



Edwards

2022 Annual Meeting of Stockholders

Transcript

Mike Mussallem: Hello, and welcome to the 2022 annual meeting of stockholders of Edwards Lifesciences Corporation. My name is Mike Mussallem. I'm the Chairman and CEO of Edwards, and I'll be chairing this meeting. And I now call the meeting to order. We're pleased to conduct our annual meeting virtually this year to allow for broad attendance, with a small number of people physically in attendance, primarily our Board of Directors and our executive leadership team. We've established clear processes that we believe provide all stockholders the same rights and opportunities to participate in this meeting as they would be in an in-person meeting. We have procedures around submitting and responding to stockholder questions and we'll post the questions and answers on our Investor Relations site as soon as practicable after the meeting. A replay and a transcript of this meeting will also be available on our Investor Relations website.

Edwards has been a public company for over 20 years, and I want to say to you, our stockholders, how much we appreciate your continued support. Edwards' longstanding commitment to helping patients has resulted in an impressive global leadership position. And after another year of unprecedented challenges to communities, organizations, and patients around the world, I'm proud of Edwards' continued dedication in providing innovative solutions for patients fighting cardiovascular disease and continuing to build trust among customers, colleagues, and patients with the goal of improving the quality of life for our patients. 2021 was another successful year for Edwards, thanks to the flexibility, resiliency and resourcefulness and passion, frankly, of our employees and partners. We grew our global team, we invested in long-term programs and continue to pursue bold innovations for structural heart disease and critical care monitoring. We continue to remain focused on our innovation strategy to create value and improve the lives for patients around the world.

Edwards' commitment to charitable giving is one of the defining elements of our culture. We seek to inspire our employees and partners to passionately engage in our global giving efforts to improve underserved patients' lives and strengthen our global communities. We're honored to have supported over \$21 million in charitable donations in 2021, including nearly \$9 million in technology donations for humanitarian patient care. We're also proud that over 80 percent of our global employees reported in our engagement survey that they've participated in charitable activities in the past 12 months. Since 2004, Edwards and the Edwards Lifesciences Foundation have gifted around \$130 million to charitable organizations around the world. So, a little later in the meeting, I'll have more to say on how Edwards performed in 2021 and the first quarter of this year and what is yet to come.

But now, moving on to the business portion of today's meeting. Linda Park, our Corporate Secretary, will act as the secretary of this meeting. She has reported to me that proper notice of this meeting was duly given to all stockholders of record on the record date. Our preliminary report of the Inspectors of Election indicates the majority of shares entitled to vote at this meeting are represented, and we do have a quorum. Accordingly, this meeting has been properly convened.

Let me speak briefly about corporate governance at Edwards. Our Company and our Board take very seriously our commitment to good corporate governance. All of our governance documents, guidelines committee charters are available on our website, or upon request from our Corporate Secretary. We've demonstrated commitment to good governance and our responsiveness to stockholders by giving stockholders the right to proxy access and to call special meetings; by eliminating supermajority voting provisions by declassifying our Board so that our directors are elected annually. And we've also conducted a robust process of Board refreshment to ensure that we're well prepared for what lies ahead and to position our Company for a bright future.

And now, I'd like to introduce our director nominees who are here with me today in addition to myself. Martha Marsh, former President and CEO of several substantial hospital systems, and most recently was the Stanford Hospital and Clinics CEO. She's our lead independent director. She also has years of board experience including corporate governance chairmanships, currently serving on the board and as the chair

of the compensation committee of AMN Healthcare Services. Kieran Gallahue, Chairman of the Board of Intersect ENT, and a board member of Envista Holdings. Kieran brings decades of leadership experience in diverse medical technologies. He was formerly a director of Arena Pharmaceuticals, which was just recently acquired by Pfizer. And he has served as the Chairman and CEO of CareFusion, which was acquired by Becton Dickinson. Leslie Heisz, a former investment banker and finance executive at Solomon Brothers and Lazard Frères. Leslie is the Chair of our Audit Committee. She also serves on the board of trustees of Public Storage, and on the boards of Kaiser Permanente and the Capital Group Private Client Services Mutual Funds and ETF Funds. And she formerly served on the boards of Ingram Micro, Towers Watson and HCC Insurance Holdings. Paul LaViolette, Managing Partner and Chief Operating Officer of SV Health Investors, with significant executive experience in large, global organizations and start-ups in medical technology. He was a former Chairman of Misonix, as well as Asensus Surgical and also serves as the Chairman of the Innovation Advisory Board for the Mass General and Brigham Health System. Steve Loranger, the former Chairman, President and CEO of ITT Corporation. Steve is on the board of Xylem. Steve was the former director for both FedEx Corporation and Excelis and a former Senior Advisor to the CEO of FlightSafety International and formerly served on the boards of the Smithsonian National Air and Space Museum and the Congressional Medal of Honor Foundation. Ramona Sequeira, President of Global Portfolio Division at Takeda Pharmaceutical Company, Limited. She leads a multi-billion dollar business today that has led businesses in multiple markets, across cultures with very different healthcare systems. She is also the Chair of the board of PhRMA and on the board of trustees of Harvey Mudd College. Nick Valeriani, former CEO of West Health Institute, and serves as the Chair of our Compensation and Governance Committee. Nick spent more than 34 years with Johnson & Johnson in positions of increasing responsibility. Most recently, serving as the Company Group Chairman of Ortho Clinical Diagnostics. He also serves on the board of Surgalign Holdings. I'm very proud of the strength, diversity of experience, and independence of our Board. We'd like to thank each of you for your dedication and commitment and for the time and energy that you devote to Edwards.

Now, let me introduce Edwards' executive leadership team. In addition to myself, Don Bobo, the head of Strategy and Corporate Development, and some of our newest initiatives. Todd Brinton, leads our Advanced Technology organization. He's also our Chief Scientific Officer. Daveen Chopra, leads our global Surgical Structural Heart business. Dirksen Lehman, leads Public Affairs. Jean-Luc Lemercier, is responsible for Europe, Middle East, Africa, Canada, and the Latin America regions. Christine McCauley leads Human Resources around the world. Joe Nuzzolese, leads our Global Supply Chain and Quality. Arnie Pinkston is our General Counsel. Gary Sorsher, is the head of Quality and Regulatory Compliance. Katie Szyman, the global leader of our Critical Care business. Scott Ullem, our Chief Financial Officer. Huimin Wang, responsible for Japan, Asia and Pacific regions; and Larry Wood, the leader of our global Transcatheter Aortic Valve Replacement business and Bernard Zovighian who heads our Transcatheter Mitral and Tricuspid Therapies business.

Our executive leadership team is very talented and experienced and they're united in their dedication to achieve the Company's goals and to further our strategy. Each of these leaders truly lives our values of our Credo, and I'd like to thank you for all that you do to fuel Edwards' continued success. So, also joining us today in person is Mikayel Nazloyan and Laura Dapcevic from PricewaterhouseCoopers, the independent registered public accounting firm. They'll be available to respond to any questions a little later on in the meeting.

Linda Park and Scott Kindle, a representative of Mediant Communications, have been appointed and duly sworn in as the Inspectors of Election for the meeting. And I'd now like to move on to the formal business of the meeting. After all items have been presented, there will be an opportunity for questions regarding the proposals. So, the polls are now open. As a reminder, stockholders attending the meeting can vote their shares online through the closing of the polls by logging into the meeting website as a stockholder and

clicking the "Vote Now" button on their screen. If you've previously voted by proxy and do not wish to change your vote, your vote will be cast as you previously instructed, and no further action will be required. We will now proceed to the first item of business.

The first item of business is the election of directors, each for a one-year term. There are eight total Board nominees, including myself. Our Board recommends a vote for each of these nominees. Since no other nominees were received in accordance with the bylaws of the Company, nominations for our Board are now closed.

Second item of business is an advisory vote to approve the compensation for the Company's named executive officers. Our board recommends a vote for this proposal.

The third item of business is the ratification of the appointment of PricewaterhouseCoopers as the Company's independent registered public accounting firm for 2022. Our Board recommends a vote for this proposal.

The fourth item and final item of business is consideration of a stockholder proposal for an advisory vote to reduce the share ownership threshold to call a special meeting. Our Board recommends a vote against this proposal. John Chevedden or his representative will be presenting this proposal. Operator, please open the line for the stockholder proponent.

Operator: Mr. Chevedden, your line is now open. As a reminder, you have three minutes to present your statement. You may proceed.

John Chevedden: Hello. This is John Chevedden. Can you hear me okay?

Operator: Yes. Mr. Chevedden.

John Chevedden: Proposal four special shareholder meeting improvement. Shareholders ask our board to take the steps necessary to amend the governing documents to give the owners of a combined 10% of our common stock the power to call a special shareholder meeting. One of the main purposes of this proposal is to give shareholders the right to formally participate in calling for a special shareholder meeting regardless of their length of stock ownership to the fullest extent possible. To make up for our complete lack of a right to act by written consent we need the right of 10% of shares to call for a special shareholder meeting. Hundreds of major companies provide shareholders with the right act by written consent. Certain companies that do not provide for a shareholder right act by written consent, have a more reasonable stock ownership threshold to call for a special shareholder meeting. Southwest Airlines and Target are examples of companies that do not provide for shareholder written consent and yet provide for 10% of shares to call for a special shareholder meeting.

Special meetings allow shareholders to vote on important matters, such as electing new directors with special expertise or independence that may be lacking in our current or future directors as was the case with the three new Exxon directors supported by the Engine No. 1 hedge fund at the 2021 Exxon annual meeting. Our management is best served by providing the means for 10% of shareholders, who has special expertise, to bring emerging opportunities or solutions to problems to the attention of management and all shareholders. It's important to remember that management can abruptly discontinue any shareholder engagement if it fails to give mostly cheerleading support to our management.

There is no rule that prevents dishonest practices and shareholder engagement like asking shareholder input on a topic after introducing topic with overwhelming negative comments. Management apparently claims it has such good shareholder engagement that such shareholder engagement would go completely unnoticed that management did not brag about it each year in glossy materials sent out after the annual meeting proxy is completely distributed. Our bylaws give absolutely no assurance that any engagement with shareholders will be continued. The more reasonable shareholder right to call for a special

shareholder meeting will help ensure that management engage with shareholders in good faith because shareholders will have a viable Plan B as an alternative. Please vote yes, special shareholder meeting improvement proposal four.

Mike Mussallem: Thank you. At this time, I can take any questions related to the proposal. There'll be time later on in the meeting for any general questions. In order to allow broad participation, we ask you please limit your number of questions to one plus one follow-up.

Okay. Since there are no questions, I hereby declare the polls closed. I'll announce the vote results later in this meeting.

At this time, I'd like to recap some of the highlights from the last year and also discuss what lies ahead.

We'll be making some forward looking statements that involve risks. Those are all posted on our website and available in our SEC filings and we also use some non-gap measures, and the reconciliation of those measures are available also on Edwards' website. We really encourage, and our team, our leaders, our employees around the world to live our Credo. And they're extremely dedicated to doing exactly that and strive to do it. We recognize it and celebrate it routinely. It closes with helping patients as our life's work and life is now. And it epitomizes really why Edwards Lifesciences exists.

Just to take a look at our Company at a glance, I mentioned some of these facts earlier, but over 16,000 employees around the world, we're a very global company. Our manufacturing is distributed around the globe, and I'm pleased to say almost everything that Edward sells is in a number one global market position. We've got a lot of great technical talent here as well as others. And we've got a really cool match of experience with a number of very long-term experienced people, but also, more than half the Company that are new in their career. And so, it gives me a lot of hope for the runway and future success of our Company.

Let me recap 2021 and the beginning of 2022. 2021 was a strong year. We had double digit top and bottom-line growth, but more importantly, each one of our businesses, we feel like got stronger during the course of the year. I'm very proud of our employees that continued to deliver during the midst of this pandemic. It was really something that we were quite proud of and we continued to be aggressive investors, the infrastructure and the research that will really drive us in the future. In 2022, we were off to a good start. January was tough in the US with Omicron, but we got stronger as the quarter went on, had double digit top line growth. Matter of fact, we had double digit growth in each region around the world, and each of our businesses performed at a high level.

We reaffirmed our outlook for the full year. And again, it's going to be an aggressive year of investment for Edwards. Just look at the future. I'd like to just quickly recap the strategy of Edwards Lifesciences. We focus on innovation, pioneering real breakthrough technologies that can change the practice of medicine and we're willing to back that up with compelling evidence. We're also willing to go first and to truly try things that others haven't tried before.

Though that's a bold strategy and we mitigate the risks by staying focused. We stay singularly focused on structural heart disease and critical care medicine. And by doing that, knowing that there are so many patients there to serve, we feel like we can understand those groups of patients and their needs and serve them best. And when we really transform care, that's when we create value that has served us well. We have a track record of, you know, more than a decade of very consistent double-digit kind of growth. And we always strive for that triple win. Can we get a technology that extends life, improves the quality of life, and is cost effective for the healthcare system? And that's when we really make a difference.

And we know that everything we do has very long-term implications and that we're now realizing the benefits of investments that we made years ago, and that we're making investments today that we know will

pay off years into the future. It's resulted in the increase of shareholder value. You can look at this over a longer term or shorter-term basis. We're proud of that. Much of that is because we've continually generated organic strong growth sales growth, in particular. That's stronger than our industry peer and I can't resist but shout out the experience and tenured leadership team who's so dedicated to making things happen.

So, 2022 is going to be a year of a lot of impressive milestones. We once again, expect double digit top line growth and mid-teens earnings growth. And we expect to have some real progress on furthering the advancement of transforming TAVR, TMTT surgical and critical care. Sustainability is one that we really try and integrate in the way that we do business. It's integrated into our culture. It's integrated into our strategy here. You can see it represented as part of our aspirations. We've been fortunate to be recognized as having a strong sustainability program, but it's not the reason we do it. We do it because it's highly aligned with who we are as a company, trying to really improve the lives of those around the world and doing it in a way that's really supportive of all the communities that we work in.

So, we're fortunate to be a successful company and it gives us the ability to give back. This is part of the culture of this organization. They are givers. Our employees, I noted earlier are very, very engaged. We have a signature effort called every heartbeat matters. We have a goal of impacting two and a half million underserved heart valve and critical care patients by 2025. We were a little nervous with the pandemic that it was going to be difficult to achieve that goal. But our team is feeling optimistic that through our 50 plus partners, we're going to be able to make that happen. So, we're proud of that, and we continue to provide strong community support as well.

So, I'll just close by saying, I have a lot of confidence in our future. Why? Number one is because we got a pretty special culture, people that are really dedicated to helping patients and get motivated by that every day and it drives them. And when you add to that, there are such large populations of people that need our help that are still underserved today, and that we've established some credibility and trust that gives us the ability to actually make things happen and partners with the others that are necessary to change care. It gives me confidence, a very talented team that are developing new tech, new therapies and new technologies and those are so important to our future.

And finally, when we get that right, it results in sustainable organic sales growth, which we think is a driver of value for all the communities that we're involved in. And most of all, as good as the past has been for Edwards, I feel like we're just getting started. So, thank you for your interest in Edwards.

Now, I'd be happy to take any questions from our stockholders. We ask that you please limit the number of questions to one, plus one follow-up.

All right. I see one in. What's the status of succession planning for the company? So, I'm glad you asked. We invest significant efforts and resources into succession planning. We have rigorous processes that include regular reviews with the executive management and our board, and we recognize the importance of having the right talent for the future. We have a regular practice of discussing talent at each Board Meeting and Executive Leadership team meeting. And we're confident that our talent management plans will support Edwards' long-term growth.

All right, next question. I heard a rumor that parts of EPC/MIS, Critical Care and Vascular are for sale. Is this true? It would be inappropriate to comment or speculate on potential transactions.

Another question, what are the company's plans for sustainability? So, we issue a sustainability report on an annual basis that provides quite a bit of detail on our sustainability practices. As I mentioned during the presentation, these practices are integrated into our company's strategy and our culture. Our last sustainability report can be found on our website and we expect our 2021 sustainability report to be published in the third quarter. Thank you.

And I see another, how has Edwards fared during the “Great Resignation”, and especially as it looks like you are building a sales force for the U.S. for TMTT. So, thanks for that. We’re pleased to report that our company just continues to grow. And so, despite the challenges of the pandemic, we’ve been fortunate, and over the last two years, we’ve added thousands of employees to the company, and we now have more than 16,000 talented team members around the world. We are indeed building our TMTT U.S. field team in a very deliberate fashion. We’re focusing on high-quality training of our team, as well as preparing for training the physicians. So, we’re very excited about the upcoming opportunity to help more patients in the U.S. with that technology. But thanks for the question.

All right. All right, well, so, thank you. Any questions that we didn’t get to, we will try and post on our investor relations website and post responses to them as well.

So, now, let me return back to the meeting and report to you the preliminary voting results. The Inspectors of Election have informed me that first, all eight director nominees, including myself, were elected as directors of the Company for a one-year term. Stockholders have advised that they approve the compensation of the Company’s named executive officers. Stockholders have ratified the appointment of PWC as the Company’s independent registered public accounting firm for the fiscal year 2022. Stockholders have advised that they do not approve the stockholder proposal to reduce the share ownership threshold to call a special meeting.

So, all votes are subject to final count certified by the Inspectors of Election and we’ll report the final vote results on a Form 8K filed with the SEC within four business days from today’s meeting and a written report of the matters voted on today will be provided by the Inspectors of Election and included in the minutes of this meeting.

So, that concludes the business of the today. And the meeting is now adjourned, but finally, at all of our meetings we like to end with a video of one of our patients that we’ve been fortunate enough to help. It’s a great, great reminder to all of us and our stakeholders of the critical urgency of our work. We’ll play the video and then end our webcast. So, before we do, I want to, once again, thank you again for joining us today and for your continued support, please continue to take good care.

[PATIENT VIDEO]

[END OF TRANSCRIPT]