This report details our April 2016 to April 2017 results and focus areas to ensure gender equality.
We want our teams to be diverse and balanced, and to represent the same wide variety of life experiences of our patients, customers and stakeholders.

We invest in professional growth and believe in providing intentional development opportunities to all.

We are dedicated towards nurturing a culture where there is fair gender representation, and where women are supported in the workplace.

“We believe diversity is critical. It makes a difference in our capabilities, our thinking and ultimately the success of our company. We have set aggressive goals to better reflect the global population both in gender and diverse ethnic representation at all levels of the company. We do this because we know greater diversity will benefit our business, our customers and our entire team.”

Omar Ishrak, Medtronic Chairman and CEO
WHAT IS A GENDER PAY GAP AND HOW IS IT CALCULATED?

The gender pay gap indicates not only the salaries of male and female employees, but also the types of roles they fill and the gender diversity across the organisation at all levels.

The gender pay gap considers two metrics, the **median** and the **mean** pay gap results.

**MEAN GENDER PAY GAP**
The mean gender pay gap is the difference between the average salary of all female employees, and the average salary of all male employees.

**MEDIAN GENDER PAY GAP**
The median gender pay gap is calculated by comparing the middle values in the range of salaries for men and women. If you were to group all employees by gender and line them in order of salary from lowest paid to highest paid, the median gender pay gaps compares the female in the middle of their line with the middle male.

*It is different from ‘equal pay’, which is to ensure that women and men doing equal work receive equal pay.*
**OUR RESULTS**

### Proportion of males and females receiving bonus payment

<table>
<thead>
<tr>
<th>Pay Quartile</th>
<th>Males Receiving Bonus</th>
<th>Females Receiving Bonus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lower</td>
<td>95%</td>
<td>94%</td>
</tr>
<tr>
<td>Lower middle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upper middle</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Upper</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This shows a 1% difference between the number of men and women being paid a bonus for their performance in 2016.

### Gender Pay Gap results calculated from overall salaries on the snapshot date on 5th April 2017. Bonus results derived from bonuses paid in the year up to 5th April 2017 (i.e. for the 2016 performance year).

<table>
<thead>
<tr>
<th>Difference between men and women</th>
<th>Mean (average)</th>
<th>Median (middle)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual salary</td>
<td>17%</td>
<td>14%</td>
</tr>
<tr>
<td>Bonus paid</td>
<td>18%</td>
<td>28%</td>
</tr>
</tbody>
</table>

### Gender Pay Gap results calculated from overall salaries on the snapshot date on 5th April 2017. Bonus results derived from bonuses paid in the year up to 5th April 2017 (i.e. for the 2016 performance year).

### PAY QUARTILES

Proportion of males and females in each pay quartile

- **Lower**: 33% Males, 67% Females
- **Lower middle**: 43% Males, 57% Females
- **Upper middle**: 48% Males, 52% Females
- **Upper**: 40% Males, 60% Females

### Total employee gender split

- **55%** Males, **45%** Females

### Individual Contributions

- **Office Support**: 82% Males, 18% Females
- **Sales**: 55% Males, 45% Females
- **Individual Contributor**: 51% Males, 49% Females

### Director/VP

- **31%** Males, **69%** Females

### Manager

- **46%** Males, **54%** Females

Although our results show that our gender pay gap is smaller than the national average (18%), we are committed to reducing this still further.

The report has highlighted that within our office support roles, there is disproportionate representation of female to male employees. Whilst this is reflective of the range of applicants we receive, we are aware that we will need to focus on improving this in the future.

We have a robust job code structure for salaries and recognition which means that all employees who are on the same job code, regardless of their gender, are reimbursed fairly.

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1. Source: ONS Annual Survey of Hours and Earnings
The Medtronic Mission is at the heart of everything we do. One part of this is to recognise the personal worth of employees by providing an employment framework that allows personal satisfaction in work accomplished, security, advancement opportunity, and means to share in the company’s success. This applies for all employees equally. At Medtronic, we ensure that every employee gets an equal opportunity to develop their career, regardless of their gender and background, and this is detailed in our EEO Policy.

FOCUS AREAS

THE MEDTRONIC WOMEN’S NETWORK

One of our global goals is for 40% of leadership roles to be held by women by 2020. To help us achieve this, we have a thriving global Medtronic Women’s Network dedicated to improving our ability to attract, develop, retain and accelerate the advancement of women within the organisation.

The UK branch of the Network has the motto ‘be your best self’ and has three focus areas:
- Mentoring
- Networking
- Wellness

The group is dedicated to supporting the personal and professional development of employees; to ensuring that everyone has the opportunity to be fulfilled in their roles; and to readying employees to take on new opportunities when they arise.

RECRUITMENT

We have new standards for job adverts. As some applicants may be deterred from applying for roles if they don’t meet all listed requirements, we only supply a brief paragraph about the role to appeal to a wider audience. This is designed specifically to encourage a more diverse mix of applicants.

For open leadership roles, all applicant shortlists must include women.

The report has highlighted that our office support positions are largely held by women. To improve our diversity in these roles, we are aware that we will need to take steps towards addressing this in the future.

DEVELOPMENT

Career development is a business priority for the organisation, and our Career Development Framework provides a roadmap that all employees can use to build a meaningful career at Medtronic.

To increase opportunities to develop outside of the ‘day job’, we’ve initiated cross-business projects to support organisational change. For these we bring together diverse project teams from different businesses, functions, levels, and backgrounds. This gives more people the opportunity to develop new skills, expand their networks, showcase their abilities and gain leadership experience.
We are fully committed to continuously improving the diversity of our organisation and to ensuring all employees are treated, and reimbursed, fairly and equally. Every member of staff is provided with the opportunity to develop and grow to reach above and beyond their potential.

Medtronic’s global goal is to have 40% of leadership roles held by women by 2020, and we are proud to reveal that the UK & Ireland organisation is at the forefront of contributing to global objectives with 43% of our Director/VP and Manager roles currently held by women.

I confirm the data reported is accurate.

Jackie Fielding
Vice President, UK & Ireland
4th April 2017