

Preventing Unconscious Bias

Unconscious bias refers to the underlying beliefs, perceptions and assumptions we develop based on our past experiences. They frame the way we look at the world. We all have them. Yet as Edwards advances our culture of inclusion, it is important we educate employees around the identification and adjustment of unconscious biases.

Our Leveraging Diversity workshop, offered to employees at the managerial level and above, addresses unconscious bias by encouraging inclusive thinking and behaviors from the top down. Post-training evaluations have shown the sessions are effective in changing peoples' mindsets on how they promote, hire and engage with colleagues.

Engaging Employees in Diversity

Our employees participate in several associate resource groups that celebrate and advance diversity. These include:

- **Women in Leadership Initiative**—Supports female leaders across departments and locations through networking and leadership development sessions
- **Women in Senior Leadership**—Provides support for women at the senior leadership level and above
- **African Heritage Forum**—Fosters a community that attracts and enables Edwards' employees of African heritage to be connected and empowered, and reach their full potential
- **Veteran's Group**—Builds a community of Veterans and Veteran-minded employees at Edwards to enhance employee engagement, drive Veterans talent strategy and serve the Veterans community

Annual Performance

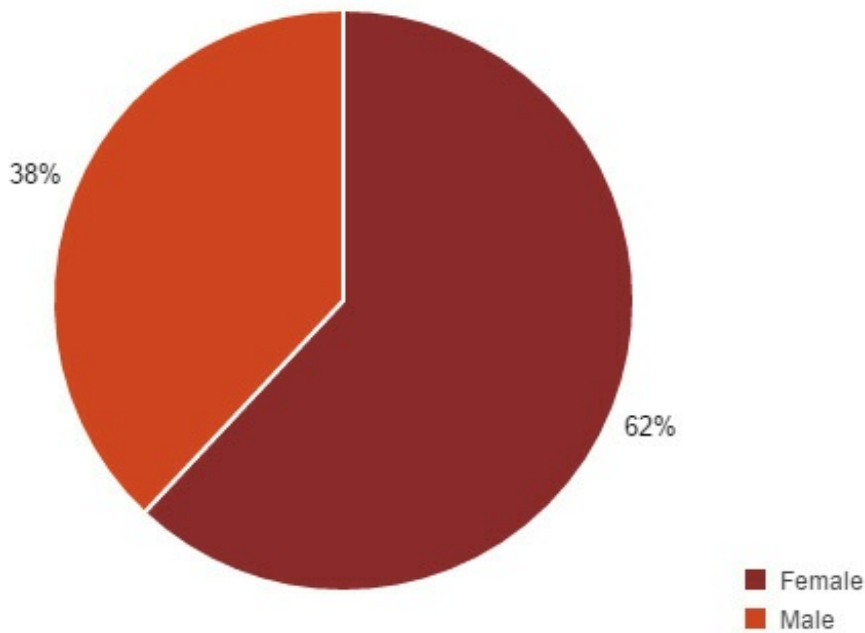
Our long-term vision is to become a leading workplace for diversity and inclusion. In 2015, Edwards established the **Diversity & Inclusion Council** within our quality department. Its formation reflects our growing priority to foster inclusive thinking and increase the diversity of our workforce.

In 2015, our Japanese office was featured in Recruit Works, a popular Japanese Human Resources magazine, about our work to empower female leaders. Also in 2015, Edwards strengthened our partnership with the University of Southern California's Society of Hispanic Engineers and the Georgia Tech National Society of Black Engineers.

Our Diversity Profile

Edwards' executive leaders emphasize that diversity isn't about numbers or statistics. It's a way of conducting ourselves and our business that must be integrated into our behaviors and practices. Edwards' vision is to foster a culture that actively and consistently values diversity.

Employees by Gender in 2015



Employees by Employment Type in 2015

Full-Time, Regular	9,848
Full-Time, Temporary	119
Part-Time, Regular	138
Part-Time, Temporary	12
Total Employees	10,116

Women's Ranks in Leadership

Executives in C-Suite	23%
Vice Presidents	24%
Senior Director	30%
Director	32%
Manager	36%
Entry Level	52%

VOLUNTEERISM & GIVING

G4-DMA 

Edwards Lifesciences' work to encourage Volunteerism and Giving supports our **Aspiration** to Strengthen Our Communities.

DEFINITION

Dedicating time and resources to communities where Edwards' employees live and work, and supporting community health and well-being

Management Approach

Edwards Lifesciences believes our work can inspire greater hope and possibilities for our patients, employees and communities. Volunteerism and giving is a strong part of our corporate culture. Many of our employees identify this commitment as a key reason why they are proud to work at Edwards.

Philanthropy at Edwards Lifesciences

Edwards strategically aligns our **Global Corporate Giving** program with our mission to enhance care for cardiovascular and critically ill patients and strengthen our global communities. These initiatives include grants from the Edwards Lifesciences Foundation, employee volunteerism, a scholarship program, corporate donations and employee gift matching from our Foundation. We provide a full list of our philanthropic goals on our **website**, which include:

- Supporting research and education for heart valve treatments
- Strengthening the communities where our employees live and work
- Growing awareness of cardiovascular disease
- Providing employee volunteer activities
- Enhancing and supporting access to care for underserved patients

Edwards has a strong community presence at our corporate headquarters in Irvine, Calif. We open our campus as a meeting place and provide externships for local organizations such as Girls Inc. of Orange County. We also engage with communities at our global facilities. For example, in Singapore, Edwards employees have developed a Wellness Outreach Committee that focuses on improving opportunities to serve the community. Additionally, our Switzerland office participates in local events for the Special Olympics.

Employee Volunteerism & Giving

Edwards' employees are caring individuals with a shared mission to improve lives. Our aspiration is to engage 100 percent of employees in charitable and philanthropic activities every year. The **Strengthen Our Community** volunteer program offers opportunities for employees to engage hands-on in this effort. Past

activities range from participation in fundraising marches, providing free heart screenings for underserved patients and honoring veterans through the **Greenlight A Vet** movement. Additionally, we make available our employee matching gift **program** to match donations from \$50–1,000 for each employee annually.

The Edwards Lifesciences Foundation

We established the **Edwards Lifesciences Foundation** to support our philanthropic initiatives. The Foundation's goals include expanding access to care, growing awareness about cardiovascular disease and strengthening the communities where our employees live and work. We organize these activities into three categories:

- Support for our Every Heartbeat Matters program to educate, screen and/or treat underserved patients in need
 - Health-focused programs that advance health care, increase awareness or provide direct care for patients
 - Community programs that offer avenues for employee volunteerism
-

Product Donations

Edwards' belief in humanity and compassion form the foundation of our global philanthropic efforts. We donate our life-saving products and expertise to medical missions and training programs worldwide. These technologies help provide cardiac services in some of the most impoverished parts of the world that lack even basic medical care. In 2000, we established a partnership with **AmeriCares**, an international non-profit relief and humanitarian aid organization. Since then, we have provided millions of dollars of in-kind donations that support mission trips to more than 30 countries.

Increasing Access to Cardiovascular Care

We title our signature philanthropic initiative **Every Heartbeat Matters**, reflecting our belief that all patients deserve access to cardiovascular care. We have pledged our support to impacting the global burden of heart valve disease by supporting the education, screening and treatment of one million underserved people by 2020. More information about this initiative can be found on our Access to Healthcare page.

Annual Performance

Edwards is energized by our work to support those in need and seeks to embed this spirit throughout our culture, encouraging our employees to give back. In 2015, 74 percent of our global employees reported they participated in at least one volunteer activity in the past 12 months. Every year, we aspire to move closer to our target of 100 percent employee engagement in volunteerism, including 100 percent participation by our Executive and Senior Leadership Teams.

Community activities at our global facilities included:

- Our employees in Haina, Dominican Republic have served on each of the quarterly pediatric cardiac surgery missions of International Children's Heart Foundation, providing language translation between the English speaking medical staff and the Spanish speaking families of children undergoing open heart

surgery.

- A group of employees in Haina participated in a local coastal clean-up event.
- Edwards' Korea team volunteered to help the homeless in Seoul by preparing and serving lunch for approximately 1,000 underserved people.
- A group of employees from China assembled cost-effective wheelchairs and distributed them to impoverished disabled people.

Our Philanthropic Contributions

The Edwards Lifesciences Foundation publishes an annual [list of grantees](#) of our philanthropic initiatives. In 2015, we contributed \$5.8 million from our Foundation to non-profit organizations across the globe. Additionally, we publish a list of the [grant recipients](#) for our Every Heartbeat Matters initiative on our website. Since the launch of this initiative, we have supported the education, screening and/or treatment of more than 200,000 underserved people. We're proud of this progress and are on track to meet our 2020 goal to serve one million underserved people in our pursuit of impacting the global burden of heart valve disease.



Edwards



SUSTAINABILITY REPORT ENVIRONMENT

Edwards Lifesciences conducts business with care and respect for our environment. The Environment section of our 2015 Sustainability Report contains our management approach and annual performance for the following material topics:

- Energy & Emissions
- Waste
- Water
- Environmental Compliance

SUSTAINABILITY REPORT

ENERGY & EMISSIONS

G4-EN3, G4-EN5, G4-EN6, G4-EN16, G4-EN17, G4-EN18, G4-EN19, G4-EN20, G4-EN21 ✓

Edwards Lifesciences' work to manage Energy and Emissions supports our **Aspiration** to Strengthen Our Communities.

DEFINITION

Reducing energy usage and greenhouse gas emissions generated throughout Edwards' value chain, reducing the release of fine particulate matter into the air and toxic air emissions, improving energy efficiency and sourcing renewable energy

Management Approach

Edwards Lifesciences is committed to reducing our environmental footprint. Although we are a relatively low-energy manufacturer, we continually strive to decrease our consumption of energy and fossil fuels. We promote conservation practices that help build a future where all patients can live healthier and more productive lives.

Our Energy & Emissions Footprint

Edwards' primary source of greenhouse gas emissions is our indirect and direct energy consumption. Approximately 75 percent comes from purchased electricity, with the majority coming from our corporate headquarters in Irvine, Calif. We attribute the remaining 25 percent of our energy use to natural gas, diesel fuel, propane and gasoline in manufacturing processes. Our Anasco and Irvine facilities consume over 70 percent of this total, primarily for backup energy generators, and space and water heating.

Fuel Mixture of Electricity Usage at Global Manufacturing Sites*

	Anasco	Draper	Haina	Horw	Irvine	Singapore
Oil/Coal	99%	64%	0%	1%	8%	4%
Natural Gas	0%	14%	100%	0%	44%	92%
Wind	0%	8%	0%	1%	9%	0%
Hydro	1%	6%	0%	59%	95%	0%
Solar	0%	0%	0%	1%	2%	0%
Other	0%	9%	0%	38%	28%	4%

*Edwards estimates emissions for our non-manufacturing locations based on industry averages for

electricity and natural gas usage.

Conserving Energy

Edwards focuses most of our energy reduction efforts on electricity conservation. By making efficiency improvements at manufacturing operations, we have a low rate of energy increases when compared to company growth. Examples of conservation initiatives at our facilities include:

- A 556 KW Photovoltaic Solar Energy Power System on our parking structure in Irvine, Calif.
- Motion sensors for lighting at our Singapore operations
- Installation of LED lighting to replace fluorescent lights in Horw, Switzerland
- Installation of occupancy sensors, energy meters and a high-efficiency chiller system at our facility in the Dominican Republic
- Replacement of fluorescent light fixtures with LED lamps in Draper, Utah

As we expand, Edwards identifies efficiency initiatives to save time, energy and money. For instance, at our Anasco, Puerto Rico location we will implement 30 projects by the end of 2017. These include building management system improvements, eliminating lighting transformers and installing more efficient chilling systems. In other instances, Edwards reduces our direct energy consumption by purchasing electric powered vehicles for maintenance personnel. We also plan to complete a cost-benefit assessment for alternate and renewable energy opportunities by 2020.

Employee Commuting Initiatives

Edwards' greatest opportunity to reduce our indirect greenhouse gas emissions is through travel. Our corporate team frequently travels via airline and our sales team operates a fleet of vehicles. Further, we have 9,500 employees commuting to and from work daily.

At our headquarters, Edwards provides secure bicycle parking along with showers and locker rooms to encourage bike riding. We offer 90 preferred parking spaces for employees driving Clean Air Vehicles (such as hybrids or full electric vehicles) or who carpool with two or more employees per vehicle. Additionally, our parking structure provides 12 high capacity electric vehicle charging stations at no cost to employees.

Annual Performance

Part of Edwards Lifesciences' vision for advancing patient care includes taking responsibility for our impacts along the way. Though demand for our therapies has rapidly expanded, we have reduced energy consumption relative to our growth.

Our Energy & Emissions Footprint

From 2010 to 2015, Edwards grew revenue by 72 percent and doubled the size of our Singapore operations. Over this period, our absolute energy consumption increased 26 percent. However, we measured a 27 percent reduction when normalized for revenue. In addition to minimizing our environmental impacts, this progress has resulted in \$2.5 million of savings (normalized to growth) when compared to 2010. Our 2020

goal is to maintain a 0 percent change in relative energy consumption.

2010	2011	2012	2013	2014	2015
Relative Energy Consumption (Mwh/Millions of Sales)					
44.6	40.6	37.9	40.1	34.2	32.6

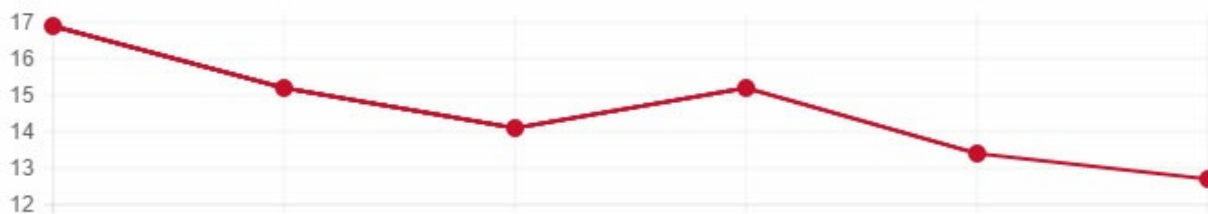


Absolute Energy Consumption (Mwh)					
64,515	68,147	72,011	82,700	79,037	81,439



In 2015, our total greenhouse gas emissions were 25 percent lower than our 2010 baseline when normalized by revenue. Our 2020 goal is to maintain a 0 percent change in carbon dioxide emissions intensity from a 2015 baseline.

2010	2011	2012	2013	2014	2015
Relative Scope 1&2 Greenhouse Gas Emissions (Tonnes/Millions of Sales)					
16.9	15.2	14.1	15.2	13.4	12.7



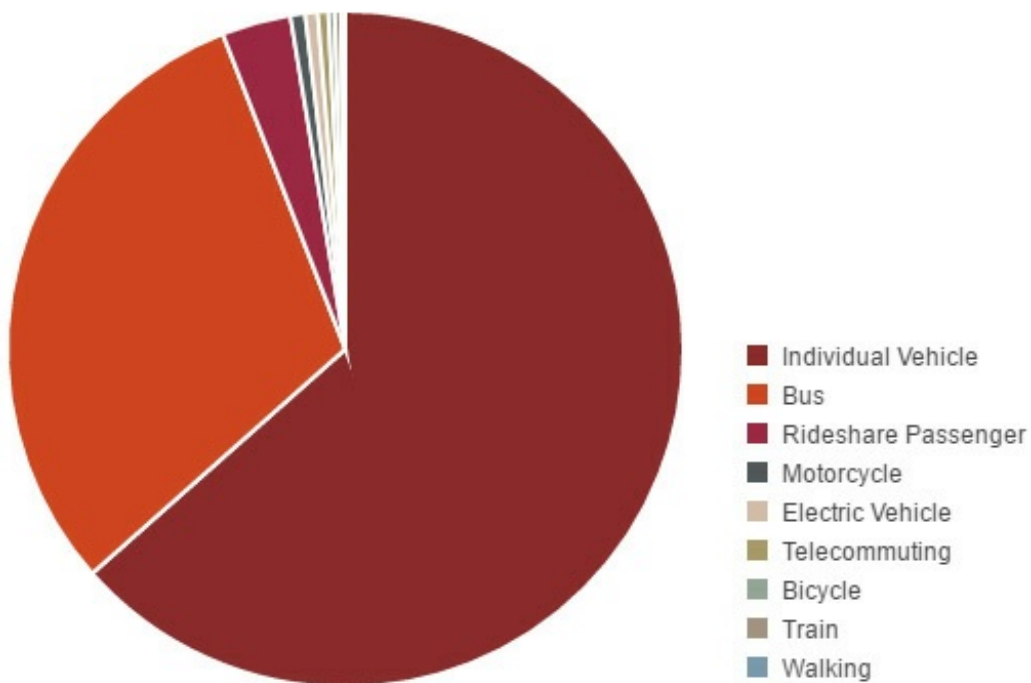
Absolute Scope 1&2 Greenhouse Gas Emissions (Tonnes)					
24,414	25,567	26,809	31,253	30,915	31,608



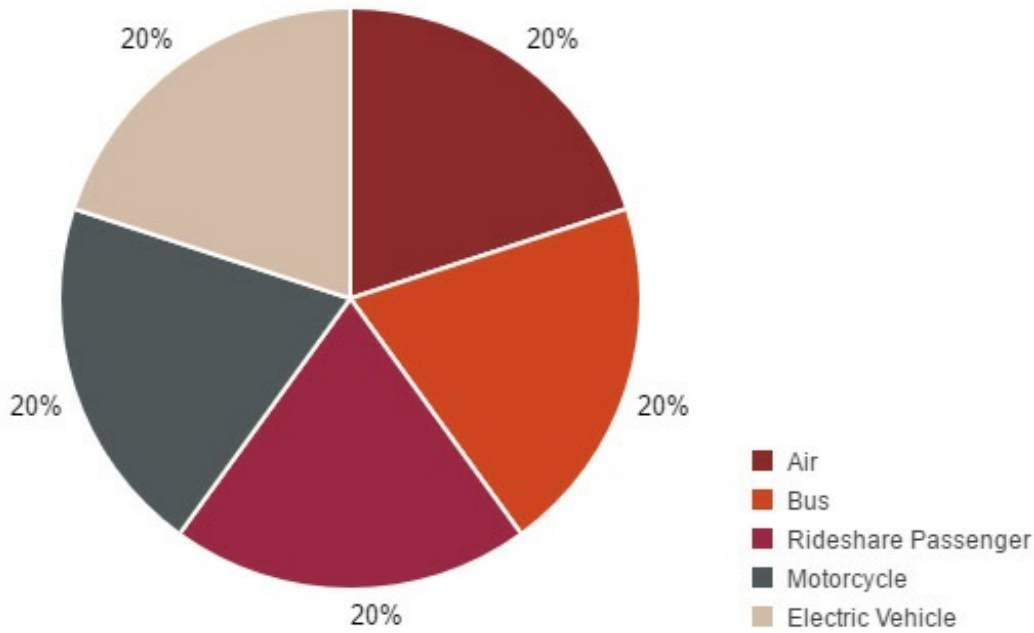
Employee Commuting

In 2015, 35 percent of our workforce took advantage of our alternative transportation options. These included carpool and public transportation incentives, electric vehicle charging stations and employee bus services.

2015 Worldwide Employee Daily Commuting Profile



GHG Emissions from Employee Commuting



Reducing Our Footprint

Edwards takes a balanced approach to managing energy and emissions. We are committed to decreasing absolute impacts as soon as possible considering our continued growth. For example, as Edwards expanded our Singapore facility, we limited impacts by meeting our new efficiency requirements for all construction projects. Also in 2015, we installed a one million KW solar panel system and 40 free electric vehicle charging stations for our employees. By 2020, our goal is to maintain a 0 percent normalized change in energy and greenhouse gas emissions.

SUSTAINABILITY REPORT

WASTE

G4-EN23, G4-EN24, G4-EN25 

Edwards Lifesciences' work to manage Waste serves our **Aspiration** to Strengthen Our Communities.

DEFINITION

Reducing the amount of waste to landfill generated by Edwards, recycling and responsible waste disposal and managing discharge of toxic and hazardous waste

Management Approach

Edwards Lifesciences produces solid and hazardous waste through our product manufacturing process. As we continue to innovate new and transformational technologies, we push ourselves to minimize our waste footprint—building a foundation for more responsible manufacturing.

Managing Regulations & Compliance

We comply with all waste disposal regulations in our global markets. Established in 1994, the European Union Packaging Directive requires member states to implement measures to reduce waste generated throughout a product's lifecycle. In Germany, for example, we must file a monthly report on the amount of product shipped and associated waste. Portions of the EU's new Circular Economy strategy, announced in 2015, strengthen the emphasis on producer responsibility for waste.

Solid Waste Management

Edwards has a goal to reduce solid waste 20 percent by 2020 from our 2015 baseline. Our facilities each have responsibility for implementing waste reduction practices to achieve this target.

- At our Horw, Switzerland, location, we incinerate 100 percent of solid waste through the local municipality as waste-to-energy fuel.
- Our Anasco operation in Puerto Rico focuses on waste minimization and has increased recycling efforts since our initial evaluation in 2010.
- While redesigning and constructing new buildings at our Irvine headquarters, we have recycled 96 percent of all construction demolition materials and waste.
- In Haina, Dominican Republic, we track an 80 percent recycling rate due to waste diversion and re-use initiatives.

Several of our customers have expressed a desire for more environmentally friendly packaging. More information about our work to reduce packaging is available on our Product Lifecycle, Design and Innovation page.

Hazardous Waste Disposal

Edwards' hazardous waste footprint includes both chemical and medical biohazardous substances. Approximately 75 percent of our impact stems from waste streams generated at our Irvine, Singapore and Horw manufacturing facilities. We reuse over 36 percent of total waste as fuel for cement kilns and energy plants or for use in water treatment facilities. We incinerate another 59 percent through waste treatment processing that renders it nonhazardous. Some of our locations receive financial benefits from their efforts. At Horw, for example, we receive an annual rebate for energy generated through the hazardous waste combustion.

Edwards limits pollution by recycling, incinerating or treating hazardous waste wherever technologically feasible. Our methods and costs of disposal vary based on country regulations, and include waste-to-energy, incineration, treatment, solidification and landfill. Waste-to-energy is common in the mainland United States, while we mainly use incineration and treatment in our Caribbean and Singapore locations. Edwards does not export hazardous waste outside of our host country's borders.

Annual Performance

Due to growth in manufacturing production, our total solid waste consumption increased from 2010 to 2015. However, we tracked a 35 percent reduction when normalized by our revenue growth, and our disposal costs only increased by four percent. We can attribute some of this success from our initiative to recycle product and packaging materials as "waste-to-energy" fuels. By 2020, our goal is to reduce solid and hazardous waste 20 percent from our 2015 baseline, normalized by revenue.

Our Solid Waste Performance

2010	2011	2012	2013	2014	2015
Relative Solid Waste Disposal (Tonnes/Millions of Sales)					
0.76	0.73	0.58	0.52	0.53	0.51

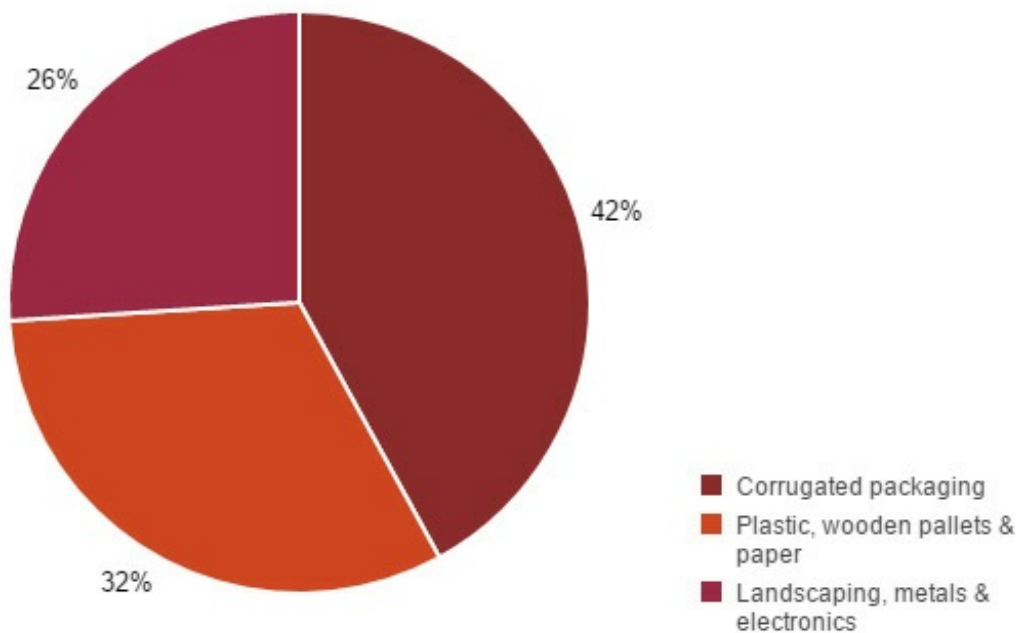


Absolute Solid Waste Disposal Over Time (Tonnes)					
1,100	1,224	1,099	1,074	1,219	1,269



In 2015, Edwards achieved zero waste to landfill at our Horw, Switzerland, facility. We also implemented 100 percent chemical bottle recycling at our Singapore location. Our 2020 goal is to divert 60 percent of solid waste for recycling or reuse. In 2015, Edwards tracked a 40 percent diversion rate for our manufacturing facilities, with our Haina and Horw facilities reporting more than 80 percent diversion.

Materials Recycled in 2015 by Type



Hazardous Waste Performance

As of 2015 and in light of our growth, Edwards has limited our normalized increase of hazardous to five percent since 2010. Since this baseline, our hazardous waste disposal costs only increased 27 percent while volumes grew by 81 percent. We made advances in our chemical handling processes, equipment upgrades and waste contractor improvements. In fact, we achieved zero hazardous waste at our Horw facility. By 2020, our goal is to recycle 60 percent of all hazardous waste.

2010	2011	2012	2013	2014	2015
Relative Hazardous Waste Disposal (Tonnes/Millions of Sales)					
0.300	0.356	0.346	0.345	0.331	0.316



Absolute Hazardous Waste Disposal (Tonnes)

434	598	658	707	769	788
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SUSTAINABILITY REPORT

WATER

G4-DMA, G4-EN8, G4-EN9, G4-EN10, G4-EN22, G4-EN26 

Edwards Lifesciences' work to manage Water supports our **Aspiration** to Strengthen Our Communities.

DEFINITION

Reducing total water withdrawn through Edwards' operations and being responsible about impact on water sources

Management Approach

Most of Edwards' water usage is for our manufacturing processes. We are conscious of the need to monitor our consumption as climate changes cause water availability to shift. This means collaborating with our facilities across the globe to reduce water usage in our manufacturing and daily work.

Our Water Footprint

Edwards' facilities are relatively "dry" and do not require substantial amounts of water for manufacturing. We track and report consumption from our main manufacturing plants. With 3,000 employees on site, our Irvine campus has the largest impact. Approximately 70 percent of this consumption comes from operating equipment and cleanroom processes, while we use 30 percent for personal hygiene and consumption. We report impacts from an additional 2,000 regional employees at leased facilities by averaging typical water usage per person each year.

Overall, our water intensity has increased by eight percent from 2010 to 2015, which reflects a substantial expansion of manufacturing activities and square footage at our Singapore operation. However, the island of Singapore generates most of its water through desalination or reverse osmosis, and 30 percent of Edwards' consumption is high-grade reclaimed water from the Singapore Public Utilities Board.

Water Conservation Initiatives

Edwards is committed to limiting water usage for manufacturing needs and maintaining employee facilities. Each of our facilities implement unique conservation strategies based on regional differences in water availability. These initiatives include:

- Two 30,000 gallon underground stormwater run-off collection tanks used for landscape irrigation
 - Hands-free sinks and low-flush toilets
 - Draught tolerant natural plants in landscape design initiatives
-

Annual Performance

Edwards minimizes our environmental impacts as we experience rapid growth. From 2010 to 2015, our water

consumption increased 8 percent, normalized by revenue. However, by 2020, we have set a target to reduce usage 15 percent from our 2010 baseline.

Our Water Performance

2010	2011	2012	2013	2014	2015
Relative Water Consumption for Global Manufacturing Sites (1,000 Liters/Millions of Sales)					
132.1	122.3	116.0	167.8	143.1	143.4



Absolute Water Consumption for Global Manufacturing Sites (1,000 Liters)					
191,145	205,259	220,446	345,642	309,620	357,888



Water Consumption at Global Manufacturing Sites in 2015

Location	Water Consumption (Liters)
Anasco	52,826,000
Draper	34,709,578
Haina	52,438,000
Horw	4,498,000
Irvine	127,964,213
Singapore	85,452,200

Our largest water impacts occur at our Irvine and Singapore manufacturing operations. In 2015, 30 percent of water consumed by our Singapore facility came from reclaimed wastewater. We also incorporated water requirements into all facility expansion and construction projects. In recognition of these efforts, Edwards received a Water Conservation award from the Singapore Public Utilities Board.

SUSTAINABILITY REPORT

ENVIRONMENTAL COMPLIANCE

G4-DMA 

Edwards Lifesciences' work to meet Environmental Compliance serves our **Aspiration** to Strengthen Our Communities.

DEFINITION

Acting in accordance with environmental laws and regulations

Management Approach

Edwards Lifesciences must ensure our business practices meet regulatory standards in each of our global markets. For environmental responsibility, this means adhering to all environmental requirements including limiting impacts to air, land and water through our daily business operations.

Environmental Compliance at Edwards

Edwards meets all regulatory requirements enforced by the countries, cantons and cities in which we operate. These include regulations for:

- Air emissions from fuel combustion and chemical operations
- Wastewater discharge from solutions processes
- Hazardous waste and nonhazardous waste disposal from manufacturing and support operations
- Recycling opportunities for all environmentally impactful substances

To sell our products in the European Union, we must adhere to the EU Packaging Directive and the REACH and RoHS standards for safe chemical usage. Detailed information about these directives is available in the **Waste** and **Chemical & Materials Stewardship** sections of this report. Edwards conducts both internal and third-party auditing of its manufacturing operations to ensure that compliance requirements are satisfied.

Monitoring Environmental, Health & Safety Risks

Our Environmental, Health and Safety (EHS) department manages our compliance with environmental standards and mitigation of related risks. Each Edwards location participates in corporate EHS audits on an annual basis and third-party audits every three years, or based on regulatory risks presented by the operations. On a continual basis, we have a process to conduct due diligence on possible EHS risks and requirements for business acquisitions, divestitures and property expenditures. It is Edwards' internal policy to address all regulatory findings within 60 days and non-regulatory findings within 90 days.

Achieving Voluntary Certifications

Edwards receives customer inquiries regarding the certification of our facilities to ISO standards for environmental performance. We value all stakeholder input and do our best to incorporate this feedback into

our processes. Currently, four of six of our major global manufacturing operations have achieved ISO 14001:2015 accreditation, and we plan to obtain accreditation for our remaining plants by 2018.

Annual Performance

Edwards is dedicated to compliance with environmental standards. We are proud to report that in 2015, Edwards had zero significant EHS-related violations or fines. There were no stakeholder grievances, hazardous spills or serious due diligence concerns regarding our environmental, health and safety performance.

Looking toward 2020, Edwards supports individual plant initiatives to achieve ISO 14001:2015 certification. This includes our headquarters in Irvine, Calif. The status of our facilities in 2015 includes:

- **Anasco:** Maintained ISO 14001:2015 certification
- **Draper:** Maintained ISO 14001:2015 certification
- **Haina:** Achieved ISO 14001:2015 certification
- **Singapore:** Achieved ISO 14001:2015 certification



Edwards





SUSTAINABILITY REPORT

GRI CONTENT INDEX



General Standard Disclosures

GRI Indicator	Description	Location
Ethics and Integrity ▼		
G4-56	Organization's values, principles, standards and norms of behavior	Ethics & Compliance
Governance ▼		
G4-34	Governance structure	Our Approach
Identified Material Aspects and Boundaries ▼		
G4-17	Entities included in the organization reports	Materiality & Stakeholder Engagement
G4-18	Reporting principles for defining report content	Materiality & Stakeholder Engagement
G4-19	Material aspects identified in defining report content	Materiality & Stakeholder Engagement

G4-20	Material aspects within the organization	Value Chain
G4-21	Material aspects outside the organization	Value Chain
G4-22	Restatements of information provided in earlier reports	We have no restatements to report.
G4-23	Significant changes from previous reporting periods in scope and aspect boundaries	We have no significant changes.
Organizational Profile 		
G4-3	Name of the organization	Organizational Profile
G4-4	Primary brands, products, and services	Organizational Profile
G4-5	Location of the organization's headquarters	Organizational Profile
G4-6	Countries where the organization operates	Organizational Profile
G4-7	Nature of ownership and legal form	Organizational Profile
G4-8	Markets served	Organizational Profile
G4-9	Scale of the organization	Organizational Profile
G4-10	Total number of employees by employment contract and gender	Organizational Profile
G4-11	Percentage of total employees covered by collective bargaining agreements	Organizational Profile
G4-12	Organization's supply chain	Organizational Profile
G4-13	Changes in organization's size, structure, ownership or its supply chain	Organizational Profile
G4-14	Precautionary approach to risk management	No, the precautionary approach or principle is not addressed at this time.
G4-15	Externally developed charters, principles or initiatives to which the organization subscribes	Our Approach
G4-16	Membership in associations or organizations	Organizational Profile
Report Profile 		
G4-28	Reporting period	Calendar year
G4-29	Date of the last report	2014; 2015 interim update

G4-30	Reporting cycle	Annual
G4-31	Contact point for questions regarding the report	Diane Biagianti
G4-32	GRI Content Index	Core; We did not get external assurance this year.
G4-33	External assurance	We did not get external assurance this year.
Stakeholder Engagement 		
G4-24	Stakeholder groups engaged by the organization	Materiality & Stakeholder Engagement
G4-25	Identification and selection of stakeholders to engage	Materiality & Stakeholder Engagement
G4-26	Organization's approach to stakeholder engagement	Materiality & Stakeholder Engagement
G4-27	Key topics and concerns raised during stakeholder engagements	Materiality & Stakeholder Engagement
Strategy and Analysis 		
G4-1	Statement from the most senior decision-maker of the organization	Edwards 2015 Sustainability Report

Specific Standard Disclosures

GRI Indicator	GRI Aspect	Description	Location
Economic 			
G4-DMA	Economic Performance	Management approach	Organizational Profile
G4-EC1	Economic Performance	Direct economic value generated and distributed	Organizational Profile
G4-DMA	Indirect Economic Impacts	Management approach	Access to Healthcare Healthcare Process Innovation
G4-EC8	Indirect Economic Impacts	Significant indirect economic impacts, including the extent of impacts	Access to Healthcare Healthcare Process Innovation
Environmental 			
G4-DMA	Energy	Management approach	Energy & Emissions
G4-EN3	Energy	Energy Use	Energy & Emissions

G4-EN5	Energy	Energy Intensity	Energy & Emissions
G4-EN6	Energy	Reduction of energy consumption	Energy & Emissions
G4-DMA	Water	Management approach	Water
G4-EN8	Water	Water withdrawal	Water
G4-EN9	Water	Water sources significantly affected	Water
G4-EN10	Water	Water recycled and reused	Water
G4-DMA	Emissions	Management approach	Energy & Emissions
G4-EN16	Emissions	Scope 2 GHG emissions	Energy & Emissions
G4-EN17	Emissions	Scope 3 GHG emissions	Energy & Emissions
G4-EN18	Emissions	GHG emissions intensity	Energy & Emissions
G4-EN19	Emissions	Reduction of GHG emissions	Energy & Emissions
G4-EN20	Emissions	Emissions of ozone-depleting substances (ODS)	Energy & Emissions
G4-EN21	Emissions	NOx, SOx, and other significant air emissions	Energy & Emissions
G4-DMA	Effluents and Waste	Management approach	Waste
G4-EN22	Effluents and Waste	Water discharge	Water
G4-EN23	Effluents and Waste	Waste	Waste
G4-EN24	Effluents and Waste	Spills	Waste
G4-EN25	Effluents and Waste	Hazardous waste	Waste
G4-EN26	Effluents and Waste	Water bodies significantly affected	Water

Social



LABOR PRACTICES AND DECENT WORK

G4-DMA	Employment	Management approach	Employee Recruitment, Engagement & Retention
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G4-LA1	Employment	Employee turnover	Employee Recruitment, Engagement & Retention
G4-LA2	Employment	Benefits	Employee Recruitment, Engagement & Retention
G4-LA3	Employment	Retention rates after parental leave	Employee Recruitment, Engagement & Retention
G4-DMA	Occupational Health and Safety	Management approach	Workplace Health & Safety
G4-LA6	Occupational Health and Safety	Injury and work-related fatalities	Workplace Health & Safety
G4-DMA	Training and Education	Management approach	Employee Recruitment, Engagement & Retention
G4-LA9	Training and Education	Employee training hours	Employee Recruitment, Engagement & Retention
G4-LA10	Training and Education	Programs for skills management	Employee Recruitment, Engagement & Retention
G4-LA11	Training and Education	Employees receiving regular performance reviews	Employee Recruitment, Engagement & Retention
G4-DMA	Diversity and Equal Opportunity	Management approach	Diversity & Inclusion
G4-LA12	Diversity and Equal Opportunity	Board and employee composition	Diversity & Inclusion
G4-DMA	Supplier Assessment for Labor Practices	Management approach	Supply Chain Management
G4-LA14	Supplier Assessment for Labor Practices	New suppliers screening for labor practices	Unavailable until 2017
HUMAN RIGHTS			
G4-DMA	Non-Discrimination	Management approach	Diversity & Inclusion
G4-HR3	Non-Discrimination	Incidents of discrimination	Diversity & Inclusion
G4-DMA	Supplier Human Rights Assessment	Management approach	Supply Chain Management
G4-HR10	Supplier Human Rights Assessment	New suppliers screening for human rights	Unavailable until 2017
SOCIETY			
G4-DMA	Local Communities	Management approach	Patient Experience & Voice
G4-SO2	Local Communities	Operations with significant impacts on local communities	Patient Experience & Voice

G4-DMA	Anti-Corruption	Management approach	Corruption & Bribery
G4-SO3	Anti-Corruption	Operations assessed for corruption risks	Corruption & Bribery
G4-DMA	Public Policy	Management approach	Access to Healthcare
G4-SO6	Public Policy	Political contributions	Access to Healthcare
PRODUCT RESPONSIBILITY			
G4-DMA	Customer Health and Safety	Management approach	Product Health, Safety & Quality
G4-PR1	Customer Health and Safety	Product health and safety impacts assessed	Product Health, Safety & Quality
G4-PR2	Customer Health and Safety	Incidents of non-compliance with regulations and voluntary codes	Product Health, Safety & Quality

Edwards Lifesciences

Our Sustainability Metrics At a Glance

Topic	Metric	2015	2014
Environmental			
Air Emissions	Scope 1 Emissions (Th Tonnes)	4.46	4.38
	Scope 2 Emissions (Th Tonnes)	27.15	26.54
	Scope 3 Emissions (Th Tonnes)	44.80	41.47
	NOx and VOC Emissions	Will report 2016 data in 2017	
	Emissions Reduction Initiatives (y/n)	Yes	Yes
	Percentage of workforce with access to alternate transportation	40%	40%
Climate	Climate Change Opportunities Discussed (y/n)	Yes	Yes
	Risks of Climate Change Discussed (y/n)	Yes	Yes
	Climate Change Policy (y/n)	Yes	Yes
	CDP Carbon Disclosure (y/n)	Yes	Yes
	See CDP Response for more information.		
Energy	Total Energy Consumption (MWh)	81,439	79,037
	Energy Efficiency Policy (y/n)	Yes	Yes
Water	Water Consumption (Thousands of cubic meters)	358	310
	See CDP Response for more information.		
Waste	Hazardous Waste (Th Tonnes)	.788	.768
	Total Waste Discarded (Th Tonnes)	1.78	1.72
	Total Waste Recycled (Th Tonnes)	1.15	1.07
	Waste Reduction Policy (y/n)	Yes	Yes
See Environmental Health & Safety report for more information.			

Topic	Metric	2015	2014
Social			
Safety and Health	Lost Time Incident Rate (Total incidents per 200,000 hrs worked or 100 FTE)	0.36	0.32
	Total Recordable Incident Rate (Total recordable incidents per 200,000 hrs worked or 100 FTE)	1.16	1.28
	Fatalities – Contractors	0	0
	Fatalities – Employees	0	0
	Fatalities – Total	0	0
	Health and Safety Policy (y/n)	Yes	Yes
	Health and safety policy is group-wide (y/n)	Yes	Yes
	Has the company set a target to improve H&S performance? (y/n)	Yes	Yes
	See Environmental Health & Safety report for more information.		
Employment	Number of Employees	9,800	9,100
	Total Base Salaries for Executives Named in Proxy Statement	\$3,097,027	\$2,949,856
	Equal Opportunity Policy (y/n)	Yes	Yes
Supply Chain	Social Supply Chain Management (y/n)	Yes	Yes
	Sustainable Supplier Guidelines Encompassing ESG Areas that are Publicly Disclosed (y/n)	Yes	Yes
	Policy Against Child Labor (y/n)	Yes	Yes
	Human Rights Policy (y/n)	Yes	Yes
	See Supply Chain site and Sustainability Report for more information.		
Philanthropy	Community Spending (Foundation, Corporate Grants and Product Donations)	\$6.5 million	\$7.8 million
Ethics	See Corporate Responsibility site and Sustainability Report .		
Privacy	See Privacy Policy – U.S. or Privacy Policy - Europe .		
Product Safety & Quality			
U.S. Product Recalls	List of products recalled in Severe (Class I) category	0	0
Governance			
Governance	See Governance site.		

See more in our [Sustainability Report](#).

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SUSTAINABILITY REPORT

HIGHLIGHT STORIES

Driving a Culture of Ethics with Compliance Day



Each year, Edwards holds a Compliance Day at each of our major locations and encourages all employees to participate. Compliance Day reminds us of the Titanium Book principles and our obligation to report misconduct. Throughout the day, we hold activities related to ethics and compliance and provide employees food, games, puzzles and giveaways.

Notably, in 2015, we held our 3rd annual Compliance Day in over 15 sites worldwide. We issued over 4,000 raffle tickets to both corporate and manufacturing employees. Each location chose a theme, which included: Reminding employees to speak up and report concerns; Compliance with quality and industry code standards; and, Following our Global Business Practice Standards.

Feedback for our 2015 Compliance Day was positive and enthusiastic. This year, employees from around the world submitted ethics-themed “memes” to reinforce our commitment.

Edwards Lifesciences Hosts 2015 Patient Day



Edwards Lifesciences hosted 100 heart valve patients and caregivers at its corporate headquarters to connect patients with each other and to share more about the people behind their heart valve technologies. Attendees also learned about the support services and networks dedicated to the heart community.

Edwards Foundation Partners to Help Underserved Heart Valve Patients



The Edwards Lifesciences Foundation has partnered with Dr. Scott Lim of the University of Virginia to help underserved heart valve patients in the Dominican Republic. Our goal is to impact the global burden of heart valve disease by supporting the education, screening and treatment of one million underserved people by 2020.

Leading Innovation in Heart Valve Therapy



Since 1958, Edwards has led the medical device industry in patient-focused innovation for therapies that treat structural heart disease. We've pioneered developments in surgical, transcatheter and critical care products that enhance and save patient lives. Innovation not only drives our bottom line, but enables us to continually improve our impacts on society and the environment.

In 2015, Edwards Lifesciences **received FDA approval** for use of our **SAPIEN 3** heart valve in the United States. We designed the SAPIEN 3 for transcatheter aortic valve replacement (TAVR), an innovative and minimally invasive procedure. **Clinical trials** have shown that TAVR reduces patient risk of mortality and other post-operation complications.¹

¹Hermann, H.C. Evaluation of a Balloon Expandable Transcatheter Aortic Valve in High-Risk and Inoperable Patients With Aortic Stenosis — One-Year Outcomes, American College of Cardiology 2015.

Edwards Attracts Top Talent Through University Recruiting



Edwards is one of the best places for young professionals to launch their professional career. Through our University Recruiting program, we attract today's best and brightest talent and develop them into tomorrow's leaders.

Edwards Lifesciences' Christine McCauley on Health and Wellness



Edwards' Corporate Vice President of Human Resources, Christine McCauley, thinks of health from a holistic perspective. "A lot of people hear 'wellness' and they think immediately of exercise and nutrition, but it's so much more than that," she says. Given the demands of work and family, Christine reduces stress by scheduling downtime with family and friends. She adds exercise to her everyday activities by choosing a far parking spot at the grocery store or taking the stairs. In addition, she places a strong emphasis on preventive care. "I go for my annual physical every year and I want to 'know my numbers,'" she says.

Christine also works hard to keep wellness a priority at Edwards, and to protect Edwards' investment in our wellness programs. "It helps having strong employee involvement. Programs are well attended and employees show a lot of interest," she says. "We offer a broad spectrum of choices so there should be something for everyone."

Our Living Wall



Edwards' focus on innovation encompasses all that we do, including our environmental initiatives. We've constructed one of North America's largest **Living Walls** on a **parking structure** at our Irvine, Calif., headquarters. The wall provides 3,500 vertical square feet for soil-less plants that naturally thrive under low water conditions. We installed a smart controlled irrigation system that catches and stores excess water underground for reuse. Furthermore, we deliver plant trimmings to a nearby mulching facility and repurchase the mulch for use across our campus.

In addition to aesthetic appeal, the low-maintenance wall saves energy and reduces noise pollution. It protects the building from sun damage, rain and temperature fluctuations. Every day, it serves as a reminder to our Irvine employees of Edwards' commitment to preserving and respecting our planet.
