

The people behind our Mission

2020 | Global Inclusion, Diversity, and Equity Report

Medtronic

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About this report

The data reflected in this report aligns to the Medtronic fiscal year 2020, which spans May 2019-April 2020 (referred to as "FY2020" throughout). In some instances, we refer to "2020," which is inclusive of the calendar year as well as our FY2020 reporting. For more detail on our FY2020 metrics, refer to the [Integrated Performance Report 2020: Putting Purpose into Action](#).

About this cover

Our Medtronic clinical and sales representatives are hands-on in local communities to ensure that our healthcare technologies are applied successfully, offering expertise to physicians and supporting them as they care for their patients.

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Welcome

Putting people first from the start

Our belief in doing business the right way goes back to 1960 when our Mission was written—when Earl Bakken, co-founder of Medtronic made helping others at the center of our DNA. This personal responsibility to make the world better by taking care of others is still steeped in every facet of our organization, from our teams and businesses around the world to our Mission to alleviate pain, restore health, and extend life. This report is no different. We hope that you see it not just as a summation of accomplishments but as a celebration of our passion.



The Medtronic Mission

Our Mission is the driver behind our business strategy. Our Mission is the North Star for our decision-making and our culture and, decades later, continues to inspire fresh thinking and innovative healthcare technologies that unlock potential for people everywhere.

Tenets 5 and 6 highlight our commitment to put people first, from our employees to our engagement with our global community as a good corporate citizen.

The tenets that our people live by:

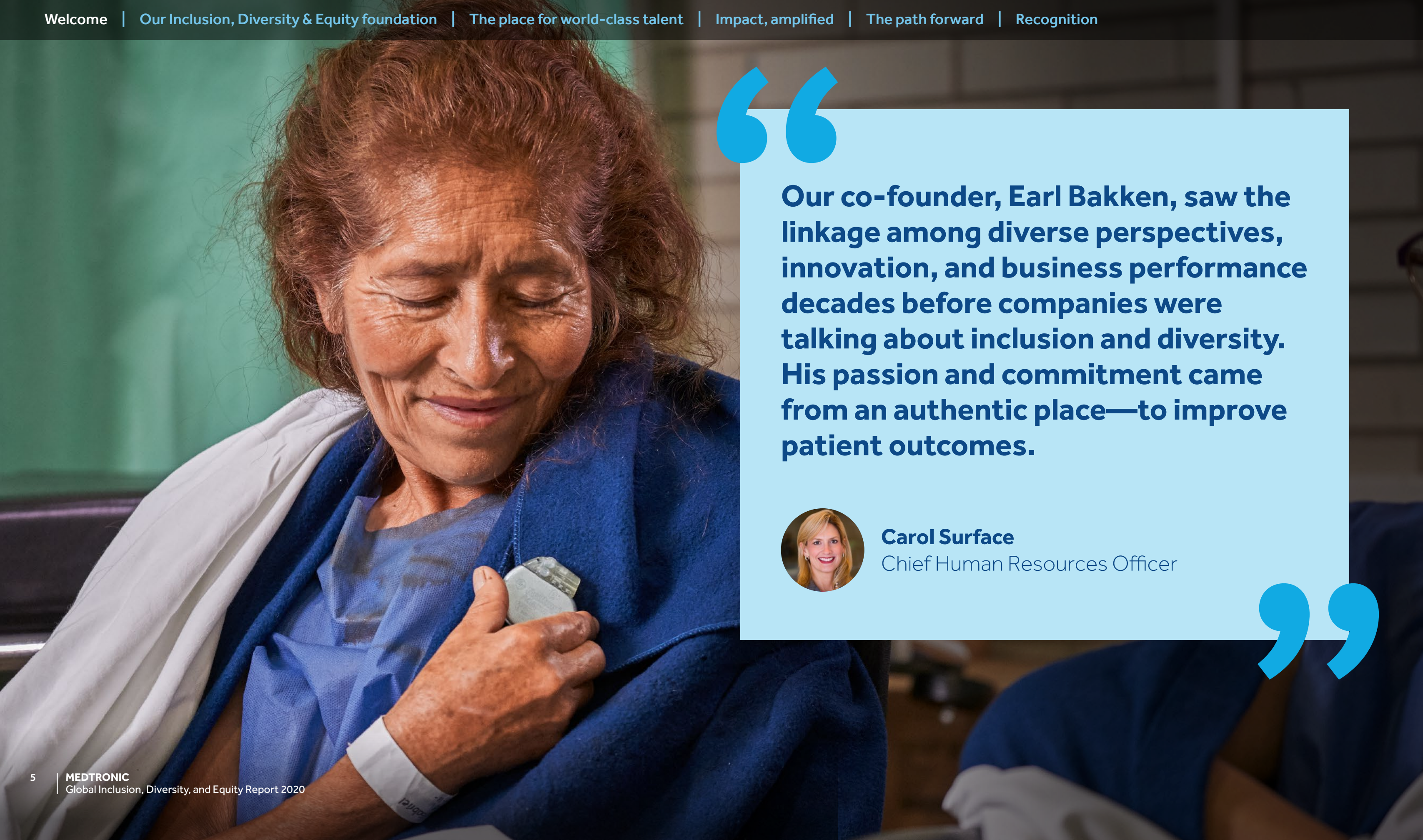
- 1. To contribute to human welfare to alleviate pain, restore health, and extend life**
- 2. To direct our growth in the areas of maximum strength and ability, and to continuously build on these areas through education and knowledge**
- 3. To strive without reserve for the greatest reliability and quality, and to be recognized as a company of dedication, honesty, integrity, and service**

4. To make a fair profit

5. To recognize the personal worth of all employees

6. To maintain good citizenship as a company





“

Our co-founder, Earl Bakken, saw the linkage among diverse perspectives, innovation, and business performance decades before companies were talking about inclusion and diversity. His passion and commitment came from an authentic place—to improve patient outcomes.



Carol Surface
Chief Human Resources Officer

”

Message from our CEO, Geoff

When I became CEO in May 2020, it felt like time was standing still. The pandemic had reached every corner of the globe and, for countless people, hope seemed like a luxury. The senseless killing of George Floyd, Breonna Taylor, and other Black Americans was a wake-up call for many, myself included. But for our Black colleagues, it was yet another day of mourning. Another day of injustice. Through it all, our commitment to use our Mission as a guide and the passion of our people to persevere continued to amaze me.

At Medtronic, we are stewards of human health and well-being. So, when a pandemic began disrupting every facet of our lives, we continued to push forward for each other. When colleagues saw themselves again at the center of the racial justice movement, we stepped up and stepped in.

Inclusion, Diversity, and Equity (I, D & E) are central to who we are—and have been part of our Mission since it was originally written, more than 60 years ago. Without each, our innovations in healthcare technology and our growth as a business wouldn't be possible. Our I, D & E work touches the lives of countless employees and patients—that alone makes it all worth it.

Time and time again, we have shown up in communities around the world in new and impactful ways this year. From denouncing COVID-19-related xenophobia and racism to supporting the U.S. Supreme Court's ruling extending protections for sexual orientation and gender identity, we have used our voice and privilege to address systemic inequities that have persisted for far too long. And we will continue to amplify our role in addressing racial and societal inequities both within and outside our walls.

In our workforce, we're working to accelerate progress and ensure that we reflect the diversity of the communities we serve. In everything we do, equity is our standard; and we've taken steps to achieve 100% pay equity globally. This year, we achieved 100% gender pay equity in the United States—and we're confidently on track to close the remaining 1% gap globally. We're also working to actively help diverse talent advance their careers. New sponsorship programs have resulted in 44% of program graduates receiving a promotion—75% of whom were women. While I am proud of these accomplishments, there is always more to do. For example, today 23% of our U.S. management is ethnically diverse. That number needs to be higher. So, this year, we hired our first Chief Inclusion and Diversity Officer, Dr. Sally Saba, and have asked her to build on our strong foundation and take our I, D & E work to the next level.

After a year like this one, there's no room for complacency, and we are not going to fall back on the commitments we have made. We are laser-focused on accelerating our progress and finding new ways to extend our impact on our communities. When we do this well, our life-saving technologies go further for millions of patients around the world. I am passionate about advancing I, D & E, because I know it brings us closer to fulfilling our Mission—to alleviate pain, restore health, and extend life.

Sincerely,

Geoff Martha
Chairman and CEO



When it comes to inclusion and diversity, there is no room for complacency and there are no simple solutions to systemic inequities.

Message from our CIDO, Sally

Our Mission fuels our passion—our passion to lead and innovate in order to create a more equitable and healthy world every day. It's been an honor to join Medtronic this year. I knew that outgoing CEO Omar Ishrak, incoming CEO Geoff Martha, and CHRO Carol Surface all share my passion for this work. They understand the opportunity to keep making meaningful progress for our employees, our patients, and our communities.

Our Global Inclusion, Diversity, and Equity annual report reflects our progress and highlights several that we're distinctly proud of. The report also sheds light on what we'll continue to build toward as we grow. While 2020 has been a challenging year, it has provided profound insights. We've seen a need for a deeper sense of connection. Systemic health disparities were magnified—coming to some people's attention for the first time ever. And we experienced a collective wake-up call to the fact that our rate of progress toward racial and societal injustices on a global scale isn't enough.

Our steadfast commitment over many years has prepared us to meet this moment with determination, compassion, and an ability to act with swiftness and clarity—to identify new ways to energize the rate of progress internally while also being a more active and visible participator in reversing racial and social inequities.

We have a duty to enable all employees to feel a deep sense of inclusion and belonging and to have an equitable opportunity for career development. No one company alone can solve

long-standing systemic and racial inequities. However, we can work in partnership with others, leveraging our collective size and scale to drive systemic change, to tackle the broader challenges that face our communities of color in more organized and effective ways.

The acknowledgment of these beliefs fueled some key public commitments that we've made this year to elevate our game and increase visibility to what we believe in and what we stand for. We hope that you feel this progress mounting through the stories we've told and our sincere passion for more inclusive environments, more diverse workplaces, and a more equitable world.

I believe I, D & E is not one big thing that you do; rather, it's a million little things that you do all the time. Then you look back at the end of the year, take stock of your progress, learn more, do better, and repeat. As our CEO has said, "This is not a journey, this is a quest." We're proud to be behind him on this quest for a better world for our employees and for all of the lives that we touch every day around the world.

In service,

Dr. Sally Saba
Chief Inclusion and Diversity Officer



We have a duty to enable all employees to feel a deep sense of inclusion and belonging and to have an equitable opportunity for career development.

Our Inclusion, Diversity & Equity foundation

We are a global healthcare technology leader with a Mission to alleviate pain, restore health, and extend life. We believe these goals are inextricably tied to how we operate our business, recruit talent, and support our people—and how we progress Inclusion, Diversity, and Equity.

Grounded in our people: Inclusion, Diversity & Equity

We can only deliver on our Mission when we support people in reaching their full potential.

Doing so starts with our employees. We work to foster a deep sense of belonging for all employees. We believe that improving health for people from all walks of life depends on our ability to unleash the creative power of our diverse global employees. And we don't stop there.

By breaking down barriers to Inclusion, Diversity, and Equity (I, D & E), we open doors to opportunities for everyone, driving progress and prosperity around the world. By creating a diverse, inclusive, and equitable work environment, we create more innovative technologies and solutions for the world's most complex health needs. And we believe that when we each lead by example, we drive a ripple effect of systemic, sustainable, and scalable change.



We believe that when we each lead by example, we drive a ripple effect of systemic, sustainable, and scalable change.



The Medtronic approach

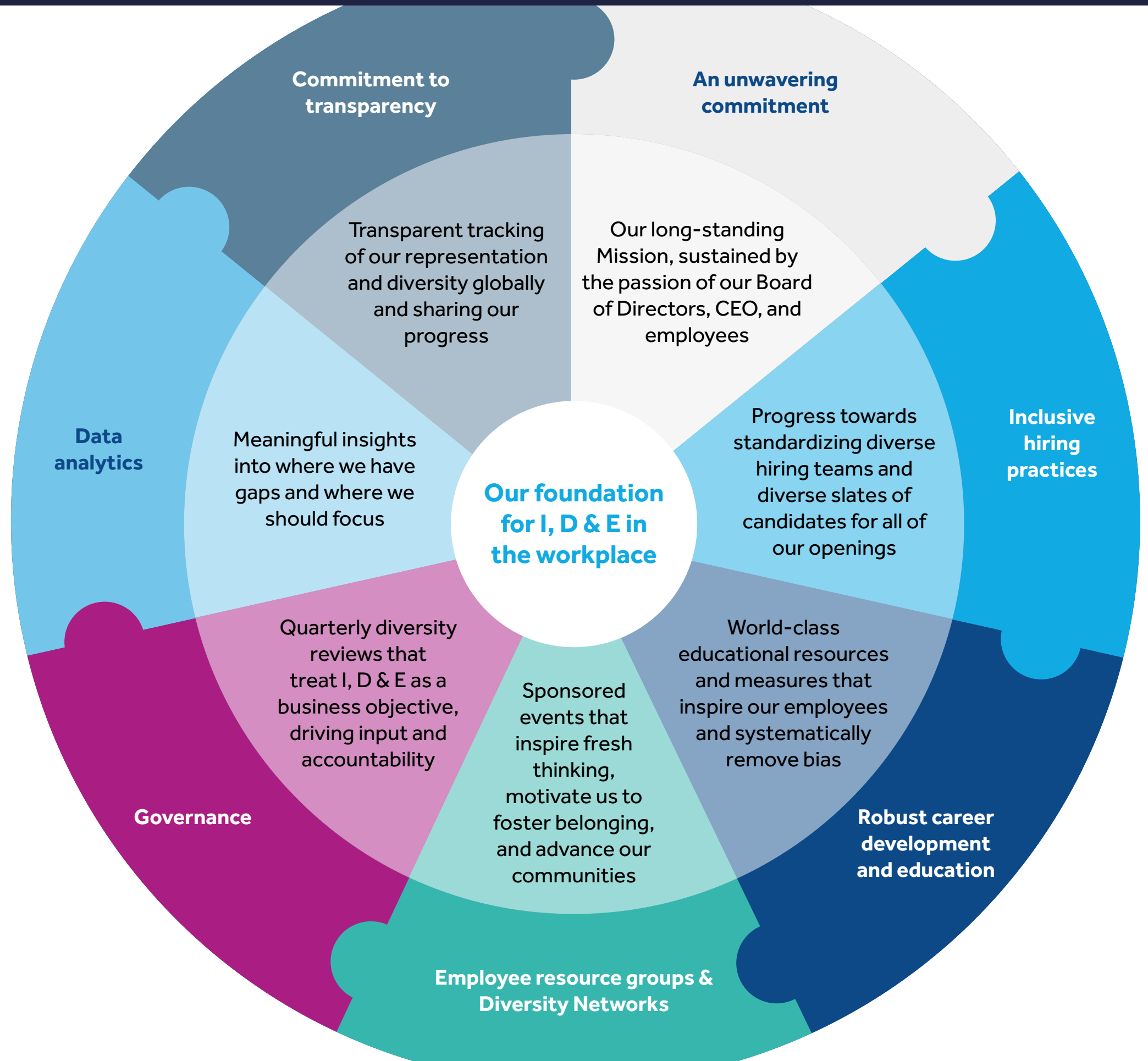
I, D & E has been tied to the way we operate since day one. Our timeless Mission reminds us that every human is different and that our differences are what make us better. We believe that I, D & E powers the potential of our people, so we ingrain I, D & E into how we operate—contributing to our success and accelerating our progress across the organization.

We must note: It's not an accident that "Inclusion" comes before "Diversity." We can't maintain a diverse workforce without first prioritizing an inclusive culture. And this year, we elevated the importance of "Equity." To deliver equity, we must move from offering the same to everyone (equality) and, instead, remove barriers by providing the right support for everyone to have the same opportunities (equity). We are committed to creating a level playing field with broad opportunities for employees across our global footprint.



We lead the way with our strong foundation built on systems of accountability at every level. In short, everything that we do starts with our people in mind—our current and future employees and the patients, physicians, and healthcare professionals that we serve.

Here are examples from our workplace that help drive our outcomes:



Getting the job done: Measuring progress

We've put tools and processes in place to ensure that we achieve our I, D & E goals.

Pay equity assessments

Every year, we conduct pay equity assessments and make adjustments in pay gaps at regional and global levels. In 2020, we achieved 100% gender pay equity in the United States, as well as in other countries. We are at 99% equity for ethnically diverse employees in the United States and for female employees globally—and we won't stop until we reach 100%.

Organizational Health Survey

How employees feel about working at Medtronic is one of our best gauges of success. We survey our teams directly; and although we still have work to do, feelings of belonging increased across all employees over our last four surveys.

Clear data and performance goals across levels

All Executive Committee members are accountable for, and measured on, their contribution to our diversity and inclusion goals. I, D & E goals are included in annual objectives for vice presidents and above and embedded in performance goals for all employees. Vice presidents receive a customized diversity scorecard every year, and we conduct Quarterly Diversity Reviews of our progress with our Executive Committee and CEO, giving them the same rigor and attention as we do quarterly business reviews.



Closing the pay gap
for good:

100%

**gender pay equity in the
United States**

99%

gender pay equity globally

(Source: FY2020 data)

2020 by the numbers

While we know and believe that we have more work to accomplish, we take pride in our strong foundation as we entered 2020. Throughout the year, we accelerated progress toward creating an inclusive work environment, closing the diversity gap, and driving economic impact in the communities where we operate.

(Source: FY2020 data)

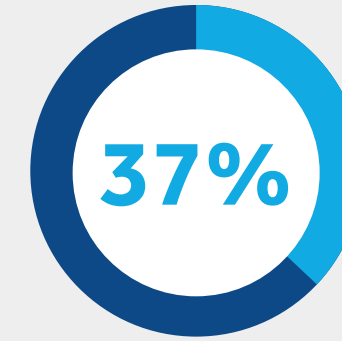
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**employee resource groups
engaging more than 22,000
employees**

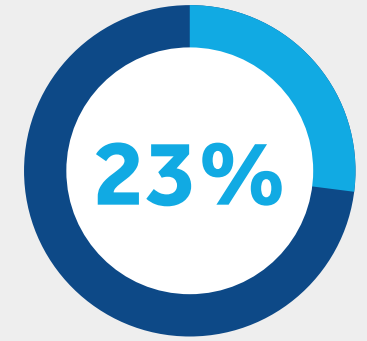
2,200

**members joined the PRIDE
Network in its first year**

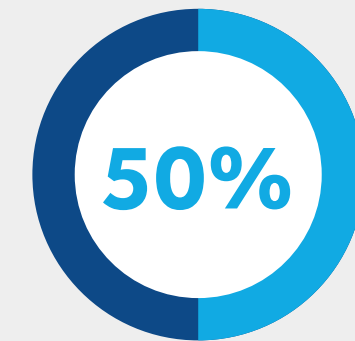
(PRIDE Network created in early FY2020)



**of our U.S. workforce is
ethnically diverse**



**of our U.S. management
is ethnically diverse**



**of our global workforce
is women**

39%

**of our global management
is women**

The imperative for the world's corporations is clear: Diversity drives business resilience and performance.

Diverse companies are more likely to financially outperform their less diverse peers.

(Source: "Diversity Wins: How Inclusion Matters," McKinsey, 2020)

Gender diverse companies outperform their peers by

+25%

Ethnically diverse companies outperform their peers by

+36%



Feelings of belonging at work have a big impact

- +27% Retention
- +43% Engagement
- +58% Loyalty

(Source: "The Power of Belonging," Coqual, 2020 – Difference in likelihood of career indicators between first and fourth belonging quartiles)

Building a sense of belonging at Medtronic

We measure an increase in feelings of belonging across our employee base.

women

79% → 83%

U.S. ethnically diverse employees

75% → 79%

men

76% → 81%

white employees

75% → 80%

(Source: FY2019 survey results compared to FY2020 results)

The place for world-class talent

An inclusive workplace—one where employees can be their best selves—fosters diversity of thought, experience, and perspective. An inclusive workplace is the key to unlocking meaningful technologies and innovative solutions that solve nuanced challenges.



“

We take this work seriously, because we know that inclusion, diversity, and equity aren't just concepts. They affect our people on a day-to-day basis. We try to find a balance between doing what's right and then finding a way to do it even better.



Patty McPhee
VP, Talent & Leadership Development

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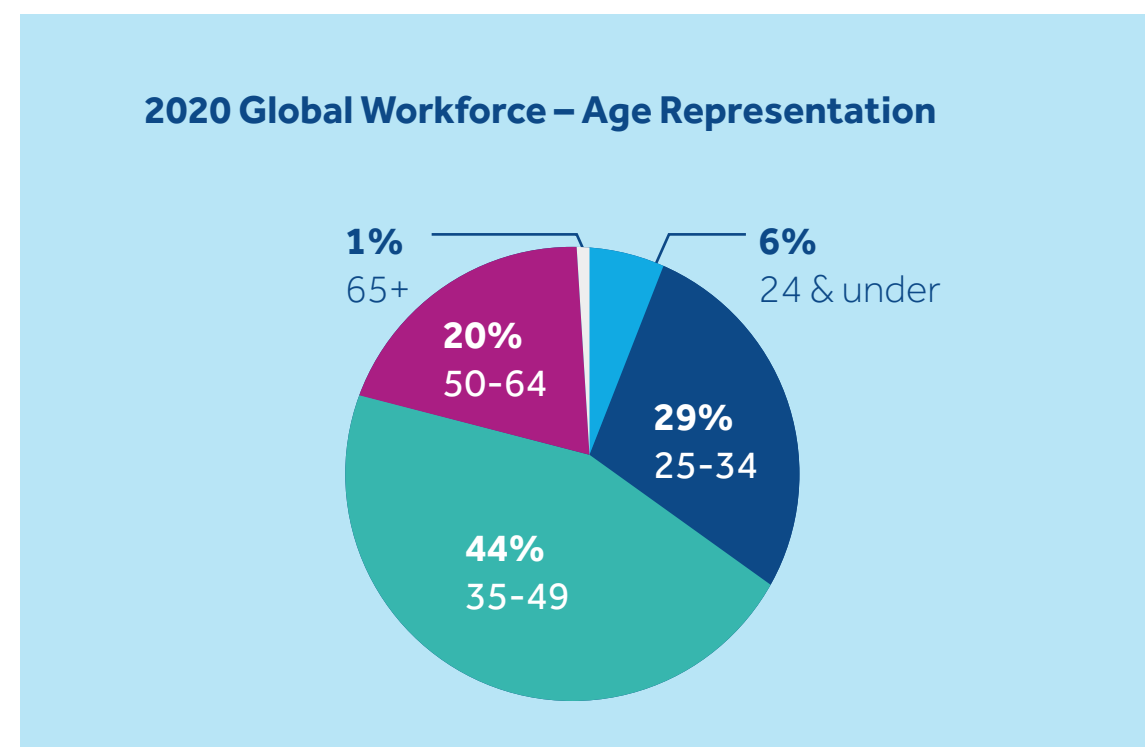
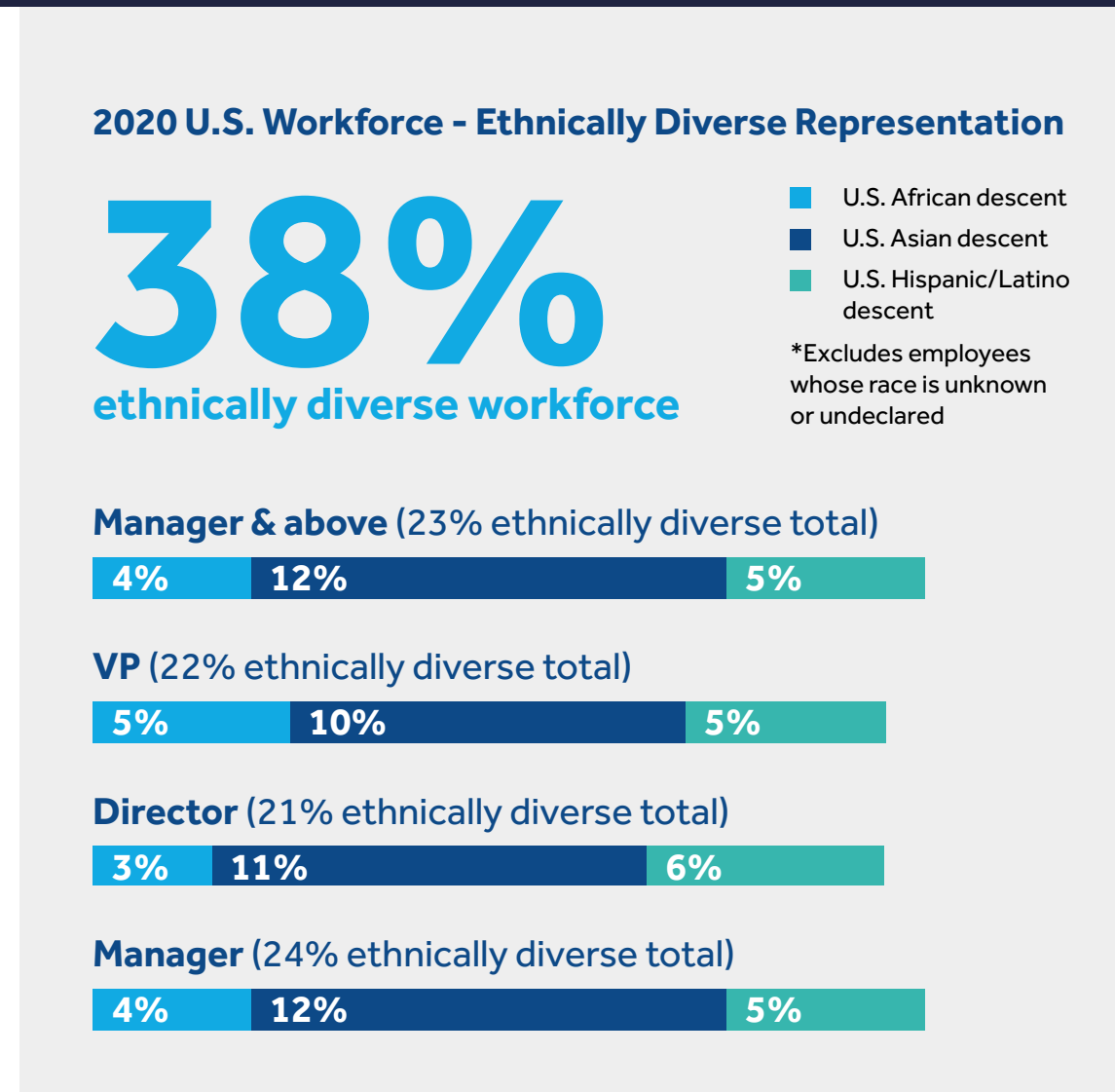
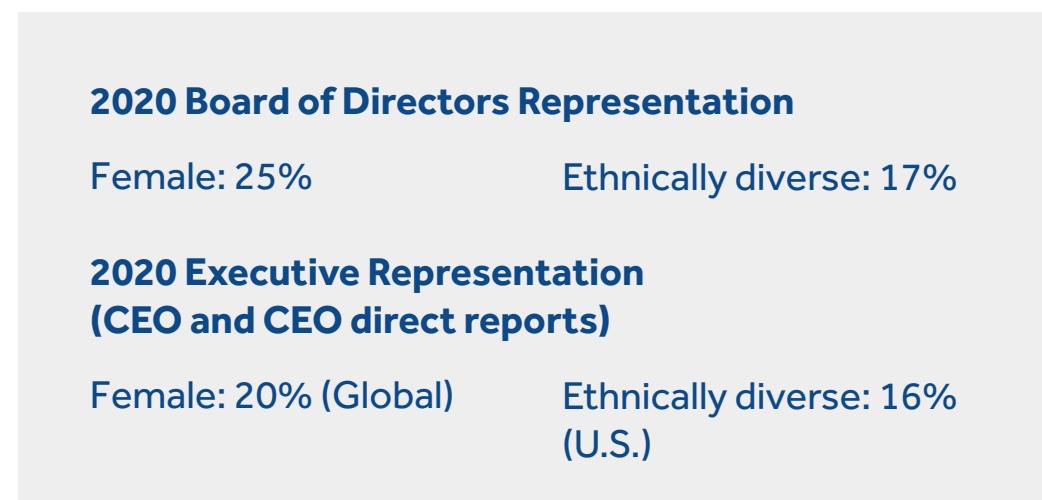
MISIÓN
CONTRIBUIR AL BIENESTAR HUMANO
APLICANDO LA INGENIERÍA BIOMÉDICA
EN LA INVESTIGACIÓN,
DISEÑO,
MANUFACTURA
Y VENTA
DE DISPOSITIVOS QUE
ALIVIAN EL DOLOR,
RESTAURAN LA SALUD Y
ALARGAN LA VIDA.

Strengthened by our differences, powered by inclusion: Our people

By embracing individual identities and creating an inclusive environment, we create a community of 95,000 dedicated employees who reflect the world and our Mission. And by embedding inclusion and diversity into our annual objectives and employee performance goals, we can drive lasting progress.

From our Board to our leaders, to our managers and individual contributors, our teams are united by a passion for innovation, an enduring sense of purpose, and a drive to work toward the best possible outcomes for our patients and communities. Our people make possible our Mission of alleviating pain, restoring health, and extending life.

(Source: Data as of the end of FY2020. Ethnically diverse is defined to include employees of African descent, Asian descent, Hispanic/Latino descent, Native Hawaiian or Other Pacific Islander, American Indian or Alaska Native, and those of Two or More Races. Native Hawaiian or Other Pacific Islander, American Indian or Alaska Native and Two or More Races account for 2% of U.S. employees. Data excludes employees whose race is unknown or undeclared.)



Creating space: Diversity Networks and employee resource groups

Diversity Networks give a voice to employees from underrepresented populations and a pathway toward advocacy, exposure, and development. In the same way that we evaluate business performance, each Network is overseen by a chairperson and sponsor from our Executive Committee.

Employee resource groups are grassroots, employee-led affinity groups. Each group provides career development and networking opportunities, strengthening ties and allyship between employees of different backgrounds, cultures, and interests.



Coming together as mentors, advocates, and allies

Diversity Networks

Medtronic Women's Network, PRIDE Network, African Descent Network, Hispanic Latino Network, Asian Impact @ Medtronic

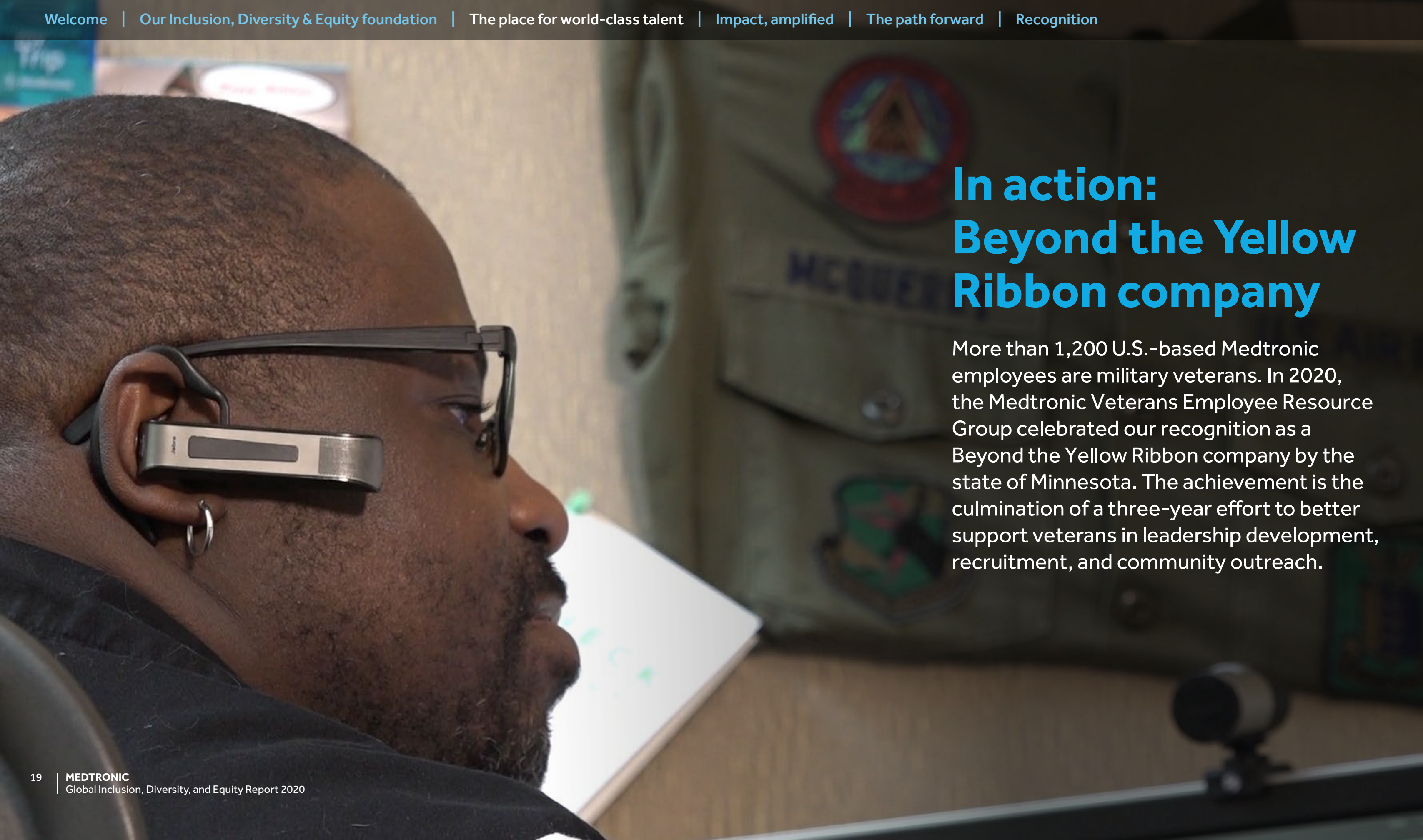
Employee resource groups

12 groups across 65 countries with more than 22,000 members

In action: The power of we

As uncertainty began to rise around COVID-19, our Asian colleagues saw an increase in microaggressions throughout their lives. We worked with the Asian Impact @ Medtronic Network to put on an event called The Power of We, where colleagues shared the unique perspectives that come with being of Asian descent, opening eyes to what this community endures, and inspiring action.





In action: Beyond the Yellow Ribbon company

More than 1,200 U.S.-based Medtronic employees are military veterans. In 2020, the Medtronic Veterans Employee Resource Group celebrated our recognition as a Beyond the Yellow Ribbon company by the state of Minnesota. The achievement is the culmination of a three-year effort to better support veterans in leadership development, recruitment, and community outreach.

Celebrating Pride virtually this year reinforced the importance of our Medtronic LGBTQ+ community. Simple acts, like flying rainbow flags outside our facilities globally, validated and inspired our members and supporters.



Shawn Monaghan
VP Americas Enterprise Excellence &
Business Transformation Chair of the PRIDE Network

Doubling down: Mitigating our unconscious biases

Whether we realize it or not, biases color our perception of the world every day. In 2020, we doubled down on new measures and education to debias our talent acquisition and management processes. That includes efforts to increase consideration of diverse talent and unconscious bias training for all people managers, ensuring that they have the resources to grow personally and grow their teams.

Embedding inclusive hiring practices and diverse slates

Diversity-driving practices from the places we recruit from to the people we recruit with:

- **Partnerships with organizations, universities, and strategic career vendors that specifically target diverse talent**
- **Diverse hiring teams to avoid inadvertently hiring people who think, act, and look like the person evaluating the candidate**
- **Diverse slates of candidates sought for every opening**
- **World-class learning and development resources to mitigate unconscious bias, mandated for all people leaders**
- **Training on how to have effective career conversations with diverse talent for all people leaders**

Programs that focus on the moments that matter throughout a person's career:

- **Warm onboarding and introductions to diverse communities**
- **Training and development programs that start careers off on the right foot**
- **Input from employees to optimize recruitment strategies**
- **Periodic evaluations to promote talent, root out disparities, and increase accountability of leaders**
- **Monitoring of diversity and employment trends at global, industry, and company levels to hold ourselves accountable**

Making their mark: Growing the future of healthcare technology

In the year 2000, 20% of college students came from immigrant families. In 2018, that number increased to 28%. The workforce of the future is changing faster than ever. To ensure that Medtronic is the employer of the future, we consistently and competitively evolve how we recruit—with I, D & E at the forefront.

(Source: "Immigrant-Origin Students in U.S. Higher Education," Migration Policy Institute, October 2020)

For recruiting early career employees, we partner with organizations that focus on making the future of healthcare technology more inclusive and diverse:

- **National Black MBA Association, Inc.**
- **Thurgood Marshall College Fund**
- **Society of Women Engineers**
- **National Society of Black Engineers**
- **Society of Hispanic Professional Engineers**
- **Society of Asian Scientists and Engineers**
- **Out for Undergrad Engineering**

We work with early career new hires to foster a rewarding career that changes lives. In every corner of the world and across 70 countries, we help our diverse young talent:

- **Build** a better world, exploring new healthcare technologies while amplifying your impact on the causes that matter to you
- **Grow** a career reflective of your intellect, passion, and abilities
- **Connect** to a community that invests in a dynamic and inclusive culture and welcomes the challenge of lifelong learning



I am a strong believer that a diverse team will provide me with the knowledge that I could leverage into a wonderful career.

Raheem Thomas
2020 Intern



I honestly felt like a part of the Medtronic family and that my contributions as an intern were clearly valued.

Ivette Marte
2020 Intern



Building our pipeline of diverse talent

We also offer innovative programs that expand career opportunities and attract the best and brightest.

A decade of change through Project SEARCH

2020 marked our 12th year with Medtronic Project SEARCH—a yearlong internship for young adults with varying abilities that equips them with the skills, experience, and confidence to secure—and succeed in—their first job. Even as the pandemic cut the program short, a third of the group went on to join our team full time. (lefthand image)

Attracting high-potential young talent at Medtronic Saudi

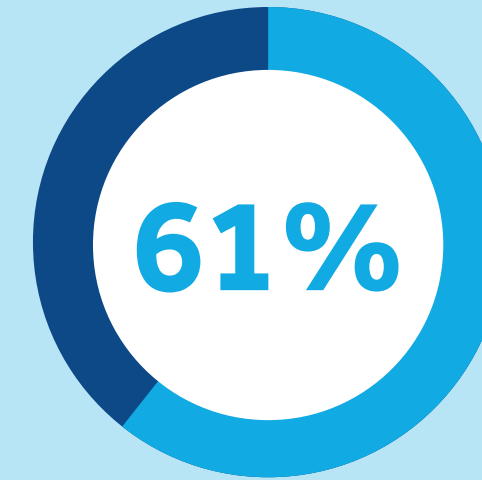
It was also our second year with the Saudi Young Talent program, aimed at attracting high-achieving recent graduates—especially women—to internships in technical, commercial, and sales roles at Medtronic Saudi. The program develops business acumen, leadership skills, and cultural awareness in university students who think globally and locally. (righthand image)

In action: A look at 2020

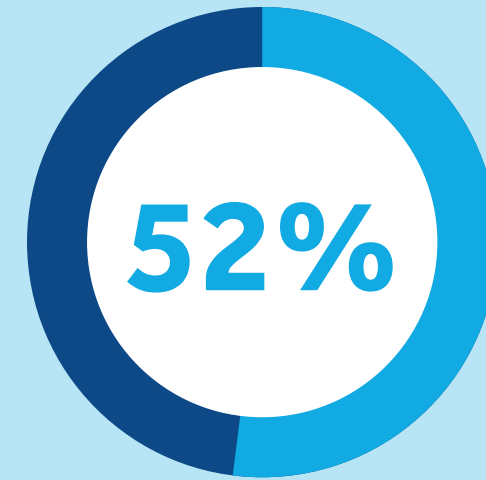
In 2020, we hired our most diverse group of interns in the company's history—61% women across the world and, in the United States, 52% of interns were ethnically diverse.

We also expanded our searches beyond engineering, diversifying roles like finance and IT. These efforts resulted in an increase in converting interns to employees from 18% to 50% since 2017.

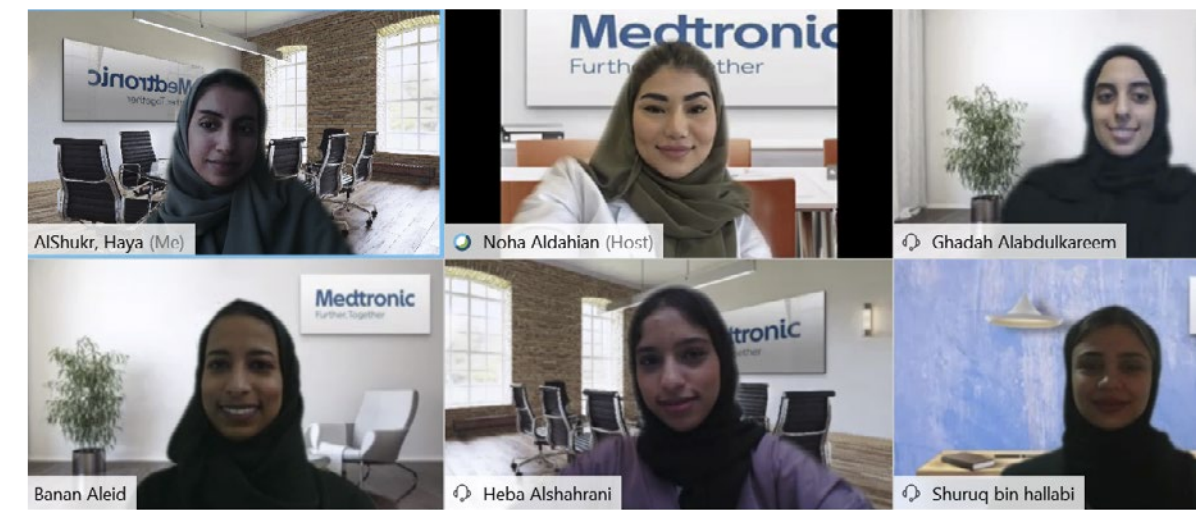
(Source: Shift from FY2017 to FY2020)



of global interns were women



of U.S. interns were ethnically diverse



Addressing the gaps: Evolving leadership at every level

Seeing someone like you in a position of leadership can shape your entire outlook on career development. And having advocates, support systems, and opportunities along the way can turn skepticism into confidence. We're dedicated to being a place where everyone can see themselves belonging—and succeeding.



My team is diverse with many different ethnic backgrounds, which makes it a very dynamic and fast-paced environment. This aligns well with our growth goals.

Darshan
Senior Quality Manager



During my internship, I got to see the real care and effort by Medtronic to track data about the company's diversity and to be really transparent about its progress and goals. The open honesty in wanting to foster belonging at all levels inspired me to accept my full-time offer, and I haven't once regretted the decision since.



Joy Aso
Associate Clinical
Research Specialist



We support our employees as they manage their career through different life stages. Our job is to ensure that talent is not walking away and leaving the workforce because they can't find balance or career advancement here.



Carol Surface
Chief Human Resources Officer



Helping our people grow at every step

Our leadership development programs

infuse continuous learning opportunities for participants on important topics—unconscious bias mitigation, defining talent needs, and expanding relationships across our global footprint—to ensure that we are developing a world-class team of leaders who inspire and influence their teams. These programs for our employees include:

Edge

Bringing the Medtronic leadership expectations to life

Emerge

Individual contributors—to develop a leader mindset and practice behaviors that influence and inspire others

Elevate

Managers and senior managers—to accelerate their readiness for future roles

Ignite

High-potential directors and senior directors—to accelerate their readiness for higher-level roles

Empower

Manufacturing and operations supervisors

Transformational Leadership Coaching

Accelerating leadership capability, career development, and business results

Enrich

Early-tenure people managers

Fostering more diverse leaders

I, D & E work doesn't stop when recruitment does. Success means supporting employees from diverse backgrounds and helping them rise to leadership roles. Over the years, we've continued to evolve our development programs, expanding them to include more styles of learning and more stages of careers.

Our development programs for diverse talent

Medtronic Leadership Inclusion from Mentorship Toward Sponsorship (Lift) program

provides executive sponsorship and professional development to diverse talent. We've seen great impact on the career development of participants—44% of Lift graduates received a promotion, 75% of whom were women. (Source: FY2020 data)

Women in Science and Engineering

increases gender diversity in technical leadership and in our operations and quality group in order to drive innovation and business performance.

The Efficacy program

addresses the unique challenges of affinity groups. For more than 15 years, the program has coached diverse individual contributors and managers on their career goals, honing the skills and strategies needed for growth.



I was at a pivotal moment in my career, where I really felt like I needed executive support. As a diverse leader, a lot of times that opportunity just doesn't come along in your career. Then came Lift. The leadership-led coaching honesty was thought-provoking. It was a process that inspired me to maximize my full potential.

Lift participant



Expanding our Lift program to our Diversity Networks

Lift is an intensive, nine-month development program designed to reduce turnover and advance our brightest, diverse, mid-career-level talent. Lift pairs an employee with a senior sponsor and utilizes coaching, classes, and a group capstone project aimed at solving a real business need to teach people how to think like a senior leader. Ideally, participants graduate from the program with a lasting sponsor who can advocate for them at major milestones.

Lift has already served African Descent Network employees with great results, and this year we were excited to welcome our first Hispanic Latino Network and Asian Impact @ Medtronic and Medtronic Women's Network members. In 2021, we plan to expand the program to our Women in Sales group.

44%
of Lift graduates received
a promotion

75%
of whom were women

(Source: FY2020 data)



Changing the face of R&D

Carol Malnati, a leader of Research and Development, went to school for engineering in the 1980s and found herself the only woman in her classes. “People didn’t think you belonged,” Carol said. “There were several times when I was ready to quit. That’s when it hit me. I could either walk out and prove them right that I didn’t belong, or I could stick with it.” Soon after joining Medtronic in the ‘90s, she was among a small group of engineers who brought the company’s first implantable cardioverter defibrillator to market—now a \$2 billion business.

Women and ethnic minority groups are historically underrepresented in STEM (Science, Technology, Engineering, and Mathematics) positions. In 2015, we took a more intentional approach, setting a company goal of 40% women in global leadership by 2020. To achieve this, we established programs like Women in Science and Engineering (WISE). The program creates a holistic, data-driven road map to increasing gender diversity in technical leadership, people management, operational, and global revenue-generating positions. On a local

level, the Medtronic Women’s Network is working to advance women leadership globally. Engaging both men and women, the network boasts 14,000 members in 105 locations across 65 countries.

Because of these efforts, Medtronic outperformed industry benchmarks on leadership representation and engagement and was one of only three companies recognized with the 2020 Catalyst Award, a distinction focused on accelerating progress for women. The award proves that the Medtronic approach to supporting and advancing women is one to both watch and model.

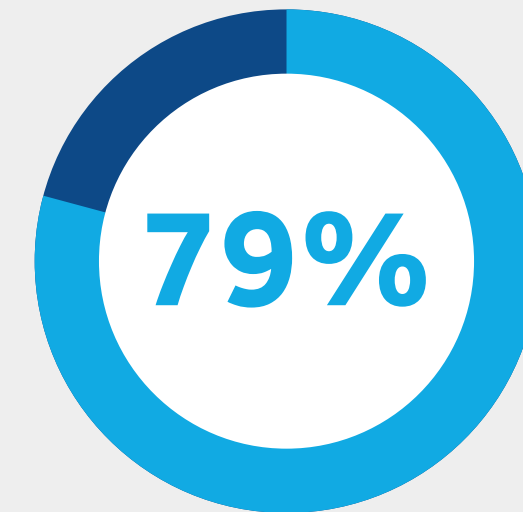
(Source: FY2020 data)



I dream of a world where women lead.



Earl Bakken
Medtronic Co-Founder
(1924–2018)



engagement among women in R&D

29%
women in R&D roles



With the Medtronic Women's Network, not only are we encouraged to think outside the box with big, bold strategies, we have a platform to fast-track ideas and put them into place.



Nina Goodheart

President, Structural Heart and Aortic, and Co-Chair, Medtronic Women's Network



Impact, amplified

We want to reach beyond our walls, leaving the world around us better than it was the year before. In 2020, we found more ways to drive change in our industry and communities.



Beyond our walls: Doing more for our communities

The killing of George Floyd, Breonna Taylor, and other Black Americans was a harsh reminder of existing systemic inequities. For us, it was a wake-up call that we can, and need to, do more to build just and equitable communities. I, D & E goes beyond being the right thing to do—it harnesses the power of our 95,000 employees who represent local communities across the globe and create meaningful change.

Standing in solidarity

In the days following Floyd's death, we took action on three fronts: We provided a safe space for employees experiencing trauma to gather and share their experiences and emotions. We invested in efforts to drive long-term, sustainable change in our communities. And we committed to evolving our approach to accelerate progress toward our I, D & E goals and to reduce social inequities in our communities.



A global day of action for racial equity progress

We dedicated July 29 as a global, all-company day of action. On that day, we engaged employees with conversation and educational resources, brought in speakers, organized 3,800+ volunteer hours in 24 countries, and matched employee contributions 2:1 with the Medtronic Foundation.

Our colleagues from 24 countries around the world contributed thousands of hours and tens of thousands of dollars to social justice efforts.

3,800+

volunteer hours in one day

Taking action for racial equity

Supporting our people and communities

In the aftermath of George Floyd's death, we came together to support our employees and our community as everyone processed the gravity of the incident.

- Messages of solidarity from our leaders to employees and the business community
- Resources for employees like financial assistance and personal time off to process and refocus
- A dialogue with CEO Geoff Martha, hosted by the African Descent Network
- "Open Air Conversations" among employees, facilitated by a diverse group of mental health professionals, to foster trust and transparency
- Immediate Medtronic Foundation financial support for United Way, YWCA, Second Harvest, and the Salvation Army

Driving meaningful change

We listened and realized that people wanted to help but didn't know how.

- Dialogue on racial equity through facilitated employee sessions and community sessions
- Toolkit for people managers on "How to Engage in Sensitive Diversity Topics"
- A Global Day of Action for Racial Equity Progress
- Philanthropic multiyear commitments to Black communities and universities
 - Thurgood Marshall College Fund
 - Northside Achievement Zone
 - People's Center Clinics & Services

Evolving and accelerating our I, D & E commitments

As we look ahead, we are renewing our efforts to be allies for lasting racial equity and advocates for systemic, sustainable, and scalable change.

- Leveraging the entirety of who we are as a company in order to play an active role in dismantling structures that systematically disadvantage certain populations
- Bold leadership commitments to accelerate the internal rate of change
- New partnerships to advance equity
 - Catalyst Champions for Change
 - DisabilityIN
 - Multiple Pathways Initiative (MPI)
 - OneTen

New partnerships to advance equity

Multiple Pathways Initiative (MPI)

Medtronic, along with 80 Business Roundtable member companies, joined a multiyear, coordinated effort to improve equity, diversity, and workplace culture. The goal? To recognize and reward the value of skills beyond academic credentials, both in the recruitment process and among the current workforce. When we acknowledge that skills can be acquired and built in a variety of ways—through high school, on-the-job experience, college, professional certifications, credentials, and more—we open up opportunities that otherwise might have been out of reach for diverse talent.



New partnerships to advance equity

OneTen

1 Million careers. 10 years. Countless opportunities. Medtronic is a founding member of a new organization, launching with the support of CEOs and companies across industries. The OneTen vision is to close the “opportunity gap” that prevents millions of Black Americans from having access to economic opportunities, gainful employment, education, and training. Collectively, the founding companies have committed to train, hire, and advance one million Black Americans over the next 10 years into family-sustaining skilled jobs with opportunities for advancement. While this initiative is starting with Black Americans, the hope is that it will expand over time.

Close the
opportunity gap
for millions of
Black Americans.

ONETEN

1 million careers.
10 years. Countless
opportunities.



Philanthropic multiyear commitments to Black communities

Medtronic Foundation committed \$16 million in multiyear contributions to health and STEM partnerships to address social justice and racial disparities:

Partnership with Thurgood Marshall College Fund

Through funding by the Medtronic Foundation, we created the Medtronic STEM Scholars program to support students at historically Black colleges and universities.



People's Center Clinics & Services

Medtronic Foundation will build the capacity of community-based frontline health workers and local healthcare teams to improve health outcomes among the East African and Black populations in Minneapolis.



Northside Achievement Zone partnership

Medtronic Foundation invested both financial resources and people power in a long-term partnership to reduce educational and economic disparities for families in Minneapolis.



If you're not in the community, of the community, or engaging the community, you're not responding as a citizen. We're listening, learning, and driving impact in partnerships beyond our four walls.



Paurvi Bhatt
President,
Medtronic Foundation



Reducing healthcare disparities: Advocating for improved access and outcomes

We recognize that underserved communities face disproportionate barriers to achieving health and well-being and that, as global healthcare leaders, we can do something about it.

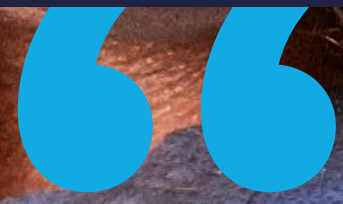
This work starts with ensuring access.

Innovative models

We're thinking differently about how people—particularly underrepresented patients—experience healthcare in order to design innovative delivery models for underserved communities across the world through the Medtronic Foundation and by mobilizing global employees as a force for good. The Medtronic Foundation has long-term programs that invest in community health workers who localize care for specific communities, including the support of early detection, prevention, and management of chronic disease. Through the Medtronic Foundation Global Innovation Fellows program, Medtronic employees take part in volunteer programs and use their skills to help local healthcare organizations expand their model of care.

Affordable care

Our pricing programs and policies take into account local structures and healthcare systems to ensure that pricing is fair and reasonable. We design volume pricing or rebate options for hospitals, programs to assist patients, and adaptive pricing for treating long-term conditions.



The [pacemaker] partnership with Medtronic has enabled us to continue to serve patients year after year instead of just a one-time gift or product donation.



Dr. Luis Molina
Partner physician



Playing our philanthropic part

We engage in a range of philanthropic activities to extend essential healthcare access to the people who need it most. In FY20, Medtronic and the Medtronic Foundation together gave \$105.1 million, including:

- Meeting basic needs through COVID-19 support focused on addressing social determinants of health.
- Increasing access to medical and disease management supplies as part of disaster relief efforts in partnership with the World Health Organization, UNICEF, and Americares.
- Engaging for the past three decades in site-specific, long-term partnerships to donate pacemakers, including one partnership in Mexico City— supporting a region where approximately 20 percent of adult deaths are caused by cardiovascular disease and 50 million people live below the poverty line.

(Source: "Factsheet: Cardiovascular diseases in Mexico," World Heart Federation)



\$105.1 million

given in 2020 by Medtronic and Medtronic Foundation

Disaster relief efforts in partnership with



Driving economic growth: Partnering with diverse suppliers

By partnering with woman- and minority-owned businesses, we stimulate economic growth and opportunities for the communities where we live and work while making our supply chain more innovative, resilient, and agile.

Partnerships with a purpose

Each of our business units have yearly goals and actions to support businesses owned by women, ethnically diverse groups, people with disabilities, LGBTQ+ individuals, and veterans. We extend this approach to small businesses and those located in historically underutilized or disadvantaged business zones.

We also offer training and mentoring programs for diverse suppliers. This past year, we extended our U.S.-based Supplier Diversity program to be global. We are starting with a focus on women-owned businesses, with plans to extend to other diverse-owned suppliers. In the United States, we continue to exceed performance over last year. In 2020, we directed more than \$620 million of our U.S. supplier spend to diverse-owned companies, an increase of more than 10% compared to the prior year.

(Source: FY2020 data)

When we partner with diverse suppliers, everyone thrives



\$2.4B

purchases from small, minority-, women-, veteran-, disabled-, and LGBTQ+-owned businesses



24,257

jobs supported in the United States at small and diverse suppliers, lower-tier suppliers, and community businesses



\$4.1B

economic production activity



\$1.3B

U.S. federal, state, and local taxes generated



\$1.4B

wages and benefits earned through supported jobs

Diverse suppliers advance our business

We're proud to partner with diverse-owned firms to reduce our environmental impact. For more than 12 years, Medtronic has partnered with JIT Energy Information Services, one of our largest African American-owned supplier partners. JIT supports the management of our global energy and water consumption, enabling us to make progress toward our environmental performance goals. Established in 1991 by Jaimie Aragon and later acquired by Ravi Norman, JIT has earned an Energy Efficiency Partner Award and other recognition for its ability to help reduce energy consumption and environmental impact.



The path forward

Although we take pride in the progress we've made, our work in Inclusion, Diversity, and Equity is never done. The challenges of this past year called for urgent and renewed actions. Even more importantly, those challenges mobilized us to reinvent how we support our people.



Accelerating progress toward change

In the year ahead, I, D & E will continue to be a pillar of our business strategy. We will deepen a sense of belonging for all of our 95,000 employees globally. We will proactively identify and break down barriers to equity. And we will contribute to even greater systemic, sustainable, and scalable changes in our industry and communities, advancing public policy and healthcare equity so the people we serve can achieve healthier lives.



Making I, D & E something that is for, and belongs to, us all

With rigor and conviction, we'll transform our I, D & E promise into a reality for all of our employees. Over the next two years, we are making these commitments:

Set the bar

Solidify executive leaders' roles across Medtronic as the clear owners of our I, D & E strategy and its successful execution.

Give it context

Establish locally relevant representation goals that represent our patients and communities.

Make it count

Link the attainment of I, D & E goals with compensation and advancement opportunities for all people managers. We'll bring a cross-functional group together to explicitly define a common/unified mechanism for measuring I, D & E results and methods for holding managers accountable for delivery.

Keep learning

Continue to remove bias from our talent processes (e.g., selection, promotion, learning, and development opportunities) and make sure they're adopted, reinforced, and integrated with measurable outcomes. This includes identifying microaggressions and fostering inclusive behaviors and allyship with training that will be required for all managers and available to all employees.

Get ahead

Integrate proactive retention and inclusion mechanisms (including identifying specific experiences and roles needed to achieve career aspirations) into our talent processes.

Seek new perspectives

Invest in specific leader training; provide clear expectations for our I, D & E goals and the specific role of leaders and people managers in advancing those goals.

A force for change

Together, we'll continue setting and exceeding ambitious goals. To achieve them, we'll harness our global breadth and depth of relationships across our 95,000 people and advance I, D & E in how we purchase, hire, invest, partner, and advocate. As we listen and learn, we'll find more ways that we can add to the conversation, amplify voices, build up people and our communities, and advocate for **impact within and beyond Medtronic.**



Recognition

When we are recognized as an organization, it is only because of the commitment and dedication of our employees and partners.

The awards we received in 2020 represent the passion, spirit of innovation, and commitment of our people who, year after year, help us achieve our goals and advance every tenet of our Mission to alleviate pain, restore health, and extend life.



Catalyst
2020 Catalyst Award



Fortune Change the World
2020 (#13)



**Human Rights Campaign
Corporate Equality Index**
2020 Best Places to Work for
LGBTQ Equality



**Dow Jones Sustainability
North America Composite Index**
For the 13th consecutive year



DiversityInc
2020 Top 50 Companies
for Diversity for the ninth
consecutive year (#33)



Disability Equality Index
2020 Best Places to Work for
Disability Inclusion for the third
consecutive year



Forbes
2020 Best Employers for
Diversity

2021 The Just 100: Companies
Leading the New Era of
Responsible Capitalism (#29)



**Hispanic Association on
Corporate Responsibility**
2020 Two five-star ratings on
Best Places to Work for Hispanic
Inclusion



State of Minnesota
2020 Beyond the Yellow Ribbon
company

**This year and every year, we are grounded
by our people, inspired by our progress,
and driven to do more.
Let's do more, together.**

Thank you.

Medtronic