



2017 Sustainability Report



A message from our Chairman and CEO



I am pleased to welcome you to Edwards Lifesciences' 2017 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 12,000 talented global employees every day.

The medical technology industry is constantly evolving, with increasing expectations and requirements in the areas of transparency and regulations. With these as a guide, we continue to transform our own sustainability efforts. In 2017, I'm proud to say we met several of our ESG goals in the areas of patient experience, education and training, philanthropy, ethics and compliance, employee engagement and wellness. And, we continue to make progress on many of our other sustainability goals covering product safety and quality, access to healthcare, transparent communications, product design and innovation and the environment. As an example, we have expanded disclosure on our governance structure through an interactive governance map highlighting five of our key sustainability topics and responsible practices: Corporate Governance, Foundation, Product Quality and Safety, Ethics and Compliance and Environmental Health and Safety.

This year, I am thrilled to begin aligning our own sustainability goals to the **Sustainable Development Goals** set by the United Nations. This global initiative is a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. We are privileged to contribute and make a difference now and for future generations in our communities around the world. I was particularly touched by the way our global employees generously provided aid to our community in Puerto Rico to help those who were affected by Hurricane Maria. I was deeply honored to be able to personally deliver relief to those in need and am grateful and inspired by our Edwards family during a time of crisis.

I am pleased with our recent accomplishments and continued progress toward meeting our **stated goals**. We remain committed to refining our approach to 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, with a large initial "M" and "A".

Michael A. Mussallem, Chairman & Chief Executive Officer



Sustainability report

Our approach

GRI 102-12, GRI 102-54 ▼

Welcome to Edwards Lifesciences' 2017 Sustainability report. While acting as a trusted partner in a responsible manner has always been a key element of our company's focus, Edwards began formally reporting our sustainability progress in 2014. In 2017, we continued to build on our reporting reflecting the recognition of sustainability within our businesses' core strategy—and our belief that sustainability is essential to long-term growth.

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 stakeholders that are important to the success of our company as we serve patients fighting cardiovascular disease around the world. Each Aspiration describes a theme that relates to our business environment and our stakeholders. The table below shows alignment between our Aspirations and our sustainability efforts.

In 2015, the United Nations (UN) passed a resolution establishing **17 Sustainable Development Goals** (SDGs) with the intent of creating a more sustainable world by 2030. As part of the resolution, the UN identified a formal series of 230 targets and indicators for all nation-states in order to demonstrate progress. In 2017, we conducted a mapping exercise to determine alignment between our sustainability targets and the UN SDGs – this alignment is displayed below.

Our aspirations

● met
 in progress
 not met



Transforming patient lives with breakthrough medical technologies

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

Sustainability targets			
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 through distinguished quality and integrity

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

Sustainability targets			
Drive continuous improvement efforts to eliminate patient safety-related Class 1 product removals.			
Conduct leadership training on making ethical decisions in 100 percent of Edwards Lifesciences Leadership Program courses.			●

Sustainability targets			
<p>Ensure 100 percent of applicable employees certify to understanding and agree to comply with Edwards' code of conduct on an annual basis.</p>			
<p>Obtain reports on product materials from 80 percent of applicable suppliers by 2018.</p>			
<p>Achieve third-party ISO 14001:2015 Certification at 100 percent of global manufacturing facilities by 2018.</p>			
<p>Ensure 100% of affected suppliers are conflict mineral free by 2020.</p>			



Fostering an inclusive culture where all employees grow and thrive

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

Sustainability targets			
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 percent of locations with more than 100 employees.			
Aim to have 100 percent 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.			



Passionate engagement that strengthens our communities

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

Sustainability targets			
Aim to have to have 100 percent 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 percent employee engagement.			
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.			
Energy consumption: 0% change normalized by annual revenue, base year 2015.			
Water usage: 15% reduction normalized by annual revenue, base year 2015.			
Hazardous waste disposal: 20% reduction normalized by annual revenue, base year 2015.			

Sustainability targets		
Solid waste disposal: 20% reduction normalized by annual revenue, base year 2015.		
Greenhouse gas emissions: 0% change normalized by annual revenue, base year 2015.		
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.	 	



Delivering exceptional shareholder value

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

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

To guide our strategy and disclosure, in 2015 we established a **sustainability council** comprised of senior leaders from across the organization. In 2016, we conducted our first **materiality assessment**, which allowed us to prioritize our management of environmental, social and governance topics. We then set sustainability targets for each of our most material topics, which align naturally with our Aspirations. Our team continues to assess and report progress on our targets annually. In 2017, we developed **Governance Maps** that show the process used to establish accountability in one overarching, interactive graphic. Our maps illustrate Edwards' internal responsibility structures for managing our material topics. Each section describes who is involved when we set, execute, and communicate our strategy. We currently have maps for five topics and plan to complete the remaining topics next year:

- Ethics & Compliance and Corruption & Bribery
- Product Safety & Quality
- Edwards Lifesciences Foundation
- Corporate Governance
- Environment, Health & Safety

Also in 2017, we transitioned our reporting to the GRI Standards, rather than the GRI G4 Guidelines used last year.

Organizational profile

GRI 102-1, GRI 102-2, GRI 102-3, GRI 102-4, GRI 102-5, GRI 102-6, GRI 102-7, GRI 102-8, GRI 102-41, GRI 102-9, GRI 102-10, GRI 102-13, GRI 201-1 ▼

Edwards Lifesciences is the global leader in patient-focused medical 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.

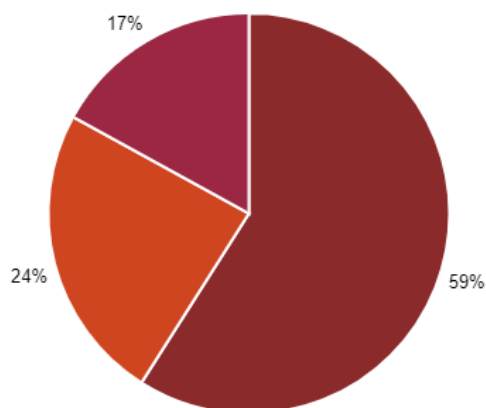
Since our inception as an independent public company in 2000, Edwards has grown to more than \$3 billion in revenue with product sales in nearly 100 countries. We have driven the development of minimally invasive technologies that improve patient outcomes and speed of recovery. Our medical technologies 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 2017, Edwards announced the acquisition of Harpoon Medical, Inc., a privately held medical technology company pioneering beating-heart repair for degenerative mitral regurgitation. We authorized a new share repurchase program to acquire up to an additional \$1 billion in outstanding common shares. We also entered into an accelerated share repurchase agreement to acquire \$150 million of Edwards' common stock. Upon entering into the agreement, Edwards received and retired an initial delivery of 1.1 million shares.

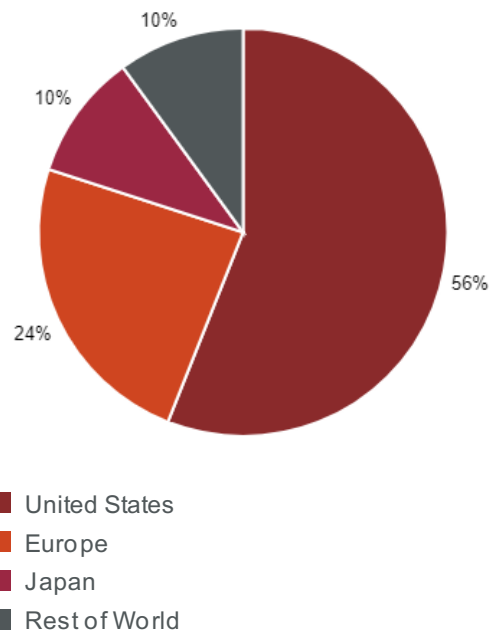
Also in 2017, we received FDA clearance for our HemoSphere advanced monitoring platform, which provides clinicians with exceptional clarity on a patient's hemodynamics, or the factors that manage blood flow, to help them make proactive, timely clinical decisions. The Edwards SAPIEN 3 transcatheter heart valve received FDA approval for use in aortic and mitral valve-in-valve procedures. And, the FDA approved our INSPIRIS RESILIA aortic valve, the first in a new class of resilient heart valves.

2017 sales by product line



- Transcatheter Heart Valve Therapy
- Surgical Heart Valve Therapy
- Critical Care

2017 sales by geographic region



Edwards is incorporated in Delaware and headquartered in Irvine, California, USA. We operate major manufacturing facilities in the United States, Puerto Rico, the Dominican Republic, Costa Rica and Singapore. We also have a significant employee presence at regional locations in Europe and Japan.

Edwards by the numbers

Total Number of Operations	65 (7 manufacturing locations)
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Total Number of Employees as of December 31, 2017 (Including Part-Time and Temporary Employees)	12,154
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Employees by Gender in 2017	62% Female 38% Male
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Note: In 2017, we announced the planned closure of our Horw, Switzerland facility to shut down in 2018.

Across the U.S. and international markets, our customers include physicians, medical professionals, hospitals and group

purchasing organizations. In 2017, we derived 56 percent of our sales from the U.S. and 44 percent from international markets.

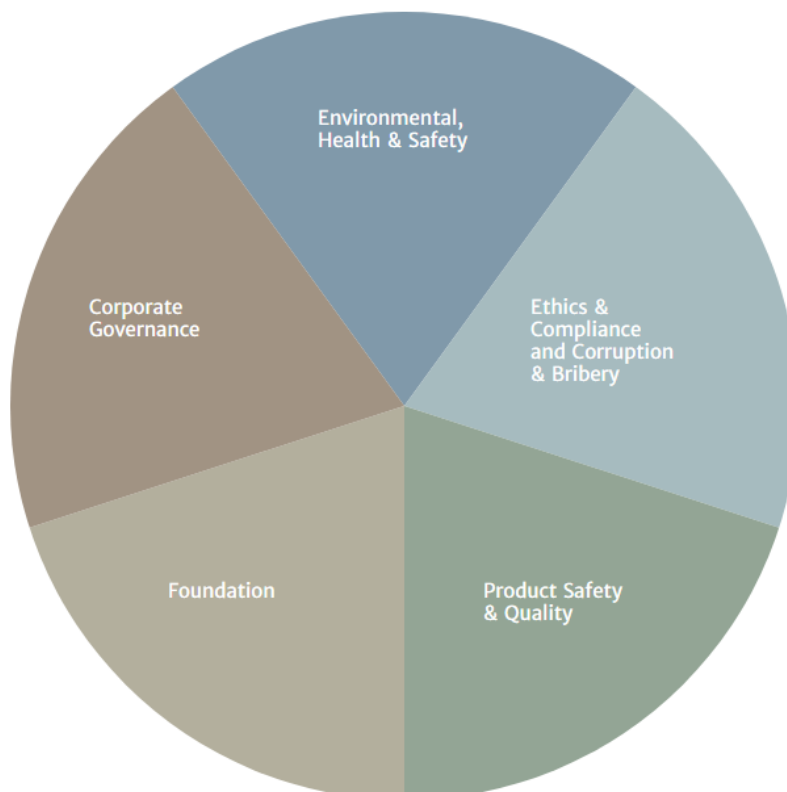
Our primary direct materials suppliers provide:

- 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 years, we typically added fewer than 10 suppliers per year. 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.

Governance Map

In 2017, we started mapping the governance structures in five key areas of our business: Product Safety and Quality; Corporate Governance; Ethics and Compliance and Corruption and Bribery; Environmental Health and Safety; and the Edwards Lifesciences Foundation. These governance maps illustrate Edwards' internal accountability structures for managing these topics. Going forward, we hope to expand this mapping exercise to include more of our key sustainability topics and responsible practices.



Materiality & stakeholder engagement

GRI 102-45, GRI 102-46, GRI 102-47, GRI 103-1, GRI 102-40, GRI 102-42, GRI 102-43, GRI 102-44 ▼

Edwards five **aspirations** guide us in our work to positively impact patient lives.

The topics covered in our report were determined through a comprehensive materiality assessment that engaged more than 60 stakeholders to prioritize the most important topics.

The results of the prioritization are highlighted in the matrix below.

Materiality matrix



Materiality assessment process

Edwards' Sustainability Council worked with a third- party firm to identify our most material topics through a multi- step process in 2016. Our core business strategy, processes, or key stakeholders have not changed significantly since that time. Our materiality process is described below.

Benchmarking	We researched competitors and peer companies to establish a baseline understanding of trends, best practices and material topics in our industry. In fall 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 develop 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 on 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. We engaged each of these groups to discuss topics of interest. The interviews also provided information we have included in our 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

Stakeholder Group	Type and Frequency of Engagement	Top Five Topics of Interest
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 interviews 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

Stakeholder Group	Type and Frequency of Engagement	Top Five Topics of Interest
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
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

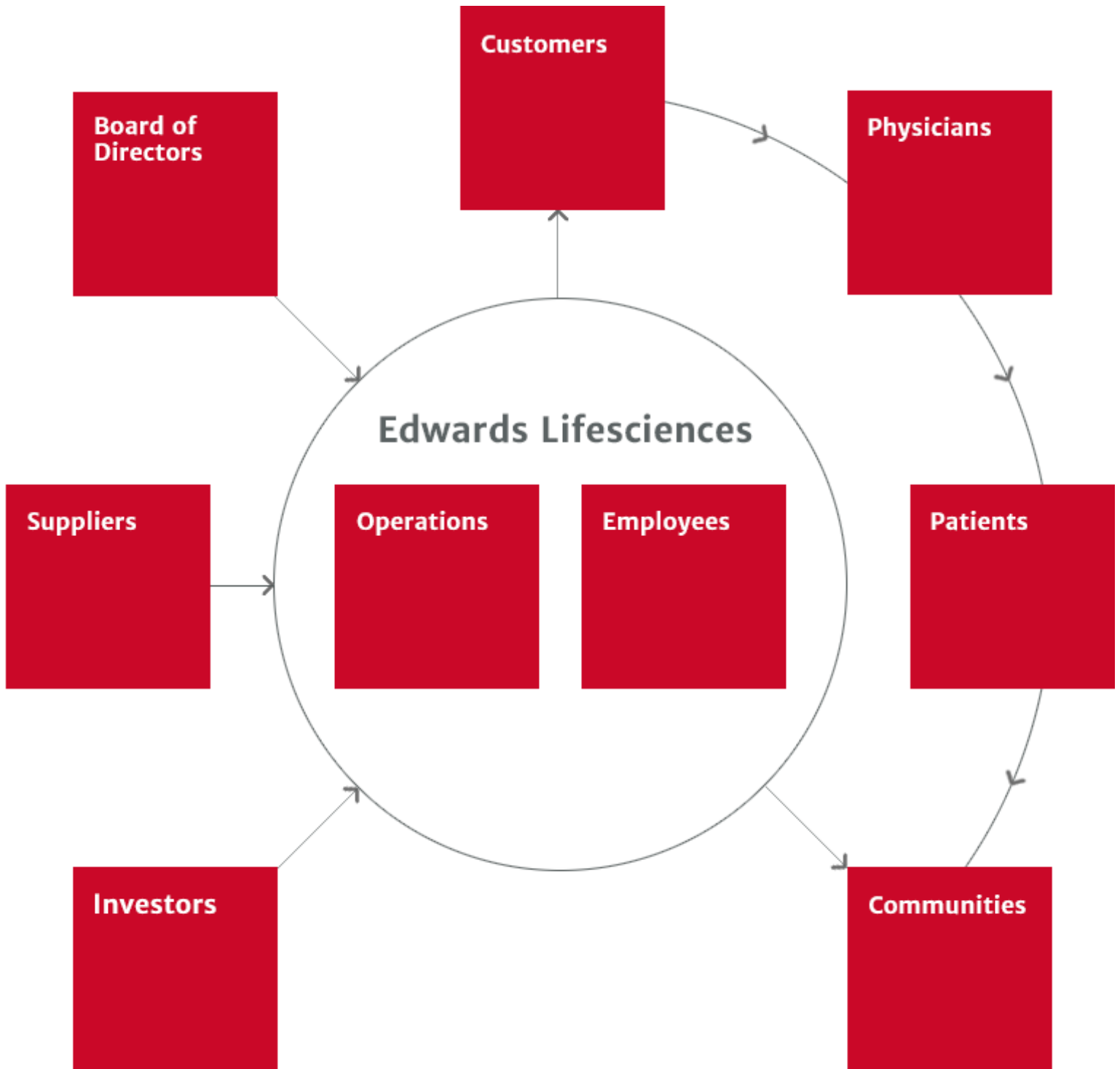
We utilize several regular communication channels to provide sustainability performance data and hold ourselves accountable to our stakeholders. This report has been prepared in accordance with the Global Reporting Initiative (GRI) Standards (Core option). We annually report our climate and water impacts to CDP and respond to several sustainability rating and ranking surveys, including DJSI. We publish periodic [philanthropy reports](#) on our corporate giving initiatives. In addition, we publish our [Sustainability Metrics at a Glance](#), which offers a multi-page snapshot of the metrics most used by external stakeholders. This report covers all global Edwards subsidiaries.

We are committed to engaging with Edwards' stakeholders and incorporating feedback into our decision-making processes. Throughout 2017, our CEO, CFO, and Vice President of Investor Relations met with current and prospective investors to discuss Edwards' strategy, business and financial results and to solicit stakeholder feedback. During the sessions, we gather feedback on corporate governance, compensation and other related matters and discuss the issues that matter most to our investors. More information on shareholder engagement is featured in the [Corporate Governance](#) section of this 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 processes, 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
Transparent Communications & Reporting	All Stakeholders
Access to Healthcare	Patients, Communities, Customers, Physicians
Healthcare Process Innovation	Patients, Customers
Patient Experience & Voice	Patients, Customers
Supply Chain Management	Suppliers, Operations
Product Safety & Quality	Patients, Customers, Employees
Product Lifecycle, Design & Innovation	Patients, Customers, Employees
Chemical & Materials Stewardship	Suppliers, Communities, Patients
Employee Recruitment, Engagement & Retention	Employees
Workplace Health & Safety	Employees
Diversity & Inclusion	Employees, Board of Directors, Communities
Volunteerism & Giving	Employees, Communities
Energy & Emissions	Operations, Communities
Waste	Operations, Communities
Water	Operations, Communities
Environmental Compliance	Operations, Communities



Sustainability report

Governance

Edwards Lifesciences is committed to responsible and ethical business practices. The Governance section of our 2017 Sustainability Report contains our management approach and annual performance for the following material topics:

- Ethics & compliance
- Corporate governance
- Corruption & bribery

Ethics & compliance

GRI 103-2, GRI 102-16 ▼

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

Definition

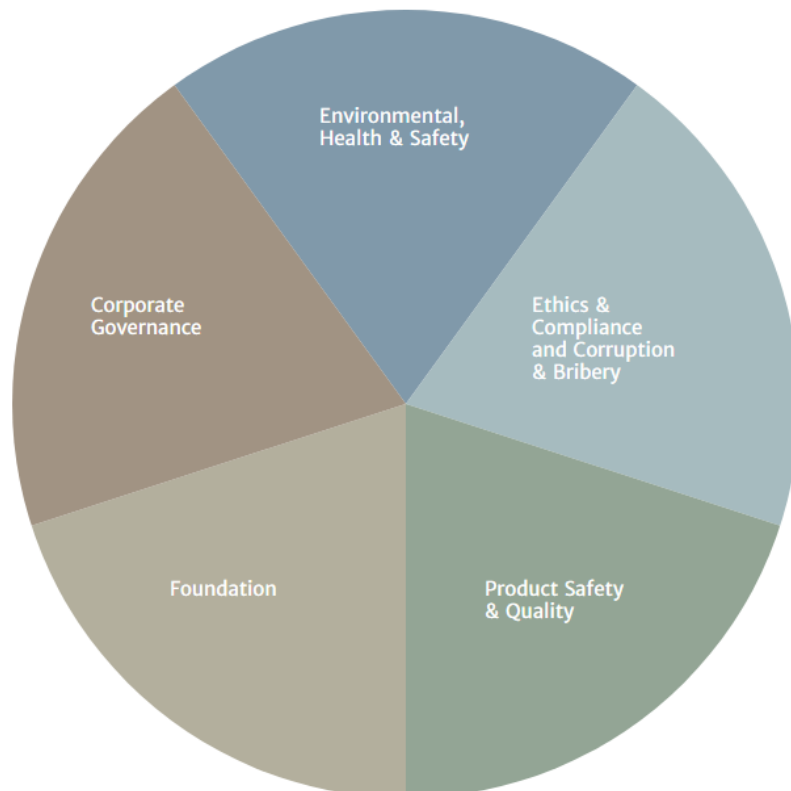
Driving a culture of integrity that promotes ethical behavior at Edwards through training and policies, and compliance with our code of conduct, as well as relevant laws and regulations.

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 lifesaving therapies, our leaders and employees know every decision matters. We hold our team accountable to the highest ethical standards, strengthening Edwards' reputation as a trusted partner.

In 2017, we created a governance map to illustrate the accountability structure for managing ethics and compliance and corruption and bribery.

Governance map



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, employee training, prompt investigations and root cause analysis, appropriate discipline and remedial action, periodic risk assessments and audits and monitoring to achieve compliance. We measure the effectiveness of our program in many ways, including cultural surveys and metrics on investigations, monitoring results, timeliness of remedial activities, training effectiveness, distributor engagement and activities, amounts and types of interactions with customers and violations of policies.

Our Chief Responsibility Officer (CRO) oversees daily implementation and reports frequently to our Executive Leadership Team (ELT) and quarterly to the Board of Directors. Each year, the CRO conducts a self-assessment of our compliance program. The CRO updates the Board on the key elements of the program, including organizational structure and oversight, monitoring and auditing, training and communications, investigations and discipline, policies, and risk management. 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. They, too, meet quarterly.

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. It is also provided to each new employee.

The Standards outline ethical behaviors to which all employees, members of the Board of Directors, distributors and other key third-party contractors must adhere. These Standards cover the following topics, among others:

- Fraud
- Corruption and bribery, including interactions with health care professional and patients
- Discrimination and other fair employment practices
- Confidentiality of information, information security and privacy
- Conflicts of interest
- Antitrust/anti-competitive practices
- Money-laundering and insider trading
- Environment, health and safety
- Product quality
- Employee and management responsibility
- How to report misconduct

To ensure effective implementation of our Standards, we expressly define employee and manager responsibilities to engage in ethical behavior, ask questions when in doubt and report wrongdoing. Our employee performance appraisal system integrates the integrity principles set forth in the Standards, which in turn is linked to employee remuneration. We promptly investigate any reports of misconduct and take appropriate disciplinary action, including written warnings or dismissal. Edwards' Board of Directors receives a quarterly briefing of all reports and findings. All reports of alleged misconduct, including potential marketing and sales misbehavior or other regulatory violations, are tracked in a confidential global case management system. Information regarding all aspects of an investigation including who is reporting, who is alleged to have engaged in misconduct, the dates of such report and closure of the investigation, disciplinary action taken, action plans developed as well as details surrounding the investigation, are all maintained in this system. The system allows us to analyze trends, recognize repeat offenders, and modify our compliance program accordingly.

Leadership training

Our goal is to conduct leadership training on making ethical decisions in 100 percent of Edwards Lifesciences Leadership Program (ELLP) courses. This goal aligns with SDG 16: Peace, Justice, and Strong Institutions. The 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. We believe a culture of integrity exists only when each employee makes ethical decisions in their daily interactions.

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.

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 goal is to ensure 100 percent of applicable employees certify to understanding and agree to comply with Edwards' code of conduct on an annual basis. This goal aligns with SDG 10: Reduced Inequalities and SDG 16: Peace, Justice, and Strong Institutions.

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, as well as third parties. The integrity helpline is hosted by a third party. Callers may self-identify when reporting or can report anonymously, where permitted by law. Our head of corporate investigations is immediately notified of all reports to the helpline and opens an investigation based upon the concerns raised. Employees can also report concerns through other channels. We encourage employees to report issues to their managers, executive leadership members, and other functional groups such as legal or human resources. They can also report concerns directly to the Ethics and Compliance team by email or telephone. We treat all reports as confidential and share only with those participating in the investigation. If appropriate, we take 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 standards for ethics with country-specific industry codes of conduct and require adherence by all 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 Device Association

- The Japan Federation of Medical Devices Association
- Medical Technology Association of Australia
- Thai Medical Device Technology Industry Association
- Medical Council of India
- Singapore Medical Technology Industry Group

Sales and marketing practices

We market our products honestly and in compliance with all laws and regulations. We preserve our reputation as a leading company whose products and services are desired for their features, innovation, quality and value. We honestly describe our products and services and take care to ensure that all promotional materials and communications are accurate, balanced, substantiated and compliant with legal and regulatory standards. We make sure that our marketing practices:

- Do not mislead or omit important facts
- Do not promote a product before it is approved
- Do not promote a product for a use other than for which it was approved
- Do not unfairly criticize a competitor's products or services (some countries prohibit all comments about a competitor)

Annual performance

Global business practice standards

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 2017, we surveyed and sought certification for more than 6,000 professional employees, representing 53 percent of our total population. Our ongoing annual goal is to ensure 100 percent of applicable employees certify to understanding and agree to comply with Edwards' code of conduct. This goal aligns with SDG 10: Reduced Inequalities and SDG 16: Peace, Justice, and Strong Institutions. For those certifying in 2017, we achieved a 96 percent participation rate. We did not require employees on leaves of absence to respond. Less than one percent of survey respondents globally indicated 'no' to the question of whether they could openly discuss ethical business practice concerns in the workplace without fear of retaliation. We follow up with 100 percent of these respondents. Through our integrity helpline, cases reported anonymously were significantly lower than the medical technology industry overall, as reported by our independent third-party case management system provider, further indicating that our employees and stakeholders appear to not fear retaliation.

Also in 2017, we held our 5th annual Titanium Day at more than 20 sites worldwide and increased participation of both corporate and manufacturing employees. Our annual Titanium Day is titled to refer to our Titanium Book, also known as the Global Business Practices Standards. On this day, we engage employees across geographies, job descriptions and cultures to reinforce Edwards' Credo and culture of integrity. And, we engaged in games, activities and quizzes about ethics and integrity, as we celebrated our first-time recognition as one of the World's Most Ethical companies. We also continued to incorporate information security awareness aspects into the day.

Leadership training

Another goal in our ethics and compliance program is to conduct leadership training on making ethical decisions in 100 percent of Edwards Lifesciences Leadership Program (ELLP) courses. This goal aligns with SDG 16: Peace, Justice, and Strong Institutions. In 2017, we held two ELLP courses with leaders participating from around the world including Belgium, Canada, China, Dominican Republic, France, India, Japan, Korea, Puerto Rico, Singapore, Switzerland, Taiwan, and the U.S. *Living our Values* and *Making Ethical Decisions* were significant aspects of the training provided in each of these multi-day courses.

Global integrity program

In 2017, we provided our second response to a robust third-party survey and assessment conducted by The Ethisphere® Institute. The Ethisphere survey reflects leading and current best practices, and offers companies a comprehensive look at their programs. We responded to more than 100 questions and provided supporting documentation on topics related to corporate governance, compliance and ethics, leadership and sustainability. We were honored to be recognized for the second consecutive year as one of the [World's Most Ethical Companies](#).

Corporate governance

GRI 103-2, GRI 102-18 ▼

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

Definition

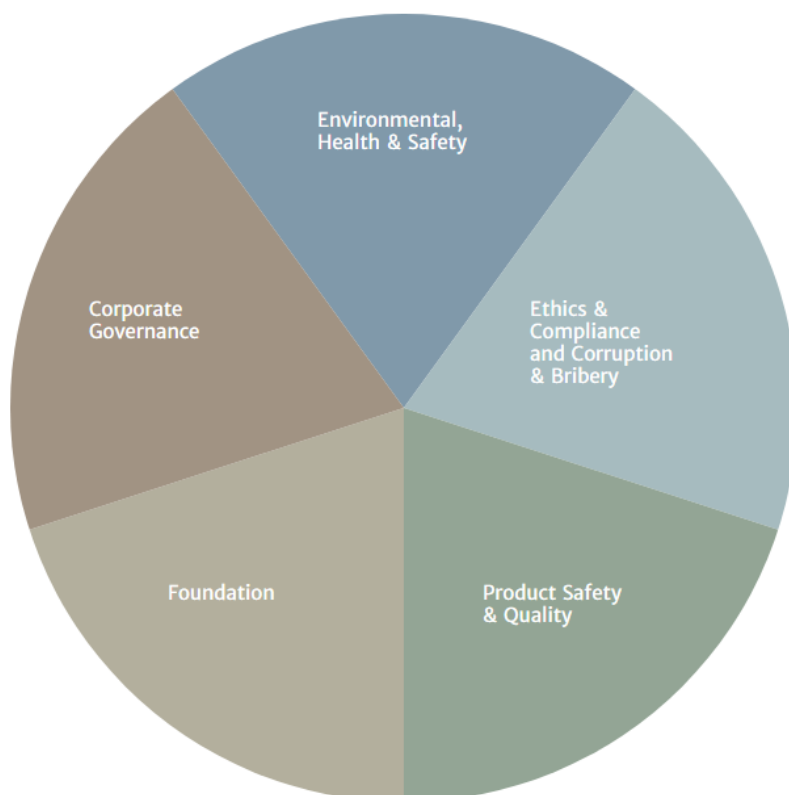
Corporate governance is the system of rules, practices and policies by which a company is directed and controlled. Good corporate governance involves balancing the interests of a company's many stakeholders, such as shareholders, employees, customers, suppliers, governments, the community, and, for Edwards, a vital stakeholder group: patients. Our Board of Directors and management strive to implement policies and processes that promote ethical and sustainable corporate governance practices for the benefit of all stakeholders.

Management approach

Through our corporate governance practices, our Board and management create a powerful and responsible organization from the top. 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 corporate governance practices guide us as we grow, so that our leaders' values align with those of our company and our unique, patient-focused culture.

In 2017, we created a governance map to illustrate our Corporate Governance management structure.

Governance map



Our board of directors

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

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

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

Our Board has established two committees:

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

- the integrity of the Company's financial statements;
- compliance with the Company's code of conduct and ethical standards, as well as legal and regulatory requirements;
- monitoring our independent registered public accounting firm's qualifications, performance, and independence;
- the performance of the Company's internal audit function;
- the Company's investment and hedging activities; and
- enterprise-wide risk management practices.

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

- determining the compensation of executive officers and recommending to our Board the compensation of independent directors;
- exercising the authority of our Board concerning employee benefit plans;
- advising our Board on other compensation and employee benefit matters and approving the compensation clawback policy applicable to our executive officers;
- delegating authority to the CEO to grant rights in, or options to purchase, shares of the Company's common stock to eligible employees who are not executive officers;
- overseeing the evaluation of our Board and executive officers; and
- sustainability and corporate governance matters.

Full responsibilities of the committees are included in the written charter, which is posted on our website under [Corporate Governance](#).

Our Board and our Executive Leadership Team make diversity and inclusion a priority and regularly review internal processes and programs to ensure that they foster a culture that actively and consistently values diversity. Our dedication and commitment to diversity and inclusion starts with our leaders and is visible throughout the Company. We consider diversity critical to our mission of transforming patient care through medical breakthroughs. As we build upon this foundation, we understand that there is true value in diversity of thought – diverse perspectives lead to innovation, better decisions and make the Company more adaptable to the evolving business environment. As such, we have established employee programs and initiatives designed to attract, develop and retain our diverse talent. Please see our [Employee Recruitment, Engagement & Retention](#) section for more information.

Shareholder engagement

Our Board and management are committed to engaging with Edwards' shareholders and incorporating feedback into their decision-making processes. If key stakeholders raise corporate governance concerns, Edwards takes them very seriously. Our stakeholders can communicate corporate governance concerns through several channels, including (1) proactively contacting investor relations or the office of the Corporate Secretary or (2) raising concerns during one of the outreach campaigns that occurs twice a year (during the proxy in-season and off-season).

Our CEO, CFO, and Vice President of Investor Relations regularly meet with current and prospective shareholders to discuss our strategy, business, and financial results. Our Corporate Secretary and Investor Relations teams, together with other members of management and hold meetings to solicit shareholder feedback. During some of the engagement sessions, our Presiding Director also participates. Feedback is shared with our Board, which enhances our corporate governance practices, facilitates future dialogue between shareholders and our Board, and provides additional transparency to our shareholders. We incorporate feedback on issues related to corporate governance, compensation, and other related matters, and to discuss the issues that matter most to our shareholders.

Shareholders are entitled to vote their shares at the Annual Meeting if Edwards' records show that shares were held as of the record date. We have no other class of voting securities outstanding. Each stockholder is entitled to one vote per share on each proposal to be voted upon at the Annual Meeting.

Additional information about Edwards' corporate governance practices can be found in our [Bylaws](#), [Corporate Governance Guidelines](#), and the [Charters of the Audit Committee and the Compensation and Governance Committee](#).

CEO pay ratio

Pursuant to the Securities Exchange Act of 1934, as amended, we are required to disclose in our Proxy Statement the ratio of the total annual compensation of our CEO to the median of the total annual compensation of all of our employees (excluding our CEO), which is reported in the annual performance section of this report.

We identify the median employee by taking into account the total cash compensation paid for the fiscal year for all individuals, excluding our CEO, who are employed by us or one of our affiliates on October 31, the last day of the first month of our fourth fiscal quarter. We include all employees, whether employed on a full-time, part-time, or seasonal basis. We do not make any assumptions, adjustments or estimates with respect to their total cash compensation for the fiscal year, and we do not annualize the compensation for any employees who are not employed by us for all of the applicable fiscal year. We believe total cash compensation for all employees is an appropriate measure because we do not distribute annual equity awards to all employees.

Once the median employee was identified as described above, that employee's total annual compensation for 2017 was determined using the same rules that apply to reporting the compensation of our named executive officers (including our CEO) in the "Total" column of the Summary Compensation Table. The total compensation amounts included in the first paragraph of this pay-ratio disclosure were determined based on that methodology. The SEC's pay ratio disclosure rules permit the use of estimates, assumptions and adjustments, and the SEC has acknowledged that pay ratio disclosures may involve a degree of imprecision. We believe that the foregoing pay ratio is a reasonable estimate calculated in a

manner consistent with the SEC's pay ratio disclosure rules.

The SEC rules for identifying the median compensated employee and calculating the pay ratio based on that employee's annual total compensation allow companies to adopt a variety of methodologies, to apply certain exclusions, and to make reasonable estimates and assumptions. As such, the pay ratio reported by other companies may not be comparable to the pay ratio reported above, as other companies may have different employment and compensation practices and may utilize different methodologies, exclusions, estimates and assumptions in calculating their own pay ratios.

Governance for sustainability

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

Annual performance

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

Our board of directors

Our Board consists of 25 percent women and the average age is 65 years. Edwards' [2018 Proxy Statement](#) further describes our corporate governance policies and practices for shareholders.

Engaging our shareholders

Throughout 2017, we continued our stakeholder engagement practices with our shareholders and incorporated feedback into our decision-making processes. Our CEO, CFO, and Vice President of Investor Relations met by phone and face-to-face with current and prospective shareholders to discuss our strategy, business and financial results. During the sessions, we gathered their feedback on corporate governance, compensation and other related matters and discussed the issues that mattered most. Shareholder feedback was shared with our Board and its committees. Since the 2017 Annual Meeting, our Corporate Secretary and Investor Relations teams contacted our top shareholders representing more than 55 percent of our outstanding shares. In this engagement, we received feedback on a range of issues including corporate governance, compensation and sustainability.

Over time, we have amended our Charter and Bylaws to adopt various shareholder rights and to align our corporate governance practices with our shareholders' interests.

Topic Action Taken in Response to Shareholder Feedback

Proxy Access	<ul style="list-style-type: none"> Adopted proxy access at 3 percent and 3-year ownership and holding period duration thresholds
Right to Call Special Meetings	<ul style="list-style-type: none"> Amended our Bylaws to permit holders of 25 percent of outstanding shares to call a special meeting In response to a non-binding shareholder proposal requesting the right to act by written consent, engaged with shareholders representing over 50 percent of shares outstanding to better understand investor views and, in response to feedback received, reduced the threshold to call a special meeting to 15 percent
Declassified Board	<ul style="list-style-type: none"> Amended our Charter to eliminate a classified board
No Supermajority Voting	<ul style="list-style-type: none"> Amended our Charter to eliminate supermajority voting
Poison Pill	<ul style="list-style-type: none"> Did not renew poison pill when it expired in March 2010
Majority Voting in Director Elections	<ul style="list-style-type: none"> Amended our Bylaws to provide for majority voting in uncontested director elections

Changes in governance

In accordance with the Company's director retirement policy, Mr. John T. Cardis retired from our Board on May 11, 2017. At that time, the size of our Board was reduced to eight members.

In November 2015, our **Board's Compensation and Governance Committee** began to review annually the Company's political activities to achieve compliance with its policies for political transparency. This includes review and approval of:

1. The Company's policy on political expenditures;
2. Political expenditures made with corporate funds and
3. Payments to trade associations and other tax-exempt organizations that may be used for political

purposes.

In November 2016, our Board's Compensation and Governance Committee assumed oversight for Edwards' sustainability program.

Status of pay-for-performance, executive compensation and CEO pay ratio

Edwards believes incentive-based executive compensation programs can mitigate risks and foster long-term value creation and sustainable growth. We design our compensation programs to align with the interests of our shareholders. In 2017, approximately 89 percent of the total direct compensation of our CEO, and an average of 78 percent of the total direct compensation of our other Named Executive Officers, was performance-based. For more information, please see our [2018 Proxy Statement](#).

Based on SEC rules for CEO pay ratio disclosure and applying the methodology described above, we have determined that our CEO's total compensation for 2017 was \$10,798,318, and the median of the total 2017 compensation of all of our employees (excluding our CEO) was \$50,195. Accordingly, we estimate the ratio of our CEO's total compensation for 2017 to the median of the total 2017 compensation of all of our employees (excluding our CEO) to be 215 to 1.

Corruption & bribery

GRI 103-2, GRI 205-1 ▼

Edwards Lifesciences' work to prevent corruption and bribery supports our **aspirations** of Excelling as a Trusted Partner Through Distinguished Quality and Integrity and Delivering Exceptional Shareholder Value.

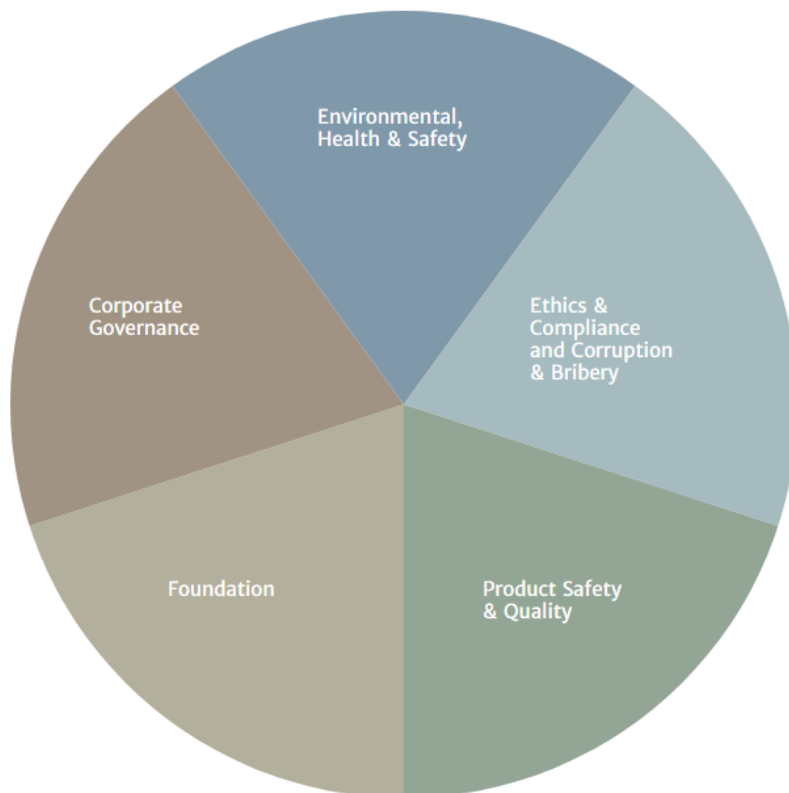
Definition

Enacting management practices and policies to prevent corruption and bribery at Edwards, by our employees or our third-party vendors.

Management approach

Edwards is committed to a free and competitive global marketplace. We believe buyers should be able to select from a variety of products at that are in the best interest of patients. In 2017, we created a governance map to illustrate the accountability structure for managing ethics and compliance and corruption and bribery.

Governance map



The nature of our work means our employees regularly interact with health care professionals who use our products. Some countries where we operate have socialized health care, meaning most physicians work for state-owned entities and can be considered public officials. Edwards has long-held high standards for preventing corruption and bribery in connection with our external relationships so that these interactions remain appropriate. We maintain policies governing employee and supplier relationships with healthcare professionals, including policies on meals, gifts, entertainment, consulting, educational and research grants, discounts and rebates, and product training, among others. Facilitation

payments are prohibited, and Edwards does not condone gifts or entertainment in pursuit of a business advantage. We detail these requirements on pp. 28-29 of our [Global Business Practices Standards](#).

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 important value to our research and development efforts. Physicians can offer insight from the user's perspective and advise product improvements that keep us at the forefront of innovation. Our most significant risks related to corruption occur through our financial relationships with physicians. It is important that these relationships do not bias (or appear to bias) our customers when making purchasing decisions regarding our products.

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 and publicly disclose payments to physicians in the United States. Now, in accordance with the U.S. Affordable Care Act, we report all financial relationships with U.S. physicians and teaching hospitals through the [Open Payments](#) system on the Center for Medicare and Medicaid Services' website.

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

- Massachusetts – pursuant to law since 2011
- Vermont – pursuant to law since 2012
- France – pursuant to law since 2013
- Denmark – pursuant to law since 2014
- Japan – voluntary report to meet industry code of conduct since 2014
- Romania – pursuant to law since 2015
- Australia – pursuant to industry association request in 2016
- Connecticut – pursuant to law since 2017
- Netherlands – pursuant to law since 2017
- Belgium – pursuant to law since 2017
- Portugal – pursuant to law since 2017

Third-party anti-corruption training

Edwards provides expanded due diligence and anti-corruption training to our global third-party sales intermediaries. We require annual certification renewals and due diligence renewals every two to three years. We take time to get to know our sales intermediaries and if we discover prior misconduct, we terminate the business relationship. A key principal for the company must certify compliance with our distributor anti-corruption compliance policy.

Our corruption risk assessment covers 100 percent of our operations. Our Anti-Corruption and Anti-Bribery Guidelines assist employees in making informed and ethical decisions by:

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

We conduct training on these guidelines and require all professional employees to certify compliance online.

Annual performance

Edwards continually improves our governance and policies for corruption and bribery. In 2017, we provided training on the Titanium Book (Global Business Practice Standards) to 100 percent of new hires and distributors. We also trained 100 percent of our distributors and employees in customer-facing roles on industry codes of conduct and healthcare compliance policies. We completed initial due diligence on all distributors worldwide and began risk-based monitoring of our distributors, including site visits, interviews and review of books and records. We also began implementation of a risk-based due diligence process for all other third-party vendors and service providers. We screen global databases and media sources for risks related to anti-corruption and bribery, political exposure, fraud and other financial irregularities, information security, environmental health and safety (EHS), labor, human trafficking, conflict minerals, privacy, quality, trade and legal issues, among others.



Sustainability report

Patients

Edwards Lifesciences is dedicated to improving the lives of patients fighting cardiovascular disease. The Patients section of our 2017 Sustainability report contains our management approach and annual performance for the following material topics:

- Access to healthcare
- Patient experience & voice
- Healthcare process innovation

Access to healthcare

GRI 103-2, GRI 203-2, GRI 415-1 ▼

Edwards Lifesciences' work to improve access to healthcare supports our **aspirations** of Transforming Patient Lives with Breakthrough Medical Technologies and Passionate Engagement that Strengthens Our Communities.

Definition

Supporting the provision of quality care to underserved and diverse patients in global communities, helping to remove regulatory, geographic and economic barriers to treatment, participating in public policy development and providing financial contributions in support of Edwards' goals and aspirations.

Management approach

Edwards Lifesciences believes patients should have 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.

Political activities

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

Edwards participates in the policy making process through engagement in the political process. We outline our approach in our **Policy on Political Activities** and disclose all federal and state **political contributions** on our corporate website, which is updated twice per year.

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 works to expand access to therapies in all geographies, including those 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.

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. This goal aligns with SDG 3: Good Health & Well-Being; SDG 10: Reduced Inequalities. A complete list of grantees is available on our **website**.

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 continued to make progress in 2017 toward our Every Heartbeat Matters (EHM) philanthropic goal of supporting the education, screening and treatment of one million underserved people and we are on track to accomplish our goal by 2020. At the end of 2017, we had invested more than \$19 million in this initiative and are pleased that our EHM partners have impacted more than 900,000 underserved people. This includes:

- Nearly 900,000 individuals educated,
- Nearly 80,000 individuals screened,
- Nearly 5,000 individuals provided with life-saving surgeries,
- Nearly 16,000 healthcare professionals trained to deliver more effective, efficient and higher quality care to their underserved patients. We estimate that they in turn provided enhanced treatment to over 1.5M underserved individuals (in the 12 months following their educational experience).

**Note: these individual numbers add up to more than the 900K as many individuals received two touch points in program delivery – i.e. they are screened and treated; the 900K is unique individuals*

These underserved individuals are impacted all over the world, in over 40 countries:

- US: over 800,000
- Nepal: over 19,000
- UK: over 16,000
- Nicaragua and China: over 12,000 each
- India: over 11,000
- South Africa: over 10,000

In addition to cash donations, we also support in-kind donations to programs focused on increasing access to healthcare for underserved patient populations. Through the AmeriCares' Medical Outreach Program, Edwards donated medical technologies including heart valves, critical care monitoring devices and cardiac surgery products. These technologies help non-profit organizations and charitable medical missions provide cardiac services in some of the most impoverished parts of the world.

Educational initiatives for better care

In 2017, we made further progress in bringing transcatheter heart valve replacement (TAVR) therapy awareness to patients. This was accomplished through three key programs:

- Direct to Patient – this program informs and educates patients and their caregivers through print and digital outreach channels, enhanced by peer and phone support programs. Our unique Patient Days and community-building programs extend our commitment to patients beyond their procedures, empowering them in their journey to renewed heart health
- Direct to Referrer – this program includes experienced clinical educators informing referring physicians about therapy and patient selection, and connecting patients to the right healthcare provider by guiding the pathway through diagnosis and referral
- Regional Programs – these programs leverage our field expertise and relationships to tailor awareness

programs to regional audiences, and educate healthcare providers at the regional level through podium and scientific meetings and conferences

Edwards' strategy has increasingly been to raise awareness and provide education around aortic stenosis and all available treatment options. Edwards encourages heart disease patients to gain knowledge and make an educated decision about what treatment is best for them. Our TAVR therapy awareness website, NewHeartValve.com, had 500,000 site visits in 2017, bringing the total number of visitors to this website to more than two million. Once on the site, patients and healthcare professionals can find interactive ways to locate TAVR centers and download resources. Our site is available in seven different languages serving as a global knowledge platform around our therapy awareness programs.

Political & lobbying expenditures

In 2017, Edwards made \$83,900 in **state political contributions**, and the Edwards PAC made \$173,000 in **federal contributions**. A full list of recipients and donation amounts is available on our **website**. Additionally, a portion of our industry association membership dues were spent on federal lobbying. These include:

- **Advanced Medical Technology Association:** \$ 52,440
- **California Life Sciences Association:** \$ 9,090

Edwards received the second highest score in the 2017 CPA-Zicklin Index (among 35, top-five ranked S&P 500 companies) for political disclosure and accountability. Edwards is designated as a "CPA-Zicklin Trendsetter." The CPA-Zicklin Index benchmarks the political disclosure and accountability policies and practices of leading U.S. public companies. The Index is produced annually by the Center for Political Accountability in conjunction with the Zicklin Center for Business Ethics Research at The Wharton School at the University of Pennsylvania.

Patient experience & voice

GRI 103-2, GRI 413-2 ▼

Edwards Lifesciences' work to improve patient experience and voice supports our **aspirations** of Transforming Patient Lives with Breakthrough Medical Technologies and Attract and Fostering an Inclusive Culture Where all Employees Grow and Thrive.

Definition

Continuously improving the patient experience with our products based on feedback and input from patients 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 enough influence over the type of treatment they receive or the administration of their care. As part of our research and development, we work to incorporate patients' input into the development of our products throughout the total product lifecycle. By listening to patients and capturing their input through both qualitative and quantitative methods, we can provide care that meets their individual needs and preferences.

Additionally, we know patients do better when they have support from others. **Evidence** indicates that empowered, engaged patients experience better clinical outcomes. For this reason, Edwards' Patient Engagement function is accountable for developing and maintaining an approach to listening to patients, including: sponsoring patient listening sessions, conducting Patient Perspective Input studies, supporting patient advocacy groups that represent the patient's voice and helping patients exercise their voices to improve the healthcare system.

Reporting to the Public Affairs function, the Vice President of Patient Engagement is responsible for ensuring that all patient engagement activities – whether in individual business units, function, or globally – are in alignment with our aspirations to transform patient care through innovative technologies and attract and engage talented employees.

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. 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 heart valve patients, as well as the American Heart Association's Heart Valve Education Center, where patients can connect with and learn from other patients. Our Foundation also supports **Heart Valve Voice**—a patient-focused advocacy organization that collects and shares patient stories and advocates on behalf of patients' interests. Last year the program expanded from the U.K. and the U.S. to Italy and France. Other patient advocacy programs the Foundation has supported include:

- Mended Hearts Trained Accredited Patient Visitor Program
- Mended Hearts Peer Advocate program
- WomenHeart: National Coalition for Women with Heart Disease and Heart Champions program
- Patient Advocate Foundation's Heart Valve CareLine and Financial Aid Fund

Patient days

Our annual **Patient Day** brings together patients and caregivers at our corporate headquarters in Irvine, California. These events give our heart valve recipients an opportunity to connect with our employees, other patients and share their experiences. At Patient Day, attendees have the opportunity to:

- Learn about heart valve and critical care innovations;
- Meet Edwards leaders and employees dedicated to serving patients;
- Participate in discussions to help improve the patient-caregiver experience;
- Tour our manufacturing facility; and
- Meet employees who designed or handcrafted their device.

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 our Patient Day program, Edwards gains important insight into the patient journey, from symptoms and diagnosis through recovery, including patient-defined concerns. These learnings help us 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 Replacement (TAVR) technology. TAVR allows physicians to replace heart valves with a catheter instead of surgically opening the chest. To learn more about patient experiences with Edwards' heart valves, browse our collection of **patient stories**.

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. Our Foundation also invests in educational resources for patients with the **American Heart Association** and with the **Alliance for Aging Research Foundation**.

Annual performance

Patient engagement and patient days

Edwards Lifesciences is inspired by listening to the patient voice and continues to improve our patient engagement initiatives. In 2017, Edwards created a new corporate Patient Engagement function to help the company deliver on its patient-focused innovation strategy to engage with, learn from, and empower patients.

Patients value the opportunity to share their stories with people who can understand their journey. At our Patient Day events, we empower patients to share their experiences to help themselves and others. Our goal is to conduct an Edwards Patient Day or similar events once per year in Irvine and inspire additional Patient Day events in other Edwards' regions around the world. This goal aligns with SDG 3: Good Health & Well-Being and SDG 12: Responsible Consumption and Production.

In 2017:

- We welcomed patients and caregivers to our third annual 2017 Patient Day program in Irvine, providing them and almost 200 Edwards employees an opportunity to connect
- We expanded Patient Day to our Draper, Utah facility for the first time, providing patients and caregivers an opportunity to share their stories and experience with almost 1,000 Edwards employees
- Our Draper, Utah plant teamed up with the Make-A-Wish foundation to host a “Proclamation Day” where a young patient learned that his wish had been granted
- We welcomed numerous patients throughout the year to visit and tour our facilities at our several global locations including the U.S., Costa Rica, Puerto Rico and Singapore
- We now display photos and direct patient quotes throughout our training rooms in Irvine
 - The Operators, Trainers, and Technicians could not be happier with the new look. “I no longer have to look at blank white walls in the training room. I look up and see the patients in the photos and that inspires me to work with my whole heart”, said a 20-year Edwards’s employee.

At our Patient Day programs, participants provided insight into their treatment satisfaction, recovery and resources that would be helpful in their journey. In a post-event survey, attendees rated the experience as “Excellent” and said they would recommend the program to others. Participants appreciated the value of the opportunity to connect with other patients and care partners, to learn about ways to get involved in helping others, and about the lifesaving technologies they have received. Participants described the day as “outstanding,” “passionate” and “engaging.” Edwards is proud of these results and intends to extend the program’s benefits to more patients in the future.

Healthcare process innovation

GRI 103-2, GRI 203-2 ▼

Edwards Lifesciences' work to support healthcare process innovation supports our **aspiration** of Transforming Patient Lives with Breakthrough Medical Technologies, as well as enhancing a value-based healthcare system.

Definition

Developing innovations that allow Edwards' products to improve efficiency, safety, and effectiveness of healthcare processes.

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.

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

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

Global health economics & reimbursement

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

Our Global Health Economics and Reimbursement (GHER) team's mission is to increase patient access by developing and defining the related clinical and economic data that healthcare decision-makers need. Our dedicated GHER staff supports customers' and healthcare systems efforts to improve patient outcomes and reduce costs. We work directly with healthcare systems to provide the clinical and economic data that ensures equitable access, coverage and payment for our technologies is available to patients in need. The team reports through our corporate functions but works directly with business units to use appropriate data, tools and materials to accomplish this mission.

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. We reached our original goal of 7,000 clinicians educated in 2014. In 2018, we strive to educate 16,000 clinicians on the benefits of Enhanced Surgical Recovery. This goal aligns with SDG 3: Good Health & Well-Being and SDG 4: Quality Education.

Therapy awareness programs

Edwards' Therapy Awareness Programs (TAP) 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 help all patients to receive the most appropriate care for their needs. Please see our **Access to Healthcare** section within this report for additional educational initiatives.

Annual performance

Global health economics & reimbursement

One goal of our Global Health Economics and Reimbursement (GHER) program is to provide reimbursement support to individual hospitals or health systems providing TAVR and other Edwards technologies. Working with TAVR programs in support of their efforts to deliver quality care remained a top priority for Edwards throughout 2017. This year, for example, some TAVR programs needed to expand capacity to meet patient needs following the FDA approval of the intermediate risk indication, a change that introduced a new treatment option for many more patients. In 2017, Edwards worked with sites on understanding and adopting best demonstrated quality practices and realizing care efficiencies associated with TAVR. In turn, this led to an overall increase in patient access to care. These efficiencies also significantly reduced the costs of care.

Another goal within GHER is to make the patient experience better, reduce overall healthcare costs and continuously improve quality of care. Edwards previously launched a set of quality measurement tools for TAVR programs that are designed to enhance understanding of performance and identify opportunities to improve quality and the overall patient experience, as well as reduce costs. In 2017, we enhanced these capabilities and strengthened our ability to identify programs exhibiting best practices and enlist them to serve as peer mentors. In addition, we supported initiatives across the portfolio designed to improve the quality of care, reduce inefficiency, and provide cost saving and cost effective technology.

Clinicians educated on ESR by region

We met our original goal of educating 7,000 clinicians in 2015. In 2017, we educated more than 11,000 physicians and 3,000 nurses on the benefits of Enhanced Surgical Recovery. These trainings empower clinicians with strategies that improve patient outcomes after an operation. We met our goal to educate 13,000 clinicians on patient and provider benefits of perioperative and directed therapy to achieve fluid optimization and enhanced surgical recovery by 2017. This goal aligns with SDG 3: Good Health & Well-Being and SDG 4: Quality Education.

	2017	2016	2015
United States	3,200	2,000	1,700
Europe	5,700	6,300	5,500
Japan	2,500	4,505	3,690
Asia-Pacific	2,300	1,000	1,280
Canada	200	580	100
LATAM	425	550	546
EEMEA	400	400	468
Total	14,725	15,335	13,284



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 2017 Sustainability Report contains our management approach and annual performance for the following material topics:

- Product safety & quality
- Product lifecycle, design & innovation
- Supply chain management
- Chemical & materials stewardship

Product safety & quality

GRI 103-2, GRI 416-1, GRI 416-2 ▼

Edwards Lifesciences' work to maintain product safety and quality supports our **aspiration** of Excelling as a Trusted Partner Through Distinguished Quality and Integrity.

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 being a trusted partner to our patients. We hold ourselves accountable for developing products that enable patients to enjoy long, healthy and happy lives.

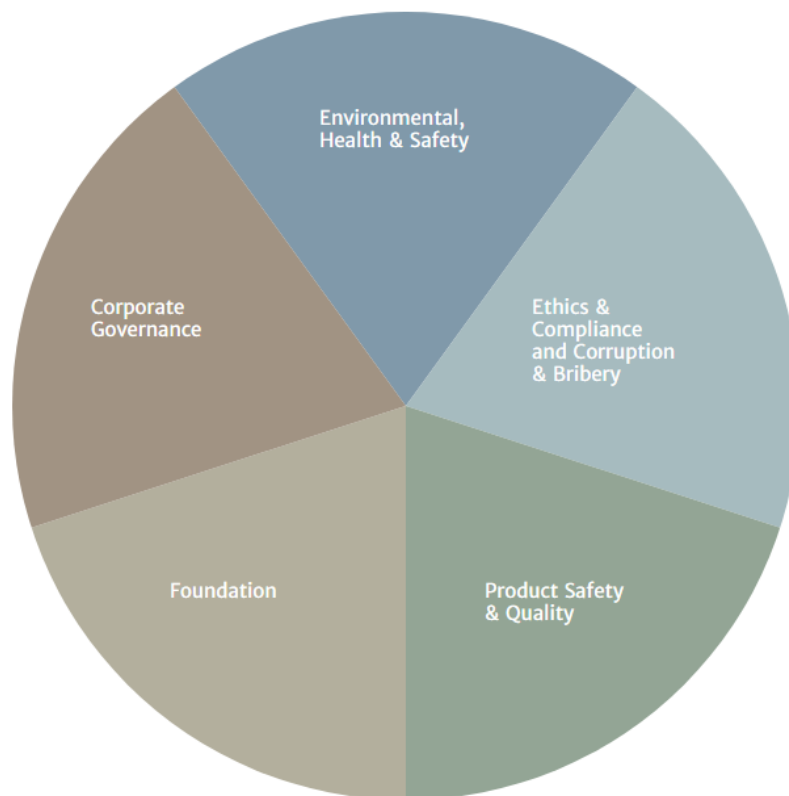
Product safety is part of our Quality management system and training is provided to employees through LMS and class training when appropriate. The level of training is assessed and defined based on each role, taking into account the amount of impact each role has on the safety of the product.

Edwards has established an intensive qualification program for components supplied to us that involves suppliers' onsite activities. They partner with us in determining and addressing patient safety risks to ensure the parts supplied will perform as intended.

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 monitor key supplier performance. We also proactively engage with suppliers to establish and execute against appropriate qualification requirements for all purchased components. For more information, please see our **Supply Chain Management** section within this report.

In 2017, Edwards created a governance map to illustrate our management structure for product quality and safety.

Governance map



Regulatory compliance for quality

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

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

- ISO 13485:2016 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)
- Medical Device Single Audit Program (MDSAP)
- Japan Pharmaceutical Affairs Law
- Australian Therapeutic Goods Act 1989 and associated regulations

Not all requirements of each regulation 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.

*For manufacturers of medical devices, ISO 13485:2016 is a widely-accepted model for demonstrating compliance to worldwide laws and regulations. The ISO standard meets the comprehensive requirements for a Quality Management System and ensures a consistent output.

The Edwards Lifesciences LLC ISO 13485:2016 Certification includes: Design, development, production and distribution of Biological Heart Valves, Heart Valve Delivery Systems, Valvuloplasty Catheters, Annuloplasty Rings, Pericardial Patches, Accessories (Valve handles, Valve and Ring Sizers, Trays and Heart Support Devices), and Cardiovascular and Vascular products: Cardioplegia Delivery Systems, Catheters for Perfusion, Drainage, Pressure Monitoring, and Venting during Cardiopulmonary Bypass and accessories; Accessories for Heart Valve Repair and Replacement; Instruments and Accessories; Retractors.

Internal quality controls

An executive-level Edwards Management Representative 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 inform 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.

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 they 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.

Quality and supply chain management

Edwards insists on quality and safety at every level of the supply chain. We align our supply chain and product quality departments to create an open channel for partnership with suppliers to manage risk and improve 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 work to make sure purchased raw materials, components and products conform to our specifications. We 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. Please see our [Supply Chain Management](#) section within this report for more details.

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.

If a Field Corrective Action is deemed necessary, the Vice President of Quality for the impacted unit is responsible for promptly executing this action so that all affected products are remediated appropriately. In addition, we have systems in

place for necessary actions to correct and prevent the recurrence 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 Authority(ies) 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.

Requests for information from customers regarding product quality and safety are handled by a team of Engineers and the Vice President of Product Safety or its delegate in the region(s) (former interventional cardiologist) would conduct customer visits to monitor product performance and to track customer and patient satisfaction.

Annual performance

Edwards Lifesciences' performance highlights our relentless focus on managing and improving our quality control systems. Our goal is to drive continuous improvement efforts to eliminate patient safety-related Class I product removals. This goal aligns to SDG 3: Good Health & Well-Being and SDG 8: Decent Work and Economic Growth. In 2017, we reported one Class I recall globally; however no patients were impacted and all affected units were successfully removed. Edwards provides complete information on recalls through the Food and Drug Administration's [publicly available database](#) for medical device recalls.

Improving patient safety through device tracking

In 2013, the U.S. Food and Drug Administration (FDA) established a [unique device identification](#) (UDI) system that will enable better tracking of medical devices, which will be phased in over seven years according to established compliance dates based primarily on device classification. 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.

Medical device single audit program

In 2017, Edwards achieved Medical Device Single Audit Program certification from both its Auditing Organizations (AO) accredited under this program, which allows a single regulatory audit of Edwards Lifesciences to satisfy the needs of multiple regulatory jurisdictions.

Additional product quality and safety initiatives

Edwards introduced product quality and safety initiatives to streamline and improve our product manufacturing processes. Because manufacturing excellence relies heavily on streamlining operations throughout the global supply chain, Edwards began our Manufacturing Execution System (MES) to reduce waste, inventory, and cycle times while improving quality, efficiency and overall product performance. Where implemented, this system will help increase compliance rates and eliminate the risk of negative findings during FDA inspections.

Product lifecycle, design & innovation

GRI 103-2 ▼

Edwards Lifesciences' work to improve product lifecycle, design and innovation supports our **aspirations** of Transforming Patient Lives with Breakthrough Medical Technologies and Passionate Engagement that Strengthens 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 structural heart disease and critical care monitoring. This enables us to stay at the forefront of our industry and continually expand the possibilities of patient care.

Edwards typically invests more than 15 percent of our annual sales into product innovation, which benefits our ultimate, and most important, customer: patients. Our approach drives strong **financial performance** and provides us with unmatched expertise on therapies that enhance patient lives. Our internal groups innovate in the following product lines:

- Our Transcatheter Heart Valve Therapies group leads the industry in innovation for less-invasive aortic heart valve replacement therapies that improve patient outcomes
- Our Surgical Heart Valve Therapies group is advancing its core surgical aortic valve leadership position, while focusing on transforming mitral therapies; developing new tissue platforms that improve durability and ease of use; and expanding therapies to broader populations
- Edwards' Critical Care group invests to strengthen our core hemodynamic portfolio and drive standardization of **Enhanced Surgical Recovery** programs
- Our Transcatheter Mitral and Tricuspid Therapies group aims to transform the care of patients with mitral and tricuspid regurgitation through an advanced toolbox of new therapies. Edwards' focused investment in structural heart initiatives has resulted in multiple early clinical stage therapies, including innovations in tricuspid valve repair and mitral valve repair and replacement

Intellectual property

Protecting intellectual property is important to maintaining Edwards' leadership position in medical technology innovation. The strength of our proprietary technology fuels our research and development of new, patient-focused solutions. Edwards owns more than 3,600 issued patents and pending patent applications in both U.S. and foreign jurisdictions. We monitor our competitors to identify possible infringement, protect our patents and take appropriate action when required. We also actively generate new IP and pursue acquisition of complementary IP across our businesses.

Packaging design & innovation

Edwards strives to maximize the value and function of our products from design to end-of-life. We continue to strengthen our new packaging design process to enable safer, more efficient and cost-effective product delivery. This includes exploring sustainable solutions that decrease the impact to our environment. For example, our Packaging Engineering teams are pursuing options for alternate materials, processes and sterilization methods that may improve packaging performance while reducing cost and waste. Our goal is to assess lifecycle impacts on packaging designs and product materials for existing products across all business units by 2018. This goal aligns with SDG 8: Decent Work and Economic Growth and SDG 12: Responsible Consumption and Production.

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. Please see our [Supply Chain Management](#) section for more information.

Annual performance

Focused innovation

Every year, Edwards Lifesciences creates new products with the power to save lives. In 2017, Edwards received approval for three new devices:

- U.S. Food and Drug Administration (FDA) approval for aortic and mitral valve-in-valve procedures using the Edwards SAPIEN 3 transcatheter heart valve. The SAPIEN 3 valve is the first transcatheter heart valve approved in the U.S. for the treatment of both aortic and mitral patients who are at high risk for a subsequent open-heart surgery to replace their bio-prosthetic valve.
- U.S. Food and Drug Administration approval for our INSPIRIS RESILIA aortic valve, the first in a new class of resilient heart valves. Incorporating the advanced RESILIA tissue, the INSPIRIS valve leverages features of the trusted PERIMOUNT Magna Ease valve and includes the proprietary VFit technology, which is designed for potential future valve-in-valve procedures in which a transcatheter heart valve is deployed within the surgical valve.
- U.S. Food and Drug Administration clearance for its HemoSphere advanced monitoring platform. This technology provides clinicians with exceptional clarity on a patient's hemodynamics, or the factors that manage blood flow, to help them make proactive, timely clinical decisions. It's also a scalable platform that can be tailored to meet the needs of each patient and clinician.

In early 2018, we received CE Mark for its self-expanding CENTERA valve for severe, symptomatic aortic stenosis patients at high risk for open-heart surgery. We also launched our Acumen Hypotension Prediction Index software that leverages predictive analytics to alert clinicians to address potential hypotension, or low blood pressure, before it occurs in their surgical patients. And, we received CE Mark for the Edwards Cardioband Tricuspid Valve Reconstruction System for the treatment of tricuspid regurgitation. The Cardioband Tricuspid System is the first commercially available transcatheter therapy for the treatment of tricuspid heart valve disease.

Packaging design & innovation

In 2017, the packaging team began planning for implementation of the packaging design and lifecycle assessment for each of our product lines for existing commercial products. In early 2018, lifecycle assessment was conducted and included packaging designs, materials, weight, waste and footprint in distribution. For transcatheter heart valves, certain packaging will be assessed to streamline and reduce packaging dimension for distribution. For our transcatheter mitral and tricuspid valve products, certain packaging designs will be assessed with the target goal to reduce the packaging size, dimension and waste. For surgical heart valves, certain ring product packaging will be assessed to improve and reduce packaging waste when product is shipped from manufacturing site to distribution center and customer. For critical care products, high volume pressure monitoring products will have new distribution configuration to reduce the number of pallets and shipments through distribution.

For example, in 2017 we implemented a critical care three to one packaging reduction program that generated immense savings: 17 percent reduction in product film packaging, 25 percent reduction in additional film packaging and a 20 percent reduction in freight and sterilization needs. And, our projections indicate an even greater annual savings going forward.

In 2018, we are assessing lifecycle impacts on packaging designs and materials for existing products across product lines and are making progress.

Supply chain management

GRI 103-2, GRI 414-1 ▼

Edwards Lifesciences' supply chain management practices support our **aspiration** of Transforming Patient Lives with Breakthrough Medical 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 strive annually to improve our supplier base by ensuring that our best suppliers receive our new products and that we continue to rationalize and reduce our supply base and improve performance.

We know supply chain performance directly impacts the quality and innovation of our products, so we insist on product quality and safety at every level. Our Supply Chain and Product quality departments collaborate to work with our partner suppliers in risk management, control improvement and quality maintenance. Our supplier partnerships are essential in delivering the quality products that drive Edwards' success. We set goals around expanding supplier engagement.

Our Supply Chain Management strategy is centralized at corporate and global levels and our manufacturing plant locations execute this strategy. Our Global Supply Chain (GSC) organization is responsible for Plan, Source, Make and Deliver functions and ensuring that our life saving products effectively reach providers and patients.

Supplier Management Overview:

- Selection – define, evaluate and select
- Approval – qualification of supplier, material or service; systems set-up
- Maintenance – evaluation, resolution, change management
- Inactivation – removal, inactivate, archive

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

Edwards has several processes in place to maximize the number of new products that are awarded to our best and preferred suppliers. Some of these include an R&D Sourcing Portal listing our preferred suppliers for each category,

Advanced Sourcing Leads sitting on all of the teams, and automated notifications when someone tries to launch an order with a non-preferred supplier. We also strive to avoid adding direct materials suppliers as much as possible, only adding them when we have new technologies or the need to upgrade or expand capacity. In the few cases where we do add suppliers, we follow a rigorous process that includes extensive due diligence. We have designated and prioritized a significant reduction of our direct materials supplier base for exit over the upcoming years.

We have deployed a global Part Qualification Process to collaborate with suppliers on product manufacturability. And, we have developed a global supplier capacity framework to help our suppliers plan their capacity for growth.

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

Our R&D Sourcing team is responsible for all source selection on all of our new products and components. This team executes source selection per our global category strategies that identify the preferred and approved suppliers to award new products. These suppliers represent our best and they are given a chance to bid on the new product work. Edwards has dashboards and metrics in place that track the amount of new product awarded to these suppliers.

Assessing and monitoring supply chain risk

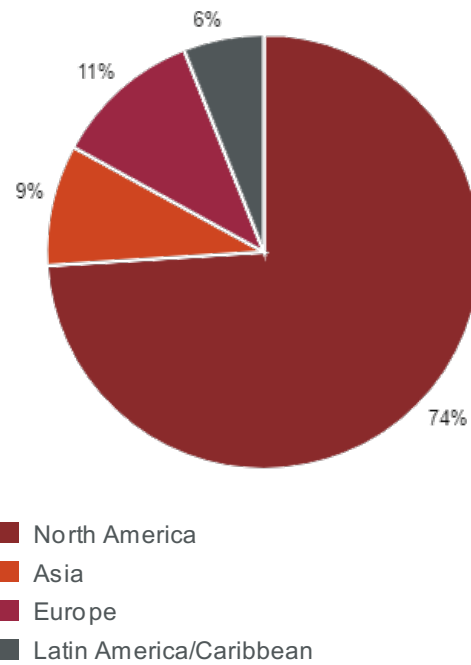
Before partnering with any new suppliers, Edwards conducts a comprehensive supplier evaluation. Direct Materials suppliers require on-site assessment of facilities and quality control systems. Once approved, we periodically conduct supplier audits and performance reviews to promote continual adherence to our standards. For every new part established for use, the supplier completes a form through which they must disclose the material content in their products. Edwards evaluates potential risks due to location, material content and country regulations. We prefer doing business in countries with higher ethical standards and protections 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 for evaluation and action, if necessary.

Additionally, all suppliers in our system are assigned either a Risk Level 1, 2, or 3 rating. Risk level 1 represents the "highest risk" these suppliers have the inherent potential to impact patient safety or product performance. To conduct any business with these suppliers, they must be classified as "Approved." Approval is granted upon completion of contract, audit and any corrective action plan. Audits are conducted for high-risk suppliers to assess their quality systems in support of Edwards' compliance to regulations applicable to production of medical devices. We have an established decision tree process that considers the potential impact of supplied materials to patient safety and product performance, which then assigns the risk level per part number sourced. Additionally, we have established similar decision trees for service suppliers that fall within the requirements of our quality management system to be qualified and monitored.

Localizing supply and distribution

Edwards protects both the environment and our bottom line by sourcing materials as close as possible 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

Our most significant ESG impacts occur in various parts of the Edwards supply chain:

- Product Quality – Across all sites, we continue to focus on improved process capability, yield improvement and scrap reduction, thus allowing for less product needing to be disposed of on an annualized basis.
- Patient Safety / Impact – we worked to upgrade our new product development process and simplify our Quality System to allow for continued focus on product improvement and building quality in at the source during product development and launch.
- Lean Manufacturing efforts – we identify lines each year for reconfiguration to determine where and how we can eliminate waste and increase outputs with the same amount of people, which over time leads to a reduced impact on the environment.

Because we want our suppliers to be long-term partners, Edwards values suppliers who exhibit sustainable practices. Edwards considers product quality, patient safety and risk management when evaluating suppliers.

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

Additionally, Edwards set a goal to assess lifecycle impacts on packaging designs and product materials for existing products across all business units by 2018. This goal aligns with SDG 8: Decent Work and Economic Growth; SDG 12: Responsible Consumption and Production. Please see [Product Lifecycle, Design and Innovation](#) for more information.

Edwards integrates sustainability principles into the various levels of our supply chain. For example, for several years, we have partnered with our office materials supplier to provide more environmentally friendly office equipment for all of our U.S. employees. Edwards has created an 'Eco-feature' categorization and hierarchy for environmentally-preferred necessity goods that meet certifications like ENERGY STAR, Fair Trade Certified, etc. We also endeavor to source local and responsible food for our corporate cafeteria in Irvine, CA. With our food services partner, we have implemented environmental practices such as limiting disposables, recycling cardboard and metals from packaging, and promoting consumer recycling solutions. We plan to continue this trend through 2018 and beyond.

Supplier innovation input

We also engage our partner suppliers during the product innovation stage. We include supplier input in the design and manufacturing of new products by including supply chain employees on most research and development product teams to facilitate supplier selection and early supplier involvement. In this way, we enable our research and development teams to collaborate with suppliers throughout the product development process. Please read more in our [Product Lifecycle, Design & Innovation](#) section.

Annual performance

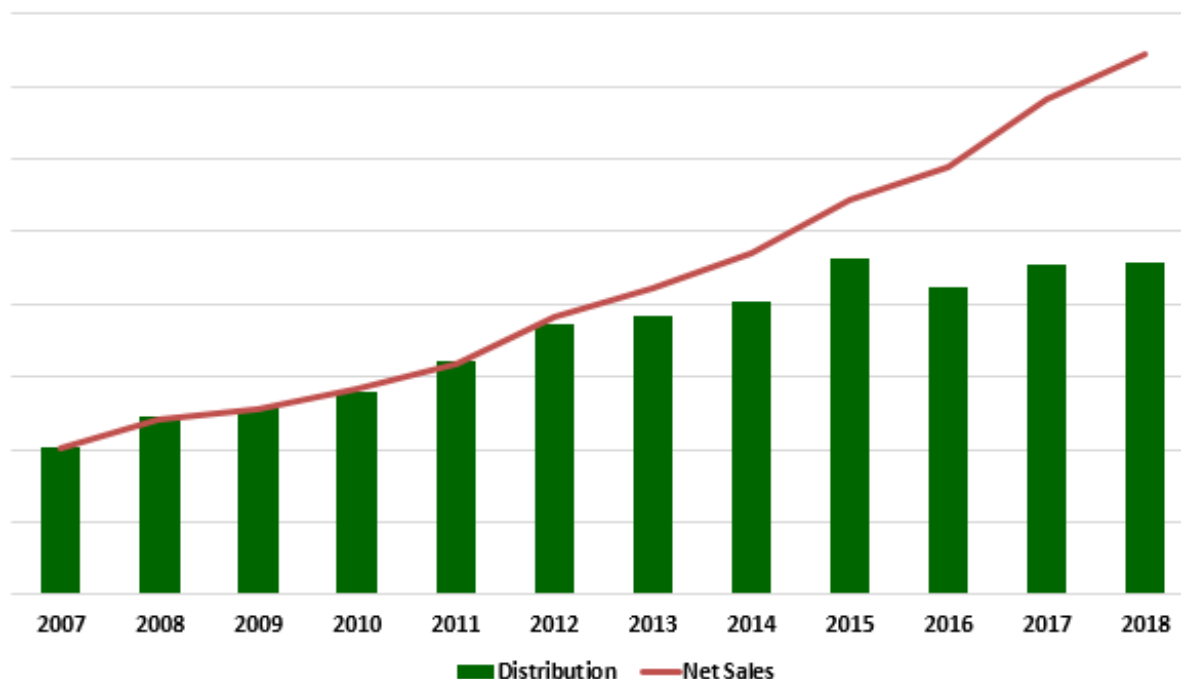
In 2017, Edwards achieved its goal of connecting with its top 10 suppliers to provide additional training and patient interactions. Edwards held a global Partner Day event in November of 2017 and hosted 13 key supplier partners for the day. The agenda included a "Meet the Patient" segment and a tour of our manufacturing areas as well as a review of key Edwards products. We also deployed our sustainability aspirations and other key supply chain initiatives.

In 2017, we began implementation of a risk-based due diligence process for all third-party vendors and service providers. We screen global databases and adverse media sources for risks related to anti-corruption and bribery, political exposure, fraud and other financial irregularities, information security, environmental health and safety, labor, human trafficking, conflict minerals, privacy, quality, trade and legal issues, among others.

Localizing supply and distribution

Edwards continually works to localize our supply base and distribution centers. Freight is the largest component of our distribution costs. Even as our sales grow, we have reduced these costs and our environmental impact, 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 ESG impacts. Utilizing this strategy, we have been able to keep costs relatively flat for the past six years while reducing environmental impact.

Distribution Costs vs. Sales



Supplier sustainability

In 2017, we connected with our key partner suppliers to provide patient interactions and product exposure. Through this, we provided our key suppliers with enhanced awareness of our goals and sustainability aspirations 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:

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

Packaging and distribution

In 2017, the packaging team began planning for implementation of the packaging design and lifecycle assessment for each of our product lines for existing commercial products. In early 2018, 17 product lifecycle assessments were conducted and included packaging designs, materials, weight, waste and footprint in distribution. We continue to make progress on our goal of assessing lifecycle impacts on packaging designs and materials for existing products across all product lines by 2018. This goal aligns with SDG 8: Decent Work and Economic Growth; SDG 12: Responsible Consumption and Production.

Assessing and monitoring supply chain risk

In 2017, we implemented a global governance process for managing supply risk assessment to prioritize supply risk mitigation projects including validation of alternate sources where needed. We have also added additional resources to these supply risk mitigation projects, including validation of alternate sources where deemed of most benefit.

Chemical & materials stewardship

GRI 103-2 ▼

Edwards Lifesciences' work to manage our chemical and materials stewardship serves our **aspiration** of Excelling as a Trusted Partner Through Distinguished Quality and Integrity. Edwards' internal teams work together to keep abreast of new and emerging regulations that impact not only our patients but also the environment.

Definition

Reducing environmental and human health impacts from Edwards' use of harmful materials and chemicals in products or operations.

Management approach

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

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

Chemical management and reduction

Edwards complies with various materials regulations ranging from restricting the use of certain hazardous substances in medical devices to labeling the products. For example, Europe **RoHS** restricts hazardous substances used in electrical and electronic equipment; whereas China RoHS requires these products to be labeled appropriately. Our focus extends to our supply chain, where we require compliance with all applicable regulations for chemical and materials use.

Hazardous materials regulations can evolve quickly. For example, **REACH** adds new substances of very high concern to its list every six months. Edwards monitors these changes using various applications and sources that provide notifications on new and updated materials 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, we began developing our Material Compliance Module (MCM), an internal database to collect and manage information about product materials. During 2016, we made considerable progress in collecting and uploading supplier materials disclosures for REACH, RoHS and Conflict Minerals to the database. The MCM allows us to assess current regulatory compliance and can be easily updated to monitor future materials regulations as needed. The database will enable us to provide our customers with clear and complete reports on product composition.

Conflict minerals

Edwards' goal is to ensure that all our products are free of conflict minerals. This goal aligns with SDG 8: Decent Work and Economic Growth and SDG 16: Peace, Justice, and Strong Institutions. We use 3TG (tantalum, tin tungsten and gold) 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 requiring them to provide disclosures for which we are legally required to obtain regarding 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.

Annual performance

Supplier materials database

During 2017, Edwards continued to build our Material Compliance Module database with supplier materials information and have approximately 20 percent of supplier responses included. Launched in February 2018, we also created a new Supplier Portal that automates the process of collecting the supplier responses into the Material Compliance Module. With tens of thousands of pieces of materials disclosure documents, we aim to have 80 percent of applicable supplier responses entered by the end of 2018. This goal aligns with SDG 8: Decent Work and Economic Growth and SDG 12: Responsible Consumption and Production.

Conflict minerals

For the 2017 reporting period, Edwards conducted two stages of reasonable country of origin inquiry (“RCOI”), supplier and smelter, in accordance with the Conflict Minerals Rule and the [OECD](#) Due Diligence Guidance.

We designed our supplier Reasonable Country of Origin Inquiry (RCOI) process to identify the smelters in our supply chain and to determine whether the 3TG in our in-scope products originated in a covered country. This process included the following steps: developing a list of suppliers that provided us with components containing 3TG; contacting each supplier and requesting a Conflict Minerals Reporting Template (“CMRT”) that included its smelter information; reviewing supplier responses and CMRTs for accuracy and completeness; and aggregating the smelters provided by our suppliers into a single list of smelters meeting the definition of a smelter under one of the three industry-recognized audit protocols and comparing the list to available smelter lists of our industry peers to gauge whether we reasonably identified the smelters in our supply chain.

In connection with our RCOI and due diligence process, our suppliers identified the smelters and refiners who processed the necessary 3TG contained in our in-scope products for 2017, through their submission of product level CMRTs. The 110 smelters and refiners identified by our suppliers at the product level for the 2017 reporting period included 28 gold refiners, 1 tantalum smelters and 81 tin smelters. Of these smelters and refiners, 99 smelters, or 90%, have been audited and recognized as conformant by the Responsible Minerals Assurance Process (“RMAP”). One of the remaining smelters is active in the RMAP audit process and the remaining smelters are included on the Smelter Look-up tab list of the CMRT but have not undergone a RMAP audit. Please see the [Edwards’ Conflict Minerals Report](#) for the 2017 fiscal year, as filed with the Securities and Exchange Commission on May 31, 2018.

Edwards also has a company- and mine-level grievance mechanism in place. We recognize the Conflict Free Smelter Program’s three audit protocols for gold, tin/tantalum and tungsten as valid sources of smelter- or mine-level grievances. A company-wide grievance mechanism is available, through which our employees and suppliers can confidentially report a violation of our policies without fear of retaliation. The Edwards Integrity Helpline is available 24/7 for both United States and international employees. The Integrity Helpline is hosted by a third party. Callers can self-identify when making a report or can report anonymously, where permitted by law. We also maintain an e-mail address (conflict_minerals@edwards.com) for suppliers and employees to ask questions and voice concerns.



Sustainability report

Workforce

Edwards Lifesciences' employees drive our work with their passion for helping others. The Workforce section of our 2017 Sustainability Report covers all of our business operations and 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

GRI 401-1, GRI 401-2, GRI 401-3, GRI 404-1, GRI 404-2, GRI 404-3 ▼

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

Definition

Developing strategies for attracting, developing and retaining employees.

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 positively impact 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 advance our progress.

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. This goal aligns with SDG 3: Good Health & Well-Being and SDG 8: Decent Work and Economic Growth. 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
- Clinical & Regulatory Development Program (CRDP)
- Engineering Technical Development Program (TDP)
- Strategic Leadership Development Program (SLDP)

Through our TDP Program, we have been able to convert 59 percent of interns into full-time employees and we have found that these employees are more than twice as likely to become designated as Top Talent as those who did not intern. Individuals from the program also have a 77 percent retention rate.

Employee survey

Edwards conducts an Employee Survey biannually to measure employee satisfaction across a variety of dimensions, including quality, trust, empowerment, involvement, engagement, retention and charitable activities. This feedback helps us sustain what we do well and respond to employee needs as they arise. Our Executive Leadership Team reviews survey results, selects priority areas for development and implements action plans at both the corporate and functional levels.

Survey Objectives:

- Provide employees with the opportunity to share their thoughts
- Empower managers to address concerns expressed by employees
- Drive positive change to ensure Edwards remains a great place to work

Edwards partners with Gartner/CEB to utilize global benchmarks and assess our performance, values and behaviors that drive engagement, alignment, and agility. We also measure innovation and quality as our business priorities. To ensure global, diverse and representative feedback, the survey is available in Chinese, Japanese, German, French, Portuguese, Spanish, Cambodian, Vietnamese, Korean, Malay, Tamil and English.

While many employees are able to take the survey via an email link using company computers, a significant portion of our employee population does not utilize computers in their daily work. To gather their valuable input, we send iPads to every manufacturing site and proctors help facilitate use of the iPads.

Message from Mike Mussallem to Complete the Engagement Survey:

“At Edwards Lifesciences, we are committed to helping patients through our innovative and quality work. To strengthen and improve our efforts, we need your honest feedback to our 2017 Employee Survey. Your confidential participation in this survey will enable us to measure our progress since the last survey, identify areas for improvement, and move boldly into the future.”

Fostering employee engagement

In addition to the Employee Survey, the other mechanisms to solicit ongoing employee feedback are “Ask Mike” and the [Edwards Integrity Helpline](#). Mike responds in writing to all questions on the Edwards intranet site and discusses select questions quarterly at all-hands meetings. The Edwards Integrity Helpline is a reporting resource that is available 24 hours a day, 7 days a week. It is hosted by a third party. Any matter reported through the Helpline is treated confidentially and shared only with those that need to know for purposes of an investigation and, if appropriate, corrective action. Reports can be made to the Helpline anonymously, as permitted by local law. In certain countries, anonymous reporting is prohibited, and Edwards may be required to reveal a caller’s identity. Edwards strictly prohibits retaliation against any individual who reports a concern in good faith or participates in the company’s investigation of such a concern. Corporate Responsibility responds to all reports on the Helpline and investigates complaints received. These communication lines ensure two-way communication channels that improve engagement and prepare us for the road ahead.

Patients first

A priority at Edwards is to expose each employee to patient stories every year to improve and sustain engagement and remind them that working at Edwards means they are making a difference in people’s lives. Wherever our CEO goes and has an employee meeting, we close with a patient video.

Training & leadership development

Our greatest assets are our employees’ knowledge and skills. We provide several [Professional Development](#) programs designed to provide personal and professional resources for employees with a wide range of responsibilities.

Edwards University is an online platform that provides employees with valuable learning opportunities. The platform offers our employees a wide variety of training, education and resources to deliver business results. The Edwards University website educates employees on:

- who Edwards is
- the patients we serve
- the products we produce

- how we operate
- how an employee's development aligns to our business strategy
- the external educational partners we work with

Our leadership development curriculum, Aspire, offers skill-based open enrollment workshops to our professional employees. Curriculum topics include:

- critical thinking
- strategic execution
- project management
- time management
- leading at Edwards
- performance management
- finance for non-financial managers
- effective conversations
- powerful speaking
- situational leadership
- communicating among different personalities
- decision making
- leveraging diversity
- emotional intelligence

We design signature programs to aid in the development of our top talent around the globe. We also offer 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 case studies, experiential learning and a capstone closing activity, the program offers participants an experience they will take with them through the course of their careers.

Our Edwards Lifesciences Leadership Program II (ELLPII) program is designed to challenge senior leaders to approach their scope of responsibility as if it were their own business. The executive and senior leadership teams nominate employees to participate in the program. The program aims to synthesize general management responsibilities while building broad leadership capability. We bring strategic thinking to day-to-day work through topics focused on:

- Achieving results through effective team leadership
- Leading organizational change
- Leading across organizational boundaries

Another employee development program is the Edwards Leaders Forum, where nominated emerging leaders participate in 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.

In some cases, we customize team development programs that utilize resources such as Strength Finders, Speed of Trust, and What Motivates Me. We also offer customized coaching and assessments. For employees seeking degrees, we provide employee tuition assistance for continuing education and degree programs at higher educational institutions.

Active and expanding mentoring programs

Mentoring is a fundamental human relationship in which one person invests time, energy and expertise to nurture the growth of another person. Mentors help employees reach their potential.

Mentoring is often spoken about in corporate circles, but mentoring can have an impact much deeper than improved work performance. When a protégé accepts and applies the mentor’s wisdom in diverse ways, it can lead to all-encompassing personal growth. During the process, the two work together to discover and develop the protégé’s abilities and encourage growth of knowledge and skills as opportunities arise. The mentor serves as a tutor, counselor, and friend, enabling the protégé to sharpen skills and increase knowledge.

Edwards has several formal mentoring programs in the following business areas:

- Global Supply Chain
- Quality Assurance
- Human Resources
- Senior Leadership Team (SLT) Women

Direct business benefits of this program included:

- Employee Engagement
- Employee Retention
- Leadership Development
- Knowledge Transfer
- Team Connectivity
- Work-Life Integration

Parental leave

Edwards offers subsidized offsite day care services to full-time employees through our partnership with Bright Horizons. All U.S. employees have access to the Bright Horizon’s benefit. There are two “arms” of this benefit:

Back-up Care

Bright Horizons is a resource that can help identify back-up dependent care options. Employees can receive center-based back-up child care, as well as in-home care for a mildly ill or injured child, spouse or elder. Center-based care is a co-pay of \$20 per child (\$35 for two or more children) and in-home care is \$6 an hour (4-hour minimum). Back-up care is on a first-come, first-served basis and is subject to availability. State law limits the number of days care can be accessed at dedicated back-up centers (the total days per child is capped at 20 per year).

CareDirect

The CareDirect program is an additional resource to identify center and in home care options for short-term and/or long-term care needs. With CareDirect, employees have access to:

- Self-selected, pre-screened caregivers for both children and adults
- The most comprehensive online care database to find evening/weekend care, pet care, senior care guidance counseling and support (online and via one-on-one phone consultations) and much more
- Caregivers and centers available for long- and short- term care needs when the back-up dependent care is not available
- Preferred enrollment at all Bright Horizons Centers that are open to community enrollment and 10 percent tuition discounts (excluding infants) at participating extended network centers

Employees self-select these services and are responsible for all associated costs.

Edwards' commitment to employees and fair and equitable pay

We depend on the skills, hard work and dedication of our employees to achieve our strategic goals. We are committed to our employees, and we demonstrate this commitment, in part, by ensuring that our pay practices are fair and equitable, and by providing a work environment that recognizes each individual as an important member of a culturally diverse, worldwide Edwards team. Our policy is to employ, retain, promote and otherwise treat all employees on the basis of merit, qualifications, and competence, and this policy is applied without regard to an employee's gender, race, or any other protected characteristic. We foster a culture that recognizes the value of employees and encourages them to strive to pursue and achieve the highest standards of performance for themselves, their colleagues, our customers, our shareholders, and, ultimately, our patients.

Fair and equitable pay is integral to our commitment to our employees, and this commitment is shared by our executive team and the Edwards Board.

To ensure equitable pay, we use a Global Career Framework that assigns all employees and job functions into career bands across the entire company based on duties and responsibilities. We assess each job function based on internal equity and external competitiveness. We do this by regularly benchmarking our global job grades and salary structures against similar positions in the market. The Global Career Framework ensures global consistency in career path opportunities. Employees can raise issues regarding pay equity with their manager, their human resources partner, or the office of the Chief Responsibility Officer through a confidential internal email address or the Edwards Integrity Helpline.

With the support and involvement of our Board, the executive team and external consultants, we also regularly review our pay practices and compensation structure for potential pay disparities across gender and race. Through this process, we identify statistically significant pay disparities and determine how such disparities can be addressed. We are confident that our processes and procedures for assessing pay practices and compensation structure ensure equitable pay for all employees.

Annual performance

Edwards participated in the Global High Performing Norms benchmark, which includes companies listed in Fortune's "Best Companies to Work for" and "Most Admired Companies" lists. We improved on all key indices (Engagement, Alignment, Quality, Innovation and Agility) of the engagement by two to five points since the 2015 all employee survey. Edwards exceeded the global high-performing norm by at least nine points in all categories and surpassed the Global High Performing Norm in the Engagement category by 19 percent.

Our 2017 employee survey

Edwards deployed the 2017 Employee Survey late last fall and our efforts proved to be successful, as the overall participation rate for the survey was 90 percent. Every region around the globe participated, with participation ranging from 81 to 100 percent. The response rates for manufacturing and non-manufacturing were 94 and 85 percent, respectively. The all-employee survey is administered every two years with periodic Pulse surveys in between.

The survey showed marked improvements over 2015 in the following areas:

- Employee engagement
- Quality of Edwards' products
- Alignment to Edwards goals
- Innovation

- Agility in the marketplace

We made progress on our goal to provide a vehicle to engage employees in sustainability efforts by 2018. This goal aligns with SDG 12: Responsible Consumption and Production. The 2016 GRI report was shared with all employees globally with access to email and each was encouraged to provide feedback and engage on Edwards' material topics. We reached out to many of our regional offices to share our sustainability goals and encourage their participation as a region or on an individual basis. Several regions have selected particular material topics to increase engagement with all employees in the region, including philanthropy, diversity, and environmental issues. Seventy-seven percent of Edwards employees reported participating in charitable activities during the 2017 calendar year. Edwards allows employees to spend some company time helping the community, in addition to matching employees' financial contributions to charities of their choice. This shows employees that Edwards is dedicated to the segments of the community that matter the most to our employees. The secret to our success is a patient-first focused approach to everything we do. On the 2017 engagement survey, an overwhelming 91 percent of respondents agreed that, "at Edwards Lifesciences, we consider what is important to patients when making decisions."

Patients first

In 2017, we provided patient stories to most of our employees at Edwards' regional headquarters and manufacturing facilities. We estimate that 95 percent of our global employees were able to experience at least one patient story in 2017, and believe the majority had the opportunity to interact with multiple stories during the year. This goal aligns to SDG 3: Good Health & Well-Being.

The methodology used to determine our estimate included asking the leaders for each of our regional offices and plants to assess the types of patient exposure methods being used for their respective sites, and the opportunities granted to employees to have exposure. Below is a subset of the 2017 "patient first" activities:

- The Annual Sales and Marketing Meetings for field personnel are mandatory and patient stories are a content item(s) at each. At Regional Sales Meetings, employees also engage with patients in some way. This year's activities ranged from patient videos, panels where physicians and local Edwards representatives discussed patient care or panels where we conducted in-person patient interviews on stage. For example:
 - Europe produces one to two patient videos each year which are shared at one of their local employee meetings (they video/audio conference in the other large EU offices including Czech Republic, France, Germany, Spain and Italy)
 - China produces at least one patient video each year, which is shared at the Shanghai employee meetings (they conference in Beijing, Taiwan, and Korea)
- In 2017, employee meetings in Singapore, Japan, Utah, Costa Rica and Europe closed with a patient video. Employees, both salaried and hourly, at our regional offices and manufacturing facilities are provided time away from their roles to attend the employee meetings where patient stories are always featured. For example,
 - In Irvine, heart valve therapy (HVT) had patients come to their quarterly all-hands meetings
 - In Irvine, we had a patient attend and speak at our annual Champions for Life event (service recognition event – 300 attendees)
 - Public Affairs had a patient attend and speak at its annual all Public Affairs meetings last year (included global attendees)
 - Patients attend various functional transcatheter heart valve (THV) meetings, such as the THV Clinical Affairs meeting
 - At several global locations, we have hosted "Patient Day" activities where employees are encouraged to participate. At the Utah Patient Day in 2017, it was mandatory for all employees in the Utah plant to participate.

- The company’s OneEdwards intranet and “Patients First” section is available to all employees globally either through their own computers or kiosks made available for all manufacturing employees

Edwards Lifesciences’ ability to recruit, engage and retain employees was referenced in a book by John Wood called *Purpose Incorporated: Turning Cause into Your Competitive Advantage*. The book details the cathartic event of heart valve patients meeting their “valve makers” and accurately depicts how the organization’s purpose attracts extremely talented, passionate candidates, including our CFO. Edwards’ Credo in action serves as a force multiplier enabling Edwards to attract, engage and retain the best and brightest.

2017 training & leadership development initiatives

Our 2017 accomplishments include the launch of our partnership with eCornell. Within six months of the partnership, there were 179 enrollments. eCornell is the online extension of Cornell University’s unique approach to online learning, which combines the most effective elements of an Ivy League classroom with the flexibility of an online learning environment. eCornell courses are all developed by Cornell University faculty, and often include practical insights from other industry experts. The courses are rich with examples and use timely discussions and relevant projects to help employees apply the tools and concepts from the courses to the real-world challenges and opportunities facing organizations right now. Employees can take individual courses or a group of courses to earn a certificate.

In 2017, we also launched a partnership with the University of California, Irvine’s Division of Continuing Education and 28 employees enrolled in UCI courses. UCI Division of Continuing Education is the leader in employee development and education, locally and across the globe. They offer their end-to-end services to Edwards’ employees on their schedules, at their convenience. Their training ensures our employees receive effective and applicable skills and knowledge. UCI Division of Continuing Education offers the flexibility of choosing a delivery method that suits our employees’ needs on-site or online, so whether our employees are locally based in Irvine or elsewhere around the globe, UCI Division of Continuing Education provides support for our employees’ goals and to increase their knowledge and skills. Employees can take individual courses or a group of courses to earn a certificate. Our partnership with UCI Division of Continuing Education does not require employees to apply to UCI and is not a degree.

Employee training

In 2017, Edwards supported employee development by providing instructor-led training opportunities, tracked through our Learning Management System (LMS), as well as online training through Edwards University.

	Male	Female
Average hours of instructor-led training per year per employee	24	21
Average hours of online training per year per employee	5	4

Note: Not all training is captured in our LMS and the actual training hours are estimated.

Tuition assistance program

In 2017, Edwards offered our global employees tuition assistance for educational programs. We are experiencing an increase, particularly in U.S. salaried exempt employees, in the utilization of this benefit.

	US Employees	Puerto Rico	Prague	Japan	Australia/New Zealand
Hourly Non-Exempt	17	1			
Salaried Exempt Employees	99	1	3	2	1
Salaried Non-Exempt	25		1		

	Employees Participating in 2017	Percent of Employees Participating*
Hourly Non-Exempt	17	<.1%
Salaried Exempt Employees	99	3.7%
Salaried Non-Exempt	25	3.1%

*As of December 2017

Parental leave

In 2017, Edwards continued to offer all U.S. employees the opportunity to take parental leave.

	Male		Female	
	2017	2016	2017	2016
U.S. employees 40 or under	1,022	1,291	1,154	1,565
Employees who took parental leave	37	26	129	101
Employees who returned from leave	37	25	123	97
Employees still employed within 12 months after leave*	34	23	116	91
Return to work rate	100%	96%	95%	96%
1-year retention rate	92%	88%	90%	90%

*As of December 31, 2017

External recognition for 2017 Employer of Choice Awards

- Edwards Ranks #55 in WSJ "Management Top 250"
- Edwards Ranks #24 on 2017 "JUST 100"
- Edwards Honored as 2017 Most Ethical Company (Ethisphere)
- Edwards Among World's 100 Most Sustainable Companies (Corporate Knights Magazine, 2017)
- Saluting our Heroes Community Award National Ability Center
- Edwards Named #7 on FORTUNE's "Future 50" List

-
- Edwards CEO honored as one of the Best-Performing CEOs in the World (Harvard Business Review, 2017)
 - Forbes named Edwards as one of America's Most Trustworthy Companies in 2017
 - *CEO Cancer Gold Standard* employer for 2018

Workplace health & safety

GRI 103-2, GRI 403-2 ▼

Edwards Lifesciences' work to promote workplace health and safety serves our **aspiration** of Fostering an Inclusive Culture Where all Employees Grow and Thrive.

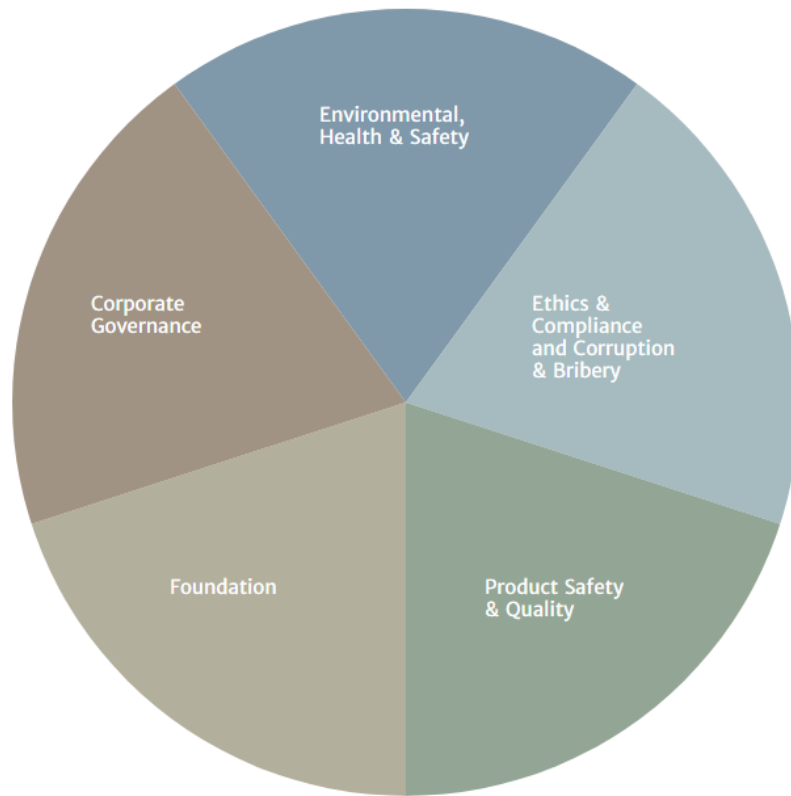
Definition

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. In 2017, we created a governance map to illustrate the accountability structure for managing environmental health and safety, including Workplace Health and Safety.

Governance map



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 they 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. This goal aligns with SDG 3: Good Health & Well-Being and SDG 8: Decent Work and Economic Growth. In these locations we offer programs and resources covering all six Wellness pillars. Locations with under 100 employees select an area of focus specific to their population health needs and put in place programs and resources to address those needs.

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, a cafeteria with healthy eating choices and weight-loss programs.

Quotes of participants in the Total Wellness Program:

"I am a strong believer that mental health is aided by physical exercise. And the biggest reason people don't exercise is that it is inconvenient trying to get to a gym. Our Wellness Resources at Edwards solves the inconvenience problem! Exercise facilities (weights, cardio, classes) are available morning, noon, and night, depending upon one's preference. Some of my best solutions to work problems have come to me while using the Lifecycle at work – truly a win-win!" **Bob Sellers**, Corporate Controller

"I don't go to the doctor's office regularly, so I was reluctant to participate in the Know Your Numbers program. I am so glad that I did! My results were eye opening – identifying several risk factors that I wasn't aware of. I am now eating healthier and exercising regularly. I have lost weight and lowered my blood pressure. I feel like I owe my current good health to this program. I am impressed that Edwards would offer this type of program to not only their employees, but also their spouses." **Edwards employee spouse**

"Karolyn, our Health Coach, is wonderful. I am so glad that Edwards has someone here on campus with whom we can discuss our health and lifestyle concerns." **Edwards employee**

"I appreciate that Edwards is invested in promoting wellness through these types of programs. I'm always looking for ways to understand and improve how I take care of my health; Edwards seems to be on the front end of supporting the diverse and changing needs of their employees." **Edwards employee**

Six pillars for total wellness

1. Prevention
 - Annual *Know Your Numbers* biometric wellness screenings
 - Healthy lifestyle wellness coaching for all employees and their covered spouses
 - On-site HIGI machines at our Irvine, CA, and Draper, UT, 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
 - 12-week weight loss programs
 - On-site cafeteria with healthy food options at our Irvine, CA, and Draper, UT, campuses
 - Farmer's Market at Irvine, CA, and Draper, UT, campuses
 - Complimentary Fresh Fruit events

3. Physical Activity
 - On-site fitness centers at our Irvine, CA, and Draper, UT, campuses
 - Workout competitions

- Physical activity challenges that give active employees the opportunity for raffle prizes

4. Education

- *Take Charge* newsletter with information about wellness and employee benefits
- Wellness and benefit resources on employee intranet
- On-site information sessions
- *Take Charge* mobile site with health resources
- Meditation and Mindfulness classes
- Health promotion seminars and blog posts

5. Financial Fitness

- Annual retirement plan education meetings
- Retirement readiness program
- One-on-one financial planning assistance
- On-site educational webinars

6. Community Service

- Please refer to [Volunteerism & Giving](#) for information about our employee volunteer programs
- Charity element tied to walking program

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

Edwards solicits feedback from employees regarding health issues by periodically surveying all employees, conducting small focus groups, and receiving feedback through "Ask Mike", an anonymous channel to ask business questions of the CEO. We conduct a full review of all benefits and wellness programs annually and make recommendations to our Administrative and Investment Committee for their review and approval.

Our goal is to offer a high performing health care program that is cost-effective and encourages a healthy workforce. Another goal is to move employees from passively consuming health care services to owning their health and wellness. We participate in custom industry surveys to benchmark our programs to ensure these programs remain competitive. We communicate to our employees through brochures and newsletters mailed to the home, as well as email communication and live and Skype meetings. In addition, each region prioritizes and reviews their risk factors and develops programs to address their specific health population needs.

Wellness + charity

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

Workplace safety

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

Edwards focuses on workplace design, early intervention and overall prevention of injuries and illnesses before they become a concern. We strive to ensure employees who are injured on the job receive appropriate medical care to help them recover and return to work in a healthy and productive manner. We track and report injury rates and consistently perform favorably when compared with our industry benchmarks. All sites have fully-equipped health centers or first aid rooms, including Automated External Defibrillators (AEDs) throughout the facilities and an active first aid program with trained personnel. Five of our six manufacturing sites have occupational health nurses, with some sites staffed with occupational health physicians and physical therapists. Edwards has not experienced a work-related fatality by either full-time employees, temporary hires or on-site contractors since we began operating as an independent business in 2000.

To prevent occupational illnesses arising from ergonomic conditions, Edwards implements aggressive prevention strategies that focus on three contributing factors: employee, task and workplace. Employee awareness of ergonomics, proper posture, workstation setup, physical warning signs and early reporting of injuries is ongoing via training, posters, meetings and videos. High risk ergonomic tasks are identified through ergonomic assessments and evaluated to determine control measures to eliminate or reduce the risk. Workstations are ergonomically designed to promote neutral postures with an ergonomic chairs, adjustable equipment and ergonomic tools when available.

Specific ergonomic illness prevention programs that have been implemented include:

- Customized stretching programs, designed by physical therapists and fitness staff to specifically target areas of concern for the employees and work tasks of the department.
- Personalized Ergonomic Intervention is implemented on the floor while the employees are working. An ergonomist works with the individual at the workstation to improve posture, adjust workstation and provide training specific to the employee and before an injury occurs.
- Physical Demand Job Descriptions are used for proper placement prior to exposure and for proper return-to-work in case an injury or illness should occur.
- LEAN engineering projects have standardize tools and workplace to allow for less wasteful motions, including eliminating reaching, lifting, bending and awkward postures.
- Detailed analysis of each step in valve manufacturing was completed in order to determine force, awkward posture and contact stress conditions which can be corrected with ergonomic strategies.

Please see our annual EHS Report for more information on Workplace Safety initiatives and performance.

Annual performance

Every year, Edwards becomes stronger in our mission to improve health—starting with our workforce. In 2015 and 2016, 93 percent of U.S. Edwards employees participated in free biometrics screenings. Participation in this program increased to 95 percent for 2016/2017. Please note that our program year runs from July 2016 through June 2017.

U.S. wellness numbers

U.S. Employee Participation in Biometric Screenings (2016 /2017)

95%

U.S. Employees Enrolled in an Edwards-Sponsored Medical Plan (2016 /2017)	89%
Health Costs Per Employee Per Year (PEPY) (2016 /2017)	4.5% under market PEPY

During 2017, Edwards continued to encourage employees to take incremental steps to improve their overall well-being through programs such as Total Wellness and Know Your Numbers. Our goal is to offer and encourage participation in programs aligning with all six Total Wellness pillars at 100 percent of locations with more than 100 employees. This goal aligns with SDG 3: Good Health & Well-Being; SDG 8: Decent Work and Economic Growth. In these locations we offered programs and resources covering all six Wellness pillars in the 2016/2017 program year. We implemented a two-month program to help employees increase physical activity. The program includes a Workout Challenge that incentivizes employees with prizes for exercising 16 times each month. We also offered organized physical activity clubs, movement reminders and onsite seminars, such as “Effects of Exercise on the Body.”

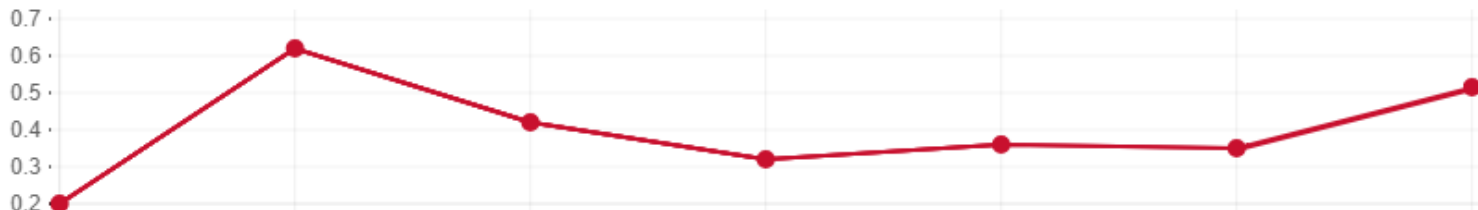
Edwards’ Total Wellness program earned recognition in 2017 among leading health organizations and standards, including:

- CEO Cancer Gold Standard for workplace wellness
- American Heart Association Gold Achievement for Workplace Health Award
- Recognition for our benefits program from the National Human Resources Association of Orange County
- WELCOA Silver Award

Workplace safety

At Edwards, we have a strong commitment to preventing and reducing employee injuries. In 2017, our Añasco, Puerto Rico manufacturing facility received the Puerto Rico Manufacturers Association President’s Award for excellence in safety and health for industries achieving 50 to 74 percent below the national industry average. We track incident rates to improve our manufacturing practices and promote a safe workforce.

2011	2012	2013	2014	2015	2016	2017
Global Lost Time Injury Rate Over Time (Days away from work cases per 100 employees)						
0.20	0.62	0.42	0.32	0.36	0.35	0.51*



Global Recordable Case (Injury) Rate Over Time (Cases per 100 employees)

0.78 1.83 1.42 1.28 1.13 1.23 0.99



* Rates are based on USA OSHA formulae for total hours worked to adjust for production overtime hours and other fluctuations in work hours performed. Non-production employees are based on 2,000 work hours per year. Injury adjusted rates are based on 100 full time employees or 200,000 hours worked per year. Although we have experienced 20% reduction in our total injury rate (from 1.23 to 0.99), our LTIR has increased primarily due to our increase in training contract employees for permanent Edwards' employment. Unfortunately, incentives for contract employees to receive accommodation for reasonable injuries and illnesses are not well established by our contract agencies at this time. Contract employees will typically be categorized as Lost Time, while our permanent employees will return-to-work under reasonable accommodations during treatment. This is evidenced by the overall reduction in our Recordable Incident Rate (RIR) and commitment by our full-time employees to identify early concerns of potential injuries or illnesses.

Diversity & inclusion

GRI 405-1, GRI 406-1 ▼

Edwards Lifesciences' work to promote diversity and inclusion serves our **aspiration** of Fostering an Inclusive Culture Where all Employees Grow and Thrive.

Definition

Edwards strives to maintain and enhance a culture reflective of our Credo and Aspirations. We believe that fostering a diverse, inclusive culture is critical to our long-term success as we help more patients around the world.

Management approach

Diversity is foundational to Edwards Lifesciences' work to innovate life-saving therapies for patients. We encourage our employees worldwide to share novel 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.

Diversity and inclusion programs

Our long-term vision is to become a leading workplace for diversity and inclusion. Edwards' continued maturation and expansion of diversity and inclusion efforts reflects our growing priority to foster inclusive thinking and increase the diversity of our workforce. We have developed programs focused on attracting, engaging and developing diverse talent. Sample activities include:

- Career fairs for engaging minorities at conferences and university chapters (e.g., National Society of Black Engineers and the Society of Women Engineers)
- Panel discussions about managing your career at Edwards featuring guests from our executive or senior leadership teams
- Speed Mentoring with senior leadership team members
- Leadership development classes
- Hospital Observation opportunities to see our products in clinical use
- Monthly Mix & Mingle social events
- Welcome Reception for summer interns recruited from the National Society of Black Engineers (NSBE)
- Summer Externship Program

Engaging employees in diversity

The Employee Research Groups (ERG) focus on employee awareness and learning, as well as networking. ERGs host a variety of learning opportunities, networking activities and group events designed to educate, raise awareness, create a sense of community as well as provide career development opportunities for members.

Our employees participate in several ERGs that celebrate and advance diversity. These include:

Employee Resource Group (ERG)	Description
Network of Women	Informs, involves and inspires all employees on the value of gender diversity and inclusion into the Edwards culture where employees grow and thrive
MultiCultural	Fosters a community that attracts and enables Edwards' employees across cultures to be connected and empowered, and reach their full potential
Friends of Veterans Network	Fosters a community of veterans and veteran-minded employees at Edwards to enhance employee engagement, drive veterans' talent strategy and serve the veterans community
Generations	Supporting issues around work / life integration, parenting, elder care and family caregiving. Chapters include Fertility, Adoption, and Fostering; Working Parents; Early Career Professionals
Rainbow Alliance	Creates a community of LGBTQ+ members and allies that fosters employee engagement and diversity of thought within Edwards through education, support, visibility, and advocacy; together, striving to cultivate an environment of acceptance and respect for all employees

Building a diverse workforce

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

For example, 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 can frame the way we look at the world. As Edwards advances our culture of inclusion, it is important we educate employees around the identification and adjustment of unconscious biases. We aim to have 100 percent of ELT, SLT and their direct reports complete Leverage Diversity Training by 2018. This goal aligns with SDG 5: Gender Equality and SDG 10: Reduced Inequalities.

Our Leveraging Diversity workshop addresses unconscious bias by encouraging inclusive thinking and behaviors from the top down. The training also helps individuals develop their cultural competency skills to work effectively across both similarities and differences. Post-training evaluations have shown the sessions are effective in changing peoples' mindsets on how they promote, hire and engage with colleagues.

A new diversity and inclusion strategy

The Edwards Executive Leadership Team (ELT) recently developed a new strategy and governance structure for Diversity and Inclusion at Edwards. The new strategy includes an Executive Steering Committee, an Edwards Diversity

Council and a new structure for our Employee Resource Groups (ERGs). The new strategy will build upon the legacy that began with the Quality Diversity Council and scale the program throughout the organization.

The new Executive Steering Committee is led by the Corporate Vice President of Human Resources and the Corporate Vice President of Quality and Regulatory and it includes the ELT ERG Sponsors. The Edwards Diversity Council is led by the Director of Talent Management and includes the Leaders of ERGs. Leaders of ERGs will be nominated and approved by the Executive Steering Committee.

Our 2018 strategy is to expand the ERG network using five over-arching ERG categories: Multi-Cultural, Friends of Veterans, Generations, Edwards Network of Women and Edwards Rainbow Alliance. Each category will be led by an ELT sponsor and, over time, a steering committee. We plan to establish individual ERGs within each category.

In 2018, we will host a global event to launch a communications campaign and a Diversity and Inclusion “destination” intranet site that includes several tools and resources for employees. The site will provide a new ERG launch kit for new ERG Leaders.

Annual performance

In 2017, Edwards expanded inclusion programs to include new Employee Resource Groups (ERG) including Generations, the Rainbow Alliance, and MultiCultural groups.

During the development of our 2018 strategy, we interviewed ERG leaders and asked them to share their successes and lessons learned. As part of a global survey, in-depth interviews were conducted among members of our ELT, existing women’s group leaders, and leaders of other Diversity & Inclusion groups across various functions, business units and regions. This information was very insightful in better understanding what makes ERGs successful and what impact ERGs are having on perceptions of Edwards. The interviews also laid the groundwork to ensure open channels and support existed for ERGs amongst our senior executives. A strategy meeting with executives was prioritized to challenge leaders to think broadly and dream big.

Women in leadership program

To strategize next steps for women’s groups at Edwards, the newly formed Edwards Network of Women (E.NOW) reviewed and benchmarked the global interview data and confirmed that E.NOW could positively impact the greater good of Diversity and Inclusion at Edwards. The analysis informed the development of “ERG toolkit,” a blueprint currently in the works to better prepare future ERG leaders to make an impact. The offsite meeting also resulted in the ideation of the broader Edwards strategy, framework and governance.

Survey results were mapped against Edwards’ geography to develop a heat map of where employees were aware of, participated in and belonged to ERGs. A descriptive analysis of these results helped detect areas that were underserved as potential areas of opportunity, in addition to which type of events were the most valuable. Advanced statistical analysis of survey results revealed that women aware of ERGs were significantly more likely to perceive Edwards as being better able to retain women in leadership levels. Those that reported having a mentor perceived Edwards significantly more favorably in having work-life programs that attract and retain women. These findings provided evidence that our ERGs and mentorship programs are effective levers for our organization and illuminated ways to maximize their impact moving forward.

2017 accomplishments of the Women in Leadership group in Irvine include:

- More than 150 participants in a networking event “Lift as You Climb” with guest speaker and executive coach, Libby Gil

- More than 100 attendees of a panel discussion, “Own Your Brand” with members of the ELT
- 13 “Coffee Connection” sessions with Edwards leaders with 150 overall participants
- More than 150 participants in a networking event “Build Your Board of Directors” with guest speaker and executive coach, Sabina Nawaz
- Partnered with Mended Hearts, more than 150 participants assembled 500 “Bravery Bags” in a charity event “Rise through Lifting Others”

Women’s ranks in leadership*

People Leaders	Industry %	2017 %	2016 %
C-Suite Execs	20	21	21
VPs	29	30	28
Sr. Manager/Director	33	33	34
Manager	37	37	38
Entry Level	47	52	52

Our women in leadership ranks are shown to be equal to or above the industry average, according to the McKinsey Women in the Workplace Report, 2017. *Manufacturing employees are not included.

Summer externship program

In coordination with community organizations Girls Inc. of Orange County and 100 Black Men of Orange County, we continued our annual summer externship program for under-represented high school aged students. In 2017, this externship program gave 15 students the experience of job shadowing with Edwards employees from several functional areas of the company, exposing them to a variety of business situations. We provided our employees with diversity training and held all-inclusive events on campus to promote inclusion among coworkers. We attended the National Society of Black Engineers and recruited interns as well as permanent employees. We continue to strengthen our partnership with local universities to help diversify our workforce.

Global employee engagement survey

Edwards partnered with CEB/Gartner and deployed a global Employee Engagement Survey with a 90 percent response rate. The survey included the addition of a Diversity and Inclusion category where employees were asked to rate the extent to which they agreed that:

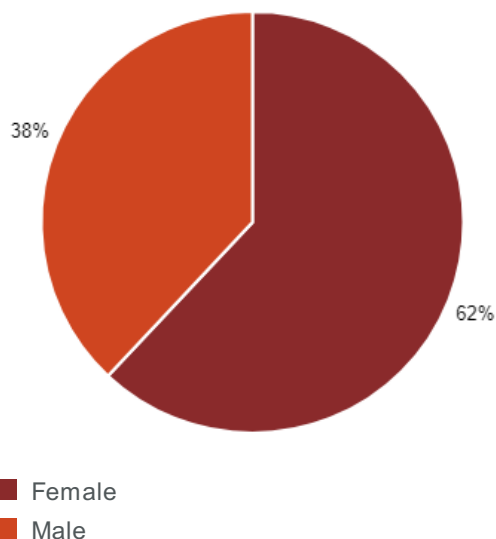
- People of all backgrounds can succeed at Edwards
- Edwards encourages and promotes diversity of backgrounds, talents and perspectives
- Their immediate supervisor encourages an environment where individual differences are valued

Edwards participated in the Global High Performing Norms benchmark, which includes companies listed in Fortune’s “Best Companies to Work For” and “Most Admired Companies” lists. In the Diversity and Inclusion category, we exceeded the global high-performing norm by 2 percent and the Pharmaceutical/BioTech Norm by 13 percent. These results improved regardless of gender and several ethnicities scored significantly higher on these key indices compared to 2015 results. Furthermore, no ethnicity scored significantly lower in the 2017 survey in comparison to the 2015 survey. From this, we can conclude that the improvement in the survey findings is robust and indicative across our diverse population. For more information, please see our [Employee Recruitment, Engagement & Retention](#) section.

Our diversity profile

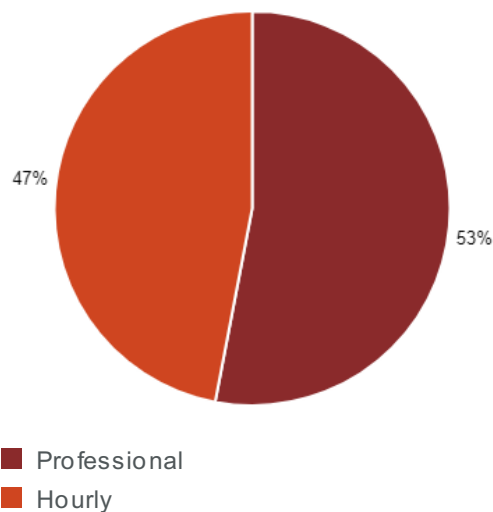
Edwards' executive leaders emphasize that diversity isn't about numbers or statistics. It's a way of conducting ourselves and our business that must be integrated into our behaviors and practices. Edwards' vision is to foster a culture that actively and consistently values diversity. In 2017, we achieved 58 percent of our goal to have 100 percent of ELT, SLT and their direct reports complete Leverage Diversity Training by 2018. This goal aligns with SDG 5: Gender Equality and SDG 10: Reduced Inequalities.

Global employees by gender in 2017

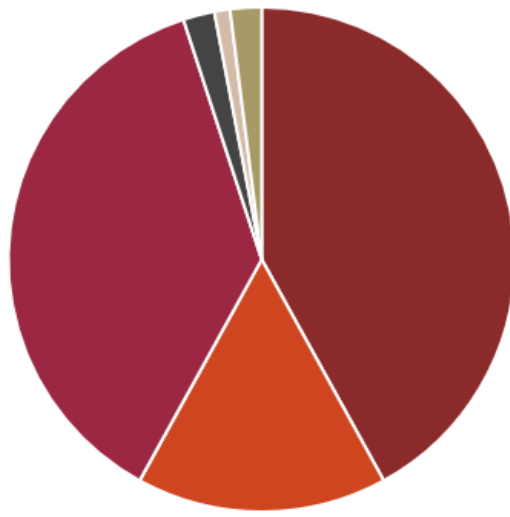


In 2017, we met our goal to increase the year-over-year diversity of our Sr. Manager and above population (up 1% gender globally and 1% ethnicity in the U.S.). This goal aligns with SDG 5: Gender Equality and SDG 10: Reduced Inequalities.

Global employees by type in 2017



Global employees by ethnicity in 2017



- Asian
- Hispanic
- White
- Black
- Pacific Islander
- Other

Volunteerism & giving

GRI 103-2 ▼

Edwards Lifesciences' work to encourage volunteerism and giving supports our **aspiration** of Passionate Engagement that Strengthens Our Communities.

Definition

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

Management approach

Edwards Lifesciences believes our work can inspire hope and better lives for our patients, employees and communities. Volunteerism and giving are a strong part of our unique corporate culture. Many of our employees feel personally connected to our philanthropy and identify this commitment as a key reason why they are proud to work at Edwards.

Philanthropy at Edwards Lifesciences

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**, strong **employee volunteerism**, **donation of our medical innovations** for indigent care, **corporate donations** and **employee gift matching** from our Foundation.

Goals of our Global Corporate Giving include:

- Achieve our **Every Heartbeat Matters initiative** with a goal that, by 2020, our philanthropy will support the education, screening and treatment of one million underserved people
- Expand awareness of cardiovascular disease, its prevention and treatment with an emphasis on heart valve and critically ill patients
- Enhance support and access to care for underserved heart valve and critically ill patients
- Support research and education to increase expertise and innovation in treating heart valve and critically ill patients
- Strengthen the communities in which our employees live and work
- Provide opportunities for employees to volunteer
- Establish trusted partnerships to further leverage impact

Edwards has a strong community presence around the world, with the most prominent at our corporate headquarters in Irvine, California. We open our locations to host fundraisers and meetings for local nonprofit organizations, such as United Way, American Heart Association and Susan G. Komen. We also provide externships for members of local organizations such as Girls Inc. and regularly bring students onto our campuses to tour and learn about what it means to work in medical technology and understand the paths our employees took to where they are today.

Employee volunteerism & giving

Edwards' employees are caring individuals with a shared mission to improve lives. We encourage employee participation in philanthropic activities every year toward our aspiration of 100 percent employee engagement. And we aim to have 100 percent of ELT and SLT participate in at least one philanthropic activity per year. This goal aligns with SDG 3: Good Health & Well-Being. Past volunteer activities ranged from participation in at-risk student mentoring, fundraising walks, donating blood and teaching students about career opportunities in Science, Technology, Engineering and Math (STEM). Additionally, we align our foundation giving with employee engagement through our foundation's employee matching gift program that matches donations to non-profit organizations up to \$5,000 per employee each year.

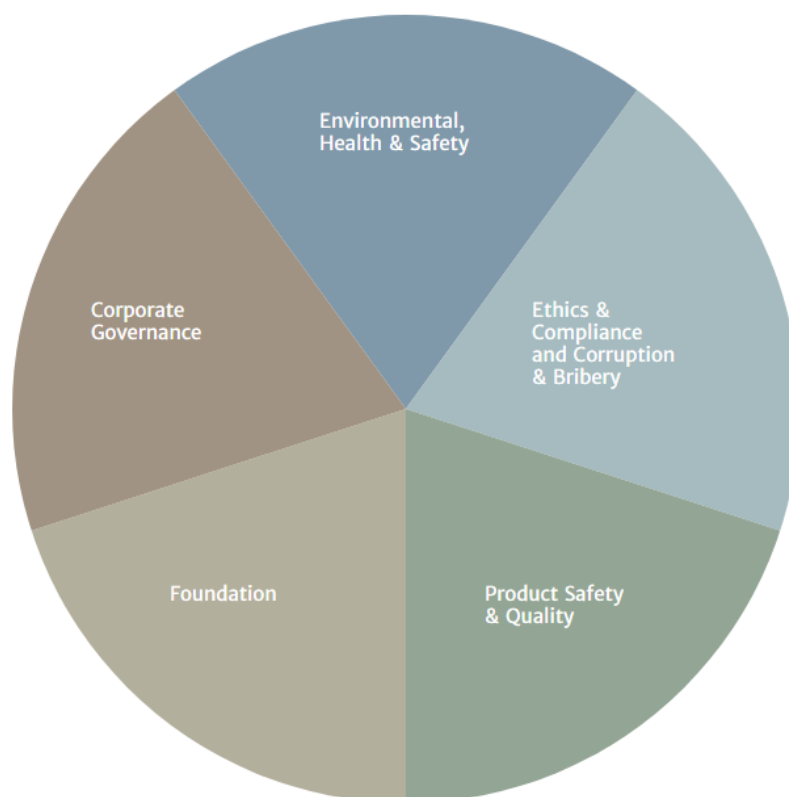
Our volunteerism efforts are organized by Strengthen Our Community committees around the world, which are cross-functional groups of passionate employees dedicated to living Edwards' Credo of "creating a community unified in its mission to improve the quality of life around the world." The committees fulfill their missions by connecting Edwards' volunteers to meet community needs. Each individual committee is empowered to volunteer their time and talents according to both local community needs and the interest of employees in their region.

Our employee engagement in philanthropic activities is truly global. For example, in Switzerland, employees are passionate about giving back to people with disabilities. They actively support organizations that are dedicated to helping those with disabilities, such as the Special Olympics and Trako School of Life. In Singapore, employees focus on the hunger crisis in their local community, so the local Strengthen Our Community committee regularly fundraises and volunteers at Food from the Heart, a local food bank.

The Edwards Lifesciences Foundation

We established the **Edwards Lifesciences Foundation** to strengthen and support our passion for helping people around the world. In 2017, we created a governance map to clearly outline/indicate the Foundation's governance structure.

Governance map



Programs types supported by our Foundation:

- Every Heartbeat Matters – Programs that educate, screen and/or treat underserved people to reduce the global burden of heart valve disease
- Community – Programs that strengthen the communities where our employees live and work, and provide opportunities for employee volunteerism
- Other – Programs that meet other vital community or patient needs; these often include education and awareness campaigns, research, and/or direct care for underserved patients

The Foundation is committed to transparency. On the Foundation website, we publish:

- grant cycle review process,
- annual grant cycle dates,
- goals and objectives of giving,
- details on the types of programs supported by the Foundation,
- requirements of organizations supported by the Foundation,
- annual grant recipients.

The Foundation's signature philanthropic program, [Every Heartbeat Matters](#), includes additional guidelines and obligations in reporting and transparency.

The Foundation's governance structure is comprised of a Board of Directors, Officers, an Administrative Steering Committee and an independent Audit Committee. There are eight Directors of the Edwards Lifesciences Foundation, all of whom are executives of Edwards Lifesciences and demonstrate a dedication to giving back. The Foundation maintains officers to assist in the management and oversight of the Foundation, including an Executive Director, a Treasurer, a Secretary and a Director of Tax.

The Foundation also maintains an Administrative Steering Committee, comprised of 20 Edwards employees from around the world. The Administrative Steering Committee members help to carry out the mission of the Foundation around the world by interacting with and connecting Foundation partners and Edward employees, and specifically by assisting with the Foundation's annual grant cycle application process and review in their community.

Product donations

Edwards' belief in humanity and compassion form the foundation of our global philanthropic efforts. We donate our medical innovations to medical missions and training programs worldwide. These technologies help provide cardiac therapies in some of the most impoverished parts of the world that lack 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 thousands of dollars of in-kind donations that support mission trips to countries all around the world.

Increasing access to cardiovascular care

We named our signature philanthropic initiative Every Heartbeat Matters, reflecting our belief that all people deserve access to cardiovascular care. Since launching the initiative in 2014, we have pledged our support to impact 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 2017, 77 percent of our global employees reported that they participated in at least one charitable activity in the past 12 months, as compared to 74 percent in 2015 and 72 percent in 2013. Every year, we seek to inspire more charitable activity with an aspiration of reaching 100 percent, including our Executive and Senior Leadership Teams. In 2017, our Executive Leadership Team and our Senior Leadership Team reached 100 percent, setting an important example for the rest of our employees. These goals align with SDG 3: Good Health & Well-Being.

Employee charitable activities in 2017

Country	Percent participation
United States	85
Canada	85
Asia-Pacific	74
Europe	73
Latin America	70

Community activities at our global facilities included:

- Our employees in Haina, Dominican Republic, 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
- Edwards’ Korea team volunteered their time to deliver coal briquettes to low-income families and senior citizens to warm their homes in the winter
- A group of employees in Israel packed and distributed boxes of food to families in need before the New Year
- In Australia, employees recently built a garden and walkway at a local school and sent volunteers to maintain the plants monthly
- Our employees in Brazil assembled more than 500 wheelchairs and delivered them to low-income people with disabilities
- In the Dominican Republic, employees planted over 3,000 plants in the community of El Barro
- In Puerto Rico, Edwards provided two ways for employees to directly provide relief for colleagues affected by Hurricane Maria:
 - Cash donations were made to Edwards Lifesciences Foundation’s Disaster Relief Fund, which provided financial support to those employees who suffered the greatest loss
 - Irvine employees organized a way to purchase desperately needed items on an Amazon registry to be aggregated in Irvine and shipped to Puerto Rico for distribution to our employees in need. All donations were distributed to our Puerto Rico colleagues, along with a card including an inspirational message of hope, strength and solidarity for each employee. Over 1,100 blankets, batteries, diapers, food, cases of water and other critical items were donated, helping 568 employees and their families recover

Our philanthropic contributions

In 2017, we contributed \$7.0 million in cash [grants from our Foundation](#) to non-profit partner organizations across the globe. Since the launch of this initiative in 2014, we have supported the education, screening and/or treatment of more than 900,000 underserved people. We are proud of our partners' strong results and are on track to meet our 2020 goal to impact one million underserved people in our pursuit of impacting the global burden of heart valve disease. This goal aligns with SDG 3: Good Health & Well-Being and SDG 10: Reduced Inequalities. For additional information about this work, please see our [Access to Healthcare](#) section.



Sustainability report

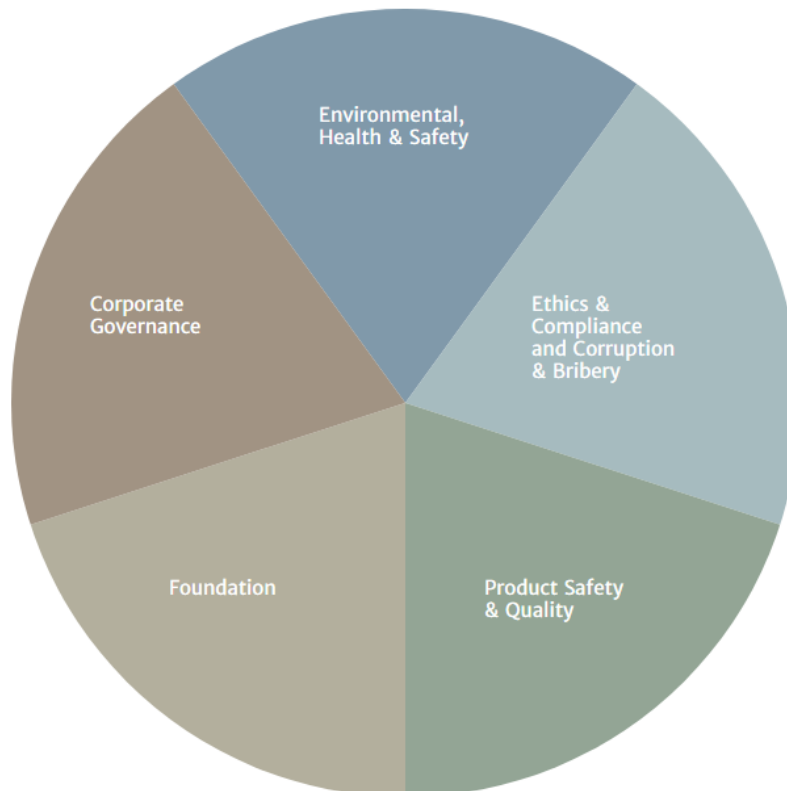
Environment

Edwards Lifesciences conducts business with care and respect for our environment. The Environment section of our 2017 Sustainability Report covers all our business operations and contains our management approach and annual performance for the following material topics:

- Energy & emissions
- Waste
- Water
- Environmental compliance

In 2017, we created a governance map to illustrate the accountability structure for managing Environmental Health and Safety, including Energy and Emissions, Waste, Water and Environmental Compliance.

Governance map



Energy & emissions

GRI 103-2, GRI 103-1, GRI 302-1, GRI 302-2, GRI 302-3, GRI 302-4, GRI 302-5, GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5, GRI 305-6, GRI 305-7 ▼

Edwards Lifesciences' work to manage Energy and Emissions supports our **aspiration** of passionate engagement that strengthens our communities.

Definition

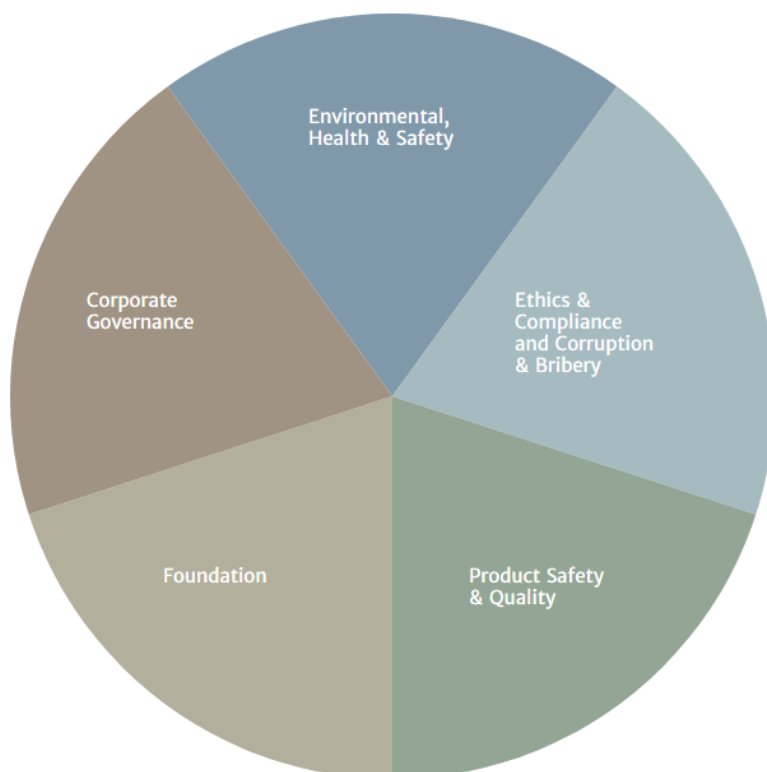
Reducing energy usage and greenhouse gas emissions generated throughout Edwards' value chain, reducing the release of fine particulate matter into the air and toxic air emissions, improving energy efficiency and sourcing renewable energy.

Management approach

Edwards Lifesciences is committed to reducing our environmental footprint. This goal aligns to SDG 6: Clean Water and Sanitation and SDG 12: Responsible Consumption and Production. 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 stakeholders can live healthier and more productive lives.

In 2017, we created a governance map to illustrate the accountability structure for managing our Energy and Emissions footprint.

Governance map



Our energy & emissions footprint

Edwards' primary source of greenhouse gas emissions is our indirect and direct energy consumption. Our manufacturing areas typically use about eight times as much energy as our office areas; energy-intensive activities, such as constant air circulation, are essential to protect the quality of our life-saving medical technologies. Edwards' seven manufacturing locations comprise over 85 percent of all global direct and indirect energy usage, not including Scope 3 energy, and are therefore the primary focus of Edwards' energy reduction initiatives.

Fuel mixture of electricity usage at global manufacturing sites*

	Añasco	Cartago	Draper	Haina	Horw	Irvine	Singapore	ROW
Oil/Coal	99%	0%	63%	0%	1%	8%	4%	100
Natural Gas	0%	0%	14%	100%	0%	44%	92%	0%
Wind	0%	0%	8%	0%	1%	9%	0%	0%
Hydro	1%	100%	6%	0%	60%	9%	0%	0%
Solar	0%	0%	0%	0%	0%	2%	0%	0%
Other	0%	0%	9%	0%	38%	28%	4%	0%

*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. This goal aligns with SDG 7: Affordable and Clean Energy. 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:

- In Irvine, Calif., we operate a Solar Photovoltaic Panel generation system
- We provide 22 electric vehicle charging stations for more than 180 employees who drive electric and hybrid plug-in vehicles
- LEED Gold and LEED Platinum buildings in Irvine
- Installation of occupancy sensors, energy meters and a high-efficiency chiller system at our facility in the Dominican Republic

Edwards identifies efficiency initiatives to save time, energy and money as we expand. For instance, at our Añasco, Puerto Rico, location, to reduce our greenhouse gas emissions, improve energy reliability and save costs, we initiated the start-up of a new propane fueled cogeneration power station. For 2017, the CoGen unit provided between 60-70 percent of the site's electricity needs. 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. This goal aligns with SDG 7: Affordable and Clean Energy and SDG 13: Climate Action.

At our Irvine campus, we generate approximately 85,000 kwh per month from a rooftop solar energy generation system. We are also in the process of installing a second rooftop system which will double our generating capacity. All solar energy is provided directly back to the public utility grid. Because it is not a significant contribution to our total global energy consumption, Edwards does not claim this energy as "offsets" in consumption calculations or other reporting initiatives and sustainability surveys.

Employee commuting initiatives

Edwards' greatest opportunity to reduce our indirect greenhouse gas emissions is through travel. This goal aligns with SDG 13: Climate Action. Our corporate team frequently travels via airline and our sales team operates a fleet of vehicles. Further, we have approximately 11,000 employees commuting to and from work daily. To track these emissions, we work with our travel management partner who provides detailed reports for almost all our employee-based air and rail travel around the world. We obtain information regarding employee commuting behaviors through surveys, human resources records and general observations.

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, at our Irvine and Draper campuses, our parking structures provide 22 high-capacity electric vehicle charging stations.

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

Edwards has grown nearly 140 percent between 2010 and 2017, yet total energy usage has increased approximately 85 percent. During this time, cost has only increased by 30 percent, thus lowering our average cost per billion joules (GJ) from \$36.80 to \$25.33, a 31 percent reduction. Even as Edwards grows, we have been able to successfully minimize energy consumption increase by utilizing existing manufacturing space more effectively and investing in energy efficient air handlers, chillers, air conditioning equipment and lighting controls. Our 2020 goal is to maintain a zero percent change in relative energy consumption. This goal aligns with SDG 7: Affordable and Clean Energy.

In 2016, we recalculated our energy consumption and emissions to include total manufacturing and non-manufacturing emissions. We applied this methodology retroactively and restated previous years' data. In 2017, we engaged a qualified third party for the first time to assure our Climate Change Greenhouse Gases (GHGs) emissions data with a verification statement.

Please see changes in the numbers on the table below for year 2014-2017. The change for 2017 is minimal and most accurate since these numbers were examined by our third party assurance. The numbers for 2014-2016 were slightly readjusted upwards based on third party assurance recommendation and assuming that all Rest of World sites use natural gas for energy based on a square footage formula, however natural gas is not used universally in all countries. For 2014-2016, this change reflects a less than 10 percent increase in our prior year's unverified data. Our 2020 goal is to maintain a zero percent change in GHGs. This goal aligns to SDG 13: Climate Action.

Scope 1 and 2 energy consumption

2011	2012	2013	2014	2015	2016	2017
Relative Energy Consumption (Mwh/Millions of Sales)						
47.75	44.19	46.15	39.42	37.86	36.48	38.34

Absolute Energy Consumption (Mwh)

80,181	83,953	94,420	91,585	94,427	108,144	131,707
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Direct Scope 1 and 2 emissions include GHGs for manufacturing and non-manufacturing operations. These calculations account for operations powered by natural gas, propane, gasoline and diesel fuel as well as on-site combustion. To calculate MT CO₂e for manufacturing, we referenced DEFRA 2014 guidelines. For non-manufacturing direct emissions, we used the EPA guidelines on modeling natural gas emissions based on cubic feet of space.

In 2017, the installation of our new propane cogeneration plant in Añasco, Puerto Rico, shifted our GHG emissions Indirect (electricity) to Direct (propane). To calculate our GHG emissions, we utilize the most recently available conversion factors for each country or region in which we do business. For manufacturing locations indirect emissions, we are mostly utilizing IEA 2017 and eGRID 2016 conversion factors. For nonmanufacturing locations indirect emissions, we are mostly using DEFRA 2014, eGRID 2016 and IEA 2017 conversion factors. For direct emissions, we are utilizing DEFRA 2017 conversion factors. For 2017, the CoGen unit provided between 60-70 percent of the site's electricity needs.

2011	2012	2013	2014	2015	2016	2017
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Relative Scope 1 & 2 Greenhouse Gas Emissions (MT CO₂e/Millions of Sales)

17.66	16.12	16.91	14.66	12.50	11.78	11.23
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Absolute Scope 1 & 2 Greenhouse Gas Emissions (Tonnes)

29,658	30,634	34,589	34,065	31,169	34,914	38,583
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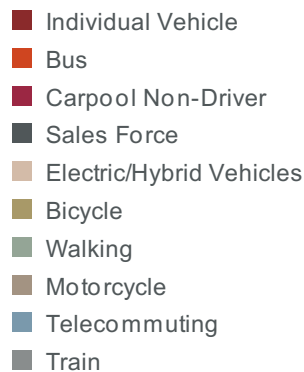
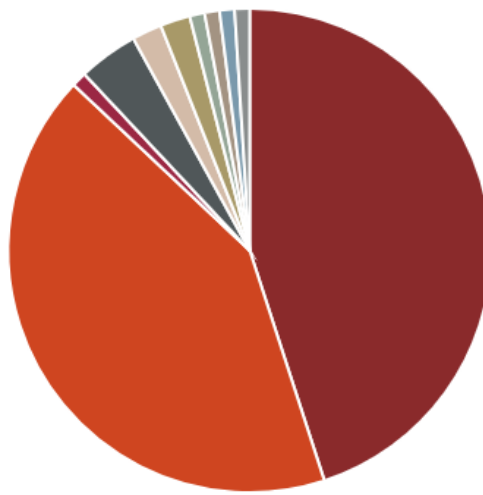
Employee commuting

Of 11,700 total employees for 2017, not including contractors and temporary agency workforce, approximately 56 percent of employees drive their own vehicles and 44 percent take advantage of alternative transportation options, including carpool and public transportation incentives, electric vehicles and employee bus services. We encourage alternative transportation at all our locations. For example:

- Haina and Singapore: fully subsidized bus services for employees from nearby home to/from work
- Irvine: electric vehicle stations, fully subsidized vanpools, preferred carpool parking, MetroLink discount tickets, bicycle facilities and locker rooms
- Draper: electric vehicle stations
- Añasco: preferred carpool parking

Since its inception in 2016, the electric vehicle charging program has eliminated over 110 metric tons of greenhouse gases, equivalent to planting over 3,800 trees and growing them for 10 years.

2017 worldwide employee daily commuting profile



Mode	Individual Vehicle	Bus	Carpool Non-Driver	Sales Force	Electric/Hybrid Vehicles	Bicycles	Walking	Motorcycle	Tele-commuting	Train
Percent	55%	42%	<1%	4%	2%	<1%	<1%	<1%	<1%	<1%

Business commuting consists of air and rail travel by Edwards employees traveling on business. Personal commuting includes employees' round trip commutes to and from work, including vehicles of our sales force and field clinicians.

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, we are committed to:

- Providing alternate methods of transportation, such as company bus services for more than 3,000 employees in Singapore and the Dominican Republic, electric vehicle charging stations in Irvine and Draper, and various other programs such as vanpools, MetroLink tickets, preferred carpool parking and bicycle facilities
- Improving energy conservation and using GHG reduction technology for all new construction, including our 2016 LEED Gold certified headquarters building and our 2017 LEED Platinum certified lobby and employee congregation building, both in Irvine, CA
- Conserving new energy and using GHG reduction technology in our facilities related equipment, such as our new propane Cogeneration Plant in Añasco, Puerto Rico, and energy building management system in Haina, Dominican Republic

Waste

GRI 103-1, GRI 103-2, GRI 306-1, GRI 306-2 ▼

Edwards Lifesciences' work to manage waste serves our **aspiration** of passionate engagement that strengthens our communities.

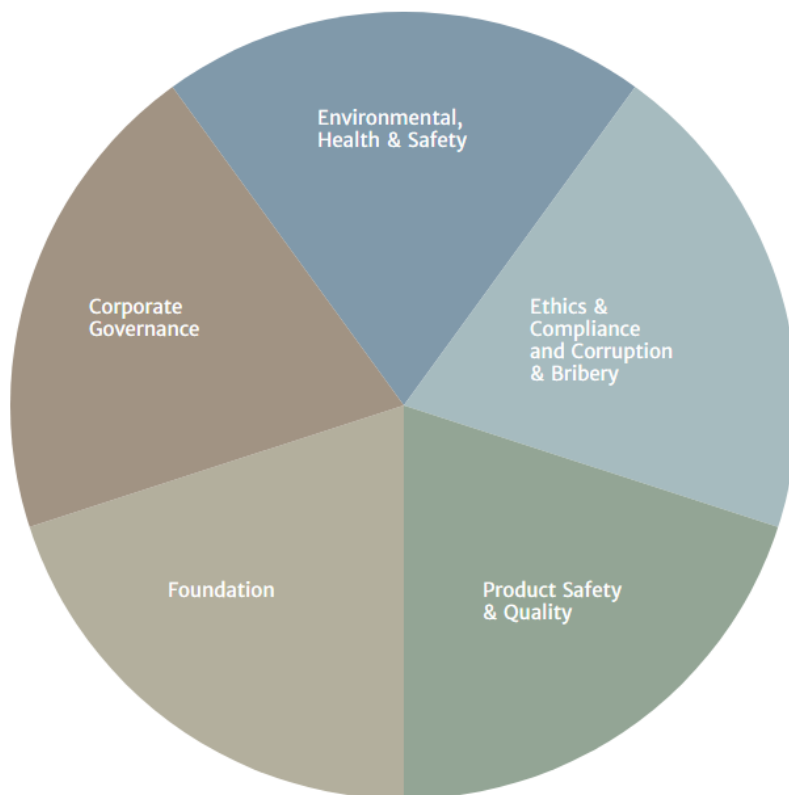
Definition

Reducing the amount of waste generated by Edwards to landfill, by 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 processes. As we continue to innovate new and transformational technologies, we push ourselves to minimize our waste footprint—building a foundation for more responsible manufacturing. In 2017, we created a governance map to illustrate the accountability structure for managing our Environmental Health and Safety, including our Waste footprint.

Governance map



Managing regulations & compliance

We are committed to complying with all waste disposal regulations in our global markets. 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 strengthen the emphasis on producer responsibility for waste.

Solid waste management

Edwards aims to reduce its environmental footprint beyond compliance with environmental regulations. Our target is to reduce solid waste disposal 20 percent by 2020 from our 2015 baseline. This goal aligns with SDG 6: Clean Water and Sanitation and SDG 12: Responsible Consumption and Production. Waste disposal includes hazardous waste and recycling. Almost all of the waste generation occurs at our seven global manufacturing locations. Each facility is responsible for implementing waste reduction practices to achieve this target.

- Our Añasco, Puerto Rico, location 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 reuse initiatives

Several of our customers have requested 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 30 percent of Edwards' hazardous waste is recycled, primarily through the energy recovery of high BTU-rated wastes, including manufacturing solvents. Another 69 percent is completely incinerated to reduce future liabilities and risks to the community. We dispose the 1 percent that is not qualified for either incineration or treatment in authorized landfills in methods appropriate to risks, best practices and local regulatory requirements. Some of our locations realize financial benefits from their efforts. Our target is to reduce hazardous waste disposal 20 percent by 2020 from our 2015 baseline. This goal aligns with SDG 12: Responsible Consumption and Production.

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 contiguous 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 countries' borders.

Annual performance

Although Edwards' business grew 138 percent from 2010 to 2017, the absolute volume of solid waste increased by only 60 percent. In 2015, Edwards began recycling product and packaging wastes as waste-to-energy fuels burning instead of direct incineration with no environmental benefit. Previously, these nonhazardous waste items were discarded to landfill or incinerated without energy recovery. Our target is to reduce solid and hazardous waste disposal 20 percent each by 2020 from our 2015 baseline. This goal aligns with SDG 6: Clean Water and Sanitation and SDG 12: Responsible Consumption and Production.

Our solid waste performance

Overall, Edwards recycled 1.034 metric tons of nonhazardous waste in 2017 from our seven global manufacturing

locations, including our Irvine Corporate Headquarters.

- 43 percent recycled cardboard boxes received through suppliers
- 13 percent paper
- 20 percent assorted plastics from manufacturing plants and waste byproducts
- 7 percent wood pallets sent to local suppliers for re-use or repair, or substitute with plastic reusable pallets where feasible

2011	2012	2013	2014	2015	2016	2017
Relative Solid Waste Disposal (Tonnes/Millions of Sales)						
0.73	0.58	0.52	0.53	0.51	0.51	0.51
Absolute Solid Waste Disposal Over Time (Tonnes)						
1,224	1,099	1,074	1,219	1,269	1,499	1,749

Solid waste quantities provided are from only our manufacturing facilities because the volume of nonhazardous waste from administrative and office buildings represents only a small portion of Edwards' total waste and is not considered material to our environmental footprint.

Hazardous waste performance

When normalized for company revenue growth, volumes of hazardous waste have remained relatively constant since 2010. However, since 2015, we have been successful in reducing our waste by 4.5 percent each year, contributing to our 2020 environmental target to recycle 60 percent of all hazardous waste. This goal aligns with SDG 12: Responsible Consumption and Production.

2011	2012	2013	2014	2015	2016	2017
Relative Hazardous Waste Disposal (Tonnes/Millions of Sales)						
0.356	0.346	0.345	0.331	0.316	0.306	0.302
Absolute Hazardous Waste Disposal (Tonnes)						
598	658	707	769	788	906	1036

Water

GRI 103-2, GRI 103-1, GRI 303-1, GRI 303-2, GRI 303-3 ▼

Edwards Lifesciences' work to manage water supports our **aspiration** of passionate engagement that strengthens our communities.

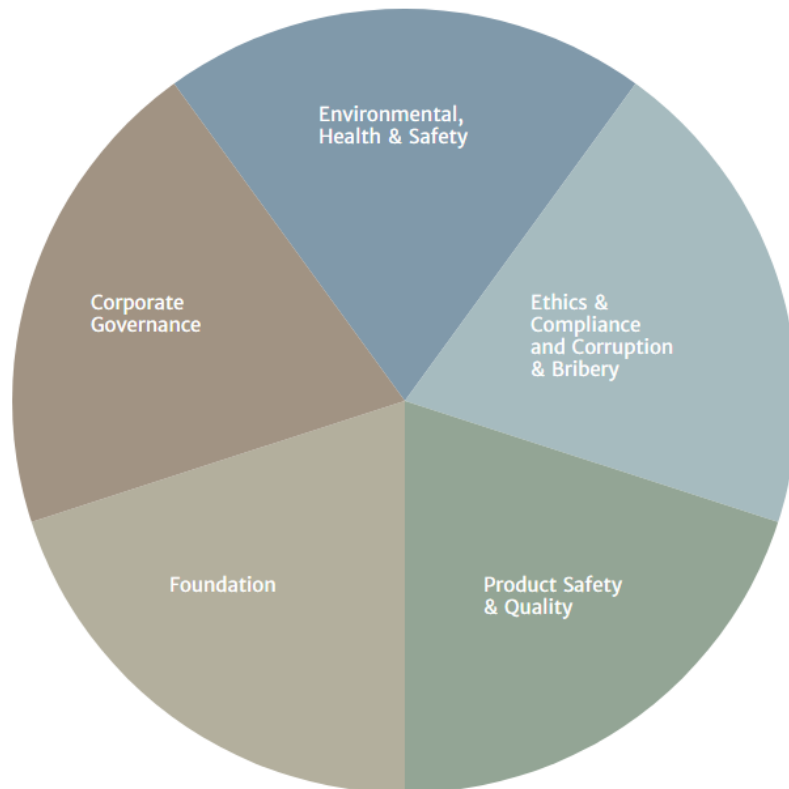
Definition

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

Management approach

Most of Edwards' water usage occurs during 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. In 2017, we created a governance map to illustrate the accountability structure for managing Environmental Health and Safety, including our Water footprint.

Governance map



Our water footprint

Edwards' facilities and manufacturing operations are considered dry in nature and do not require major water inputs for manufacturing. Our primary water consumption activities include process water, employee hand cleaning, landscaping, employee restrooms, cafeterias and facilities-related equipment, such as evaporative cooling units. Our target is to reduce water usage 15 percent by 2020 from our 2015 baseline. This goal aligns with SDG 6: Clean Water and Sanitation

and SDG 8: Decent Work and Economic Growth.

Overall, our water intensity has increased only 2 percent from 2010 to 2017 despite significant growth and expansion of manufacturing activities and square footage.

Water conservation initiatives

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

- Singapore's NEWater is high-grade reclaimed water produced from treated used water that is further purified using advanced membrane technologies and ultra-violet disinfection
- Our harvesting system consists of two 30,000 gallon underground storage tanks on our Irvine campus' Central Park and are designed to collect approximately 32,000 gallons of water per inch of rainfall
- Hands-free sinks and low-flush toilets where locally available and supported
- Drought tolerant natural plants in landscape design initiatives

Annual performance

Edwards minimizes our environmental impacts as we experience rapid growth. Our normalized water consumption decreased by 2 percent from 2015 to 2017. We still aim to reduce our usage by 15 percent by 2020 from our 2015 baseline. This goal aligns with SDG 6: Clean Water and Sanitation and SDG 8: Decent Work and Economic Growth.

Our water performance

2011	2012	2013	2014	2015	2016	2017
Relative Water Consumption for Global Manufacturing Sites (1,000 Liters/Millions of Sales)						
136	128	181	144	154	155	151

Absolute Water Consumption for Global Manufacturing Sites (1,000 Liters)						
228,258	243,946	369,642	334,120	382,888	458,013	518,124

Although total water consumption has increased 140 percent since 2010, Edwards has grown in revenue 135 percent in the same period, thus maintaining a consistent usage of water for this timeframe compared to the growth of our company. Hence, as a normalized rate, there has essentially been no net change in consumption and Edwards remains at a usage level consistent with our medical industry peers.

Water consumption at global manufacturing sites

Location	2011	2012	2013	2014	2015	2016	2017
Water Consumption at Global Manufacturing Sites (Liters)							
Anasco	30,985,778	34,241,452	47,656,843	52,012,000	52,826,000	45,338,000	40,982,906
Haina	26,835,489	22,643,510	31,753,809	37,917,000	52,438,000	53,145,641	47,305,000
Cartago	0	0	0	0	0	0	2,932,000
Horw	4,687,000	4,816,000	4,912,000	4,940,000	4,498,000	4,491,000	4,285,000
Singapore	27,838,100	29,974,477	66,687,610	69,164,300	85,452,200	94,885,000	122,686,000
Draper	9,673,020	13,407,922	34,800,410	34,307,080	34,709,578	37,843,809	41,626,699
Irvine	105,239,545	115,362,847	159,831,628	111,279,557	127,964,213	196,844,993	227,531,100

Our largest water impacts occur at our Irvine and Singapore manufacturing operations. In 2017, 51 percent of water consumed at 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.

Environmental compliance

GRI 103-1, GRI 103-2, GRI 307-1 ▼

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

Definition

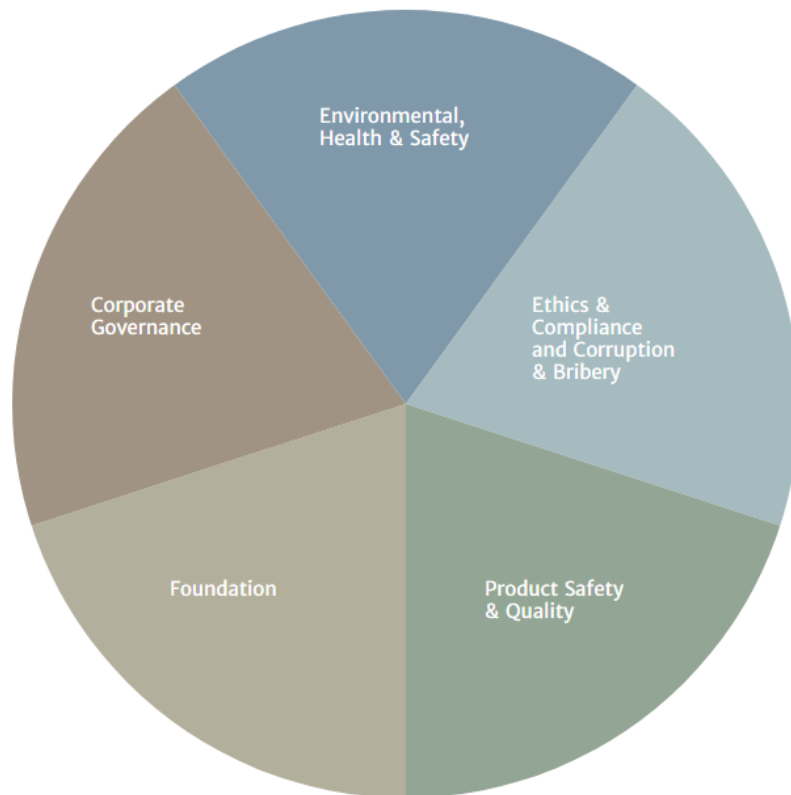
Acting in accordance with environmental laws and regulations.

Management approach

Edwards Lifesciences' business practices are committed to compliance with regulatory standards in each of our global markets. For environmental responsibility, this means adhering to all environmental requirements, regulations, ISO certifications, as well as industry practices and risk management considerations, which includes limiting impacts to air, land and water through our daily business operations.

In 2017, we created a governance map to illustrate the accountability structure for managing our Environmental Health and Safety, including our Environmental Compliance.

Governance map



Environmental compliance at Edwards

Edwards is dedicated to meeting 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 assess compliance requirements.

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 annual corporate EHS audits 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 expansions. We conduct EHS due diligence in partnership with corporate real estate, legal and risk management functions. 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. Our target is to achieve third-party ISO 14001:2015 Certification at 100 percent of global manufacturing facilities by 2018. This goal aligns with SDG 6: Clean Water and Sanitation; SDG 7: Affordable and Clean Energy; SDG 8: Decent Work and Economic Growth; and SDG 12: Responsible Consumption and Production. Currently, four of seven of our global manufacturing operations have achieved ISO 14001:2015 accreditation, and we are on track 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 2017, 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 2018, Edwards supports individual plant initiatives to achieve ISO 14001:2015 certification. Our target is to achieve third-party ISO 14001:2015 Certification at 100 percent of global manufacturing facilities by 2018. This goal aligns with SDG 6: Clean Water and Sanitation; SDG 7: Affordable and Clean Energy; SDG 8: Decent Work and Economic Growth; and SDG 12: Responsible Consumption and Production. This includes our headquarters in Irvine, California. The status of our facilities in 2017 includes:

- **Añasco:** Achieved ISO 14001:2015 certification
- **Draper:** Achieved ISO 14001:2015 certification
- **Haina:** Maintained ISO 14001:2015 certification
- **Singapore:** Maintained ISO 14001:2015 certification
- **Irvine:** ISO 14001:2015 certification **planned for 2018**
- **Cartago:** 2017 startup operations. ISO 14001:2015 certification targeted by 2020
- **Horw:** plant closure end of 2017

Highlight Stories



Edwards recognized as one of world's most ethical companies

For the second year in a row, Edwards Lifesciences was recognized by the Ethisphere Institute, a global leader in defining and advancing the standards of ethical business practices, as one of the **2018 World's Most Ethical Companies**. Edwards is the only honoree in the medical technology industry, highlighting our commitment to leading with integrity and prioritizing ethical business practices. In 2018, 135 honorees were recognized, spanning 23 countries and 57 industries. Since 2007, Ethisphere has honored those companies who recognize their role in society to influence and drive positive change in the business community and societies around the world. These companies also consider the impact of their actions on their employees, investors, customers and other key stakeholders and create a culture of integrity that informs the decisions they make each day.



Governance maps illustrate oversight of sustainability topics

In 2017, we improved our reporting on governance and accountability for several of our material topics. Our new Governance Maps show the processes used to establish accountability for sustainability in one overarching, interactive graphic. The maps illustrate Edwards' internal responsibility structures for managing our material topics and describes who is involved when we set, implement and communicate our strategy. We believe our current accountability structures will help ensure long-term performance on our most important topics. This year's report contains maps for five topics: Ethics & Compliance and Corruption & Bribery; Product Safety & Quality; Edwards Lifesciences Foundation; Corporate Governance; and Environmental Health & Safety. We plan to incorporate the remaining topics in subsequent reports.



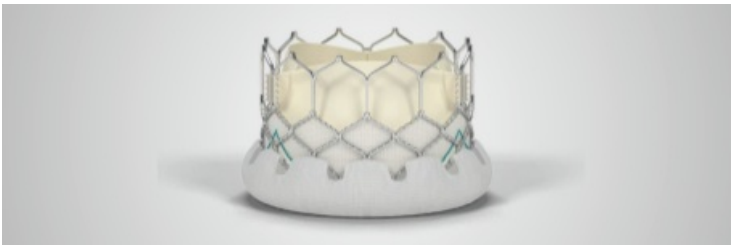
Nepal Heart Foundation screens Nepalese school children with risk of heart valve disease

In 2017, one of our Every Heartbeat Matters partners, Nepal Heart Foundation (NHF), screened more than 10,000 school children who were at risk of developing heart valve disease (HVD). Using portable echocardiography machines, they screened children living in extreme poverty areas. The NHF also provided education and awareness for the children, teachers, parents and community. More than 40 patients were identified with HVD and sent to a government hospital for surgery. During treatment, the NHF provided both social and financial support for the families of the patients being treated.



National Heart Valve Disease Awareness Day

February 22, 2017, marked the inaugural National Heart Valve Disease Awareness Day in the U.S., as recognized by the Department of Health and Human Services. The day of awareness was established with the strong leadership from Alliance for Aging Research using a grant from Every Heartbeat Matters (EHM) and participatory support of more than 20 partners (including several EHM partners). The goal of this now annual awareness day is to increase recognition of the specific risks and symptoms of heart valve disease, improve detection and treatment, and ultimately save lives. The Edwards Lifesciences Foundation provided unrestricted educational support for the Alliance's activities for National Heart Valve Disease Awareness Day.



SAPIEN 3 transcatheter valve demonstrates significant cost savings over surgery in intermediate risk patients

At the 29th Transcatheter Cardiovascular Therapeutics annual scientific symposium in Denver, new data demonstrated substantial economic advantages of the Edwards SAPIEN 3 transcatheter aortic heart valve for patients suffering from severe, symptomatic aortic stenosis who are at intermediate risk for open-heart surgery. The economic analysis of the SAPIEN 3 valve compared to surgery involved more than 2,000 patients enrolled in both the PARTNER II A trial and the SAPIEN 3 intermediate risk trial. "Based on both clinical and economic considerations, these findings demonstrate that TAVR should be the preferred strategy for patients with severe aortic stenosis at intermediate surgical risk," said David J. Cohen, M.D., Professor of Medicine at the University of Missouri-Kansas City and Director of Cardiovascular Research at Saint Luke's Mid America Heart Institute. Transcatheter aortic valve replacement (TAVR) with the SAPIEN 3 valve added 0.27 quality-adjusted life years (QALY) per patient at a lifetime cost savings of approximately \$10,000 compared with surgery. Reduced length of stay, simpler, more efficient procedures, fewer repeat hospitalizations, and less time in rehabilitation contributed to the economically dominant results of the SAPIEN 3 valve



Added capacity in heart valve manufacturing

During 2017, we implemented a Lean/Six Sigma Initiative that reduced the time required to make certain heart valves, thus increasing available capacity in our manufacturing operations.



First INSPIRIS RESILIA aortic valve implantations

The first two patients to receive the Inspiris Resilia aortic valve were successfully treated in the UK. Dr. Olaf Wendler, a consultant cardiothoracic surgeon at King's College Hospital, who performed one of the surgeries, said, "This new device represents a huge step forward in the advancements of heart valve treatment providing surgeons and their active patients with an improved, longer lasting, treatment option. Thanks to such modern advancements, heart valve disease patients can now live longer with an improved quality of life." The Inspiris Resilia aortic valve is the first in a new class of resilient heart valves, which incorporates advanced RESILIA tissue, leverages features of the PERIMOUNT Magna Ease valve and includes the proprietary VFit technology, designed for potential future valve-in-valve procedures.



Edwards Singapore recognized as AmCham Cares Awardee for Corporate Sustainability and Societal Excellence

For the third year in a row, our Singapore plant team was recognized for being among the leading US-based companies in Singapore displaying exemplary leadership in Corporate Sustainability and Societal Excellence. Our team received the AmCham *Cares* award and earned a Bronze Honoree from the American Chamber of Commerce in Singapore. AmCham *Cares* recognizes American companies in Singapore that demonstrate a strong understanding of the linkages between business operations and society, and conduct business in a manner that creates long-term economic and social value.



Improved packaging solution reduces footprint/volume by 30 percent

Our Packaging Engineering team led the way to redesign and validate an improved packaging solution for Edwards' Crimper product, which is part of our transcatheter aortic valve kit. By selectively replacing certain materials with manufacturing-friendly and cost-effective alternatives, we were also able to optimize the packaging solution. The new packaging reduced the volume and the weight per unit. The weight reduction also improved efficiency in the sterilization process and in distribution logistics.



Edwards cited in book 'Purpose Incorporated: Turning Cause Into Your Competitive Advantage'

In 2017, Edwards Lifesciences' ability to recruit, engage and retain employees was conveyed in a book by John Wood called *Purpose Incorporated: Turning Cause Into Your Competitive Advantage*. The book details our unique and impactful Patient Day opportunity when heart valve patients meet their valve "makers" and accurately depicts how Edwards' purpose-driven culture attracts and retains extremely talented and passionate employees. To demonstrate the power of corporate culture, the author tells the story of an Edwards employee whose journey went from being a passive candidate to passionate new hire at Edwards.



Añasco, Puerto Rico manufacturing facility receives 2017 President's Award for Excellence in Safety & Health

At Edwards we are committed to providing a safe and healthy workplace for all employees, visitors and guests at our facilities. We believe that a safe and healthy workplace not only helps prevent injuries, but also helps recruit, retain and engage talented employees. In 2017, our Añasco, Puerto Rico manufacturing facility received the Puerto Rico Manufacturers Association President's Award for excellence in safety and health for companies achieving 50 to 74 percent below the national industry average.



Edwards Network of Women research informs ERG toolkit

At Edwards, Employee Resource Groups (ERGs) are groups of employees who come together to serve as a resource to support commonalities, business goals and diversity and inclusion initiatives. In 2017, the newly formed ERG called Edwards Network of Women (E.NOW) conducted a global survey and in-depth interviews with ERG leaders. During the engagement, the team gathered best practices for effective ERG management and feedback on how our ERGs are impacting employee perceptions of Edwards. It challenged ERG leaders to think broadly and dream big, and confirmed that ERGs can positively impact the greater good of diversity and inclusion at Edwards. Results prompted the development of an ERG toolkit, a blueprint to better prepare future ERG leaders to make an impact and provide consistent guidance on how ERGs are formed and managed to be successful at Edwards. Other ERGs at Edwards include the Friends of Veterans Network, Generations, MultiCultural and Rainbow Alliance.



Saving the Life of Berthony: a case study of the power of Every Heartbeat Matters

Edwards learned of a 23-year-old Haitian man named Berthony who was critically ill and in urgent need of both aortic and mitral valve replacements. Through the support of two Every Heartbeat Matters partners, Haiti Cardiac Alliance and Mitral Foundation, Berthony received THREE valve therapies - aortic replacement and mitral and tricuspid repair - and is now healed and thriving. We and our EHM partners are looking to collaborate again soon to build a program to provide desperately needed heart valve therapies for patients in Haiti. Encounters like this bring home the importance of our global giving for patients like Berthony.



Añasco, Puerto Rico facility reduces energy & emissions through new cogeneration power station

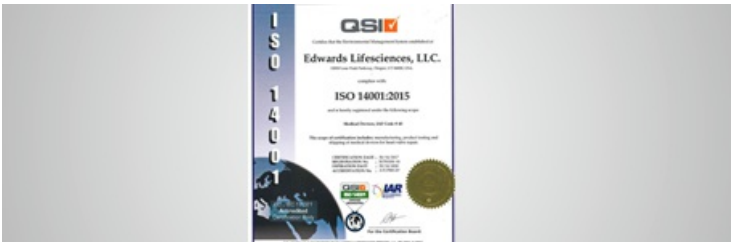
In 2017, our Añasco, Puerto Rico facility completed the construction of a \$2 million cogeneration plant (CHP) to reduce greenhouse gas air emissions, provide more reliable energy and offset direct utility electricity costs. This new propane-fueled cogeneration power station is the first CHP unit operating with Liquid Petroleum Gas (LPG) for manufacturing activities within the United States. Using LPG, the CHP unit can generate electricity, chilled water and steam at a much lower environmental and financial cost than the local utility. In 2017, the CHP unit provided 60-70 percent of the Añasco facility's electricity needs. The CHP cogeneration unit is an efficient, clean and reliable source of power and thermal energy from a single fuel source.



Edwards new Irvine lobby receives LEED Platinum Certified Rating

In November 2017, we opened our new state of the art LEED Platinum Certified guest reception and employee congregation building in Irvine, California. Our new building met many key milestones, including:

- solar on the roof to reduce heating and cooling demand,
- achieved 30 percent reduction in electricity for interior lighting,
- whole building energy simulation indicating an overall baseline reduction of 56 percent,
- 11 percent clean air vehicle parking,
- 75 percent reduction in baseline landscape and irrigation water,
- no CFC or ozone depleting substances, and
- 90 percent of storm water is captured, harvested or treated.



Draper, Utah manufacturing facility achieves ISO14001 certification

Edwards' Corporate Aspiration of Excelling as a Trusted Partner Through Distinguished Quality and Integrity includes a commitment to achieve ISO14001 accreditation at all manufacturing locations by the end of 2018. In 2017, our Draper, Utah, facility was our first to be certified in the newly released ISO14001:2015 environmental management system standards. In 2018, our other manufacturing locations will do the same. We will also be evaluating strategies to achieve the new ISO45001 safety management system standards to be released in 2018.



Singapore's breakthrough NEWater technology produces 33 percent of water used at our manufacturing facility

Singapore's NEWater treatment and storage facility produces high-grade reclaimed water using advanced membrane technologies and ultra-violet disinfection. It is ultra-clean and safe to drink. Thirty-three percent of all water used at our Singapore manufacturing plant is from the Public Utility Board's NEWater treatment and delivery systems. Currently, Singapore's five NEWater plants can now meet up to 40 percent of the country's water needs. By 2060, NEWater is expected to meet up to 55 percent of Singapore's future water demand. Edwards is proud to be able to utilize this breakthrough and effective technology at its Singapore manufacturing plant.



Sustainability report

GRI content index

General standard disclosures

GRI indicator	Description	Location
Strategy and analysis ▼		
GRI 102-14	Statement from senior decision-maker	CEO Letter
Organizational profile ▼		
GRI 102-1	Name of the organization	Organizational Profile
GRI 102-2	Activities, brands, products, and services	Organizational Profile
GRI 102-3	Location of headquarters	Organizational Profile
GRI 102-4	Location of operations	Organizational Profile
GRI 102-5	Ownership and legal form	Organizational Profile
GRI 102-6	Markets served	Organizational Profile
GRI 102-7	Scale of the organization	Organizational Profile
GRI 102-8	Information on employees and other workers	Organizational Profile
GRI 102-41	Collective bargaining agreements	Organizational Profile
GRI 102-9	Supply chain	Organizational Profile
GRI 102-10	Significant changes to the organization and its supply chain	Organizational Profile
GRI 102-11	Precautionary Principle or approach	Not addressed at this time

GRI 102-12	External initiatives	Our Approach Overview
GRI 102-13	Membership of associations	Organizational Profile
Identified material aspects and boundaries		
GRI 102-45	Entities included in the organization reports	Materiality & Stakeholder Engagement
GRI 102-46	Reporting principles for defining report content	Materiality & Stakeholder Engagement
GRI 102-47	Material aspects identified in defining report content	Materiality & Stakeholder Engagement
GRI 103-1	Material aspects within the organization	Value Chain
GRI 103-1	Material aspects outside the organization	Value Chain
GRI 102-48	Restatements of information provided in earlier reports	Energy & Emissions
GRI 102-49	Significant changes from previous reporting periods in scope and aspect boundaries	We have no significant changes.

Stakeholder engagement

GRI 102-40	Stakeholder groups engaged by the organization	Materiality & Stakeholder Engagement
GRI 102-42	Identification and selection of stakeholders to engage	Materiality & Stakeholder Engagement
GRI 102-43	Organization's approach to stakeholder engagement	Materiality & Stakeholder Engagement
GRI 102-44	Key topics and concerns raised during stakeholder engagements	Materiality & Stakeholder Engagement

Report profile

GRI 102-50	Reporting period	Calendar year
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GRI 102-51	Date of the last report	December, 2016
GRI 102-52	Reporting cycle	Annual
GRI 102-53	Contact point for questions regarding the report	Tammy Perry
GRI 102-55	GRI Content Index	Core; We did not get external assurance this year.
GRI 102-56	External assurance	GHG emissions assurance 2017 EHS annual report

Governance

GRI 102-18	Governance structure	Our Approach Overview
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Ethics and integrity

GRI 102-16	Organization's values, principles, standards and norms of behavior	Ethics and Compliance
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Specific standard disclosures

GRI indicator	GRI aspect	Description	Location
Economic			
GRI 103-2	Economic Performance	Management Approach	Organizational Profile
GRI 201-1	Economic Performance	Direct economic value generated and distributed	Organizational Profile
GRI 103-2	Indirect Economic Impacts	Management Approach	Access to Healthcare Healthcare Process Innovation
GRI 203-2	Indirect Economic Impacts	Significant indirect economic impacts, including the extent of impacts	Access to Healthcare Healthcare Process Innovation

Environmental

GRI 103-2	Energy	Management Approach	Energy & Emissions
GRI 302-1	Energy	Energy Use	Energy & Emissions
GRI 302-3	Energy	Energy Intensity	Energy & Emissions
GRI 302-4	Energy	Reduction of energy consumption	Energy & Emissions
GRI 103-2	Water	Management Approach	Water
GRI 303-1	Water	Water withdrawal	Water
GRI 303-2	Water	Water sources significantly affected	Water
GRI 303-3	Water	Water recycled and reused	Water
GRI 103-2	Emissions	Management Approach	Energy & Emissions
GRI 305-2	Emissions	Scope 2 GHG emissions	Energy & Emissions
GRI 305-3	Emissions	Scope 3 GHG emissions	Energy & Emissions
GRI 305-4	Emissions	GHG emissions intensity	Energy & Emissions
GRI 305-5	Emissions	Reduction of GHG emissions	Energy & Emissions
GRI 305-6	Emissions	Emissions of ozone-depleting substances (ODS)	Energy & Emissions
GRI 305-7	Emissions	NOx, SOx, and other significant air emissions	Energy & Emissions
GRI 103-2	Effluents and Waste	Management Approach	Waste
GRI 306-1	Effluents and Waste	Water discharge	Water
GRI 306-2	Effluents and Waste	Waste	Waste
GRI 306-3	Effluents and Waste	Spills	Waste
GRI 306-4	Effluents and Waste	Hazardous waste	Waste
GRI 306-5	Effluents and Waste	Water bodies significantly affected	Water

Social

GRI 103-2	Employment	Management Approach	Employee Recruitment, Engagement & Retention
GRI 401-1	Employment	Employee turnover	Employee Recruitment, Engagement & Retention
GRI 401-2	Employment	Benefits	Employee Recruitment, Engagement & Retention
GRI 401-3	Employment	Retention rates after parental leave	Employee Recruitment, Engagement & Retention
GRI 103-2	Occupational Health and Safety	Management Approach	Workforce Health & Safety
GRI 403-2	Occupational Health and Safety	Injury and work-related fatalities	Workforce Health & Safety
GRI 103-2	Training and Education	Management Approach	Employee Recruitment, Engagement & Retention
GRI 404-1	Training and Education	Employee training hours	Employee Recruitment, Engagement & Retention
GRI 404-2	Training and Education	Programs for skills management	Employee Recruitment, Engagement & Retention
GRI 404-3	Training and Education	Employees receiving regular performance reviews	Employee Recruitment, Engagement & Retention
GRI 103-2	Diversity and Equal Opportunity	Management Approach	Diversity & Inclusion
GRI 405-1	Diversity and Equal Opportunity	Board and employee composition	Diversity & Inclusion
GRI 103-2	Supplier Assessment for Labor Practices	Management Approach	Supply Chain Management
GRI 414-1	Supplier Assessment for Labor Practices	New suppliers screening for labor practices	Supply Chain Management
GRI 103-2	Non-Discrimination	Management Approach	Diversity & Inclusion
GRI 406-1	Non-Discrimination	Incidents of discrimination	Diversity & Inclusion
GRI 103-2	Supplier Assessment for Human Rights	Management Approach	Supply Chain Management
GRI 414-1	Supplier Assessment for Human Rights	New suppliers screening for human rights	Supply Chain Management

GRI 103-2	Local Communities	Management Approach	Patient Experience and Voice
GRI 413-2	Local Communities	Operations with significant impacts on local communities	Patient Experience and Voice
GRI 103-2	Anti-corruption	Management Approach	Corruption & Bribery
GRI 205-1	Anti-corruption	Operations assessed for corruption risks	Corruption & Bribery
GRI 103-2	Public Policy	Management Approach	Access to Healthcare
GRI 415-1	Public Policy	Political contributions	Access to Healthcare
GRI 103-2	Customer Health and Safety	Management Approach	Product Health , Safety & Quality
GRI 416-1	Customer Health and Safety	Product health and safety impacts assessed	Product Health , Safety & Quality
GRI 416-2	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	2017	2016	2015
Social				
Products	Number of regulatory approvals for new devices	3	3	2
	Number of global patient safety-related class 1 product removals	1	0	0
	List of products in the FDA's MedWatch Safety Alerts for Human Medical Products (Medical Devices) database	Certitude Delivery System	–	–
Ethics, Corruption & Bribery	Applicable employees certified to ethics code of conduct	96%	97%	98%
	Code of ethics governing promotion of off-label use: See page 20 of our Titanium Book			
	Code of ethics governing interactions with health care professionals: See page 21 of our Titanium Book			
	See Corporate Responsibility site and Sustainability Report			
Access to Healthcare	Number of underserved patients impacted through our philanthropic partners who provide education, screening and treatment	900,000	400,000	200,000
	Community Spending (Foundation, Corporate Grants and Product Donations)	\$7.0 M	\$6.6 M	\$8.2 M
	<i>Every Heartbeat Matters</i> Grants Awarded	\$4.4 M	\$4.4 M	\$3.9 M
	Facilities engaged in local charitable activity	100%	100%	100%
	See Political Disclosure and Accountability			
Employee Health and Safety	Lost Time Incident Rate (Total incidents per 200,000 hours worked or 100 FTE)	0.51	0.34	0.36
	Total Recordable Incident Rate (Total recordable incidents per 200,000 hours worked or 100 FTE)	0.99	1.22	1.16
	Fatalities – Contractors	0	0	0
	Fatalities – Employees	0	0	0
	Health and Safety Policy (y/n)	Yes	Yes	Yes
	Health and safety policy is group-wide (y/n)	Yes	Yes	Yes
	Target to improve H&S performance (y/n)	Yes	Yes	Yes
	See Environmental Health & Safety report for more information			

Topic	Metric	2017	2016	2015
Social				
Employment	Number of Employees	12,154	11,537	9,800
	Total Base Salaries for Executives Named in Proxy Statement (USD)	\$3,216,108	\$3,129,171	\$3,097,027
	Equal Opportunity Policy (y/n)	Yes	Yes	Yes
Supply Chain	Social Supply Chain Management (y/n)	Yes	Yes	Yes
	Sustainable Supplier Guidelines Encompassing ESG Areas that are Publicly Disclosed (y/n)	Yes	Yes	Yes
	Policy Against Child Labor (y/n)	Yes	Yes	Yes
	Human Rights Policy (y/n)	Yes	Yes	Yes
	Discussion of any existing or projected risks or constraints with obtaining raw materials (or components) within the supply chain, including those related to restricted/limited availability, political situations, local labor conditions, natural disasters, climate change, or regulations.	See Risk Factors section of 2017 Annual Report on Form 10-K	See Risk Factors section of 2016 Annual Report on Form 10-K	See Risk Factors section of 2015 Annual Report on Form 10-K
See Supply Chain site, Conflict Minerals Report and Sustainability Report for more				
Governance				
Governance	Number of Female Executives	3	3	3
	Female Executives (%)	21%	21%	21%
	Number of independent members on Audit Committee	3	4	3
	Number of independent members on Compensation and Governance Committee	4	4	3
	Special stockholders meetings can be called by stockholders owning at least 15% of our outstanding shares	Yes	Yes	Yes
	Majority vote standard in uncontested elections, with director resignation policy	Yes	Yes	Yes
	Board-level oversight for sustainability	Yes	Yes	No
	Individual governmental institutions or founding family members (directly or indirectly) that own more than 5 percent of the total voting rights of Edwards	No	No	No
	Clawback Policy	Yes	Yes	Yes
	Board Size	8	9	9
	Independent Directors	7	8	8
	Board Diversity Policy	Yes	Yes	Yes
	Average Board Attendance	96.83%	97.14%	93.99%
	Average Tenure	6 years	6 years	5 years
	CEO share ownership as multiple of base salary (position/base salary) as of February 28, 2018	115	-	-

Topic	Metric	2017	2016	2015
Governance				
Governance	Average share ownership of other executive committee members* as multiple of base salary (average position/average base salary) as of February 28, 2018	19	–	–
	One-to-One share to voting rights policy	Yes	Yes	Yes
	Government Ownership of voting rights >5%	No	No	No
	Family Ownership of voting rights >5%	No	No	No
	See Governance site for more information			
Environmental				
ISO 14001:2015	Manufacturing operations maintaining ISO 14001:2015 certification	80%	67%	67%
Air Emissions	Scope 1 Emissions (Th Tonnes)	10.9	7.54	6.81
	Scope 2 Emissions (Th Tonnes)	27.8	39.02	33.77
	Scope 3 Emissions (Th Tonnes)	45.11	41.31	39.737
	Emissions Reduction Initiatives (y/n)	Yes	Yes	Yes
	Workforce participating in alternate transportation (%)	45%	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	Yes
	See CDP Response for more information			
Energy	Total Energy Consumption (MWh) (Billion Joules)	476,000	387,000	94,000
	Renewable sources of energy (%)	15	22	–
	Energy Efficiency Policy (y/n)	Yes	Yes	Yes
Water	Water Consumption (Thousands of cubic meters)	495.46	470.83	357.88
	See CDP Response for more information			
Waste	Hazardous Waste (Th Tonnes)	1.036	.906	.799
	Total Waste Discarded (Th Tonnes)	1.749	1.499	1.268
	Total Waste Recycled (Th Tonnes)	1.034	.925	.874
	Waste Reduction Policy (y/n)	Yes	Yes	Yes

See [Environmental Health & Safety](#) report for more information

*Donald E. Bobo, Jr., Jean-Luc Lemerrier, Catherine M. Szyman, Scott B. Ullem, Huimin Wang, Larry Wood

See more in our [Sustainability Report](#)

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