Medtronic News

Medtronic 2020 Integrated Performance Report Shares Goal of Carbon Neutrality by FY30, Achievement of 100% Gender Pay Equity in the U.S., and Progress on COVID-19 Response

Report Outlines Environmental, Social, and Governance (ESG) Topics Critical to the Company and Its Stakeholders

DUBLIN, Oct. 13, 2020 /PRNewswire/ -- Medtronic plc (NYSE:MDT) today released its fiscal year 2020 (FY20) Integrated Performance Report: Putting Purpose Into Action.

The report shares the company's approach to its most significant environmental, social, and governance (ESG) issues across four global corporate citizenship and sustainability pillars: Adding Value to Society, Promoting Environmental Stewardship, Supporting a Global Workforce, and Working Responsibly. Medtronic details FY20 progress against each of these pillars, addressing key topics such as setting a goal to be carbon neutral in its operations by FY30; driving progress in inclusion, diversity and equity, with 100% gender pay equity achieved in the U.S. and other countries; and putting employees and patients first during COVID-19.

Environmental Stewardship

Medtronic remains committed to reducing its impact on the environment and has announced a goal to be carbon neutral in its operations by FY30. To achieve carbon neutrality – and ultimately cut the company's operational carbon footprint by 100% – Medtronic has set aggressive new targets to reduce greenhouse gas emissions by 50% by FY25 and will increase use of renewable and alternative energy by partnering in virtual power purchase agreements (VPPA's) and investing in renewable energy credits (RECs) and carbon offsets. Achieving carbon neutrality means Medtronic is aiming for net zero Scope 1 and Scope 2 carbon emissions associated with our global operations, which include manufacturing sites and other facilities across the 150 countries where the company operates. Over the next decade, the company will reduce its carbon emissions by an amount that is approximately equal to how much would be generated by 80,000 U.S. homes over the same time period.

"We have a responsibility to take immediate action to create a sustainable future for our business, our communities, and our planet," said Geoff Martha, Medtronic chief executive officer. "Becoming carbon neutral by FY30 is one way we are reducing our environmental footprint. We must focus on improving the health of our global society, as we increase the sustainability of our business."

In FY20, the company achieved all its FY20 environmental performance targets, including a 36% reduction in greenhouse gas emissions compared to a FY13 baseline. In addition, the company demonstrated its commitment to addressing climate change through expanded reporting that meets the guidelines of the Task Force on Climate-related Financial Disclosures (TCFD). The TCFD content details the company's approach to climate governance, risk assessment, strategy, and metrics and targets.

Inclusion, Diversity and Equity

As part of its ongoing focus on equity and diversity in FY20, Medtronic achieved 100% gender pay equity in many countries including the U.S. and 99% gender pay equity for employees globally. In the U.S. the company also achieved 99% ethnicity pay equity for employees. Medtronic was also one of only three companies to earn the prestigious Catalyst Award, an achievement that recognizes groundbreaking corporate initiatives to accelerate progress for women.

"We believe in equal pay for equal work and regularly assess our global pay practices to close remaining gender and ethnic pay gaps," said Carol Surface, Medtronic chief human resources officer. "While I'm proud that we have achieved 100% gender pay equity in the United States and many other countries, there is still work to be done. We will not stop until we reach 100% pay equity for all."

In FY21 and into FY22, Medtronic has committed to several actions that will advance its global inclusion, diversity, and equity work for employees and the communities where it operates. The company will establish a new governance framework for inclusion and diversity where executive leadership is directly responsible for its success. Medtronic will create standards to measure the company's long-term progress, which will be reported and overseen by the Medtronic Board. These standards will incorporate representation goals tailored to each region and will be linked to compensation and advancement opportunities for all people managers. To improve the ability of all employees to contribute to inclusion, diversity, and equity, Medtronic will expand training to address unconscious bias and make ally-ship the expectation for all. The company will continue to report progress externally on new and existing inclusion, diversity, and equity actions, performance, and policies.

"We aspire to have a workforce that is as diverse as the communities in which we live and serve, where we have opportunity parity, a culture of belonging, and measurable impact in our communities," said Sally Saba, M.D., Medtronic chief inclusion and diversity officer. "As the global leader in healthcare technology, we have an opportunity to set a global example for inclusion, diversity, and equity. We will continue to act with urgency and conviction to transform our inclusion and diversity promise into reality."

COVID-19 Response

In response to the COVID-19 pandemic, the company took swift action in the last two quarters of FY20 to safeguard employees and their families, support patients and healthcare professionals, and invest resources to help partners around the world strengthen their own response to the global crisis. Key actions in FY20 included:

- Increased internal ventilator production five-fold in a matter of just a few months, from 200 a week pre-pandemic to over a 1,000 a week in June.
- Published open-source design access for its portable, compact ventilator, resulting in 200,000+ downloads of the blueprint in the first few weeks.
- Formed new collaborations with Intel Corporation, Foxconn, SpaceX, and others to meet the critical global need for ventilators.
- Increased focus on virtual and remote innovation to reduce exposure to the virus, including development of new remote management capabilities for the Puritan Bennett™ 980 (PB980) ventilator, which enables clinicians to adjust ventilator settings away from the patient.
- Donated $18.5 million to COVID-19 relief efforts in partnership with theMedtronic Foundation – part of a larger pledge of more than $36 million.
- Implemented employee support programs such as paid emergency leave for up to 30 days.

"I'm proud of how quickly Medtronic mobilized to map out a course of action to help global healthcare professionals and partners continue to treat patients and also protect themselves in the face of COVID-19," said Martha. "Guided by our Mission, we operated with a high sense of urgency and conviction to accelerate innovation and unlock the power of our lifesaving technologies to help patients globally. With clear and decisive plans, and powerful collaboration beyond our walls, work that could have taken months or years instead took days and weeks."

The 2020 Medtronic Integrated Performance report was prepared in accordance with the core guidelines of the internationally recognized Global Reporting Initiative (GRI) sustainability reporting standards. The content is also informed by guidelines set forth by the Sustainability Accounting Standards Board (SASB) industry standard for Medical Equipment & Supplies as well as the TCFD index. The Integrated Performance Report, including the corresponding indices, are available for download here.

For more information on Citizenship at Medtronic, visitMedtronic.com/citizenship.

About Medtronic

Medtronic plc (www.medtronic.com), headquartered in Dublin, Ireland, is among the world's largest medical technology, services and solutions companies – alleviating pain, restoring health and extending life for millions of people around the world. Medtronic employs more than 90,000 people worldwide, serving physicians, hospitals and patients in more than 150 countries.

The company is focused on collaborating with stakeholders around the world to take healthcare Further, Together.

Any forward-looking statements are subject to risks and uncertainties such as those described in Medtronic's periodic reports on file with the Securities and Exchange Commission. Actual results may differ materially from anticipated results.

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