

# Modern Slavery Statement

Prepared by Stryker Australia Pty Ltd

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## Reporting Entity

This statement is made by Stryker Australia Pty Ltd ABN 48 002 873 850 of 8 Herbert Street, St Leonards, NSW 2065, in accordance with the *Modern Slavery Act 2018* (Cth) (the “Act”) for the period 1 January 2022 – 31 December 2022 (“Reporting Period”). This statement outlines actions Stryker has taken to assess and address potential human rights risks in our business operations or supply chain.

## Our business

Stryker is one of the world’s leading medical technology companies and, together with our customers, we are driven to make healthcare better. We offer innovative products and services in Medical and Surgical, Neurotechnology, Orthopaedics and Spine that help improve patient and hospital outcomes.

Our focus areas include Biologics; Clinical Communication and Workflow; Craniomaxillofacial; Digital and Enabling Technologies; Emergency and Acute Care; Foot and Ankle; Hips; Infrastructure and Integration; Knees; Minimally Invasive and Open Surgical Visualization Solutions; Neurosurgical; Neurovascular; Otolaryngology; Power Tools; Reprocessing; Robotic-Assisted Technology; Spine; Sports Medicine; Surgical Equipment; Trauma; Upper Extremities.

Stryker is headquartered in Kalamazoo, MI and our more than 51,000 employees operate in over 75 countries worldwide, including operations in the following geographic areas: United States of America (including Puerto Rico); Europe, the Middle East, Africa; Asia Pacific (including Australia); Canada and countries in the Latin American region.

With operations and supply chains spanning the globe, Stryker is committed to improving the working conditions of people who are connected to our business. We recognize the need to monitor for conditions that put workers at risk of modern slavery. The term ‘modern slavery’ is used throughout this statement and includes within its meaning all elements of “modern slavery” as defined by the Act.

More information about Stryker can be found in our most recent [Comprehensive Report](#).

Stryker Australia Pty Ltd is an Australian subsidiary of Stryker Corporation and the reporting entity under the Act.

The term ‘Stryker Australia’ in this statement refers to Stryker Australia Pty Ltd, while ‘Stryker’ refers to Stryker Corporation (listed on the New York Stock Exchange) and its subsidiaries. In this statement, the collective expressions “we”, “us”, “our”, are used when we refer to Stryker Corporation and any entities which it owns or over which it has control because we operate using group-wide policies and procedures to assess and manage risk of modern slavery. It is not intended to convey how we are structured, managed or controlled.

Stryker Australia employs over 700 people and conducts its business as an exclusive distributor of Stryker products from premises in Sydney, Melbourne, Brisbane, Perth, and Adelaide.

Stryker Australia sells, loans, consigns and services medical products manufactured and provided by Stryker’s overseas operations to hospitals, as well as providing demonstration equipment for trials by surgeons and hospitals. Stryker Australia has no local manufacturing operations.

## Our policies

Our company values of integrity, accountability, people and performance underscore how we deliver on our mission to make healthcare better, serve our customers, employees and communities and protect the planet.

Making healthcare better means conducting all aspects of business ethically and lawfully. Our [Code of Conduct](#), policies and standards help our employees conduct business the right way.

During 2022, Stryker developed a refreshed Code of Conduct that incorporated significant changes to underscore our expectations of all employees and business partners. Available in English and 20 other languages, our revised Code of Conduct incorporates our previous Code of Ethics and many of the individual policies outlined in our statement for the 2021 reporting period. The Code of Conduct expands upon the topics covered and provides new or enhanced guidance in several areas, including respecting human rights.

Upholding human rights aligns with Stryker's mission of making healthcare better. Fulfilling this mission includes collaborating with suppliers and customers to develop innovative products and positively impact the communities where we operate. That's why, in 2022, we published our Position on Human Rights that outlines our commitment to respecting human rights. We expect third parties, including indirect channels, suppliers, vendors and contractors doing business with Stryker, to share our commitment to safeguarding human rights, including modern slavery.

Our Code of Conduct and [Supplier Code of Conduct](#), which serve as guides for how we do business. These policies include the following principles:

- No forced labor, involuntary labor or human trafficking
- No child labor and fair treatment of young workers
- Fair labor practices
- Non-discrimination and antiharassment
- Safe working environment

## Governance

Stryker's corporate responsibility ("CR") work is underpinned by our mission and values, company strategy and Code of Conduct. The Governance and Nominating Committee of our Board of Directors has oversight of all CR matters. Our CR Steering Committee includes three executive officers who report to the CEO and is responsible for, among other things, advising on CR and environmental, social and governance ("ESG") initiatives, and providing quarterly updates to the Governance and Nominating Committee and annual updates to the full Board of Directors. More information about our Corporate Responsibility governance can be found in our most recent Comprehensive Report.

Our Human Rights Council, the highest body responsible for human rights governance and due diligence, is a global, cross-functional team. The Council's members provide input and counsel on human rights strategy and initiatives, embedding and advocating for human rights principles in their respective functions and tracking implementation and results. Our Group President of Global Quality & Operations serves as executive sponsor. The Council reports directly to Stryker's CR Steering Committee and provides regular updates on human rights topics, including modern

slavery. In previous disclosures, this group was referred to as the Forced Labor & Human Trafficking Workgroup.

In addition, Stryker maintains a strong Global Compliance program to drive Stryker's compliance with our mission and values. Stryker has several Compliance Committees, comprised of senior leaders, that monitor Stryker's compliance with Stryker's policies, procedures, including our Position on Human Rights, and all applicable laws and regulations, including those which relate to human rights and modern slavery, and investigate and respond to any relevant reports made through our Ethics Hotline.

## **Our supply chain**

### **Our suppliers**

Our supply chain comprises several tens of thousands of suppliers globally serving operations across our specialty business segments around the globe. Stryker's supplier network is a critical component of our value chain and is centered on engagement with suppliers who share in Stryker's mission and values. We seek and support strong relationships with a diverse group of suppliers who operate ethically and lawfully with an emphasis on accountability for their people and performance.

Our supply chain consists of direct and indirect suppliers. Direct suppliers are those which provide anything which directly relates to the manufacture of Stryker products. Our direct supply base consists of several thousand suppliers located primarily within North America and Europe. Indirect suppliers are those which provide anything else used within Stryker's operations. The majority of Stryker's manufacturing sites, and the suppliers that support them, are located in countries which are not considered high risk for modern slavery based on data available from governments and NGOs.

Stryker Australia procures goods and services from indirect suppliers, such as office space related goods and services, professional services, transportation and freight, and travel and accommodations.

### **Supply chain standards**

Through our focus on supplier management, we drive accountability with our suppliers to deliver on our mission and uphold our values. This enables us to predictably provide our customers with the products they need in a responsible manner.

In addition to our Position on Human Rights, our Supplier Code of Conduct, which aligns to our mission and values and our own Code of Conduct, outlines our expectations for our suppliers. Violations of applicable laws, including the use of child and compulsory labor, forced labor and human trafficking, and unsafe or hazardous working conditions are strictly forbidden. Strict adherence to the Supplier Code of Conduct is required for any supplier, direct or indirect, doing business with us and Stryker enforces that adherence through contractual arrangements with our suppliers.

Stryker requires that our suppliers maintain a management system designed to ensure compliance with the Supplier Code of Conduct, provide a complaint mechanism for their employees to report

workplace grievances or violations of our Supplier Code of Conduct free from threats of reprisal, intimidation, or harassment, and that they investigate and take corrective action on any complaints.

## Assessing and addressing our risk

### Human rights risks

Based on publicly available research, Stryker is aware that manufacturing is generally considered at a higher risk of modern slavery. Working conditions in factories and manufacturing sites and the procurement of certain raw materials can elevate the level of risk in the supply chain.

The primary raw materials and components used in Stryker's manufacturing of products are plastics, metals, electronics, packaging and other specialty materials, including textiles. According to publicly available reports, such as the Global Slavery Index, some of these industries are known to be at higher risk based on where the work occurs, or to incorporate higher risk materials within their extended supply chains.

As members of the Responsible Minerals Initiative and in line with regulatory requirements, Stryker maintains a Conflict Minerals Policy, conducts reasonable country of origin diligence, and require our direct suppliers to conduct supporting due diligence within their supply chains specific to the responsible sourcing of tin, tungsten, tantalum and gold. Stryker files an annual form SD and Conflict Minerals Report with the U.S. Securities and Exchange Commission which further details these efforts and can be found [here](#).

Based on publicly available research by organisations such as Anti-slavery and Walk Free, with respect to Stryker Australia's business activities, there is an elevated risk of risk of forced labor and human trafficking within the cleaning and freight/transport industries. However, based on our assessment our supply chain, we consider the risk to be low.

### Due diligence in our business and supply operations

We perform evaluations against publicly available data to identify suppliers that may inherently be at higher risk for Environmental, Social and Governance (ESG) related issues based on their industry and/or region where they operate, which include human rights and modern slavery. The results of these activities drive our engagement with suppliers on ESG performance assessments.

We engage the identified in-scope direct suppliers in ESG performance assessments through recognized third-party audit and ratings platforms that focus on policies, governance, key performance indicators and other evidence of integrated processes addressing human rights and labor, environmental, ethics and sustainable procurement risks. In 2021, we set a goal to engage 85 percent of our direct suppliers (by spend) on ESG performance assessments by 2027. To date, we've assessed suppliers covering 47% of our 2022 direct spend, keeping us on track to meet our 2027 target.

The assessment results are integrated into overall supplier risk scores, enabling easier risk identification and mitigation, procurement decisions and open dialogue about these topics during supplier reviews. Throughout 2022, procurement team members who manage in-scope suppliers received training on our strategy and guidance on how to engage with suppliers on ESG performance topics.

In 2022, Stryker Australia performed a targeted modern slavery risk assessment of its suppliers for all indirect suppliers with spend in 2022, focusing on any new suppliers added to Stryker Australia's list of suppliers in the previous calendar quarter. The assessments completed as part of our due diligence activities identified opportunities for continued supplier development but did not result in findings that required immediate intervention.

We also leverage supplier mapping, monitoring and supporting processes to detect and assess potential risks within our direct supply chain in near real time, including those relating to human rights and modern slavery.

### **Mitigation**

Stryker Australia reviewed its local policies and guidance documents for consistency with our global supply chain standards. The results of that review helped Stryker Australia develop its strategy to mitigate risk of forced labor and human trafficking with Stryker Australia's indirect suppliers.

Following this review, in 2022, Stryker Australia updated its standard purchase order terms and conditions to include requirements regarding modern slavery and compliance with the Supplier Code of Conduct and engaged suppliers on these requirements through a communication campaign. Stryker Australia also updated its supplier agreement templates to include compliance with these standards and is actively adding these provisions to existing agreements as those agreements come up for renewal. In addition, new contracts or contract renewals entered into by Stryker Australia now include clauses regarding modern slavery compliance.

Stryker Australia has also deployed a supplier pre-engagement check, requiring any suppliers responding to requests for proposal to agree to complying with the Supplier Code of Conduct.

### **Training and education**

Stryker requires employees to review and certify their compliance with the Code of Conduct on an annual basis.

In addition to the Code of Conduct training, our direct procurement and supplier quality employees are required to complete annual training focused on the prevention of human rights abuses, including modern slavery, in our supply chain. This training focuses on the forms of human rights abuse, including modern slavery, prevalence, risk factors, identification, and reporting mechanisms with the expectation that procurement personnel monitor Stryker's suppliers and are vigilant during any visits to a supplier facility. In 2022, 98.8 percent of these employees completed the training.

Stryker Australia deployed this training locally to indirect procurement managers and all purchase order approvers, individuals responsible for approving orders placed with Stryker Australia's suppliers. In 2022, 94.8 percent of these employees completed the training.

### **Reporting**

In addition to normal reporting lines and methods, Stryker has a global Ethics Hotline. This hotline allows employees and non-employees, including our suppliers and their employees, to report suspected improper, unethical or illegal conduct, misconduct and other concerns, including any violations of human rights, including modern slavery, via telephone, email or internet submission.

Reports can be made anonymously, and the identity of individuals making or involved in a report will be protected in accordance with local law. All submitted reports are analyzed and routed to the appropriate persons within Stryker for review, assessment and, if appropriate, investigation as part of our formal grievance process. This hotline is communicated and available to Stryker employees through internal training, to our suppliers through our Supplier Code of Conduct, and is accessible publicly on Stryker's website. Stryker's Ethics Hotline can be found at [www.ethicshotline.stryker.com](http://www.ethicshotline.stryker.com).

Stryker does not tolerate any form of retaliation against any individual who reports or participates in the investigation of any suspected unlawful conduct, including conduct that violates our Position on Human Rights. Our suppliers are required to provide a complaint mechanism, free of threat of reprisal, intimidation or harassment, for workers to report workplace grievances and violations.

## Effectiveness

Through our Human Rights Council, we continually evaluate the effectiveness of our human rights risks assessment and management processes to identify new factors and methods that can be applied. Management periodically reviews the actions being taken to assess the risk of modern slavery and human rights abuse in our supply chain. We listen and respond to concerns raised by our customers and stakeholders on a wide range of issues, including those concerning human rights and modern slavery.

We provide human rights training for key individuals, record the completion rates of this training and assess employees on their comprehension as part of that training. We are engaging with our supply chain policies and practices and enhancing and evolving them as needs arise. Lastly, we are working with our suppliers to drive progress on improvement opportunities identified through our assessments.

## Consultation

In preparing this statement, Stryker Australia Pty Ltd participated in and consulted with Stryker's Human Rights Council, direct procurement, and indirect procurement. Stryker Australia owns two non-trading subsidiaries, Wright Australia Pty Ltd and Tornier Pty Ltd, which, during the relevant Reporting Period, were in the process of being liquidated. The Boards of Wright Australia Pty Ltd and Tornier Pty Ltd, are the same as Stryker Australia and the Boards have had an opportunity to participate in the preparation of this statement as required.

## Approval

This statement was approved by the Stryker Australia Pty Ltd Board of Directors on 29 June 2023.



**Maurice Ben-Mayor**  
Chair of the Board  
Stryker Australia Pty Ltd