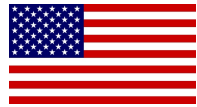


<b>Meeting Date:</b>	Tue, 06 Jan 2015 8:00am	<b>Type:</b>	EGM	<b>Issue date:</b>	Tue, 23 Dec 2014
<b>Meeting Location:</b>	Hyatt Regency, 1300 Nicollet Mall, Minneapolis, MN 55403				
<b>Current Indices:</b>	S&P500				
<b>Sector:</b>	Health Care Equipment				

PROPOSALS	ADVICE
<p><b>1 To adopt the plan of merger contained in the Transaction Agreement, and approve the revised memorandum and articles of association of New Medtronic</b></p> <p>Medtronic, Covidien, New Medtronic, IrSub, U.S. AcquisitionCo and MergerSub have entered into the Transaction Agreement, pursuant to which New Medtronic will acquire Covidien by means of a “scheme of arrangement,” and, immediately following and conditional on the consummation of the acquisition, MergerSub will be merged with and into Medtronic, with Medtronic surviving the merger as a wholly owned indirect subsidiary of New Medtronic. Upon the effective time of the merger, each Medtronic common share issued and outstanding immediately prior to the merger will be cancelled and will automatically be converted into the right to receive one New Medtronic ordinary share from or at the direction of MergerSub. The one-for-one exchange ratio is fixed, and, as a result, the number of New Medtronic ordinary shares received by the Medtronic shareholders in the transaction will not fluctuate up or down based on the market price of the Medtronic common shares or the Covidien ordinary shares prior to the transaction. It is expected that the New Medtronic ordinary shares will be listed on the New York Stock Exchange (“NYSE”) under the symbol “MDT.” Following the consummation of the transaction, the Medtronic common shares will be delisted from the NYSE. Since Irish law does not recognize fractional shares held of record, New Medtronic will not issue any fractions of New Medtronic ordinary shares to Medtronic shareholders in the transaction. Instead, the total number of New Medtronic ordinary shares that any Medtronic shareholder would have been entitled to receive will be rounded down to the nearest whole number and all entitlements to fractional New Medtronic ordinary shares will be aggregated and sold by the exchange agent, with any sale proceeds being distributed in cash pro rata to the Medtronic shareholders whose fractional entitlements have been sold.</p> <p>Triodos has no governance concerns about this proposal. However, we have strong concerns over product safety issues of the New Medtronic Company. Medtronic is involved in serious product safety issues, some of which led to substantial fines. Covidien, the proposed acquired company, is also involved in serious product safety issues, some of which are linked to severe injuries and patient deaths. Especially the company’s Tracheostomy Tubes are repeatedly recalled. Covidien’s quality management system is not convincing. Considering that Medtronic already has difficulties to manage its product safety concerns, the combination of the two companies gives rise to serious doubts about the sustainability and product safety management of the resulting company</p>	<p><b>For</b></p>
<p><b>2 To approve the reduction of the share premium account of Medtronic Holdings Limited to allow for the creation of distributable reserves of Medtronic Holdings Limited</b></p> <p>The board is seeking to reduce the share premium account of New Medtronic resulting from the issuance of New Medtronic shares pursuant to the Scheme of Arrangement in order to create a distributable reserve.</p> <p>As this resolution is ancillary to resolution 1, for which a vote in favour is recommended, it is appropriate to also support this resolution.</p>	<p><b>For</b></p>

**3 To approve, on a non-binding advisory basis, specified compensatory arrangements between Medtronic, Inc. and its named executive officers relating to the transaction. For**

In accordance with Section 14A of the Exchange Act, Medtronic is providing its shareholders with the opportunity to cast a non-binding, advisory vote at the special meeting on the compensation that may be paid or become payable to its named executive officers in connection with the transaction and the agreements and understandings pursuant to which such compensation may be paid or become payable.

In connection with the merger, none of the named executive officers will receive any payment or benefit as a result of the merger, other than a one off tax reimbursement. The outstanding equity awards held by the covered individuals will continue to reflect the same terms, including vesting schedules, at the combined entity. While a pre-existing deferred compensation trust would have, by its terms, been funded as a result of the transaction, Medtronic has amended the trust to prevent such funding.

In line with the Merger and the relocation to Ireland, and because there will be no accelerated vesting of awards, all awards to the Named Executive Officers will be subject to an exercise tax under Section 4985 of US federal law. The company has consequently stated that it will be reimbursing the executives for any tax charges(as noted above) made in connection with the relocation. Triodos supports this resolution.

**4 To approve any motion to adjourn the Medtronic, Inc. special meeting to another time or place if necessary or appropriate to solicit additional proxies Oppose**

The Board requests authority to adjourn the special meeting until a later date or dates, if necessary, in order to permit further solicitation of proxies if there are not sufficient votes at the time of the special meeting to approve the merger.

Triodos opposes any adjournment or postponement of meetings if a sufficient number of votes are present to constitute a quorum. It is considered that where a quorum is present, the vote outcome should be considered representative of shareholder opinion.

**For Private Circulation only**

©Copyright 2014 PIRC Ltd

Researcher: Rasheed Rambaran  
Email: [pircresearch@pirc.co.uk](mailto:pircresearch@pirc.co.uk)

Information is believed to be correct but cannot be guaranteed. Opinions and recommendations constitute our judgement as of this date and are subject to change without notice. The document is not intended as an offer, solicitation or advice to buy or sell securities. Clients of Pensions & Investment Research Consultants Ltd may have a position or engage in transaction in any of the securities mentioned.



Pensions & Investment Research Consultants Limited  
6th Floor  
9 Prescott Street  
London E1 8AZ

Tel: 020 7247 2323  
Fax: 020 7247 2457  
<http://www.pirc.co.uk>

**Regulated by the Financial Conduct Authority**  
*Version 2*