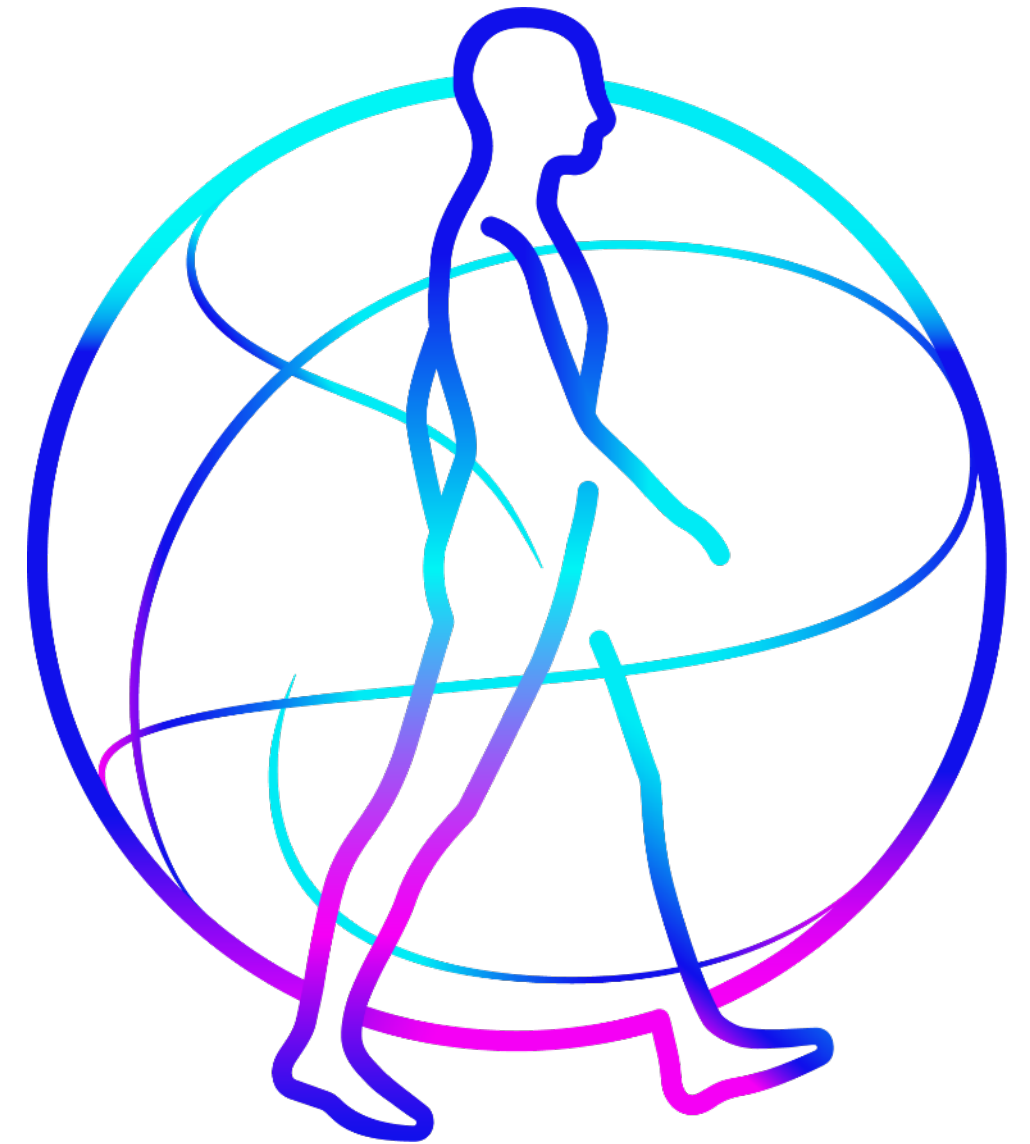


**Medtronic**

Engineering the extraordinary

# 40<sup>th</sup> annual J.P. Morgan healthcare conference

January 10, 2022 | Virtual  
Geoff Martha, Chairman & CEO



# Forward-looking statements, non-GAAP financial measures, and comparisons

## Forward-looking statements

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, which are subject to risks and uncertainties, including risks related to competitive factors, difficulties and delays inherent in the development, manufacturing, marketing and sale of medical products, government regulation and general economic conditions and other risks and uncertainties described in the company's periodic reports on file with the U.S. Securities and Exchange Commission including the most recent Annual Report on Form 10-K of the company, as filed with the U.S. Securities and Exchange Commission. Actual results may differ materially from anticipated results. Medtronic does not undertake to update its forward-looking statements or any of the information contained in this presentation, including to reflect future events or circumstances.

## Non-GAAP financial measures

Certain information in this presentation includes calculations or figures that have been prepared internally and have not been reviewed or audited by our independent registered public accounting firm. Use of different methods for preparing, calculating or presenting information may lead to differences and such differences may be material. This presentation contains financial measures and guidance which are considered "non-GAAP" financial measures under applicable SEC rules and regulations. Medtronic management believes that non-GAAP financial measures provide information useful to investors in understanding the company's underlying operational performance and trends and to facilitate comparisons with the performance of other companies in the med tech industry. Non-GAAP financial measures should be considered supplemental to and not a substitute for financial information prepared in accordance with U.S. generally accepted accounting principles (GAAP), and investors are cautioned that Medtronic may calculate non-GAAP financial measures in a way that is different from other companies. Management strongly encourages investors to review the company's consolidated financial statements and publicly filed reports in their entirety. All GAAP to non-GAAP reconciliations can be found in the appendix.

Medtronic calculates forward-looking non-GAAP financial measures based on internal forecasts that omit certain amounts that would be included in GAAP financial measures. For instance, forward-looking organic revenue growth guidance excludes the impact of foreign currency fluctuations, as well as significant acquisitions or divestitures. Forward-looking diluted non-GAAP EPS guidance also excludes other potential charges or gains that would be recorded as Non-GAAP Adjustments to earnings during the fiscal year. Medtronic does not attempt to provide reconciliations of forward-looking non-GAAP EPS guidance to projected GAAP EPS guidance because the combined impact and timing of recognition of these potential charges or gains is inherently uncertain and difficult to predict and is unavailable without unreasonable efforts. In addition, the company believes such reconciliations would imply a degree of precision and certainty that could be confusing to investors. Such items could have a substantial impact on GAAP measures of financial performance.

## Financial comparisons

References to results increasing, decreasing, or remaining flat are in comparison to the same period in the prior fiscal year. References to organic revenue growth exclude the impact of significant acquisitions or divestitures and currency. Unless stated otherwise, quarterly and annual rates and ranges are given on an organic basis. Unless stated otherwise, all references to share gains or losses are as of the most recently completed calendar quarter, on a revenue basis, and in comparison to the same period in the prior year.

## Unapproved devices

The following presentation includes discussion of devices that are not cleared or approved in the United States. The safety and effectiveness of these devices have not been established and features and performance of future technologies may vary. Information provided during this presentation may also include products that may not be available or distributed in regions or countries outside the U.S. Access to these products are contingent upon regulatory approval or clearance. Approval or clearance timelines are subject to the regulatory process of individual countries and regions and are not guaranteed.

# Committed to accelerating and sustaining higher growth

Significant changes made and further changes underway; industry-leading technology pipeline coming to fruition



## Significant changes over last 18 months position Medtronic for improved innovation-driven growth

Despite challenging environment and recent pipeline delays, significant changes implemented, with new operating model of 20 focused and accountable businesses - combined with culture & incentive enhancements - to accelerate decision making and improve execution. Majority of businesses now growing at or above market



## Key learnings from new operating model and new top talent hires helping to drive additional change

External talent with fresh perspectives and new operating model driving more opportunities for leveraging scale with operational efficiencies, supply chain, and quality



## Changes to portfolio management and capital allocation processes expected to drive higher growth and create shareholder value

Increased focus on capital allocation and an active examination of Medtronic's portfolio



## Leading pipeline in fast-growing medtech markets

Over 180 product approvals in last 12 months are significant near-term catalysts; continued investments in mid-term programs and recent M&A with significant growth potential



## Committed to environmental, social, and governance

Leading sustainability practices grounded in our Mission that put people and planet first



# Despite recent news, we remain confident in these three mid-term growth drivers

Off schedule but not off track



RDN

- Continue to expect positive read-out of data to add to 3 existing sham-controlled trials & real-world registry data
- **Global market expected to exceed \$500M by 2026 and \$2-3B by 2030**



Hugo™

- Prioritizing customer experience over short-term ramp
- First US procedure expected soon
- **Double-digit millions expected in FY22, with meaningful step-up in FY23**



Diabetes

- New leadership committed to resolving issues of the past
- Confident in our turnaround: one of the most attractive high-growth markets in Med Tech, and we have a path to leadership
- **Multiple pipeline “shots on goal” to deliver competitive CGM/patch pump technology through increased organic R&D, Blackstone partnership, and structured investments with call options**

# Navigating challenges from the COVID-19 pandemic

Strengthening US Dollar creating increased currency headwinds



## COVID-19 impact

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### Monitoring potential impact of Omicron

- 14 businesses operating at or above pre-COVID levels as of Q2 FY22
- Resurgence impacting US and Europe, while key markets in Asia remain relatively stable
- Healthcare staffing shortages weighing on recovery
- Increased levels of COVID-related absenteeism in hospitals, distribution centers and manufacturing sites
- Working closely with suppliers and customers through supply chain issues



## FX update

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### EUR and Emerging Markets currencies driving increased FX headwinds

- Based on recent rates, in FY22 FX revenue headwinds have increased; no EPS impact due to hedging program
  - Q3: \$125-150M headwind (prev. \$80M-120M headwind)
  - FY22: approx. \$50M headwind (prev. \$0-\$50M tailwind)
- FY23: Based on recent rates, FX headwinds continue on revenue and EPS

# Significant changes underway to accelerate growth and win market share

Initial changes implemented; Key learnings and new top talent helping to drive continued improvements

## Ongoing Transformation

### What we've done ✓

- New Operating Model: structural change establishing 20 Operating Units
- Enhancing culture
- Further aligned incentives with meaningful changes
- Established technology development centers
- Strategic customer relationships

Key  
Learnings

### Accelerating...

- Operations and supply chain improvements
- Accountability and consistency in patient safety & quality processes
- Portfolio management

Attracting top talent

# Significant changes to accelerate growth and improve competitiveness

New operating model, culture enhancements, and incentives in place

## New operating model

### Eliminated group infrastructure and moved to 20 focused and accountable operating units

- ✓ Operating units have full control of P&L, product development, and sales forces in larger geographies
- ✓ More decentralized and delayed
- ✓ Increased transparency and accountability
- ✓ Eliminated bureaucracy, with businesses moving much faster

## Enhancing culture

### Injected new traits into our Mission-driven culture

- Act boldly
- Compete to win
- Move with speed and decisiveness
- Foster belonging
- Deliver results...the right way
- ✓ Employees quickly embracing change with high engagement scores

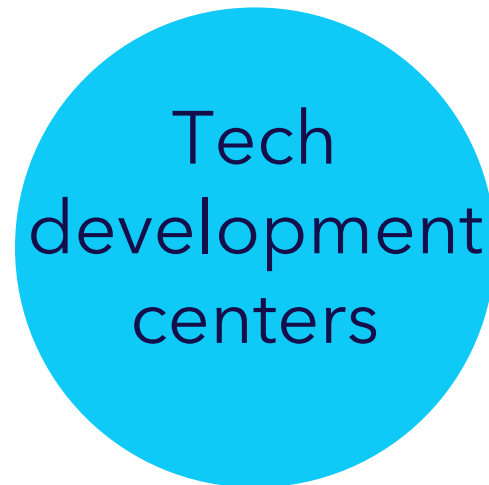
## Further aligned incentives

### Meaningful changes to our compensation plans to enhance competitiveness and reward performance

- ✓ Added market share as an annual metric, in addition to revenue growth, profit, and free cash flow
- ✓ Greater differentiation in payout based on individual and business/region/function performance
- ✓ Increased emphasis on equity instead of cash

# Significant changes to accelerate growth and improve competitiveness

Leveraging scale with tech development centers and strategic customer relationships



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**Adding new centralized technology centers to existing battery and microelectronics centers to leverage across multiple operating units:**

- Cardiac implantables
- Enabling technologies
- Neuromodulation implantables
- Surgical technologies

✓ Example: CRM team helped accelerate trajectory of Neuromod development

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**Becoming a true partner to our customers and driving strong strategic relationships**

- ✓ Single point of contact for large customers such as governments, large healthcare systems, and GPO's to buy across the Medtronic portfolio

**Enterprise synergies increase revenue and drive more efficient R&D spend**



# Attracting top external talent to drive change

Bringing outside-in thinking, new skills and capabilities, and diverse perspectives to our already talented leadership team

Attracting  
top  
external  
talent



**Greg Smith**  
EVP, Global Operations & Supply Chain  
Previous: Walmart & Goodyear



**Torod Neptune**  
SVP, Chief Communications Officer  
Previous: Lenovo & Verizon



**Mei Jiang**  
Head of Global Digital Innovation  
Previous: Iron Mountain, HP, Cisco



**Bob Hopkins**  
Head of Global Strategy  
Previous: Bank of America Merrill Lynch



**Ivan Fong**  
EVP, General Counsel and Corporate  
Secretary  
Previous: 3M, US DHS, Cardinal Health



**Harry "Skip" Kiil**  
President, Cranial and Spinal  
Technologies  
Previous: Smith & Nephew, Nuvasive



**Mira Sahney**  
President, Pelvic Health  
Previous: Hyalex Orthopaedics,  
Smith & Nephew



**Yarmela Pavlovic**  
VP, Regulatory Strategy  
Previous: Manatt, Phelps & Phillips, LLP,  
Hogan Lovells



**Jeffrey J. Popma, M.D.**  
Chief Medical Officer, Coronary, RDN,  
& Structural Heart  
Previous: Harvard Medical School,  
Beth Israel Deaconess Medical Center

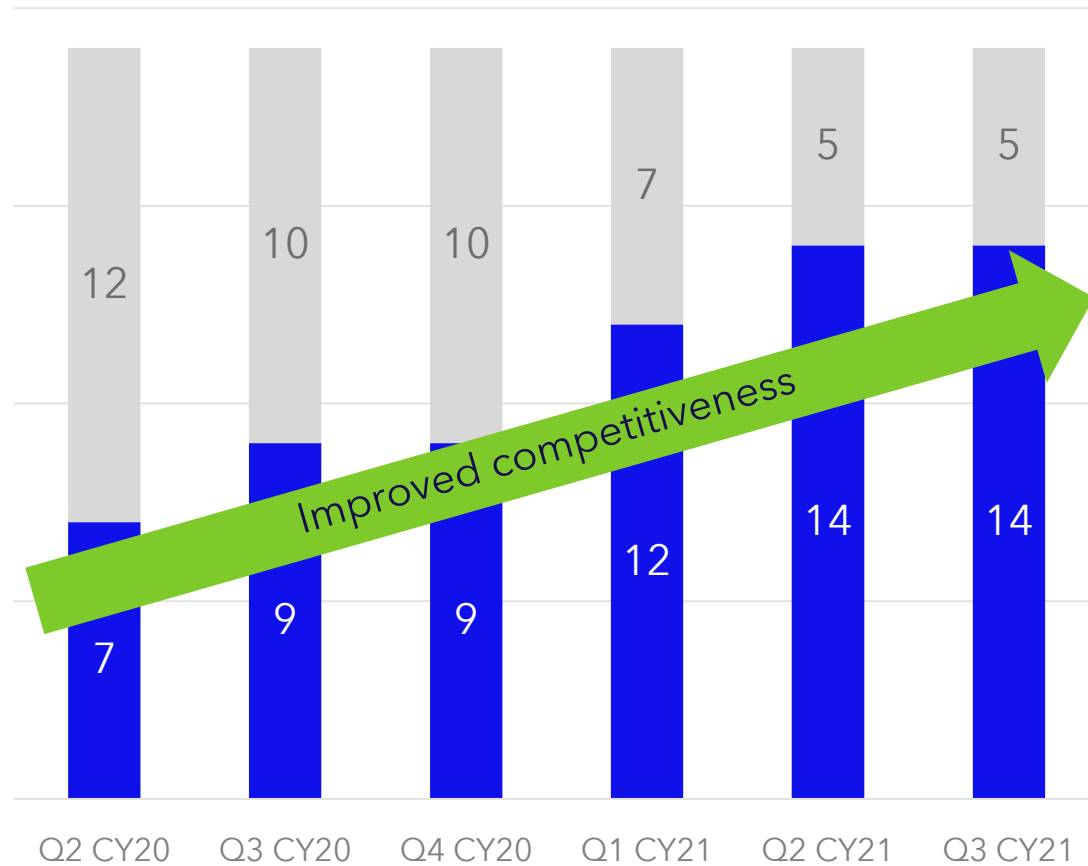


**Austin L. Chiang, M.D., M.P.H.**  
Chief Medical Officer, Gastrointestinal  
Previous: Sidney Kimmel Medical  
College, Jefferson Health

# Now growing at or above market in most businesses

Strong market positions diversified across a number of key medtech markets

More Operating Units holding or winning share



■ Winning/holding share y/y ■ Losing share y/y

\*Mechanical Circulatory Support business is not included

Leadership positions in key medtech markets



Cardiac Rhythm Management #1	Cardiovascular Diagnostics #1	Coronary #1	TAVR #2
Aortic Stent Grafts #2	Cardiac Surgery #2	Peripheral Vascular #1	
Advanced Energy #1	Advanced Stapling #1	Surgical Robotics #2	Patient Monitoring #1
Gastrointestinal #1	Hernia & Wound Mgmt #2		
Spine & Bio #1	Enabling Tech #1	Pain Stim #3	Deep Brain Stim #1
Neurovascular #2	Sacral Neuromod. #1	ENT #1	
Insulin Pumps #1	Smart Pens #1		

Competing well in most but not all core markets; pipeline and capital allocation key to drive further improvement

# Accelerating changes to create value and further leverage enterprise scale

Adding value to our operating units, enabling stronger performance vs smaller competitors

## Operations and supply chain

- Consolidating global operations to realize economies of scale, drive lower costs through reduced inventory and obsolete products & materials, and improve quality with Strategic Supplier base
- Investing in automation, digitalization, and Industry 4.0
- Supply management team negotiates contracts across OUs to secure attractive terms and manage through supply chain issues

## Patient safety and quality

- Aggressively accelerating plans to enhance patient safety and quality performance
- Reshaping processes and operating mechanisms, driving consistency and increasing management accountability

## Portfolio management

- Newly created Capital Allocation Committee driving more decisive capital allocation; includes CEO, CFO, Portfolio Presidents and Head of Strategy
- Leveraging strong balance sheet position
- Deeply committed to driving shareholder value

# Allocating capital to generate strong growth and shareholder return

## Investments for growth

### Organic R&D investments

Increasing R&D spend broadly across the company to fuel our robust pipeline

**\$2.7B**

forecasted organic R&D spend in FY22

**10%**

increase over FY21

### Accelerating tuck-in M&A

Increasing our WAMGR, differentiating our portfolio, and accelerating our time to market

**8**

acquisitions announced since beginning of FY21

**>\$3.2B**

in total consideration

### Increasing venture & strategic partnerships

Minority investments portfolio to develop and facilitate potential future tuck-in acquisitions

Third-party funding to leverage our own R&D investment and accelerate growth

**70+**

companies

**\$750M+**

invested as of Q2 FY22

## Return to shareholders

### Growing our dividend

**44 Years**  
of dividend increases

Target increases roughly inline with earnings growth

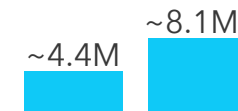
**Member of S&P 500 Dividend Aristocrats**

### Opportunistic share repurchases

Target offsetting stock-based compensation dilution at a minimum, with opportunistic repurchases during share price dislocation periods

**\$1B Repurchased YTD**

Shares repurchased



FY21 FY22 YTD

### Total return

Target **Minimum of 50% of Free Cash Flow** returned to shareholders annually

**\$3.8B**  
FY21 share repurchases & dividends

**77%**  
of Free Cash Flow

# Broad, robust pipeline to accelerate growth

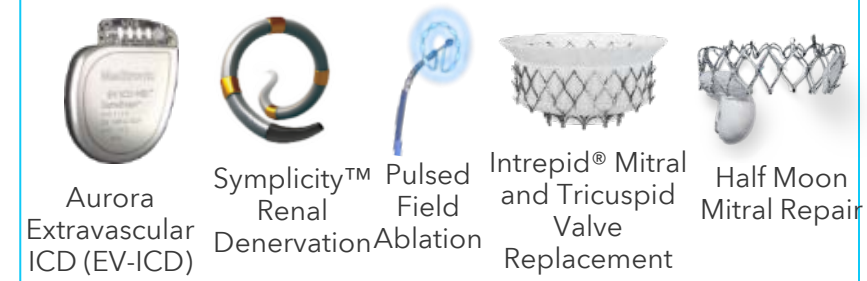
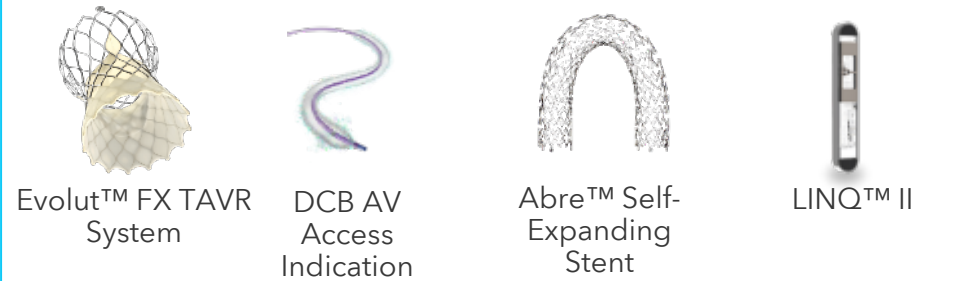
Well beyond just RDN and Hugo RAS System

## Launched (180+ approvals last 12 months)

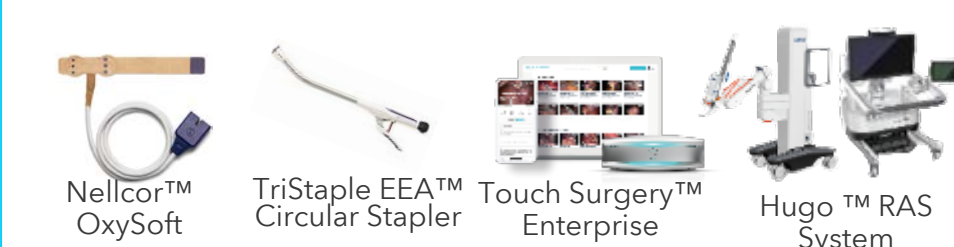
## Just launching / expect in next few quarters

## Investing heavily in mid- to long-range pipeline

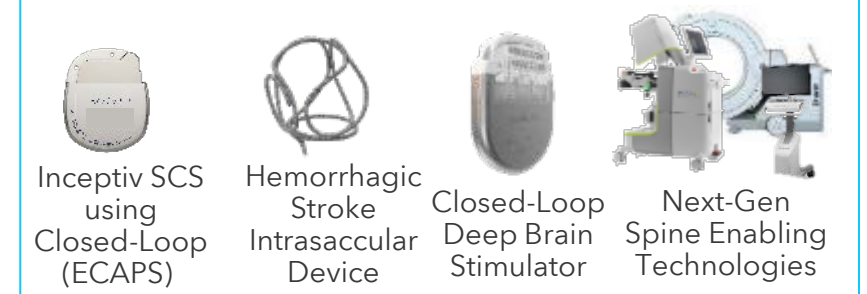
Cardiovascular



Medical Surgical



Neuroscience



Diabetes



\*Timing of MiniMed™ 780G US approval now uncertain given recent FDA warning letter

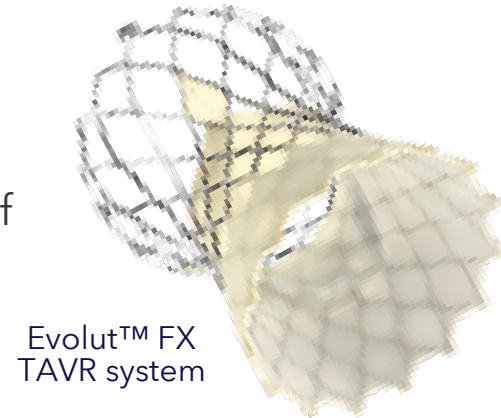
# Cardiovascular Portfolio growth drivers



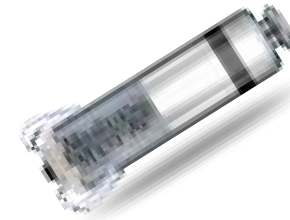
Over the next 12 - 18 months

## Transcatheter valves (TAVR)

Continued global market growth and share capture opportunities with the rollout of our new Evolut™ FX system in the US and entry into China



Evolut™ FX TAVR system



Micra™ transcatheter pacing system

## Micra leadless pacing

Continued global growth as the only company with devices addressing half the pacing market; global expansion into Japan and China



Aurora™ Extravascular ICD (EV-ICD)

## Extravascular ICD

Expect to disrupt ICD market with Aurora™ EV-ICD, a single device that can pace and shock without any leads in the heart; CE Mark expected in H1 CY22

## Cardiac Diagnostics

Planned broad US commercialization of LINQ II later in FY22 following manufacturing ramp; meaningful reduction/ elimination of AF and Pause false positives



LINQ™ II

## Cardiac Ablation Solutions

Launching disruptive DiamondTemp™ ablation system; ramping awareness and adoption of our Arctic Front Advance Pro™ cryoablation as a first line treatment for paroxysmal AF



DiamondTemp™ Ablation System



Arctic Front Advance Pro™ Cryoballoon

## Clinical catalysts

- Full cohort data for ON MED trial in H2 CY22
- US pivotal study data for EV-ICD in H2 CY22



Simplicity™ Renal Denervation



Aurora™ Extravascular ICD (EV-ICD)

# Medtronic to acquire Affera

Acquisition expands EP ablation portfolio in one of the fastest growing medtech markets



Expands our presence in cardiac ablation with cardiac mapping and navigation systems and catheter-based cardiac ablation technologies, including a focal pulsed field ablation catheter

# Medtronic

Affera technologies in development:



Prism-1™ cardiac mapping and navigation platform



Sphere-9™ HD mapping + cardiac focal ablation catheter



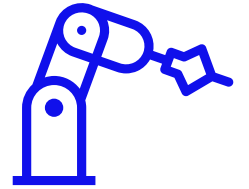
Arc-10™ Linear CS catheter

\$925 million transaction, including \$250 million in contingent considerations, expected to close in H1 FY23

Less than 1% dilutive to EPS in first 3 years (~5 cents in both year one and year two, ~3 cents in year three) and neutral to accretive thereafter

# Medical Surgical Portfolio growth drivers

Over the next 12 - 18 months



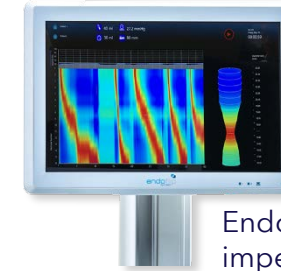
## Surgical Innovations

Continued global growth at- or above-market of our ~\$6B annualized SI business; benefitting from continued trend of surgical procedures moving from open to minimally invasive, and our innovation advancements in advanced energy and advanced stapling



## GI & Patient Monitoring

Continued global growth at- or above-market in these two high-growth markets



Endoflip™ impedance planimetry system



GI Genius™



Nellcor™ Pulse Oximetry

## Surgical Robotics

Entering surgical robotics market as second meaningful player; market highly underpenetrated due to cost and utilization barriers

Limited market release of our Hugo™ RAS system continues, combined with our Touch Surgery™ Enterprise AI and image capturing platform; leverages our MIS instrument expertise dating back to US Surgical; customer demand is high

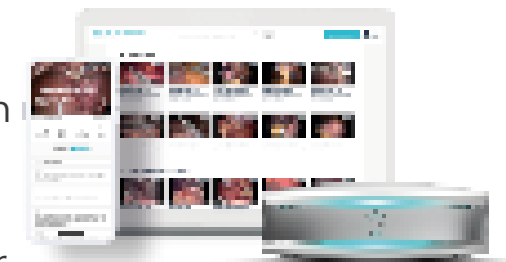
Received CE Mark (Uro/Gyn) in October 2021; recent regulatory approvals in Canada (Uro/Gyn) and Australia (Uro)

Recently completed first general surgery cases (colorectal and lower anterior resection) in Latin America and APAC

ADVANCED URO, our US IDE trial, to commence first procedures shortly



Hugo™ RAS System



Touch Surgery™ Enterprise



# Neuroscience Portfolio growth drivers

Over the next 12 - 18 months



## Pain stim

Continued above-market growth expected on continued adoption of Intellis™ with DTM™ SCS therapy and recent launch of Vanta™ recharge-free system



Vanta™  
Recharge  
Free SCS



DTM™ SCS on  
the Intellis™  
platform

## Cranial & Spinal Technologies

Continued above-market growth expected of this business annualizing at ~\$4.2B on rollout of new spine hardware, adoption of market leading O-arm™ imaging, StealthStation™ navigation, and Mazor™ robotics enabling technology, and surgeon adoption of the UNiD software platform and the Medicea implant portfolio



Catalyft™  
Expandable  
Interbody System



Mazor X  
Stealth™  
Edition



UNiD™  
Rods

## Pelvic Health

Market leader and launching new technology into fast-growing sacral neuromodulation market; expecting US FDA approval of next-gen InterStim™ recharge-free device in H1 CY22



Next-gen InterStim™  
primary cell device

## Neurovascular & ENT

Continued global growth at- or above-market in these two high-growth markets



Solitaire™ X  
Revascularization  
Device



NIM Vital™

## Deep brain stimulation

Continued above-market growth expected on continued adoption of recently launched



Percept™ PC  
DBS



SenSight™  
Directional Leads

## Clinical catalysts

- Recently submitted Inceptiv™ SCS using closed-loop (ECAPS) technology to US FDA
- ADAPT-PD US pivotal trial for closed-loop DBS expected to complete enrollment by end of April 2022



# Investing heavily in mid- to long-range pipeline


## Continued advancements and disruptions to fuel long-term and share gain/recapture across our Portfolios

### Cardiovascular


Symplicity™ procedure for hypertension



Pulsed Field Ablation for Afib



Intrepid® Mitral and Tricuspid Valve Replacement



### Medical Surgical

Hugo™ RAS System & Touch Surgery™ Enterprise advancements



PillCam™ Genius Colon



HDS portable hemodialysis system




Vital Sync™ patient monitoring enhancements




### Neuroscience


Next-gen spine enabling technologies




Spinal cord stim indication expansion



Closed-loop deep brain stimulator



Intrasaccular device for hemorrhagic stroke



### Diabetes

Simplera™ CGM Sensor

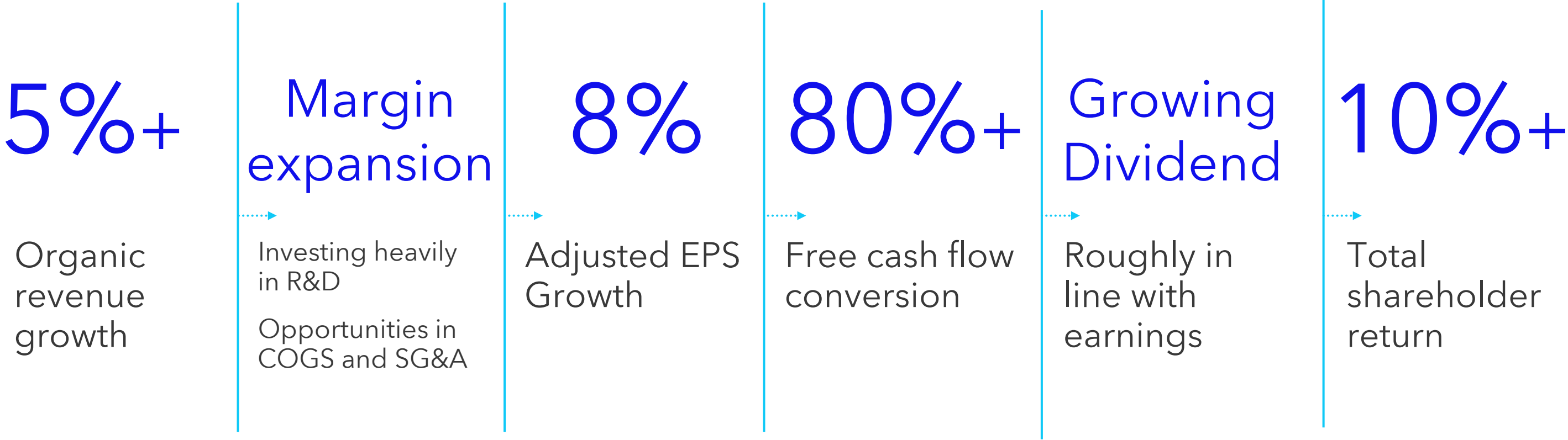


 **nutrino**  
 **KLUE**  
 Exclusives:  
 Personalization  
 & Meal Handling

Multiple undisclosed development programs to deliver competitive CGM/patch pump technology

# Long range plan: committed to delivering double digit total shareholder return

Returning to pre-pandemic margins and continuing to convert earnings into strong free cash flow generation



# Leading ESG practices grounded in our Mission

## Focused sustainability areas and targets



ESG targets			
Patient Safety & Product Quality	Inclusion, Diversity & Equity	Climate Stewardship	Product Stewardship
<p><b>10%</b></p> <p>Reduction in aggregate product complaint rate for identified product families by FY25 vs. FY20</p>	<p><b>45%</b></p> <p>Global management positions held by women by FY26</p>	<p><b>50%</b></p> <p>Reduction in greenhouse gas omission intensity by FY25</p>	<p><b>25%</b></p> <p>Reduction in packaging waste for targeted high-volume products by FY25 vs. FY21</p>
<p><b>20%</b></p> <p>MDT revenue from products and therapies released in the prior 36 months by FY25</p>	<p><b>30%</b></p> <p>U.S. management positions held by ethnically diverse talent by FY26</p>	<p><b>50%</b></p> <p>Sourced energy from renewable and alternative sources by FY25</p>	<p><b>35%</b></p> <p>Paper Reduction by FY25 vs. FY21</p>
<p><b>85M</b></p> <p>Patients served annually by FY25</p>		<p><b>Carbon Neutral</b></p> <p>In our operations by FY30</p>	<p><b>Net Zero Emissions</b></p> <p>By 2045</p>

# Key takeaways

## Confident in long-term growth acceleration



### Significant changes already made

We've made significant changes - new operating model, Medtronic Mindset, incentives, talent - which is creating more focused, accountable, and competitive businesses and an engaged workforce



### Seeing results from new operating model

After several years of below market growth, now growing at market... and expect to accelerate our revenue growth going forward



### Accelerating our focus on operational excellence and portfolio management

Multiple levers to drive margin expansion and double-digit total shareholder return over the long-term, with a deep commitment to creating shareholder value



### Several growth catalysts

Expect to benefit from market procedure reacceleration, participation in high growth medtech markets, and our robust and broad technology pipeline





# Appendix

# GAAP to NON-GAAP reconciliations

**MEDTRONIC PLC**  
**GAAP TO NON-GAAP RECONCILIATIONS**  
(Unaudited)

(in millions)	Six Months Ended	Fiscal Year			
	October 29, 2021	2021	2020	2019	2018
<b>Net cash provided by operating activities</b>	\$ 3,061	\$ 6,240	\$ 7,234	\$ 7,007	\$ 4,684
Additions to property, plant, and equipment	(649)	(1,355)	(1,213)	(1,134)	(1,068)
<b>Free Cash Flow (1)</b>	<u>\$ 2,412</u>	<u>\$ 4,885</u>	<u>\$ 6,021</u>	<u>\$ 5,873</u>	<u>\$ 3,616</u>

(1) Free cash flow represents operating cash flows less property, plant, and equipment additions.