Q2 2021 EARNINGS CALL PREPARED REMARKS

JULY 27, 2021

CEO MIKE MAHONEY

Thanks, Lauren, and thank you to everyone joining us today. I'm pleased to report very strong Q2 financial results today as the resumption of elective procedures strengthened in the US and improved in many, but certainly not all regions, across the globe. We are well positioned for the second half of 2021 and beyond as we continue to execute our category leadership strategy, driven by our innovative pipeline, expansion into faster growth markets, globalization efforts and enhanced digital capabilities.

Total company Q2 operational sales grew 50% versus 2020. Organic sales grew 52% versus 2020 and 9% versus 2019, exceeding expectations as recovery from the pandemic occurred more quickly than expected, particularly in the US. Importantly, 6 out of our 7 businesses grew double digits organically vs 2019 and we estimate that 5 of our business units grew faster than their respective markets. We are pleased with our ongoing and new product launches and we are now enrolling our clinical trials at pre-covid run rates.

Q2 adjusted EPS of $0.40 grew 378% versus 2020 and 3% vs 2019, exceeding the high end of guidance by 2 cents primarily due to sales outperformance and lower spend. Adjusted operating margin of 25.1% was slightly ahead of our expectations as we continued to balance investment with the sales recovery. We continue to be pleased with our cash flow, with Q2 free cash flow generation of $541M and adjusted free cash flow of $838M.

Given the Q2 outperformance, we are increasing and narrowing our guidance ranges for both Sales and EPS, which assumes a manageable level of COVID impact in the second half of this year. Compared to 2020, we target Q3:21 organic revenue growth of +12% – 14% and full year +19% - 20%. Compared to 2019, we target Q3:21 organic revenue growth of +5-7% and for the full year, growth of +6-7%.

Our Q3:21 adjusted EPS estimate is $0.39-0.41, and we are updating full year adjusted EPS to a revised range of $1.58-1.62. Dan will provide more details on both sales and EPS performance and outlook, including the revenue contribution from Preventice. We continue to expect a Q3 close for Farapulse, Inc and an H2:21 close for Lumenis Surgical. I'll now provide additional highlights on Q2:21 results, along with comments on our Q3 and 2021 outlook.

Within the regions, on an operational basis versus Q2 2019, the U.S. grew 22%, Europe/Middle East/Africa grew 9%, AsiaPac grew 4%, and Emerging Markets sales grew 11%. Organically, the U.S. grew 12% vs 2019 as strength was supported by faster than anticipated recovery of procedure volume levels, along with ongoing new product launches across the entire portfolio.

Operationally, EMEA delivered an excellent Q2 with broad based growth across nearly all major markets and franchises, even as some countries experienced Covid related lockdowns and procedural delays. The EMEA region also had double digit growth in PI, EP, Endo and NM, driven by products such as ACURATE Neo2, TheraSphere, POLARx, Axios and WaveWriter Alpha with notable strength in Middle East and North African countries.

In Asia Pacific, although Q2 results included approximately 600 basis points of negative impact from the China tender pricing vs 2019, 5 of our businesses grew double digits, with strong growth in China, Australia, and Korea. While Japan's Q2 results were impacted by Covid, we are seeing success with ongoing and new product launches such as Ranger DCB, Stablepoint, and Watchman FLX.

China sales grew 16% versus 2019, with strong double-digit growth within all business units except IC, which included the negative impact of tender pricing. We continue to be pleased with our strong growth in Complex PCI and Imaging, enabled by both our innovative portfolio and by our tender win. We continue to expect full year 2021 double-digit growth from China versus both 2020 and 2019. I'll now provide some additional commentary on our business units.

Urology and Pelvic Health sales were very strong, growing organically 16% versus 2019, with balanced growth across our Stone, Prostate Health and Pelvic Health franchises. Stone, the largest franchise within UroPH, grew double digits, as enthusiasm continues ahead of the Lumenis acquisition, which will expand our category-leading Urology portfolio with this differentiated laser technology. The Prostate Health franchise grew strong double digits, with continued strength in our Rezum and SpaceOAR businesses. Rezum growth was driven by further traction of its direct to patient efforts in the United States, global expansion and continued appreciation for the long term durability and cost benefits of this minimally invasive therapy. Within our SpaceOAR business, growth was supported by the ongoing launch of next generation SpaceOAR Vue hydrogel in the U.S. and its recent launch in Europe. SpaceOAR Vue is visible under CT and negates the need for physicians to use MRI, an important step to optimizing treatment planning for patients undergoing prostate radiation therapy.

Our Endoscopy team delivered an excellent Q2 with sales growing organically 15% versus 2019. Q2 sales grew double digits across all major franchises with notable strength in Biliary, Hemostasis and Infection Prevention, thanks to our differentiated product portfolio including key products such as Axios, Spyglass DS, and Resolution hemostasis clips. Within the quarter, we completed CE Mark for Exalt B and are pleased with early launch feedback highlighting differentiated visualization and suction and remain on track to launch in the US in the second half of this year. We continue to make progress with Exalt D, with a physician peer training program launched in Q2 as well as the resumption of more normal market development activities as access to hospitals improves.

In Cardiac Rhythm Management, sales were down 6% organically versus 2019. We believe that our CRM performance was slightly below the overall market, inclusive of a temporary impact from the recent EMBLEM S-ICD physician advisories. Importantly, we recently began launching our enhanced SICD electrode and anticipate improved performance in overall CRM in the second half, as we expect SICD revenues to rebound. In our diagnostics franchise, our Lux-Dx implantable cardiac monitor continues to perform well and gain market share in the U.S. We are also pleased with the strong growth and execution of the Preventice team and continue to anticipate full year growth in that business of at least 20% on a pro forma basis versus 2020.

Electrophysiology sales were up 10% vs 2019. Strong international sales growth of +29% were driven by the ongoing success of POLARx in Europe and Stablepoint Force-Sensing catheter in Europe and Japan. US EP sales will likely lag market growth until we receive approval for these therapies, which are currently enrolling in their respective U.S. IDE trials. We also exercised our option to acquire Farapulse, Inc, a leader in pulsed field ablation, an emerging field that has the potential to improve safety, efficiency, and ease of use for cardiac ablation procedures. Farapulse is the only company with a commercially approved pulse ablation product in Europe and is actively enrolling its US IDE, ADVENT. We are excited to bring this differentiated therapy into our EP portfolio in Q3 2021.

In Neuromodulation, organic revenue grew 14% versus 2019. Our Pain Management franchise growth accelerated in Q2, supported by the ongoing launch of our next gen WaveWriter Alpha SCS System with Cognita digital solutions and continued clinical evidence generation. At the NANS mid-year meeting, we released the 1-year follow-up data for our COMBO study demonstrating a sustained, high level of clinical and functional success at 84% responder rate. We have also started reporting on the real-world results of the FAST therapy, which is designed to provide profound and immediate pain relief. Beyond advancing outcomes for our existing indications, we are also pleased with the progress of our SOLIS Study, focused on non-surgical back population, which started in Q1 of this year and look forward to beginning our diabetic peripheral neuropathy clinical study by the end of this year.

In Deep Brain Stimulation, the business continues to gain share globally and delivered strong double digit growth, driven by the launch of the Vercise Genus platform, the expansion of our commercial infrastructure, and partnership with Brainlab.

In Interventional Cardiology, organic sales grew 10% versus 2019 with double digit growth in Structural Heart Valves, WATCHMAN and Complex PCI and Imaging franchises.

The growth of the Watchman franchise accelerated sequentially. The impressive growth was driven primarily by increasing hospital and physician utilization rates in the US and some share gains in Europe. Importantly, nearly all US accounts have fully transitioned from WATCHMAN 2.5 and are now using FLX

exclusively. Additionally, we're pleased with the 2 year results of PINNACLE FLX, featured as a late-breaker at TVT, which reinforced our positive 1 year primary outcomes and met its secondary effectiveness endpoint. We remain excited about the outlook for the WATCHMAN franchise with our next generation FLX device, global expansion, and continued work toward indication expansion with ongoing clinical trials. Notably the OPTION trial, comparing WATCHMAN FLX to first-line oral anticoagulants for patients with non-valvular afib who also undergo a cardiac ablation procedure, recently completed enrollment ahead of schedule, in spite of challenges presented by the pandemic.

In TAVR, our ACURATE neo2 launch continues to do well in Europe supported in part by the real-world data presented at Euro PCR which demonstrate that the low ACURATE neo2 PVL rate is comparable to contemporary TAVI devices, with continued low permanent pacemaker implantation rates. These outcomes were reiterated in the Early Neo2 Registry, also presented last week at TVT as a late-breaker. Sentinel, our cerebral embolic protection device, achieved its highest quarterly sales to date with strong new account openings globally and we continue to enroll in the PROTECTED TAVR randomized clinical trial.

Coronary therapies declined mid-single digits versus 2019, attributable to Drug-Eluting Stents, which include the impact of China tenders and global price pressure. We continue to see strong growth in Complex PCI and Imaging, with particular strength in RotaPro and IVUS. Importantly, our global complex PCI and imaging business is now ~50% larger than DES. We're advancing opportunities for future growth drivers and within the quarter began enrollment in our AGENT DCB trial, which is a first in the U.S. study of coronary in-stent restenosis.

Peripheral Interventions delivered organic sales up 10% versus Q2 2019. Within Interventional Oncology, TheraSphere grew over 30% vs 2019 on a pro forma basis in its first full quarter post PMA approval. In Venous, Varithena continues to grow double digits and gain share in the varicose vein market.

Within Arterial, our Drug-eluting portfolio achieved record sales in Q2, supported by global expansion along with the sector's continuing recovery. We are pleased to have started enrollment on the Elegance registry, a study that will gather clinical evidence on the risk of PAD in previously underrepresented patient populations. The study will also look at long-term outcomes of patients being treated with Eluvia DES or Ranger DCB.

I'd also like to highlight Boston Scientific's recent inclusion on the JUST Capital Top 100 list of Companies Supporting Healthy Families and Communities along with our recognition as a "Best Place to work for Disability Inclusion" on the Disability Equality Index. We are proud to be recognized for providing our employees an inclusive and supportive environment and remain committed to global sustainable practices.

Overall, we are pleased with our performance through the first half of this year and we remain bullish on the long-range outlook for Boston Scientific. We look forward to sharing our strategic plan objectives at our

Investor Day event on September 22nd. I'd like to extend a big thank you to our employees for their contributions and winning spirit, and I'll now turn things over to Dan.

CFO DAN BRENNAN

Thanks, Mike.

Second quarter consolidated revenue of $3.077 billion represents 53.6% reported revenue growth vs. the second quarter 2020 and reflects an $81 million tailwind from foreign exchange. On an operational basis, revenue growth was 49.6% in the quarter. Sales from the Preventice acquisition contributed 240 basis points, more than offset by the divestiture of Specialty Pharmaceuticals, resulting in 52.4% organic revenue growth, above our guidance range of 44-48% growth versus 2020. Compared to second quarter 2019, organic growth was 8.9%, above our guidance range of 3-6%. This 8.9% growth excludes $15 million in 2019 sales of divested intrauterine health and embolic beads businesses, as well as $178 million in 2021 sales of acquired businesses, which consists of two months of Vertiflex, and a full quarter of BTG Interventional Medicines and Preventice. Top line results drove Q2 adjusted EPS of $0.40, representing 378% growth versus 2020, 3% growth versus 2019, and exceeding our guidance range of $0.36 to $0.38.

Adjusted Gross Margin for the second quarter was 70.5%, slightly above our expectations driven by sales outperformance in higher margin businesses. As expected, we have materially worked through the COVID-driven negative manufacturing variances capitalized on the balance sheet in 2020, and as a result expect slight improvements in second half gross margin compared to the first half, though still not at full year 2019 levels as other headwinds remain – in particular, the lingering cost of running plants with COVID-specific measures, as well as some impact from inflation. Not unique to us, this includes increased freight costs, wage pressure and some price increase on direct materials.

Second quarter adjusted Operating Margin was 25.1%, slightly above our expectations driven by sales outperformance and balanced investment, and also includes a reserve for a legal settlement that we expect will improve access to additional markets for some of our cardiovascular technology.

GAAP charges within the quarter additionally include $298 million in litigation-related expenses to account for incremental costs to resolve newly estimable claims, as well as known claims and corresponding legal fees within our legal reserve. Materially all U.S. claims remain settled or in the final stages of settlement. Our reserve assumptions are based on full global resolution now in 2023 given recent claim activity and expected litigation.

Our total legal reserve was $617M as of June 30, an increase of $162M vs. March 31 driven by the mesh reserve increase and cardiovascular settlement, partially offset by payments to close out majority of the state attorneys general mesh settlement as well as continuing mesh product liability payments.

Moving to below-the-line, adjusted interest and other expense totaled $107 million, in line with expectations.

Our tax rate for the second quarter was 11.1% on an adjusted basis, in line with expectations.

Adjusted Free Cash Flow for the quarter was $838 million and free cash flow was $541 million, with $643 million from operating activities less $102 million net capital expenditures. Our goal remains to deliver adjusted free cash flow in line with 2020, approximately $2.0B, as we continue to expect increased working capital headwinds in inventory and accounts receivable during the remainder of the year. As of June 30, 2021, we had cash on hand of $2.7 billion. Our top priority for capital deployment remains tuck-in M&A and we continue to expect to close the acquisition of Lumenis Surgical in the second half of the year, and Farapulse in Q3. We have capacity to pursue additional business development opportunities while continuing to remain active with our venture capital portfolio and consider opportunistic share repurchase.

We ended Q2 with 1.432 billion fully diluted weighted-average share outstanding.

I'll now walk through Guidance for Q3 and Full-Year 2021.

For the full year, we expect 2021 operational revenue growth to be in a range of 18.5-19.5% vs. 2020, which includes an approximate net 50 basis point headwind from the divestiture of our intrauterine health franchise and Specialty Pharmaceuticals, partially offset by the acquisition of Preventice. Excluding the impact of acquisitions and divestitures, we expect organic revenue growth to be in the range of 19-20% vs. 2020, and 6-7% vs. 2019. For the organic comparison to 2019, full year 2019 sales exclude $50 million in sales of our embolic beads portfolio and intrauterine health franchise, as well as $81 million in Specialty Pharmaceutical sales; and at the midpoint of guidance, 2021 sales exclude approximately $490 million in sales from recent acquisitions, including Vertiflex through May, BTG Interventional Medicines through mid-August, and Preventice as of March, as well as $13 million of Specialty Pharmaceutical sales prior to divestiture.

For Q3 2021, we expect operational revenue growth to be in a range of 11-13% vs. 2020, which includes an approximate net 100 basis point headwind from the divestiture of Specialty Pharmaceuticals, partially offset by the acquisition of Preventice. Excluding the impact of acquisitions and divestitures, we expect organic revenue growth to be in a range of 12-14% vs. 2020, and 5-7% growth vs. 2019, which includes a 300 basis point sequential comp headwind from Q2 to Q3 2019. Therefore, the midpoint of guidance assumes results in line with Q2 with a continued manageable level of COVID impact.

For the Q3 organic comparison to 2019, 2019 sales exclude $35 million in sales of our embolic beads portfolio, intrauterine health franchise and Specialty Pharmaceuticals; and at the midpoint of guidance, 2021 sales exclude approximately $110 million in sales from the acquisitions of BTG Interventional Medicines through mid-August and Preventice.

For adjusted operating margin, we continue to target an average of 26% adjusted operating margin in the back half of the year while simultaneously investing to more normalized operating expense levels as the first half of 2021 remained below what we would expect for a near-term run rate.

We continue to forecast our full year 2021 operational tax rate to be approximately 11% and adjusted tax rate to be approximately 10%.

We continue to expect adjusted below-the-line expenses, which include interest payments, dilution from our VC portfolio, and costs associated with our hedging program, to be approximately $400 to $425 million for the year.

We expect fully diluted weighted-average share count of approximately 1.437 billion for Q3 2021 and 1.435 billion for full-year 2021.

We are raising full year 2021 adjusted EPS guidance to a range of $1.58 to $1.62, which includes our update to sales guidance and considers Q2 results, which removed additional uncertainty from our previously wider range. For the third quarter, adjusted EPS is expected to be in a range of $0.39 to $0.41.

Please check our investor relations website for “Q2 2021 Financial and Operational Highlights,” which outlines more detailed Q2 results.

With that, I’ll turn it back to Lauren, our newly appointed Vice President of Investor Relations, who will moderate the Q&A.