

Sustainability Report 2020



Table of contents

03 From the desk of Gary Guthart, CEO

06 Our history

09 Focus on customers and their patients

- 10 Customer financial-relief program
 - 11 Procedure-backlog support
 - 12 Extended Use Program
 - 13 Commitment to training
 - 15 Genesis program
 - 16 Cybersecurity
 - 17 Quality management system (QMS)
-

19 Talent and workplace experience

- 22 Protecting our employees
 - 24 Inclusion and diversity (I&D)
 - 31 Talent development
 - 33 University Hiring Program (UHP)
-

34 Creating stronger communities

- 35 Giving back: the Intuitive Foundation
 - 39 Expanding access to healthcare
 - 41 STEM education
-

43 Supply chain sustainability

46 Environmental stewardship

50 Governance



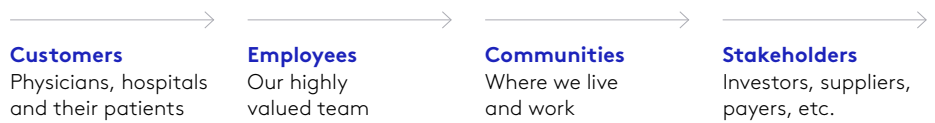
From the desk of Gary Guthart, CEO

We are pleased to present our actions and results for corporate sustainability in this year's report. Significant global change in 2020 has stress-tested many organizations, including ours, both on the principles underpinning corporate sustainability and their execution in a time of deep uncertainty. This year has highlighted reliance on our deeply held corporate values, robust operating processes, and enduring commitment to customers, employees, and communities. We will take you through how we are meeting the challenge in this report.

Our Mission:

We believe that minimally invasive care is life-enhancing care. Through ingenuity and intelligent technology, we expand the potential of physicians to heal without constraints.

In our earliest days, we built a framework to articulate the value we bring to the multiple stakeholders we serve, from customers to employees to suppliers to our communities and our shareholders. This forms the foundation of our culture and informs our decision-making, priorities, and actions.



COVID-19 impact and our response

For much of 2020, our value framework oriented around COVID-19, our response, and meeting the needs of our core constituencies.

Customer feedback informed us of the COVID-19 impact relatively early, and we formed our cross-functional response team in early 2020. Our COVID-19 response team included surgeons, professionals from medical education, human resources, operations, and design, as well as commercial and field service leaders. The team increased our knowledge by reaching out to those studying COVID-19, those responding to it in hospitals, and those who had addressed prior infectious disease outbreaks.

The emergence of the pandemic changed the environment for medical device companies quickly and significantly along three dimensions:

- Employee safety and work-from-home arrangements
- Hospital management of COVID-19 and surgery
- Supporting community needs where we work and live

Performing our work at customer sites and in our manufacturing facilities and offices required adaptation. Learning from principles developed in prior infectious disease epidemics and from our associates in Asia, we implemented screening protocols and use of personal protective equipment (PPE). We also adjusted facility layouts, redesigned employee work shifts, and established contact-tracing protocols. In the face of shelter-in-place orders that were mandated in our communities, we invested in work-from-home support and engaged with local business roundtables and government health departments to establish and review practices. We updated our leave policies early in the pandemic and adjusted employee financial programs to provide support to employees who needed flexibility. To date, our factories were closed for fewer than five days due to COVID-19, and our customers have not experienced supply disruption of Intuitive products.

Customer support

COVID-19 affected countries and regions differently for our hospital customers. While countries and regions established varying protocols for handling COVID-19 in their hospitals, some common themes emerged. In areas experiencing rapid increases of the infection, hospitals' first priorities were conserving PPE and intensive care unit (ICU) resources for COVID-19 patients, training and redeploying staff for COVID-19 care, and delaying surgeries for patients who could wait. Treating the increase of COVID-19 patients while reducing surgeries strained hospital finances. As infections in their areas leveled off and supplies of PPE and ICU resources increased, hospitals gradually returned to a state where they could address the growing backlog of surgical cases.

We announced our customer-relief program in April, which included a series of measures to ease financial burdens—from service credits for da Vinci surgical systems to warranty extensions and other flexible payment terms. As hospitals started to ramp up surgery again and address the backlog of patients in need of care, we delivered logistical support, moving systems to where they were most needed and deploying training resources closer to surgeons to decrease their need to travel.

We also accelerated transition to our digital training and proctoring technologies, allowing for easier access to learning resources. Later in the year, we introduced our Extended Use Program, which increased the useful lives of several Intuitive da Vinci X and da Vinci Xi instruments. The program decreases per-procedure costs for low-acuity procedures and lowers our customers' operating costs while maintaining performance and reliability.

Community initiatives

From the first days of the pandemic, Intuitive and the Intuitive Foundation engaged with the communities in which we live and work. We converted some of our manufacturing lines to produce PPE, donating more than a million face shields globally through the Intuitive Foundation. Employees and their families sewed facemasks and volunteered in their communities. Our engineers helped design and implement updates to ventilators that made them easier to produce. Some of our medically trained employees volunteered as healthcare workers on the front lines. In addition, Intuitive and the Intuitive Foundation, along with many employees, contributed financially to support COVID-19 relief.

"We have long practiced a one-team approach to solving complex problems."

Gary Guthart, Ph.D.
Chief Executive Officer
Intuitive

We have long practiced a one-team approach to solving complex problems. This approach brings talented staff with differing expertise to solve problems together, starting with deep listening, comprehensive analysis, inclusive practices, creative solutions, and cross-company collaboration. As challenges arose, individuals and teams from across the company worked together to address them. I am continually inspired by the courage, commitment, and creativity of our outstanding staff in tackling these challenging times. In this report, you'll find stories that illustrate how they have responded.

Social justice

While the world was adjusting to the pandemic, the deaths of George Floyd, Breonna Taylor, and others catalyzed a movement to address persistent injustice in our society. The demands for racial justice called on us all to take an unvarnished look at our own behavior within our organizations. We practice continuous improvement throughout our organization and progress forward by grounding ourselves in a systemic understanding of these issues, examining our practices, and improving where we see gaps. Our employee resource groups (ERGs) were already focused on diversity issues, providing an established structure to facilitate those efforts.

We're committed to strengthening our inclusion and diversity efforts through a number of pathways: our Inclusion & Diversity Council; conscious efforts to recruit, develop, and retain a diverse leadership team and workforce analysis of our practices in these areas, employee training, commitment to our pay equity practices, support of our ERGs, and disclosure of population data. We detail more information about these efforts in this report.

In conclusion

Information presented in this year's report is in a different format than we provided last year. Given the challenges 2020 presented, we think the change makes sense to help readers better understand how we met often extraordinary demands. In closing, as you read these pages, we hope you will come away with the sense of how we have responded by grounding our priorities in our core values—to serve our customers and their patients, our employees, and communities.



A handwritten signature in blue ink, appearing to read "Gary Guthart". The signature is fluid and cursive, written over a white background.

Gary Guthart, Ph.D.
Chief Executive Officer
Intuitive

Our history

In 2020, we celebrated a quarter century of pioneering minimally invasive robotic-assisted surgery focused on helping physicians improve the lives of people around the world. As we move forward, our commitment to innovation and further developing minimally invasive robotic-assisted technologies with provable clinical benefits will continue to guide our work. The following pages provide an overview of our corporate sustainability initiatives. These range from our work to help support our customers during the COVID-19 pandemic to our deep investment in care team education and training, from global supply chain sustainability to compliance, social responsibility, and more. Our goal is to create real sustainable value for the constituents we serve. Here's how we approached value creation at Intuitive over time and throughout 2020.

1995–1999

From prototype to first install

The Intuitive story starts in 1995 where bright minds with a common vision and the drive to do something completely new would change the face of surgery.

1995 Intuitive founded

1996 First clinical trials begin with the first prototype

1997 Surgeons complete the first surgery using early prototypes

1998 First da Vinci surgical system installed

1999 Intuitive received CE Mark for the da Vinci surgical system and EndoWrist instruments for use in general surgery and cardiac surgery

2000–2004

Beyond the heart

In the hands of capable surgeons, our technology finds new applications—such as urology—rapidly expanding the opportunity for robotic-assisted surgery.

2000 U.S. Food and Drug Administration (FDA) grants clearance for the da Vinci surgical system for use in general surgery
40 da Vinci surgical systems sold by the end of the year

2001 FDA grants clearance for additional indications for the da Vinci surgical system: thoracoscopic and prostatectomy procedures

2003 Intuitive acquires Computer Motion

2004 FDA grants clearance for the da Vinci surgical system use for cardiac revascularization

2005–2009

Going global

Intuitive arrives on the global scene with clearances in new countries and a growing presence around the world in addition to its exciting second-generation platform.

2005 Intuitive enters South Korean market

2006 Intuitive launches its second-generation system, the Intuitive da Vinci S system

2007 3DHD vision added to the Intuitive da Vinci S system

2008 More than 1,000 systems installed worldwide
Instrument production begins in Mexicali, Mexico

2009 Intuitive launches its third-generation system, the Intuitive da Vinci Si system
Intuitive da Vinci S system cleared in Japan



2010–2014

Expanding indications and launches

This half decade is marked by a rapid succession of innovation from instruments and accessories to systems and services, plus growing acceptance of robotic-assisted surgery.

- 2010 Intuitive launches the da Vinci Skills Simulator (SimNow simulation)
Intuitive awards its first technology research grants and clinical fellowships
Intuitive opens its first facility built to LEED standards at 1250 Kifer Rd. in Sunnyvale, CA with renewable energy solar panels

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- 2011 Intuitive launches EndoWrist Vessel Sealer and Firefly fluorescence imaging

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- 2012 Intuitive launches the EndoWrist Stapler 45

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- 2014 Intuitive launches its fourth-generation system, the Intuitive da Vinci Xi system
FDA grants clearance for Firefly fluorescence imaging with the Intuitive da Vinci Xi system
Intuitive goes direct in Japan

2015–Present

Broadening adoption

The pace intensifies with new products, continued customer adoption, and a growing team of global talent dedicated to our mission.

-
- 2015 More than 3,500 da Vinci surgical systems installed worldwide

-
- 2016 Intuitive launches 30mm Stapler for the Intuitive da Vinci Xi system

-
- 2017 Intuitive launches the Intuitive da Vinci X system
Intuitive and Fosun Pharma establish joint venture in China
Intuitive establishes its Inclusion & Diversity Council

-
- 2018 Intuitive launches the Intuitive da Vinci SP system
Intuitive goes direct in India
Intuitive launches the cloud-connected SimNow simulator
Intuitive establishes and funds the Intuitive Foundation

-
- 2019 Intuitive launches the Ion endoluminal system, our robotic-assisted platform for minimally invasive biopsy in the lung
Intuitive acquires Schoelly Fiberoptic's robotic endoscope business
FDA grants clearance for Iris anatomical visualization service, SureForm 45 stapler, da Vinci hand-held camera, SynchroSeal, and E-100 generator for the Intuitive da Vinci X and Xi systems
Intuitive establishes direct operations in Taiwan
More than 7 million procedures using the da Vinci surgical system have been performed globally



2020–Beyond

Intuitive as first choice

Adoption moves to the next phase—deeply understanding the customer experience, holistic ecosystem enablement, and making Intuitive the first choice among available options.

-
- 2020 Intuitive acquires Orpheus Medical to expand the informatics platform for hospitals
Extended Use Program for Intuitive da Vinci X and Xi instruments is introduced

50
states

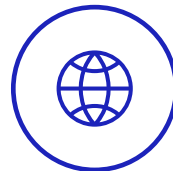
67
countries

5,989
da Vinci systems
around the world



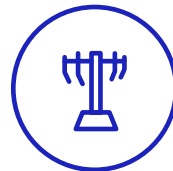
8.5 million+

Number of minimally invasive procedures performed worldwide through 2020 using the da Vinci surgical system.



1.2 million+

Number of procedures performed in 2020 using the da Vinci surgical system.



25.4 seconds

How often a surgeon begins a procedure using the da Vinci surgical system.



Focus on customers and their patients



Focus on customers and their patients

During this extraordinary year, we extended our founding principle of “patients first” and focused our sustainability efforts to provide meaningful support to patients, customers, and communities dealing with COVID-19 and the broad impact of a global pandemic. We maintained regular contact with our customers to ensure that we were supporting their surgical needs. With delays in many interventions and procedures, we directed our efforts first on helping customers navigate clinical, operational, and economic concerns while preparing to respond to the growing backlog of surgeries. As new issues emerged, we updated safety protocols to respond to COVID-19, rapidly shifted training centers closer to our customers to limit their travel, and converted many of our key training offerings to virtual platforms, all while helping care teams pursue the goals of the Quadruple Aim.

Quadruple Aim



Better patient outcomes



Better patient experience throughout the process



Better care team experience



Lower total cost of treatment per patient episode

“Intuitive’s COVID-19 response through relief programs and overall support were unexpected and greatly appreciated. You set the bar for other supplier partners...”

John Shull
Vice President of Surgical Services
Spectrum Health

Customer financial-relief program

Recognizing the economic toll COVID-19 was taking on hospitals and healthcare systems, we formed a cross-functional team in early April to connect with customers around the globe to better understand their varying situations and challenges. That engagement enabled our team to formulate and quickly introduce a financial-relief program. Key components included service credits, warranty credits and extensions, and more flexible lease payment and purchasing terms for new systems. We designed the components so that they could be selected to address specific customer needs. This global initiative supported customers with more than \$80 million in service credits for their systems in 2020.

Focus on customers and their patients

Procedure-backlog support

As COVID-19 safety and treatment protocols stabilized, customers considered ways to reduce the mounting backlog of diagnostic and surgical procedures. We worked with hospitals and care teams to help protect surgical patients by collaborating to create protocols and methods that addressed COVID-19 risks. A multifaceted plan to help customers resume robotic-assisted surgeries using the da Vinci surgical system included:

- Supporting new surgeon training and offering skills refreshment for surgeons tasked with other duties during the pandemic
- Relocating 16 da Vinci surgical systems to locations that optimized workflow while partitioned from COVID-19 care environments in the U.S.
- Expanding access to robotic-assisted surgery tools by providing temporary use of da Vinci surgical systems
- Providing access to our Genesis team of professionals who specialize in helping customers improve operating room (OR) efficiency
- Instituting our Equip webinar series, which shared best practices and insights from around the world via our remote learning platform
- Supporting our customers' outreach efforts after they instituted their hospital COVID-19 protocols to address patient concerns regarding diagnostic and surgical safety

1,000+

Number of participants in Equip webinar series*

We continued these specialized programs throughout 2020, helping our customers take on the challenges of COVID-19 and continue to provide needed care to their patients.



Guy's and St Thomas' U.K. National Health Service (NHS) Foundation Trust: Working with Intuitive, Guy's and St Thomas' was able to relocate one of its da Vinci Xi surgical systems to an alternate site.

*As of September 1, 2020.

Focus on customers and their patients

3,400+

Active patents with rights granted to or owned by Intuitive.*

2,100+

Active patent applications*

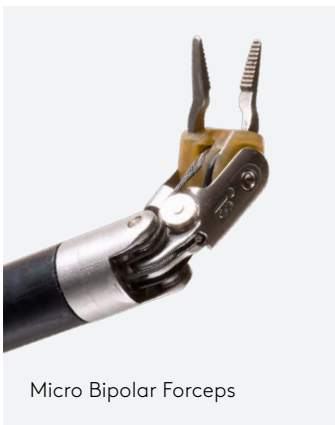
Extended Use Program

Our product teams were working on ways to help lower the total cost of care by driving enhancements well before the COVID-19 crisis began. These efforts resulted in increasing the number of times customers could use core Intuitive da Vinci X and Xi instruments—without compromising the trusted performance our instruments provide. Introduced in 2020, our Extended Use Program opened another path to help customers reduce expenses and redeploy cost savings.

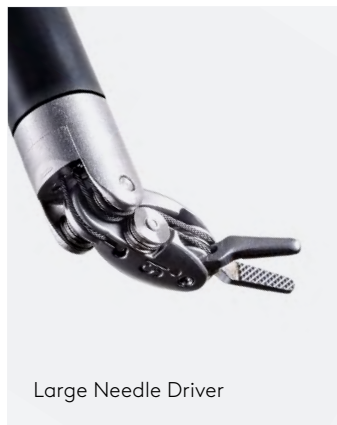
To maximize customer benefits, we identified the most frequently used instruments by examining instrument usage data from millions of worldwide surgical procedures. Product teams enhanced instrument design, materials, manufacturing process, and testing protocols to improve instrument reliability over time. The teams addressed common reprocessing challenges, incorporating new design safeguards that improved durability.

We put each instrument through rigorous electrical, mechanical, and reprocessing testing to validate that the improved instrument could meet our current 10-use performance and reliability standards at a greater number of uses. The initiative achieved our goal of extending the use limits for 13 of our core Intuitive da Vinci X and Xi instruments from two to eight additional uses with the same performance, quality, safety, and reliability.

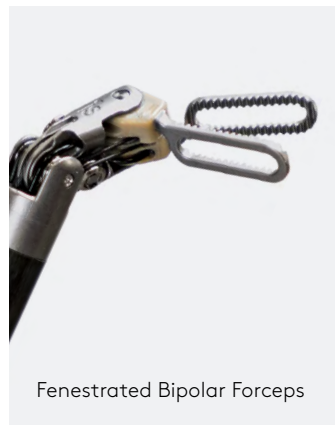
In keeping with our goal of reducing care costs, we simultaneously reduced pricing for select Intuitive da Vinci X and Xi instruments that remained at the 10-use standard.



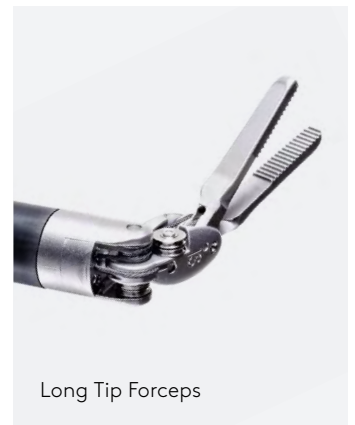
Micro Bipolar Forceps



Large Needle Driver



Fenestrated Bipolar Forceps



Long Tip Forceps

Key program benefits include:

- Reduced per-use cost for 13 Intuitive da Vinci X and Xi instruments
- Decreased order frequency and reduced shipments and medical waste per procedure
- Lowered customers' overall Intuitive da Vinci X and Xi instrument spend (savings vary by customer and country)
- Reduced list price on select Intuitive da Vinci X and Xi instruments that remain at the 10-use limit

*As of December 31, 2020.

Focus on customers and their patients

“Aiming to prioritize safety in education with new COVID-19 pandemic risks, IRCAD Latin America Rio de Janeiro Unit— alongside Intuitive —implemented rules to protect the professionals involved in our Training Center’s operations, as well as the students who come to us for robotic surgery training. All the details were studied and put into practice so that we could ensure a safe return to training activities with the utmost care for the lives of others.”

Dr. Armando Melani
Scientific Director
IRCAD Latin America,
Rio de Janeiro, Brazil

Commitment to training

We have invested in and are dedicated to training surgeons and care teams, supporting their safe and effective use of our tools and technologies to help the patients they serve. Driving safety while maintaining the effectiveness of our training during the pandemic, our team transformed Intuitive's customer education by implementing social distancing and by addressing the COVID-19 challenges faced by surgeons looking to keep their skills sharp. We quickly opened regional training centers to reduce our customers' travel, as well as accelerated our virtual training program development already in progress, giving our customers the flexibility to train at their convenience.

Regional training centers

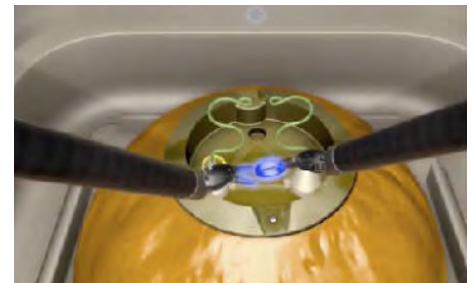
We expanded Intuitive Learning centers around the world to move training closer to our customers, bringing training within driving distance for many. We identified regional locations with da Vinci surgical systems and infrastructure that could share facility capacity to support training in countries without a local training center. We also piloted a field-based educator program to enhance this regional approach by positioning trainers closer to these new training centers and our customers.

Virtual training

Intuitive's innovation around virtual training accelerated during COVID-19. We worked with customers to quickly gain acceptance of our COVID-19 protocols for cleaning and sterilization practices included in our training. We then redirected resources to speed up development and expand our online offerings.

Intuitive Learning platform

We expanded the capabilities of our online learning platform allowing easy access to learning plans and simulation exercises for our customers globally. Intuitive Learning is our cloud-enabled learning platform that guides surgeons and care teams through personalized learning plans, providing all the steps of our technology training pathway in a single guided experience. With the latest release, we integrated SimNow simulation into Intuitive Learning. This helped enable our customers to access our ever-growing library of skills simulation exercises and virtual-reality scenarios, and focus on developing their technology and console skills with learning plans translated into 17 available languages.



Hospital learning management (HLM): As part of our efforts to support personalized and remote learning, we also developed the HLM feature in Intuitive Learning, empowering hospital learning coordinators (HLCs) to manage and track practitioner training. These new features gave our customers more control and oversight of their care teams’ progression on training related to using da Vinci

Focus on customers and their patients

6,500+

Number of training sessions performed this year*

1,100+

Number of registered proctors.*

33,000+

Number of surgeons trained to use da Vinci surgical systems in the U.S.*

22,000+

Number of surgeons trained to use da Vinci surgical systems outside the U.S.*

surgical systems. The HLM feature was offered as a pilot program in 2020 to 31 hospitals and more than 4,000 users, and will be globally available in 2021.

Telepresence: Our program that allows physicians to consult with experienced surgeon mentors through two-way audio and video communication can now be planned in the learning platform.

Surgeon training

The pandemic made travel and traditional in-person training a safety risk, while physicians needed to keep skills current. With many surgeries delayed or curtailed, surgeons had time to advance their skills through training in using a da Vinci surgical system. The following updates were made to surgical skills training programs in 2020:



Virtual surgeon renewal pathway: We updated our programs, including additions to our virtual didactic courses, to help surgeons and care teams maintain proficiency and confidence when they had been out of the OR due to surgery delays or cancellations. The skills development models provided virtual instruction, simulation sessions, hands-on practice, and remote proctoring. The pathway also provided a way for our training teams to evaluate and recertify trainers.

Virtual advanced courses: When the pandemic closed our traditional training centers, we quickly moved to create virtual offerings. Taught by surgeons experienced in a procedure or related group of procedures, and featuring ongoing peer support, our advanced courses made it possible for surgeons to continue refining their skills despite the pandemic.

Care team training

We expanded our training continuum for OR care teams by creating programs that paired Intuitive trainers with experienced robotic coordinators to help enable a smooth restart once surgeries resumed. Virtual training included sessions on system setup, cleaning and sterilization, and troubleshooting. We also shared best practices for staffing, scheduling, inventory management, lean process optimization methodologies, and cost-containment strategies.

*As of December 31, 2020.

Focus on customers and their patients



849

Total global engagements in 2020*



563

Hospitals engaged globally*



391

Global Genesis trainings*



270

Global Genesis consultations*

Genesis program

Genesis is our best-practice initiative that helps hospitals grow efficiently by offering pragmatic, real-world support. Our Genesis teams provide consulting and training services on topics that include resource scheduling, process improvements, and cost savings.

Staff training

- Technology training
- Intuitive Learning
- Train the trainer
- Point-of-use training

Instruments & accessories

- Sterile reprocessing training & consulting
- Inventory management
- Customer portal overview

Access management

- Da Vinci system scheduling
- Operational alignment

Genesis teams swiftly transitioned to online consulting and training in 2020, while continuing to offer digital tools that help customers standardize their programs and optimize their operational and clinical performance by focusing on the following:

- Service-line optimization programs provide digital insights to help customers reduce variation and scale resources helping improve efficiency while lowering costs
- Effective use of our customer portal to facilitate efficient order entry and help customers manage inventory
- Workflow assessments combined with developing lean processes and use of best practices to further help customers improve OR and sterile reprocessing program efficiency
- Support for our instrument Extended Use Program launch, providing tools to help customers evaluate their instrument utilization and making inventory modification recommendations based on best practices, revised cost analyses, and reprocessing requirements

With the challenges brought by COVID-19, our Genesis team adapted data analytics tools that helped us make recommendations for scaling hospital resources with our virtual format reducing travel risk. With greater understanding of our customers' challenges, we helped balance efficiencies across multiple service lines and created dashboards for helping customers manage their robotic-assisted surgery programs. These efforts helped our customers remain focused on the valued work of patient care.



*As of December 31, 2020

Focus on customers and their patients

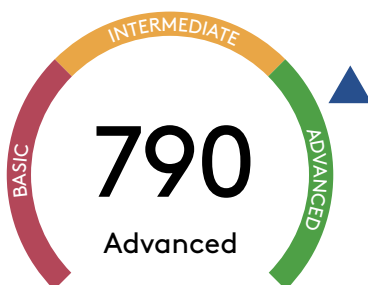
24,000+

Total number of peer reviewed scientific articles that reference da Vinci surgical systems*

3,000+

New peer reviewed scientific articles that reference da Vinci surgical systems added in 2020 (included in total above)*

Intuitive's BitSight score*



Cybersecurity

For computer-aided and cloud systems, cybersecurity protection requires ongoing vigilance in safeguarding data privacy and system security. Today, we employ a team of cybersecurity professionals who work with our engineers, scientists, global public affairs, regulatory compliance, training, data products, and legal teams to prevent electronic intrusions and manage all aspects of data privacy and protection.

In compliance with medical device regulations, our cybersecurity systems and processes adhere to global industry standards based on the National Institute of Science and Technology (NIST) guidelines and following the International Standards Organization (ISO) framework. Throughout the product lifecycle, from initial concept through end-of-life disposal, we pay careful attention to data types and flow, encryption mapping, and risk controls. We reinforce protection by staying abreast of emerging threats and performing aggressive testing, continuous proactive monitoring, and ongoing vulnerability analysis and patch deployment.

We understand that threats from independent and state-sponsored hackers represent just a portion of the true threat picture. Natural and human-caused disasters, along with employee accidental security lapses, round out the view. Because risk comes from many directions, vigilance requires a multilayered approach to protecting data and systems, which includes:

- Employee training on security awareness and data-loss prevention
- Review of risk notifications provided by global threat intelligence resources followed by appropriate action as required
- Remote-access protection to control access to our network, applications, and data
- Advanced technology tools for cyberthreat management
- Privacy and data protection for online meetings, webinars, and other virtual collaboration activities

Our operational team reviews on-going security activities and performance monthly. Executives, including our chief executive officer, chief financial officer, general counsel and others, are informed regularly regarding our data and cybersecurity programs including performance metrics. Our overall data and cybersecurity programs and performance are reviewed with our board annually.

All employees receive training on information security policy on an annual basis in addition to on-going training that includes a variety of topics from phishing exercises to reminders regarding global data privacy laws in effect.

We work with the U.S. Department of Homeland Security and cybersecurity ratings company, BitSight, to detect security issues. Were a vulnerability or breach to be detected, our incident-response team identifies, investigates and closes any gaps to minimize risk.

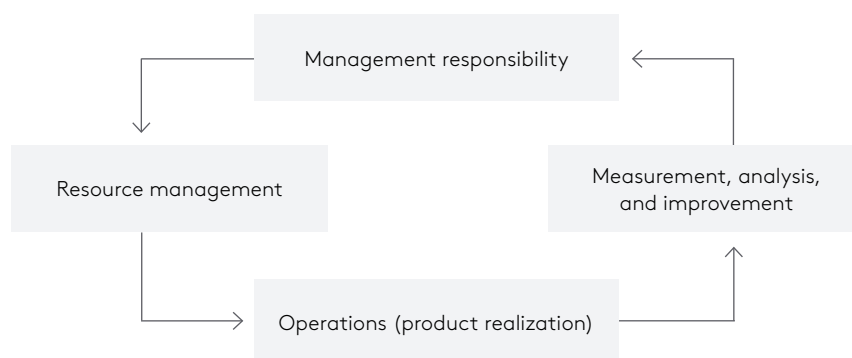
*As of December 15, 2020.

Focus on customers and their patients

Quality management system (QMS)

Our QMS follows a continuous improvement model based on the Association for the Advancement of Medical Instrumentation (AAMI) Quality System Compendium.* This model encompasses four core aspects of our quality system (see illustration):

Continuous improvement cycle



Our QMS is certified to ISO 13485:2016 and the Medical Device Single Audit Program (MDSAP). The QMS is compliant with global regulations, including the U.S. FDA Code of Regulations, Australian Therapeutic Goods Act, Brazilian RDCs, Canadian Medical Device Regulations (CMDRs), European Union’s Medical Device Directives (MDDs), Japan’s Ministry of Health, Labor and Welfare (MHLW) Ordinances, and Korean Good Manufacturing Practice (KGMP) regulations.

Our quality manual and procedures contain specific responsibilities for establishing and implementing the overall QMS, including provisions for qualified personnel, work environment, equipment, and infrastructure. We monitor and maintain the QMS via various methods of oversight, including establishing and tracking quality goals and metrics, quality data management review, internal and external audits, and corrective and preventive actions. We have procedures and processes for internal auditors to perform holistic reviews and self-identify issues related to the QMS.

Despite operational changes brought on by the pandemic, our quality management program maintained high productivity on auditing and training initiatives. In 2020, we completed 22 compliance audits, including nine internal audits, and 13 with regulatory agencies that reviewed and provided feedback for continuous improvement of our quality system.

22

Compliance audits**

9

Internal audits**

13

Audits with regulatory agencies**

*3rd edition.

**As of December 31, 2020.

Focus on customers and their patients

99+%

Completion rate for all QMS compliance-related training

Employee QMS training

We achieved a 99+% completion rate for all QMS compliance-related training in 2020, despite an increase in training volume during the second quarter that resulted from the pandemic and our shift to a work-from-home model. We used our automated change control system (ACCS) in conjunction with our learning management system (LMS) to facilitate distribution and tracking of employee training on our new COVID-19 safety protocols and updates to our cybersecurity and data privacy training as employees began more remote-based work activity.

Employees routinely implemented our QMS/ACCS/LMS content in our day-to-day processes, which included:

- Global quality, business continuity, and environmental policies
- Other global compliance policies, such as code of conduct and business ethics, anti-bribery and anti-corruption
- Standard companywide and department-specific operating procedures
- Product certification, manufacturing process, and work instructions training
- Product design and servicing processes training
- Post-market and complaint-handling procedures training
- Employee health and safety policies and procedures training, including facilities and workplace safety
- Data protection and privacy, cybersecurity, and safeguarding training
- Sales, ethical marketing, and clinical training



690

Technicians completed product-build certification training in 2020

Our ACCS/LMS system updates and tracks training assignments for applicable employees as policies and procedures evolve.

Technician training is a central activity in our operations with 690 technicians completing training for certification on building various products in 2020. Our rigorous and mission-driven technician certification process includes on-the-job training, mentorship, and testing to ensure that only qualified technicians receive work-order assignments.

Talent and workplace experience

Talent and workplace experience

As a company with customers and employees around the globe, we quickly sought to understand COVID-19's risk and were prepared when Santa Clara County, where our global headquarters is located, issued a shelter-in-place order on March 16, 2020. Our COVID-19 incident management team (IMT), a cross-functional group of company leaders from across the business, adopted the U.S. National Coronavirus Response framework as a guide to communicating with employees about government orders, which varied by region, as well as how the company would address maintaining safe working conditions globally, adjusting quickly over time as new information became available.

All employees who could do so began working from home when shelter-in-place orders were issued for their respective global locations. We helped these employees set up offices with chairs, monitors, a stipend for Internet access, and supplies. We also provided family ergonomic training to help maintain employee health and safety while working from home.



Talent and workplace experience

8,081

Total number of employees*

5,304

Number of U.S.-based employees*

2,777

Number of employees outside of the U.S.*

6.48%

Turnover rate based on rolling 12 months of data*

A number of employees critical to maintaining our essential manufacturing, repair, and logistics functions continued to work from Intuitive locations globally. To protect and support our essential team members, we implemented health and safety measures that included maximizing personal workspaces, changing shift schedules, providing PPE, and instituting mandatory screening before accessing buildings. We created subteam groups, keeping the same manufacturing teams working together to facilitate contact tracing and minimize potential exposure and staffing risk. Compensation program modifications rotated a portion of 2020 bonuses forward to midyear to help staff cover unforeseen pandemic-related expenses. We also offered premium pay and a subsidized lunch program.

We communicated frequently and transparently with our global teams, providing critical education on the virus itself, Intuitive operations information, and volunteer opportunities. And we recognized the importance of employee-support programs during this time. We prioritized flexible work arrangements to help all employees balance work with the added responsibilities of caring for elderly family members or providing educational support to children. We offered a variety of leave-of-absence program options, income stabilization programs, and expanded employee-assistance programs to help employees navigate the disruptive changes. Keeping communication lines open was important in maintaining the spirit and culture that are the foundation of our organization.



We shared the challenges many companies faced during this time—how to protect employees whose jobs required them to work on-site at one of our facilities or in a hospital setting. Understanding how mission critical these employees are to customers, team members from across the company came together to develop, communicate, and implement solutions to prioritize employee, customer, and community health and well-being. Through this one-team approach, we minimized downtime and mitigated the impact on our customers and their patients, all while prioritizing employee safety.

*As of December 31, 2020.

Talent and workplace experience

Protecting our employees

We were not the only company dealing with a rapid closure and the need to protect employees against COVID-19. Supply chains that once easily met demands suddenly came under unforeseen pressure. We ensured that all Intuitive employees who entered hospitals had PPE on hand and did not deplete customer medical supplies. We also provided cloth face masks to our employees and their families when unable to source supplies locally. But, like most of the world, we lacked a ready supply of safety necessities, including PPE, hand sanitizer, and employee temperature-screening devices and protocols. We responded to these shortages by employing problem-solving and creative collaboration.

Hand sanitizer

One cross-company team tackled the problem of establishing an evergreen supply of hand sanitizer. The challenge brought together employees from purchasing, environmental health and safety, automation engineering, medical safety, and facilities to find a solution. Our medical safety team identified a safe recipe to produce hand sanitizer, and our purchasing team located the ingredients. Next, team members from automation engineering created prototypes for dispensing the sanitizer. Feedback from medical safety, facilities, and engineering teams allowed us to choose a final dispenser design that included the best features from the prototypes.

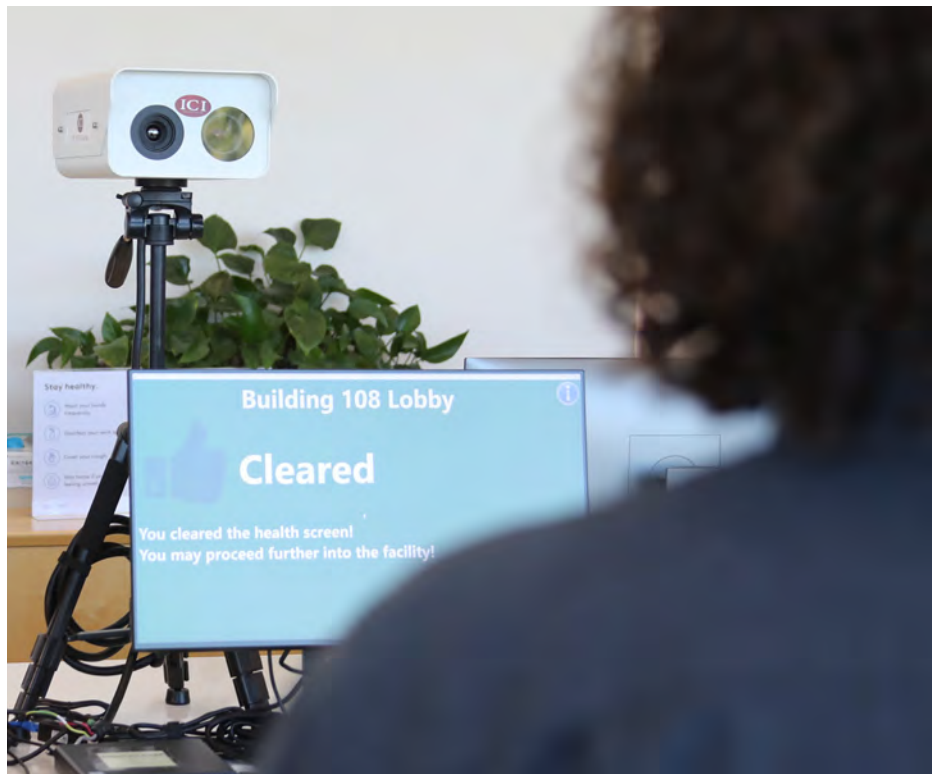
Once we arrived at the final dispenser design, suppliers in our existing supply chain began building parts. Our manufacturing teams then assembled the parts in about 60 minutes per dispenser. In less than four weeks, we produced our own hand sanitizer and, by the end of summer, had built more than 160 dispensers, which were distributed to our global facilities.



Talent and workplace experience

Automated temperature screening

Temperature screening was another component in our COVID-19 prevention strategy, in keeping with the Centers for Disease Control (CDC) and Prevention recommendations for resuming business operations. Our overall safety strategy included enabling building access 24 hours per day and seven days per week, so that employees could stagger shifts and maintain social distancing. To provide temperature screening that would work with this expanded schedule, our software automation engineering team built a hands-free, fully automated temperature screening process. The automated process minimizes contact between people, reducing the chance that screening personnel could contract the virus.



Our engineers developed a software overlay workflow to provide guidance to employees entering a building based on data from a thermal imaging device that screens for body temperature. If thermal imaging detects a normal temperature, the workflow system informs the employee that they are cleared to enter the building. If a temperature above a certain threshold is detected, the system notifies our health and safety team and displays next-step instructions for the employee. Our legal and human resources teams provided employee privacy guidance to support the project.

Face shield manufacturing

We converted some of our manufacturing lines to produce face shields based on the U.S. FDA's Emergency Use Authorization (EUA), all for internal employee use or donation, benefiting our workforce and the larger healthcare community. We bought supplies and built face shields for our own employees, and our employee volunteers produced face shields with supplies purchased by the Intuitive Foundation, donating more than a million face shields to medical personnel globally. More on the foundation's initiative can be found later in this report.

Talent and workplace experience

Inclusion and diversity (I&D)

We strive to foster a culture where mutual respect, inclusive behavior, and dignity are core to our individual expectations. As part of our inclusion and diversity efforts, we are actively working to mitigate bias in the workplace and ensure fairness for all. Since our founding, we have remained committed to fostering an inclusive environment in which our differing backgrounds, life experiences, and perspectives join to positively impact the communities in which we live and serve.

We continue to build a culture where the best idea wins and our doors and minds are always open. We do this by leading with inclusion and empowering everyone to do their best work as their most authentic selves—regardless of race, color, national origin, religion, sex, sexual orientation, gender identity and expression, age, disability, and military service status. We are united by our collective purpose and common set of organizational values that are core to our mission and culture.



Talent and workplace experience

Among our individual and leadership expectations and our founding principles at Intuitive are several tenets that apply here.

Humility: We reject personal and organizational arrogance. A better idea can come from anywhere inside or outside our organization. Our doors and minds are always open.

Dignity: I respect other's ideas and the power of diversity, and I leverage the talent of every individual in both good times and bad.

Leadership: I am committed to being proactive in achieving our shared purpose and goals. I strive to share my ideas and my concerns. I will not be a bystander.

Emotional intelligence: Be aware of self and others. Convert this knowledge into action and words to build trust and momentum. Understand interpersonal dynamics, be sensitive to the motivations of others, and step up to interpersonal issues.

These expectations and founding principles require that we hire and promote talent based on ability. It demands that we maintain an environment that cultivates inclusive behavior, builds diverse leadership and teams, and ensures fairness for all. And it calls on us to act as one team, with all employees working together toward our shared goals.



Our leaders are expected to live by our values and expectations and are measured, in part, by their organization's response to our annual employee engagement survey. The survey includes an inclusion and diversity dimension with questions around belonging and fairness in the workplace, among other items.

Honoring diversity and promoting inclusion also require structure; a framework that supports practical implementation and proactive evolution. At Intuitive, that structure includes our Inclusion & Diversity Council, a dedicated I&D driver (leader), and active employee resource groups. Our I&D training includes leadership development that helps fulfill our commitment to achieving diverse representation within our leadership that reflects the diversity we see and have achieved in our overall employee base.



Talent and workplace experience

Inclusion & Diversity Council and driver

Established in 2017, our Inclusion & Diversity Council is made up of senior leadership, including Chief Executive Officer Gary Guthart, Chief Medical Officer Myriam Curet, General Counsel Kara Andersen Reiter, and Senior Vice President Human Resources Craig Child, cross-functional business leaders, and our I&D driver. The I&D Council works to develop and implement our inclusion and diversity strategy, guides our efforts, sets meaningful goals with a commitment to publish metrics that commence in this report with disclosure of population metrics associated with our global gender representation, people of color representation within the U.S., and three-year trends associated with both, and ensures that we make good progress over the long term. At the day-to-day level, our I&D driver oversees strategy implementation, supports our ERGs, communicates progress on our I&D efforts throughout the organization, and creates a set of scalable solutions and experiences to help increase diversity and foster a culture of inclusion.

Employee resource groups

Our ERGs provide a point of connection for employees who share common community attributes and want to engage, learn, communicate, and participate in advancing our I&D objectives. In 2020, our ERGs grew from three to 10 companywide. These employee-volunteer-led groups focus on four key impact areas including recruitment, employee development, community building, and business development. ERGs also provided ideas and insight to senior management and various departments by serving as representative sources of employee feedback on important aspects of our business, such as talent acquisition and retention, accessibility accommodations, and operational challenge solutions.

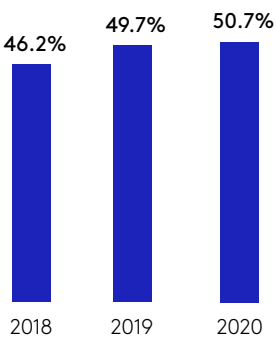
Talent and workplace experience

1,200+

Number of participants at first session of BLACK at Intuitive's 'Coloring Inside the Lines' listen-and-learn speaker series

Percentage of representation across all levels

People of color (U.S. only)*



Brave Leaders and Allies for the advancement of Community through Knowledge (BLACK) at Intuitive is committed to the recruitment, development, and professional advancement of Black employees across Intuitive globally. With the spotlight turned on racial injustice this year, BLACK at Intuitive members have been actively serving as connectors and bridge-builders, bringing passionate people together and helping all to find commonality across our diversity.

BLACK at Intuitive, in collaboration with the I&D Council, kicked off a seven-part monthly listen-and-learn speaker series focused on bringing awareness to the 'Black Experience in the Workplace,' addressing headwinds faced by people of color and inspiring allyship with over 1,200 participants attending the first event in November.



BLACK at Intuitive Ambassadors

Diverse-Abilities (D-A) is dedicated to ensuring that people with disabilities are represented and valued at Intuitive. Acting from the belief that all individuals should be empowered to achieve high levels of success, the D-A team's efforts help to shape the company's culture.

D-A launched an "I CAN" campaign on our internal social platform to raise awareness of those with disabilities in the workplace during National Disability Employment Awareness Month in October. Employees across the organization shared inspiring stories and statements to emphasize what qualified and capable talent CAN do.

Intuitive Pan-Asian Community (InPAC) is a place for employees across cultures to connect, find support, build community, share cultural celebrations, and advance professional development. The group supports Intuitive's work, employees, and culture by helping its members realize their full potential, developing future leaders, and sharing InPAC members' cultural heritages with fellow employees.

PRIDE at Intuitive is an inclusive community of LGBTQ+ employees, families, and allies. The group fosters visibility and connection, raises awareness, enables advocacy, provides support, and helps create an environment where all employees feel comfortable bringing their authentic selves to work.

*As of December 31, 2020.

Talent and workplace experience

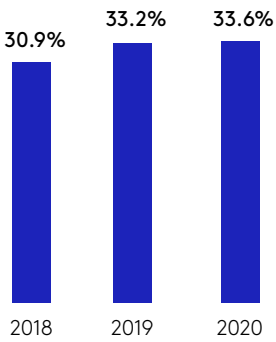
4

Function-specific women's subgroups

500+

Number of healthcare professional attendees at Women in da Vinci Surgery events

Percentage of representation across all levels Female (Globally)*



Veterans Engaged for Teamwork and Support (VETS) supports veterans across the company, honoring those who defend, serve, and inspire our mission while providing connection, camaraderie, and opportunities to give back to the larger community.

VETS kicked off a webinar series entitled "OPEN UP" in November with the first topic being 'Mental Health & Wellness,' bringing employees across the company together to discuss topics such as post-traumatic stress (PTS) and the importance of taking care of yourself and others.

Women Intuitive Network (WIN) includes four function-specific subgroups: Women in Finance (WIFI), Women in Technology (WITY), Women in Information Technology (WIT), and Women Innovation Service Excellence (WISE). These groups work to foster an environment where all can grow and thrive at Intuitive, with each group focused on hiring, development, retention, and advancement of women in their various spheres of influence.

Our WISE ERG has taken its charter a step further to engage women outside of Intuitive, specifically focusing on outreach to and engagement with our customers by fostering community with women who use da Vinci surgical systems. Bringing together female surgeons from all surgical specialties, WISE leadership developed and presented a virtual series on topics spanning leadership, leveraging data, and networking with one another to share best practices. This three-part webinar series, held during the late summer of 2020, shared content and networking opportunities with more than 500 healthcare professionals. Discussions continued on the Women in da Vinci Surgery Facebook page following these events.

*As of December 31, 2020.

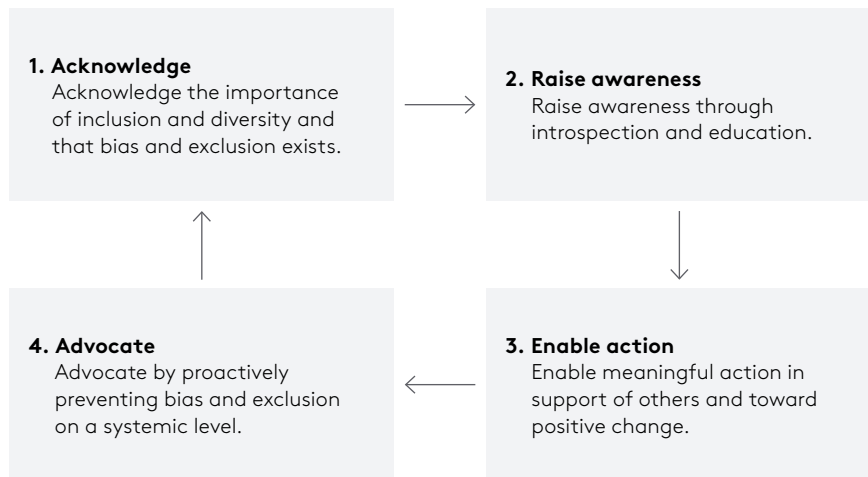


Talent and workplace experience

I&D training

In the days following the global recognition of lives lost to racial injustice, we provided guidance tools to our employees for listening and engaging in these sensitive conversations with our Black teammates, asking that we support each other and the diverse communities that we serve with compassion and solidarity against racism and discrimination.

We believe that inclusion is the result of ongoing education and practice that requires commitment and intention. Therefore, Intuitive I&D training has been designed as a learning continuum to meet employees where they are, ensure employee commitment to promoting inclusion, and bring employees along in our journey toward that, promoting inclusion by building capabilities that enable them to do so.



7

Number of languages in which on-demand learning platform training is provided:

- English
- Spanish
- French
- Chinese
- Japanese
- German
- Brazilian Portuguese

All global employees are required to participate in I&D training as a module within our annual business code of conduct and ethics training tracked through our LMS. Additionally, the Intuitive Inclusion Learning Journey provides interactive learning content on topics such as, bias, micro messages, psychological safety, confident conversations, belonging, and inclusive leadership. During 2020, we built upon our existing I&D training and expanded content that enriches understanding of our global environment, builds emotional intelligence, and helps to clarify language differences. Within two weeks of launching our cross-cultural development platform early in the year, more than 500 employees accessed our on-demand training system to learn how to communicate more effectively with colleagues and customers across all of our regions.

Diversity recruitment

We have a multifaceted diversity recruitment and outreach program that includes direct sourcing from organizations supporting veterans, women, and minority talent. We participate in special recruiting events organized to promote hiring of diverse talent and work with external search firms specifically targeting diverse candidates. Our staff sourcing team is trained on recruiting talent, using best practices to secure diverse candidates for consideration for our open positions. Our ERGs help drive our diversity recruiting efforts by providing perspective on attracting, retaining, and developing diverse candidates.



Talent and workplace experience

#44

on the Fortune Future 50 2020

#94

of 2021 THE JUST 100 in Forbes:
Companies Leading the New
Era of Responsible Capitalism

Inclusive design

Another large part of this intentional work is centered on inclusive design, which is core to our founding principles. We assemble teams of diverse talent, with different backgrounds, experiences, and perspectives to participate in our research, design, and development activities. This broad-based collaboration helps to ensure that the systems and technology we design and deliver will work for the wide range of characteristics in human beings from patient, physician, and care team perspectives.

One example is our surgical stapler product line that is used to close tissue during surgery. Early nonrobotic staplers required hand strength to fire the stapling device, an action that might be repeated many times a day. The hand strength and repetition requirement was removed when our design team developed a surgical stapler that is operated using a foot pedal.

This type of inclusive design prioritizes new ways of thinking and proactively seeks out different experiences, both of which are core to our values and focus on positively impacting the Quadruple Aim.

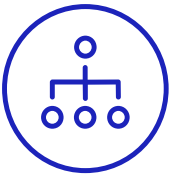
Talent and workplace experience

Talent development

At Intuitive, we value our employees and the passion, commitment, and professional depth they provide. To enhance employee retention and job satisfaction, we offer ongoing learning and leadership training opportunities that support growth.

Leadership training

With a commitment to achieving diverse representation within our leadership ranks to reflect the diversity that we see in our overall employee base, we increased our leadership development efforts in 2020 by reinforcing development around our People Leadership Success Model.



People Leadership Success Model



Leadership role profiles

Product

Delivering quality work output from a team

Process

Ensuring Intuitive business processes and practices allow for the best work

People

Attracting, developing, and retaining our people

The model allows us to provide training based on where employees are on the leadership path:

1. Considering people leadership
2. New people leaders
3. Practicing people leaders
4. Experienced people leaders

Leadership development focuses on people-leadership effectiveness, cultural continuity, and organizational effectiveness, so that leaders at all levels have the capabilities and knowledge that they and their teams need to succeed.



Talent and workplace experience

Our Global Talent Management team transitioned much of our leadership training from in-person sessions to remote learning with the emergence of COVID-19 in 2020. Our scaled learning platform of on-demand and virtual classroom learning eliminates travel and allows employees worldwide to access development at their convenience.

Employee-support surveys

To check in with our employees during this unusual year, we developed, fielded, and assessed the results from a series of employee-support surveys. The surveys allowed us to capture the pulse of employees and understand their needs as they adjusted to ongoing changes in their home and work lives. The survey results informed our COVID-19 IMT and leadership teams that responded by developing new resources and programs, and adjusting and adapting existing policies and processes to help employees during this time. Two examples of programs developed as a result of these surveys included two meeting-free Wednesdays each month and a series of employee well-being virtual learning and sharing opportunities.



98%

Employee performance self-evaluation completion rate in 2020

Annual performance reviews

We have robust annual global performance review processes for reviewing all employees' performance and pay. To support our managers, we train them on conducting effective performance reviews and making compensation recommendations, which take into consideration market pay data and performance, as well as experience in an employee's respective role. Our highly engaged employees completed over 98% of their self-evaluations during our annual performance review process in the spring of 2020.

Commitment to pay equity

At Intuitive, assuring fair and equitable pay is integral to our commitment to our employees. Our executive team and board of directors strongly support this commitment. We conduct pay-equity reviews annually to help us understand whether our compensation structure is appropriate and to identify what improvements can be made. In addition, we utilize a robust inspection process with an independent consulting firm for gender and ethnicity, hiring, promotion, and wage equity to determine whether any statistically significant pay differences exist between women and men, and between minorities and nonminorities. If pay disparities are identified, we conduct further evaluation to determine whether remedial adjustments are appropriate, and we address them by making any such adjustments. In addition, employees can raise issues regarding pay equity with their manager, their human resources partner, or confidentially through our anonymous reporting helpline. Our commitment to pay equity is embodied in our statement found at <https://www.intuitive.com/en-us/about-us/company/legal/governance>.

Talent and workplace experience

21

Number of UHP events throughout the summer

University Hiring Program (UHP)

Every year, we look forward to welcoming several dozen college students to our paid summer internship program and co-op rotation program, which we collectively call our University Hiring Program. Our UHP provides undergraduate, graduate, and doctoral students with the opportunity to learn from and work with one of our teams for several weeks. The program gives the company access to a rich and diverse pool of top-quality talent, resulting in many interns and co-ops deciding to return as full-time members of our team after graduation.

With more than 100 students lined up to join us for the summer in 2020 and the pandemic still limiting travel and requiring most of our teams to work from home, we upheld our commitment by accommodating as many interns as possible. Our UHP team moved to transition the program to a virtual format, finding ways for this year's students to work, learn, and socialize remotely.

We were able to deliver project-based internship experiences to 87% of our planned interns. We provided multiple events, both educational and social, and matched students into small teams that met regularly throughout the summer. Our annual exhibit day, which showcases each summer intern's accomplishments, became a video presentation library. We also offered a series of career development trainings and certificates to another 11% of our planned interns, doing our best to support this year's exceptionally talented group.

"My internship with Intuitive was such a memorable experience. A lot of this is due to the University Hiring Program team crafting an incredibly engaging and educative internship experience. This is also despite them having to completely shift the nature of the program."

Imo Eguakhide
2020 Instructional Design Intern



Creating stronger communities

Creating stronger communities

With the events of 2020, we increased our efforts to positively impact our customers, employees, and communities. Our employees, passionate about actively engaging in the COVID-19 response efforts, stepped up and made a difference throughout the year.

Giving back: the Intuitive Foundation

The Intuitive Foundation is a nonprofit organization established and funded by Intuitive in 2018. Since its founding, the Intuitive Foundation has been dedicated to promoting health, advancing education, and reducing human suffering. As a rule, the foundation supports outreach programs financially while we provide the volunteers and mentors from within our company.

The events of 2020 inspired Intuitive employee volunteers to further support the foundation's work on several key initiatives.

The foundation's multifaceted response to the COVID-19 pandemic was a major focus in 2020. Early on, foundation efforts included making donations to provide PPE in China, where COVID-19 first emerged.

As the pandemic started to impact Santa Clara County and other parts of the U.S., our company and the foundation began working with the Silicon Valley Leadership Group (SVLG) to identify ways to collaborate with local companies and mount a coordinated response.

Hundreds of global Intuitive employee volunteers supported this effort by contributing to various foundation-driven efforts that included producing PPE such as face shields and cloth face masks; exploring ideas for improving manufacturing processes for ventilators and the sterilization of N95 respirators; and developing new protective tools to help those on the front lines of the pandemic.



Creating stronger communities

22,000+

Face shields assembled at home by families

More than 1.1 million face shields

We collaborated with the foundation and with the SVLG's COVID-19 Aid Coalition's local consortium of 11 hospitals in developing emergency-use product specifications for the types of PPE most needed in Santa Clara County. These specifications enabled purchasing experts in Silicon Valley companies to properly source medical supplies they could donate to hospitals and use to protect company employees.

88,000+

Face shields assembled by our office teams

We didn't stop at specifications, as we recognized that our company and the Intuitive Foundation could work together to create and assemble face shields for donation. The Intuitive Foundation funded the materials for our employees to create face shields on socially distanced temporary manufacturing lines in our Sunnyvale and Connecticut offices. We donated our employees' time and expertise to turn these materials into face shields. From April through mid-July, hundreds of our employees stepped up to work on the PPE assembly lines. A friendly competition developed between our locations, with teams vying to see who could assemble the most face shields per shift, an effort that provided our employees with a way to give back and support their communities.



Do-it-yourself kits with materials to put together 100 face shields were created as an expansion of the initial effort. U.S.-based employees signed up to receive and assemble these kits, often with their families, then donated their completed face shields to people and organizations within their communities. Over 22,000 face shields were assembled at home by families and over 88,000 were assembled by our office teams.

After the teams and family assembly pilots, we repurposed manufacturing lines in our Mexicali, Mexico, facility to reach the goal of assembling more than 1 million face shields for donation to those most in need of PPE. This required that our Mexicali team convert a warehouse and production lines to allow for COVID-19 safety protocols and identify employee volunteers to manufacture these face shields. The major efforts undertaken to produce a million face shields reflect the heart and dedication of our Mexicali team.

Creating stronger communities



Intuitive Foundation
donations in 2020*

56,000+

Cotton face masks

49,000+

N95 respirator masks

1.1
million+

Face shields

Once the face shields were available for donation, a small cross-functional distribution team worked to help the foundation identify recipients for these larger quantities of face shields. The team identified organizations globally and sent donations to those states, countries, and entities most impacted by the pandemic, including where our company has a significant presence. In the end, the foundation donated over 108,000 face shields to various healthcare and government agencies in Mexicali, Mexico; over 31,000 to the Agence du Don en Nature in France; over 50,000 to the U.S. Department of Veterans Affairs, and more than 273,000 face shields to Native American tribes within the U.S., including the Apache, Cherokee, Comanche, Crow, Navajo, Sioux, Zuni, and many other tribes. These larger organizations identified specific healthcare recipients for the face shields, distributing them to facilities with the greatest need.



Cotton face masks

The Intuitive Foundation worked with a team of our employee volunteers who sourced materials for creating the developed specifications, and connected with contract manufacturers to produce more than 56,000 cotton face masks for donation. Another team of employee volunteers made cotton face masks at home for local donation. An additional employee-volunteer team coordinated testing of mask and mask-insert materials to meet protective standards for healthcare workers in higher-acuity settings, such as hospitals and eldercare facilities. Our volunteer distribution team identified recipients for the face masks and worked diligently to deliver the protective gear to those most in need.

*As of December 31, 2020.

Creating stronger communities



**\$2.8
million+***

Donated from all Intuitive Foundation monetary giving programs

**\$1.4
million+***

Through employee contributions

**\$1.2
million+***

Through matching gifts

\$64,000+*

Through credits

Other donations

We donated existing PPE from our Sunnyvale and Atlanta labs, which went immediately to local hospitals in early April. We worked with the Intuitive Foundation and Fosun Pharma in China to help secure and distribute over 49,000 N95 respirator masks in the U.S. The foundation continues to coordinate our employees' donations around the response effort, engage with medical device leaders to explore new technologies, and connect PPE to hospitals and healthcare facilities in need.

Direct financial contributions

The Intuitive Foundation established several matching campaigns for our employees' monetary donations throughout 2020, oriented around different issues and areas of interest. These fundraising campaigns included a global COVID-19 relief fund established in early 2020 with an initial focus on China and expanded in the spring to include regional funds for Europe; Asia, including India and Japan; and the U.S. The foundation also provided special matching for several initiatives, including a "Towards Racial Justice" fundraising campaign and wildfire relief campaigns for Australia and California.

With wildfires, hurricanes, and the pandemic affecting so many, it is often easy to miss the needs of the most vulnerable of our neighbors who are disproportionately affected by these disasters. Recognizing the unique strain these events put upon those already struggling, our company and the Intuitive Foundation continued to support Sunnyvale Community Services (SCS), a local nonprofit that provided area students with new backpacks stocked with school supplies, nutritious food, and gift cards to purchase new shoes. With the COVID-19 pandemic creating economic hardship and increased need, our company and the foundation helped SCS meet its 2020 goal of 2,000 backpacks, up from 1,700 in 2019.

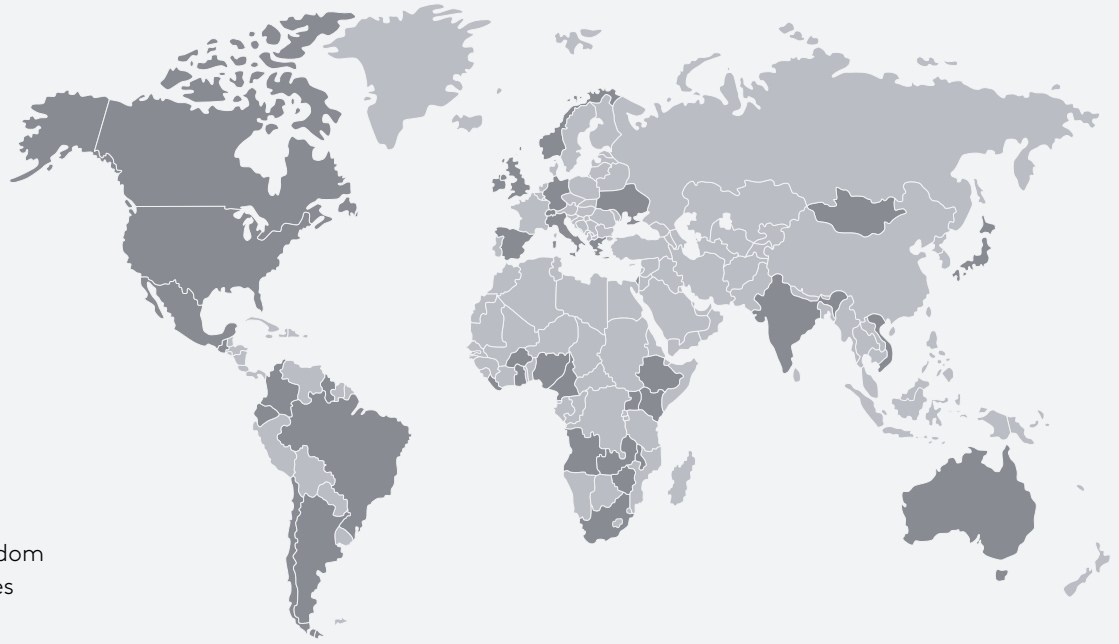
In 2020, the Intuitive Foundation provided sizable donations to the following organizations:

- Sunnyvale Cares – A small-business and nonprofit assistance grant program
- Second Harvest of Silicon Valley – One of the nation's largest food banks
- Sunnyvale Community Services
- SVLG where funds went to the Santa Clara County Emergency Operations Center in support of 11 local hospitals, as well as sister counties and agencies

*Figures provided are as of Dec. 31, 2020 and may not be inclusive of all matching for donations made at year end.

Global Surgical Training Challenge

Angola	Japan
Argentina	Jordan
Australia	Kenya
Brazil	Libera
Burkina Faso	Malawi
Cameroon	Mexico
Canada	Mongolia
Chile	Nigeria
Colombia	Norway
Dominica	Rwanda
Ecuador	South Africa
Ethiopia	Spain
Germany	Switzerland
Ghana	Taiwan
Greece	Uganda
Guatemala	Ukraine
Guyana	United Kingdom
India	United States
Ireland	Vietnam
Italy	Zambia
	Zimbabwe



Creating stronger communities

Expanding access to healthcare

Global Surgical Training Challenge (GSTC)

With the pandemic spotlighting the need to improve distance learning for physical skills, the Intuitive Foundation collaborated with MIT Solve and Nesta Challenges to launch the GSTC in July. This global contest calls on innovators to develop training modules that teach surgical procedures and techniques in low-resource settings. The contest supports the development of lower-cost, validated, simulation-based surgical training.

The challenge consists of three phases spread over two years, with a purse of up to \$5 million, including an up-to \$1 million prize at the end. It began with a series of MIT-hosted Solveathon virtual workshops to build multidisciplinary teams in low- and middle-income countries (LMICs) in five global regions to strengthen their GSTC applications. In December 2020, the top teams received discovery award grants to develop and test early prototype modules. Up to five teams will compete in the second phase, with finalist awards to be announced at the end of 2021. At each stage, winning surgical simulation modules are appropriately validated by a physician, innovator, and healthcare educator panel of judges.

Da Vinci Research Kit (dVRK)

The Intuitive Foundation supports telerobotic surgery research efforts by sponsoring hardware from retired first-generation da Vinci surgical systems that can be used to assemble research platforms for exploring innovative new concepts in minimally-invasive surgery through its dVRK program. This shared research platform supports collaboration across university groups to stimulate and accelerate research in the field.



In 36 universities
across 11 countries

Creating stronger communities



Foothill College emergency medical technician (EMT) certification support

In keeping with its mission to promote health and advance education, the Intuitive Foundation embarked on a program to help Foothill College provide training and certification testing for students working to become emergency medical technicians (EMTs). COVID-19 restrictions on in-person education had an intense impact on students pursuing EMT certification, a career path that relies heavily on hands-on, experiential instruction and skill assessment. In particular, students preparing to undergo certification exams in the spring of 2020 missed the opportunity to complete the psychomotor portion of the test, which requires that students prove they can perform skills such as clearing airways, controlling bleeding, setting broken bones, and other proficiency demonstrations.

The Intuitive Foundation team sought new ways to train and test EMTs, beginning with examining the traditional teaching and testing methods of the required psychomotor skills. The team brought an understanding of our company's SimNow simulation surgeon training techniques and technologies to the challenge of reimagining EMT training and testing.



Catherine Mohr with her daughter, supported the Foothill College EMT program.

EMT program instructors helped the team understand the details of the actions an instructor needs to see when assessing a student's ability to perform specific skills. After exploring camera views from different locations and angles focused on hands, feet, face, and from above, instructors found they gained a fuller picture of students' actions than in-person assessments previously allowed. The foundation team and the EMT instructors then began building a catalog of skills for remote training and assessments.

As COVID-19 continues to impact our communities and education system, helping Foothill College continue their EMT program in a virtual, distance-learning environment adds much-needed healthcare professionals to the front lines of care. The first class using this model will launch in January 2021.

Once the program is fully developed, the foundation hopes to make the EMT training and testing model available via an open-source platform to institutions throughout the country.

Creating stronger communities

“Inspiring young people to understand the world-leading and unrivaled opportunities that exist in Oxfordshire is a key aspect of our work. By supporting our transformative technologies tour, Intuitive not only brought cutting-edge medical technology to ambitious teenagers, but also helped them to understand that dreams can become a reality. We are extremely grateful to Intuitive.”

Rob Panting

Communications Manager
Oxford Local Enterprise Partnership
(OxLEP) Ltd

500+

Health Career Collaborative participants in 2020

29

Intuitive volunteers support Technovation competitions

STEM education

The Intuitive Foundation provides continued support of programs that empower young people of all backgrounds to participate in robotics-centered events to inspire their education in science, technology, engineering, and math (STEM).

In 2020, the foundation sponsored teams participating in For Inspiration and Recognition of Science and Technology (FIRST) Robotics competitions across the globe. The foundation's participation in the program increased by 176% to include 127 teams across four countries when compared to the 2019 program support. While the COVID-19 pandemic prevented many teams from competing, several teams continued to build their robots and explore robotics technology through remote learning and collaboration platforms.

In February, our U.K. team hosted a group of students at our new Oxford, England, office for a facility tour, presentations, and demonstrations of the da Vinci surgical system and SimNow simulation. A local television station broadcasted the event, with speakers that included a urology surgeon and a leader from our U.K. office. A favorite activity gave students the chance to use the da Vinci surgical system to grasp tiny rings and a five-pence piece.

Outreach initiatives

The Intuitive Foundation engages with professional societies and nonprofits to create internships and support leadership development for underrepresented student populations. While the foundation provides financial support for these outreach programs, our employees volunteer their time to serve as mentors, instructors, and judges, as well as other needed roles.

Health Career Collaborative: The Health Career Collaborative is a national program that connects mentors with high school students from diverse backgrounds to encourage study in healthcare fields. The Intuitive Foundation established a 10-site pilot to bring a mobile da Vinci surgical system to high schools in low-income areas. Our engineer volunteers gave two-hour presentations to various class sizes demonstrating medical-device engineering skills. This program was presented at three sites before the pandemic required pivoting to a virtual environment. In 2020, a total of more than 500 students participated in this program in schools across the U.S.

Technovation challenge: Technovation supports two collaborative competitions designed to solve real-world problems through technology. One competition empowers young women (ages 10 to 18), and the other brings together families, schools, and mentors. Our employee volunteers provide mentoring, collaboration, instruction, and judging for the Technovation Girls competitions. Working in teams of five, girls code a mobile app that addresses a problem in their local community. In 2020, 29 employee volunteers served as judges and provided constructive feedback to several of the teams competing while the Intuitive Foundation provided funding to support the program.

Creating stronger communities

Stanford blood drives

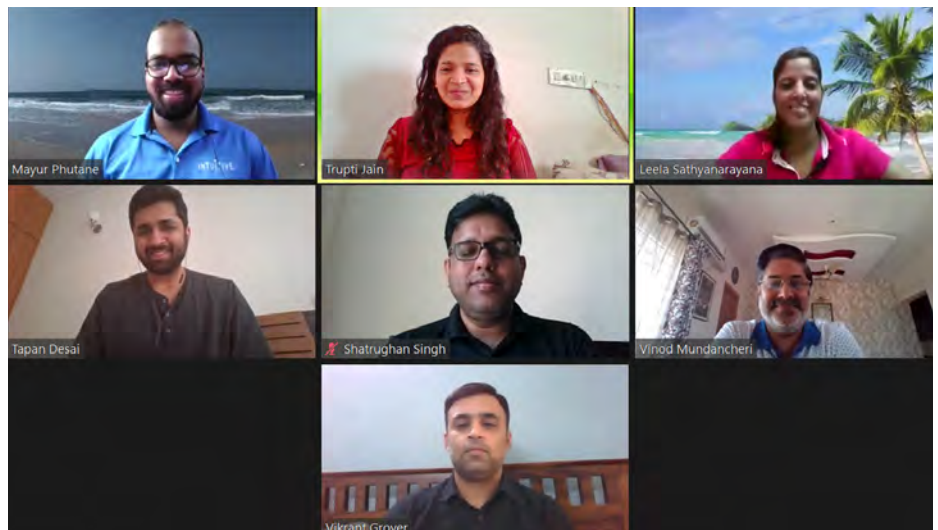
The COVID-19 pandemic increased the need for blood donations, and core to our mission, our Sunnyvale-based team continues to respond positively to support the Stanford Blood Center (SBC). We started the year with a successful drive in early March, before shelter-in-place orders postponed the remainder of our 2020 drives. We had increased our average-units goal to 52 from 40 for 2020, and SBC collected 50 units and added eight first-time Intuitive donors during the March event. That brings us to more than 4,200 patients impacted since our program began. Our support of the SBC continues despite COVID-19, and we continue to encourage employees to make donations at their local blood donation centers until we can resume on-site blood drive collections.

Employee-driven community grants

The Intuitive Foundation offered grants to support innovative programs initiated by our employees that would have positive impact in local communities. Employees from our Swiss office came together to propose grants for Zoe4life, providing holiday gifts to 120 children with cancer and their families. By working together, six employees pooled their grant requests to increase the impact of the gifts sent to each of these families through the Zoe4life program.

Corporate social responsibility in India

In April, we established our corporate social responsibility (CSR) policy in India and formed our India CSR working committee of employee volunteers called Ek Prayaas (meaning 'an endeavor') by summer's end. Our Intuitive India efforts align with focus areas, including healthcare, education, support of technology incubators, and disaster relief, that are shared with the Intuitive Foundation and our other Intuitive philanthropy committees around the globe.



Supply chain sustainability

Supply chain sustainability

We value and maintain a strong supply chain composed of carefully selected suppliers who share our commitment to quality. This year, we emphasized working with our suppliers, helping them to stay safe during the pandemic while minimizing product-continuity risk.

Supplier development

We continue to build on our supplier-development programs that are designed to help ensure that our suppliers are actively engaged in building a healthy, transparent relationship. Our goal is to help our suppliers grow as we grow by assisting them in expanding capabilities, increasing capacity, and improving performance.

During a year of global disruptions, we expanded current programs and created new ones to keep our supply chain productive. For example, we updated our three-year roadmap that focuses on improving supplier success to include new criteria for monitoring their health and safety. We worked quickly to add information on COVID-19 protocols, controls, and best practices to our supplier training program, while increasing oversight to verify that our suppliers are managing the health and safety of their employees and sub-tier suppliers. We also sent more than 3,000 face masks to suppliers who requested them and provided additional relief options to suppliers who reached out for help.



Supply chain sustainability

"Intuitive embraces collaboration with their suppliers. Early in the year, representatives from Intuitive took the time to present to all employees at one of our facilities. *The Working for a Medical Device Company* presentation was very informative and a great opportunity for our employees to hear directly from our customer on how their everyday work makes an impact."

Jason Lewis
Senior Director of Global Quality
Celera Motion
A Novanta Company



Supplier training

With the onset of COVID-19 shelter in place and travel restrictions, we transitioned our scheduled supplier training sessions to a solely online environment. We also created five new training videos that global suppliers could access at their convenience by the end of the year. Scheduled training sessions helped suppliers move forward on the path of continuous improvement on metrics that include delivery, quality, cost, organizational strength, supply chain risk management, ability to scale, compliance with applicable laws and regulations, and other elements that make up our supplier scorecard ratings.

Supplier ratings and engagement

We regularly monitor and conduct complete assessments of our suppliers that incorporate internal supply reviewers as well as third-party services that monitor various specific aspects of our supply chain. Our top suppliers by dollars spent go through a review and scorecard rating process twice a year. Those who achieve a high score move into the category of "preferred suppliers." These programs transitioned to virtual and web-based formats to help keep all participants safe during 2020 and moving forward.

Certification programs

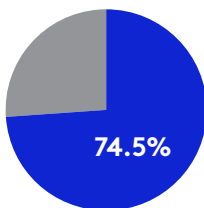
We expect our suppliers to comply with all applicable laws and regulations and to pursue and maintain ISO certifications: ISO 13485 for quality management systems specific to the medical device industry and ISO 9001 for quality management systems. In parallel, we are creating Intuitive certification programs for product part qualification process, supplier certification inspection process (SCIP), design history records, and traceability processes. Providing a customized Intuitive certification path on critical aspects of supply chain management will help to maintain high-quality standards. Our SCIP, for example, improves our ability to manage incoming materials inspection requirements.

Supplier symposium

Our biennial global supplier symposium enables suppliers to better understand our mission as well as our plans. Because of the pandemic, we moved the 2020 symposium to a virtual format and shifted the timing to early 2021 to accommodate our suppliers and technology teams. We look forward to sharing updates on key initiatives, gaining valuable feedback in areas affecting our supply chain, and recognizing high-performing suppliers.

Small Business Administration

Actuals
(Oct. 1, 2019 –
Sept. 30, 2020)



Environmental stewardship

Environmental stewardship

Our commitment to the environment drives our approach to global sustainability. We comply with environmental regulations in each of our locations as we continue to progress toward global certification to ISO 14001, which is the international standard of requirements for effective environmental management systems (EMS).

In 2020, we completed ISO 14001 recertification for our Sunnyvale campus facilities. Though COVID-19 delayed efforts to reach that certification elsewhere, we moved forward with new building designs and adjustments made to our workplace services programs to better manage greenhouse gas and carbon emissions.

ISO 14001 environmental management system

During the ISO 14001 recertification process for our Sunnyvale campus, best practices noted in the review included:

- Competence and awareness: With a 99% employee-training completion rate
- Management of change process: Excellence in controlling planned changes and review of the consequences of unintended changes
- Lighting conservation: Installed campuswide zone and motion systems to improve energy conservation
- Electric vehicle (EV) charging stations: 291* EV charging stations throughout our Sunnyvale campus for employee vehicle charging
- Nonconformity and corrective actions: Demonstrated a thorough system for managing corrective actions associated with audit findings in our ACCS

*EV charging stations available at the time of audit for our Sunnyvale campus only, June 2020.



Environmental stewardship

Sustainability in building design and renewable energy

Our employees, communities, and business benefit from our pursuit of U.S. Green Building Council (USGBC) Leadership in Energy and Environmental Design (LEED) standards as well as Swiss Minergie building standards in constructing facilities around the world. As we grow, we are committed to a reduced environmental impact through efficient building and workspace design.



294

EV charging ports across the U.S.*

~50%

Of our previously office-based headquarters employees began working from home, reducing emissions from commuting

In the fall of 2020, we opened the newest building on our Sunnyvale, California, headquarters campus to house our instruments, accessories, and endoscopes (IA&E) design engineering and advanced instruments manufacturing teams. The USGBC verified the building to the LEED Gold standard. Situated within walking distance of public transportation, the building was designed and constructed following green-building practices, such as using recycled and locally sourced building materials and minimizing construction waste.

With water-efficient landscaping, low-flow plumbing, efficient building automation features, and photovoltaic (PV) solar panels that are expected to offset 13% of energy use, the building reflects our vision of low-environmental impact teamed with high function for our employees.

EV charging and transportation

We increased the number of EV charging stations across the U.S. in 2020 to 294 ports used by 606 employees.

Across our Sunnyvale, California headquarters campus, approximately 50% of our previously office-based employees began working from home in March and continued to work from home through the end of the year, which reduced greenhouse gas emissions generated by commuting to and from work. Employees working on-site in essential manufacturing and other support functions benefited from increased availability of the EV charging stations as well as public transportation passes, where available.

*As of December 31, 2020.

Environmental stewardship

829,000+

Pounds of waste collected and recycled in 2020

131,000+

Gallons of water saved

1.1 million+

Pounds of greenhouse gases reduced

23,000+

Pounds of toxic materials diverted from landfills



Sustainable product design

Our recently announced Extended Use Instrument Program helps to reduce the company's environmental impact by requiring less materials and packaging, while also generating less medical waste and helping reduce greenhouse gases through fewer shipments.

Proprietary recycling

When materials reach their end of life, our proprietary recycling program puts them to future use when possible. In North America, our programs begin with the general recycling that incorporates most of our manufacturing and general business operations waste. From Jan. 1, 2020, through Dec. 31, 2020, our program collected and recycled more than 829,000 pounds of waste. That equates to more than 131,000 gallons of water saved, more than 1.1 million pounds of greenhouse gases reduced, and more than 23,000 pounds of toxic materials diverted from landfills.

Repair, reuse, and recycle

When we receive returned parts, our first choice is to put them through a recertification process to bring them back to certified working order. Returned parts can also be used as future service components, reducing our generated waste and extending our product life cycle. We initiated our waste-reduction strategy more than a decade ago. Our da Vinci X surgical systems use recycled components from our da Vinci Si returned systems with 95% of the surgeon console and 55% of the patient side cart being recycled.

Service depot expansion

In March 2020, we opened a service depot in Osaka, Japan, to support business growth in the region. This new facility provides greater flexibility in servicing our distribution channel by increasing local capacity for western Japan to bring products closer to our customers and reduce the number of repair parts shipments over long distances.

Ocean freight program

Our logistics team has been working with our IA&E team to reduce our logistics carbon emissions by implementing ocean freight options over the next two years. Starting with our large volume, weekly, and semimonthly replenishment shipments of IA&E to our distribution centers located outside of the U.S., we are adjusting our inventory practices with a target of 50% of these shipments moving as ocean freight by the end of 2021.

Governance

Governance

Our board

Our board of directors' primary responsibility is to exercise their business judgment in the best interests of the company and our stockholders. The board reviews the company's long-term strategy, discusses our risk exposures and how to best manage them, and evaluates our economic, environmental, and social performance.

At Intuitive, our board of directors is composed of a group of leaders with broad and diverse experience in many fields, including management of large global enterprises, technology and innovation leadership, and healthcare. When evaluating the composition of our board, we consider candidates who bring deep knowledge and experience in their field, possess unique or business-critical skills, and can provide diverse perspectives with respect to business experience, professional expertise, gender, and ethnic background.

Maintaining a mix of backgrounds and experience in our board composition is essential to understanding and reflecting the needs of our diverse stakeholders. Currently, three of our 10 board members are women, and we have a member who identifies as Hispanic and a member who identifies as Middle Eastern.

In April 2020, Craig H. Barratt, Ph.D., became our board chair, bringing a broad business background to the role, having served on our board since 2011. In addition, Joseph C. Beery joined our board in April 2020 to provide expertise in information technology as we move to expand our digital solutions offerings.

Except for President and Chief Executive Officer Gary Guthart, all Intuitive directors are independent as required by the NASDAQ Stock Market listing standards.



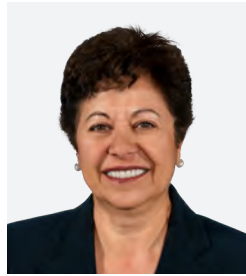
Gary S. Guthart, Ph.D.



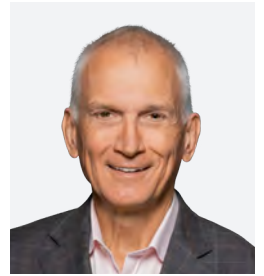
Craig H. Barratt, Ph.D.



Joseph C. Beery



Amal M. Johnson



Don R. Kania, Ph.D.



Amy L. Ladd, M.D.



Keith R. Leonard, Jr.



Alan J. Levy, Ph.D.



Jami Dover Nachtsheim



Mark J. Rubash

Governance

Governance and Nominating Committee

The Governance and Nominating Committee reviews and assesses the company's performance on environmental and sustainability matters. Management reports annually to the Governance and Nominating Committee on sustainability priorities.

Sustainability Steering Committee

The Sustainability Steering Committee implements the company's sustainability strategy and targets. Led by our general counsel and chief medical officer, the committee includes members from different functional groups across the organization, including medical and legal affairs, human resources, and business units. The committee sets our sustainability priorities and communicates those priorities to stakeholders to help ensure that we continually integrate sustainability principles into our business model.



For more information about our governance structures and board charters, please see our latest proxy statement filed with the Securities and Exchange Commission, www.sec.gov.

Anti-bribery, anti-corruption, and ethical business conduct

Each of us is responsible for safeguarding our company's reputation by acting ethically and with integrity. A culture of ethics starts at the top, and one of our leadership expectations is to lead by example.

We engage and educate employees on ethics in many ways; through our code of conduct, annual review process, employee training, and communications. Our global code of business conduct and ethics policy provides guidance to employees on everyday actions and can be found at www.intuitive.com/en-us/about-us/company/legal/governance/ethical-conduct.

Governance

We also take a strong position against bribery consistent with anti-bribery laws that exist in the countries in which we conduct business. Through our policies and contracts with distributors and suppliers, we require our employees, distributors, and suppliers to comply with applicable anti-bribery and anti-corruption laws and regulations.

The Intuitive ComplianceLine offers a secure channel for all employees, contingent workers, customers, third-party agencies, and others to anonymously report suspected violations where legally permitted. We issue periodic reminders regarding the obligation to raise concerns related to ethics and compliance via the ComplianceLine and other channels.



94+%

Compliance training completion*

Compliance training

In 2020, we updated our compliance training and policies on anti-bribery, anti-corruption, and ethical business conduct. Code of conduct and business ethics policy training is available in seven languages: French, German, Spanish, Korean, Japanese, Chinese, and English. It includes content on inclusion and diversity, anti-bribery and anti-corruption, harassment and discrimination prevention, and safeguarding data and data privacy, which are cornerstone corporate principles. Our compliance training was completed by more than 94% of our employees within 90 days of the new program rollout. All of our global employees are required to and continue to complete this important training at the time of hire, annually, or as local regulations require, and must demonstrate knowledge and awareness through an end-of-course assessment.

*As of September 30, 2020.

Governance

Internal controls

Our internal controls help ensure compliance. We periodically audit third parties that we conduct business with to help ensure that they are complying with anti-bribery and anti-corruption laws. We also refine our internal controls on an ongoing basis, including strengthening training and certification requirements of third parties with whom we work.

Tax transparency

Intuitive is committed to supporting strong corporate governance and financial transparency. Our commitment to tax transparency is embodied in our Global Tax Policy Statement found at

www.intuitive.com/en-us/about-us/company/legal/governance.

Conclusion

Our commitment to corporate sustainability means creating sustainable value for our customers, employees, the communities in which we live and work, and our suppliers and global stakeholders. Our mission, founding principles, value framework, and culture guide us to make a difference globally in how we innovate, operate, and serve. In light of the fast-moving events of 2020, we relied on our values to continue reinforcing our sustainability efforts, which helped us creatively navigate challenges as they arose. We are pleased to have shared highlights of our ongoing work in sustainability and social responsibility with you in this report.

At Intuitive, we relentlessly pursue innovation with the belief that improvement is both possible and necessary and that together we can make a difference by addressing challenges swiftly and thoughtfully to create a positive impact on the world.



INTUITIVE