83rd Scientific Session: American Diabetes Association

Diabetes
Investor Briefing

June 25, 2023
San Diego
Forward-looking statements

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Agenda

- Introductory remarks
- Key highlights
- Strategic focus on ‘Smart Dosing’ market
- Early U.S. success with MiniMed™ 780G system
- Meal Detection™ technology
- Product pipeline
- Closing comments
- Q&A
Accelerating Momentum in Diabetes Business

- **High Growth**: Opportunity and Market Dynamics
- **Strong Leadership** and Execution Rigor
- **Confidence**: in Strategy and Momentum in Turnaround
Key Messages

• CGM alone is not enough. Over the next decade, the standard of care will shift to high-growth Smart Dosing market for T1/T2 Insulin Intensive patients

• MiniMed™ 780 system with Guardian™ 4 sensor delivers both outcomes and quality of life. We are winning new patients in our early phase of the U.S. launch

• Meal Detection™ technology mimics a human pancreas with a unique, responsive algorithm every 5 minutes

• “Razor/razor blade” model allows Medtronic to grow both installed base and use of CGM and consumables, which represent ~80% of our Diabetes revenue

• Medtronic Diabetes is redesigning its entire portfolio of hardware and software as part of our innovation-driven growth strategy; will be accretive to Medtronic’s WAMGR*
CGM Alone is Not Enough

Despite CGM penetration of ~70%, less than 30% of patients achieve the optimal A1c target\(^1\)

3+ studies, 35,910 patients

Percent reaching A1c of 7% after adopting CGM

<table>
<thead>
<tr>
<th>USA(^2)</th>
<th>EU(^3)</th>
<th>UK(^4)</th>
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<tr>
<td>29%</td>
<td>&lt;30%</td>
<td>15%</td>
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>90% of MiniMed™ 780G users achieve/exceed target\(^5\*)

Using optimal settings of 100 mg/dL (5.5 mmol/L) target and AIT of 2 hours

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1, 2, 3, 4 - see “Clinical Citations” page, USA/EU includes Germany, Austria, Luxembourg, Switzerland
5 - Real world data from users with recommended settings, see “Clinical Citations” page
*GMI < 7%, TIR>70%
With **80% Average TIR**, patients enjoy

+73

more days in range per year, from ~60% to ~80%* TIR

Highs and lows **feel miserable** and every 10% decrease in TIR* increases risk of:

- Cardiovascular Disease
- Eye Disease
- Kidney Disease
- Other Health Complications

We can do better than ADA Guidelines, and **we should**

* 79% Time In Range using recommended settings as shown in real-world evidence for MM780G system (n=5,762)
T1/T2 Intensive Insulin patient therapy mix

Top 25* countries

Self-monitoring blood glucose w/ MDI ~30%
Standalone CGM w/ MDI 50%+
Smart Dosing Systems (AID and Smart MDI) ~10%
Pumps w/ unconnected CGM ~10%

T1/T2 Intensive Insulin is a Large Secular Growth Market...

Today

Total Smart Dosing ~10%
Total CGM ~70%

FY30+

~20%+
CAGR

~55%
~80%

...with Smart Dosing poised to overtake current therapies

*T1 and T2 Intensive Insulin population only; includes top global developed markets by health expenditure per capita; predominantly comprised of US, Western Europe, Canada, Japan, Australia, and Korea
# MiniMed™ 780G System Addresses Biggest Burdens

## Patient burdens....

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<td>✓ No Fingersticks</td>
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<tr>
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## Mental Burdens

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#1 burden is carb counting

1-800 MiniMed for total system support

Fewer alerts and steps, all on your phone or watch
Winning in countries with direct competition

~40% New Pump Share* in Top 6 W. EU countries† (+8% vs PY*)

Mid-teens growth
EMEA Revenue growth post MiniMed™ 780G launch

*H2 CY22 dQ&A Patient Panel (n=3600) filtered to only show the patients who acquired a pump in the last 12 months
†Combined share based on 6 countries representing 75%+ of Western Europe demand,
U.S. MiniMed™ 780G Launch Off to Great Start

~10K
unique HCP prescribers
first 30 days

Very high
CGM Attachment Rate for MiniMed™ 780G
first 30 days

Winning new patients
MDI and competitive switches

“For the last 5 days that I have had this new SmartGuard™ feature activated... everything has changed... for the first time in my 21 years of diabetes, I don't feel like a diabetic.”
- Unsolicited Customer Email, June 12th

“It’s allowing me to transition thru (sic) daily activities and routines making fewer decisions – effortless time in range. I’ve been able to tuck my pump away, disconnect from my phone, and still being able to see my numbers and trends via my smartwatch!”
- Kris, MiniMed™ 780G User
Other AID Systems Mimic Manual MDI

- **A healthy pancreas** provides continuous insulin.
- **MDI & some AID** are limited to discrete bolus delivery.
- **Other AID** can only deliver corrections once every 60 min.

Graphs illustrating insulin levels with and without diabetes, showing differences in insulin delivery methods and their impacts on blood glucose levels.
MiniMed™ 780G System Mimics a Healthy Pancreas

Medtronic’s competitive advantage in data and algorithms has built in safety features that enables faster and more precise insulin delivery to get back to target.

- Checks every correction bolus to see if can potentially lead to hypoglycemia (2 hr forecast)
- Uses a prediction model to predict glucose trends that may result from a correction bolus (4 hr forecast)
- If hypoglycemia is predicted, then correction bolus is reduced

A healthy pancreas provides continuous insulin in response to rising glucose

Meal Detection™ technology* automatically adjusts and corrects† every five minutes§

*Taking a bolus 15 - 20 min before a meal helps to keep blood sugar levels under control after eating.
†Refers to auto correct, which provides bolus assistance. Can deliver all correction doses automatically without user interaction, feature can be turned on and off.
§Refers to SmartGuard™ technology. Individual results may vary.
Customers Are Excited About Meal Detection™ Technology

“One of the biggest things is the every 5-minute auto-corrections. Here’s an example. I missed taking a bolus when I had a snack this afternoon. As you can see from the teal lines, auto-correction kicked in. Love seeing my results at a glance on my Apple Watch.”
Pipeline is Differentiated for Patient Preference

**Simplera CGM + InPen**
- No fingersticks
- No over-tape
- Fully disposable
- Simple insertion
- 50% smaller than G4S

**MiniMed™ 780G AHCL + Simplera CGM**
- AHCL Algorithm with SmartGuard™
- 7-day extended wear infusion set
- Labeling expansions

**8-Series Pump AHCL + Next Gen CGM**
- AHCL Algorithm with SmartGuard™
- 7-day extended wear infusion set
- Smartphone control

**Patch Pump + Next Gen CGM**
- AHCL Algorithm with SmartGuard™
- Fully disposable
- Demonstrated, high-volume manufacturing

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* Pending associated regulatory approvals, product images not to exact scale
How Diabetes Adds Value to Medtronic

- Faster Growth
  - One of the fastest growing sectors in medtech
  - Accelerating growth in FY24, ramping to above Medtronic average in FY25 and targeting long-term DD growth

- Durable Business Model
  - AID and Smart MDI help retain customers
  - Recurring revenue business model ("razor/razor blade" on CGM and consumables)
  - Broad geographic footprint

- Meaningful Contribution
  - WAMGR accretive to Medtronic long-term
  - Catalyst for connected products and consumer experience


