

# INTUITIVE SURGICAL, INC.

## AMENDED AND RESTATED

### CORPORATE GOVERNANCE GUIDELINES

The Board of Directors (the “**Board**”) of Intuitive Surgical, Inc., a Delaware corporation (the “**Company**”), has adopted, effective as of July 25, 2019, the following Amended and Restated Corporate Governance Guidelines (these “**Guidelines**”) to assist the Board in the exercise of its responsibilities and to serve the interests of the Company and its stockholders. These Guidelines should be interpreted in the context of all applicable laws and regulations, the rules of The Nasdaq Stock Market LLC (“**Nasdaq**”) and the Company’s certificate of incorporation, bylaws and other corporate governance documents, as such laws, rules and governing documents are amended from time to time. These Guidelines acknowledge the leadership exercised by the Board’s standing committees and their chairs and are intended to serve as a flexible framework within which the Board may conduct its business and not as a set of legally binding obligations. These Guidelines are subject to modification from time to time by the Board as the Board may deem appropriate and in the best interests of the Company and its stockholders or as required by applicable laws, regulations and Nasdaq rules.

#### **The Board**

##### *Size of the Board*

The Company’s certificate of incorporation provides that the number of directors which shall constitute the whole Board shall be fixed exclusively by one or more resolutions adopted by the Board. The Board will periodically review the size of the Board, and determine the size that is most effective in relation to future operations.

##### *Independence of the Board*

The Board will comprise a majority of directors who qualify as independent directors (the “**Independent Directors**”) as determined under Nasdaq Rule 5605(a)(2).

##### *Separate Sessions of Non-Management Directors and Independent Directors*

The non-management directors will meet in executive session without management directors or management present on a regularly scheduled basis, but no less than two (2) times a year. The non-management directors will review the Company’s implementation of, and compliance with, these Guidelines and consider such matters as they may deem appropriate at such meetings. Non-management directors are all directors who are not Company officers (as that term is defined in Rule 16a-1(f) under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”)), including such directors who are not independent by virtue of a material relationship, former status or family membership, or for any other reason.

In addition, to the extent that the non-management directors include directors who do not qualify as Independent Directors, the Independent Directors shall also have regularly scheduled meetings and meet separately at least two (2) times per year in an executive session.

### *Director Qualification Standards*

The Governance and Nominating Committee is responsible for reviewing candidates for Board membership. In evaluating the suitability of individual candidates (both new candidates and current Board members), the Governance and Nominating Committee, in recommending candidates for election, and the Board, in approving (and, in the case of vacancies, appointing) such candidates, may take into account many factors, including: the desired experience, mix of skills and other qualities to assure appropriate Board composition, taking into account the current Board members and the specific needs of the Company and the Board; the experience, knowledge, skills and expertise of candidates, which may include experience in management, finance, marketing and accounting, across a broad range of industries with particular emphasis on healthcare and medical device industries, along with experience operating at a policy-making level in an appropriate business, financial, governmental, educational, non-profit, technological or global field; diversity of backgrounds and perspectives, including those backgrounds and perspectives with respect to business experience, professional expertise, age, gender and ethnic background; personal and professional integrity, character and business judgment of candidates; and whether candidates are independent, including the independence requirements of the U.S. Securities and Exchange Commission (“**SEC**”) and Nasdaq. In determining whether to recommend a director for re-election, the Governance and Nominating Committee may consider the director’s past attendance at meetings and participation in and contributions to the activities of the Board.

### *Selection of New Directors*

Each year, at the annual meeting, the Board will recommend a slate of directors for election by the stockholders. In accordance with the bylaws of the Company, the Board will also be responsible for filling vacancies or newly created directorships on the Board that may occur between annual meetings of stockholders. The Governance and Nominating Committee is responsible for reviewing and recommending candidates to the entire Board for Board membership.

### *Director Orientation and Continuing Education*

Management, working with the Board, shall provide an orientation process for new directors, including background material on the Company and its business. As appropriate, management shall prepare additional educational sessions for directors on matters relevant to the Company and its business. The Governance and Nominating Committee is also responsible for developing and maintaining an orientation program for new Board members and continuing education for all Board members, including governance matters.

### *Limitations on Other Board Service*

Commencing on the date of the 2020 annual meeting of stockholders, unless otherwise approved by the Governance and Nominating Committee, (i) no Board member who is an executive officer of a public company other than the Company or one of its majority-owned subsidiaries (such a public company, an “**Outside Public Company**”) shall serve on the boards of more than two public companies (including the Company); (ii) no member of the Board who

is not an executive officer of an Outside Public Company shall serve on the boards of more than four public companies (including the Company); and (iii) no member of the Audit Committee of the Board shall serve on the audit committees of the boards of directors of more than three public companies (including the Company) unless such Audit Committee member is a retired certified public accountant, chief financial officer, controller or has similar experience, in which case the limit shall be four audit committees (including the Company). In addition, the Governance and Nominating Committee shall take into account the nature of and time involved in a director's service on other boards and/or committees in evaluating the suitability of individual director candidates and current directors in making its recommendations, and a director should notify the Governance and Nominating Committee before joining the board and/or committee of another organization.

Service on other boards and/or committees should be consistent with the Company's conflict of interest policies set forth below.

*Directors Who Resign or Materially Change Their Current Positions with Their Employer or Become Aware of Circumstances that May Adversely Reflect upon the Director or the Company*

When a director, including any director who is currently an officer or employee of the Company, resigns, takes on a new position or directorship or materially changes his or her position with his or her employer or becomes aware of circumstances that may adversely reflect upon the director or the Company, such director should notify the Governance and Nominating Committee of such circumstances. The Governance and Nominating Committee will consider the circumstances, and may in certain cases consider requesting that the director submit his or her resignation from the Board, if, for example, continuing service on the Board by the individual is not consistent with the criteria deemed necessary for continuing service on the Board.

*Term Limits*

As each director is subject to election by stockholders, the Board does not believe it is in the best interests of the Company to establish term limits at this time. In addition, such term limits may cause the Company to lose the contribution of directors who have been able to develop, over a period of time, increasing insight into the Company's business and therefore can provide an increasingly significant contribution to the Board.

*Director Responsibilities*

The business and affairs of the Company will be managed by or under the direction of the Board, including through one or more of its committees as set forth in the bylaws and committee charters. Each director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. These include (as applicable):

- (1) overseeing the conduct of the Company's business to evaluate whether the business is being properly managed;
- (2) reviewing and, where appropriate, approving the Company's major financial objectives, plans and actions;

- (3) reviewing and, where appropriate, approving major changes in, and determinations of other major issues respecting, the appropriate auditing and accounting principles and practices to be used in the preparation of the Company's financial statements;
- (4) reviewing and, where appropriate, approving major changes in, and determinations under, these Guidelines, the Company's Code of Business Conduct and Ethics and other Company policies;
- (5) reviewing and, where appropriate, approving actions to be undertaken by the Company that would result in a material change in the financial structure or control of the Company, the acquisition or disposition of any business(es) or asset(s) material to the Company or the entry of the Company into any major new line of business;
- (6) reviewing the performance of the Chief Executive Officer and other members of management based on reports from the Compensation Committee;
- (7) planning for succession with respect to the position of the Chief Executive Officer and monitoring management's succession planning for other key executives; and
- (8) ensuring that the Company's business is conducted with the highest standards of ethical conduct and in conformity with applicable laws and regulations.

### *Compensation*

The Company's executive officers shall not receive additional compensation for their service as directors. The Compensation Committee shall periodically review the status of the Company's non-management director compensation in relation to other U.S. companies of comparable size and the Company's competitors, including consideration of both direct and indirect forms of compensation to the Company's non-management directors, and will recommend any changes in non-management director compensation to the Board, which changes will be approved or disapproved by the Board after a full discussion.

Members of the Audit Committee may not directly or indirectly receive any compensation from the Company other than as permitted under applicable Nasdaq and SEC rules.

### *Stock Ownership*

The Company encourages directors and senior executive officers to own shares of the Company's stock in accordance with the Company's Stock Ownership Guidelines.

### *Conflicts of Interest*

Directors are expected to avoid any action, position or interest that conflicts with the interests of the Company or gives the appearance of a conflict. If an actual or potential conflict of interest develops, the director should immediately report all facts regarding the matter to the

Board. Any significant conflict must be resolved or the director should resign. If a director has a direct or indirect interest in a matter before the Board, the director must disclose the interest to the Board.

#### *Interaction with Institutional Investors, the Press and Customers*

The Board believes that management speaks for the Company. Each director should refer all inquiries from institutional investors, the press or customers regarding the Company's operations to management. Individual Board members may, from time to time at the request of the management, meet or otherwise communicate with various constituencies that are involved with the Company. If comments from the Board are appropriate, they should, in most circumstances, come from the Chief Executive Officer in his or her Board capacity or other member of the Board designated by the Board.

#### *Board Access to Senior Management*

The Board will have access to Company management in order to ensure that directors can ask any questions and receive all information necessary to perform their duties. Directors should exercise judgment to ensure that their contact with management does not distract managers from their jobs or disturb the business operations of the Company. Such contact, if in writing, should be copied to the Chief Executive Officer of the Company.

#### *Board Access to Independent Advisors*

The Board committees may hire independent advisors as set forth in their applicable charters. The Board as a whole shall have access to such advisors and such other independent advisors that the Company retains or that the Board considers necessary to discharge its responsibilities.

#### *Annual Self-Evaluation*

At least one (1) time per fiscal year, the Governance and Nominating Committee will oversee an annual assessment by the Board of the Board's performance. The Governance and Nominating Committee will be responsible for establishing the evaluation criteria and implementing the process for such evaluation, as well as considering other corporate governance principles that may, from time to time, merit consideration by the Board.

The assessment should include a review of any areas in which the Board or management believes the Board can make a better contribution to the governance of the Company, as well as a review of the committee structure and an assessment of the Board's compliance with the principles set forth in these Guidelines. The Governance and Nominating Committee will utilize the results of the Board evaluation process in assessing and determining the characteristics and critical skills required of prospective candidates for election to the Board.

## **Board Meetings**

### *Frequency of Meetings*

The Board will meet at least four (4) times annually. In addition, special meetings may be called from time to time as determined by the needs of the business. It is the responsibility of the directors to attend meetings.

### *Director Attendance*

A director is expected to spend the time and effort necessary to properly discharge his or her responsibilities. Accordingly, a director is expected to regularly prepare for and attend meetings of the Board and all committees on which the director sits (including separate meetings of non-management directors and the Independent Directors), with the understanding that, on occasion, a director may be unable to attend a meeting. A director who is unable to attend a meeting is expected to notify the Chief Executive Officer (if he or she is a member of the Board) or the Chairperson of the appropriate committee in advance of such meeting, and, whenever possible, participate in such meeting via teleconference.

### *Attendance of Non-Directors*

The Board encourages invitations to management and outside advisors or consultants from time to time to participate in Board and/or committee meetings to (i) provide insight into items being discussed by the Board which involve the management team member, advisor or consultant, (ii) make presentations to the Board on matters which involve the management team member, advisor or consultant and (iii) bring management team members with high potential into contact with the Board. Attendance of non-directors at Board meetings is at the discretion of the Board.

### *Advance Receipt of Meeting Materials*

Information regarding the topics to be considered at a meeting is essential to the Board's understanding of the business and the preparation of the directors for a productive meeting. To the extent feasible, the meeting agenda and any written materials relating to each Board meeting will be distributed to the directors sufficiently in advance of each meeting to allow for meaningful review of such agenda and materials by the directors. Directors are expected to have reviewed and be prepared to discuss all materials distributed in advance of any meeting.

## **Committee Matters**

### *Number, Name, Responsibilities and Independence of Committees*

The Board currently has three (3) committees: (i) Audit, (ii) Compensation and (iii) Governance and Nominating. The committees are each composed of Independent Directors, subject to any exceptions provided by applicable laws, rules and regulations. Director nominees shall be subject to the approval of the Governance and Nominating Committee. From time to time, the Board may form a new committee or disband a current committee, depending upon the

circumstances. Each committee will perform its duties as assigned by the Board in compliance with the Company's bylaws and the committee's charter.

#### *Assignment and Rotation of Committee Members*

Based on the recommendations of the Governance and Nominating Committee, the Board appoints committee members and committee chairs according to criteria set forth in the applicable committee charter and such other criteria that the Board determines to be appropriate in light of the responsibilities of each committee. Committee membership and the position of committee chair will not be rotated on a mandatory basis unless the Board determines that rotation is in the best interest of the Company.

#### *Committee Agendas*

The Chairperson of each committee, in consultation with the appropriate members of the committee, will develop his or her committee's agenda.

#### *Committee Self-Evaluations*

Each of the committees will periodically perform a self-evaluation.

#### *Disclosure Committee*

Management has the authority to establish a Disclosure Committee to be composed of executives and other employees of the Company. The Disclosure Committee aids the Chief Executive Officer and Chief Financial Officer in fulfilling their responsibility for oversight of the accuracy and timeliness of the disclosures made by the Company. This includes designing and establishing controls and other procedures to ensure that the information required to be disclosed to the SEC and the investment community is recorded, processed, summarized and reported accurately and on a timely basis and that information is accumulated and communicated to management, as appropriate to allow timely decisions regarding such required disclosure.

### **Succession Planning**

The Board shall approve and maintain a succession plan for the Chief Executive Officer and other senior executive officers, including an emergency succession plan. The Board (i) develops criteria for the selection and performance review of senior executive officer positions that reflect the Company's business strategy, (ii) routinely reviews and discusses succession planning and (iii) identifies potential successors for senior executive officer positions.

### **Oversight of Risk Management**

The Board and the Board committees shall have an active role in overseeing management of the Company's risks. The Board shall regularly review information regarding the Company's credit, liquidity and operations, as well as the risks associated with each. The Company's Compensation Committee shall be responsible for overseeing the management of risks relating to the Company's executive compensation plans and arrangements. The Audit Committee shall oversee management of financial risks. The Governance and Nominating Committee shall

manage risks associated with the independence of the Board and potential conflicts of interest. While each committee shall be responsible for evaluating certain risks and overseeing the management of such risks, the entire Board is regularly informed through committee reports about such risks.

### **Ethics Helpline**

The Audit Committee will cause the Company to maintain and monitor an ethics helpline that is designed to receive confidential, anonymous submissions (i) regarding the Company's accounting, internal controls and auditing matters and (ii) of any known or suspected violations of the Company's Code of Business Conduct and Ethics or any applicable laws and regulations. The Audit Committee will investigate any submissions received through the ethics helpline and report to the Board periodically with respect to the information received through the ethics helpline and any related investigations.