

Zimmer Australia Holding Pty Ltd

Zimmer Biomet Pty Ltd

Modern Slavery Statement for Financial Year Ended 31 December 2020

Reporting entity

This statement is made pursuant to the Modern Slavery Act 2018 (*Cth*) for Zimmer Biomet Pty Ltd and its sole shareholder Zimmer Australia Holding Pty Ltd (together, **Zimmer Biomet**) of Level 3, 12 Narabang Way, Belrose, NSW, 2085, in respect of the financial year ended **31 December 2020**.

Company Statement

Zimmer Biomet strives to achieve and maintain the highest possible standards of corporate integrity and ethical behaviour consistent with its Code of Business Conduct and Ethics, its Mission and its Guiding Principles. This includes dealing fairly in business, behaving ethically, upholding human rights, maintaining a safe and healthy workplace, acting in an environmentally responsible way in our business activities, and complying with all applicable laws. We are opposed to any form of modern slavery or human trafficking in our operations or supply chain, and we expect our people, suppliers and business partners to share our commitment to acting ethically and conducting their business in ways that are consistent with Zimmer Biomet's applicable policies and practices.

Our operations

Zimmer Biomet is primarily a distributor of orthopaedic medical devices, surgical products, and related services and technologies in Australia. It is organised as an Australian private company, and is ultimately owned by Zimmer Biomet Holdings, Inc. (listed on the New York Stock Exchange). Zimmer Biomet employs more than 290 staff in Australia. The head office for its Australian and New Zealand business is located in Sydney Australia, and the company has regional business centres in Melbourne, Brisbane, Adelaide, Perth and Auckland. The company markets and sells its products to customers both directly and also via local distributors.

Supply chain

The products, services and technologies marketed and distributed by Zimmer Biomet into the Australian Market are sourced from over 45 of the global group's manufacturing sites around the world, mainly in the USA and European Union, and are complemented by products sourced from over 50 global and regional third party suppliers.

Zimmer Biomet also procures or uses a number of goods and services that are not re-supplied to customers, but which are required to support its effective business operations. These are procured mainly from local companies to support the company's IT, marketing, logistics, travel management, human resources, and maintenance, repair and operations functions.

Risks of Modern Slavery practices and actions taken to address the risks

In order to address any potential modern slavery risks, including those in countries with known human rights issues, Zimmer Biomet globally has a Supply Chain Management program in place to ensure that high risk product suppliers are identified by evaluating and addressing risks of human trafficking and slavery, through the following steps:

- *Verifying* certain suppliers of products and services by evaluating and addressing risks of human trafficking and slavery through the following mechanisms:
 - Publishing and implementing the Corporate Supplier Quality Handbook and the Code of Supplier Conduct that sets expectations for Zimmer Biomet suppliers' social, environmental and business conduct and prohibits the use of slavery and human trafficking at supplier facilities;

- Auditing supplier compliance with the Code of Supplier Conduct periodically, including monitoring and evaluating compliance with prohibitions on slavery and human trafficking; and
 - Implementing Zimmer Biomet's Global Sourcing Program to monitor and verify certain suppliers' compliance with Zimmer Biomet's policies and requirements through desk-top and on-site audits.
- Requiring certain suppliers to *certify* that they comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business through, for example:
 - Incorporating social responsibility and environmental criteria in Zimmer Biomet's supplier sourcing and management processes. The terms of the Code of Supplier Conduct, for instance, have been included in purchase order terms and conditions as well as in certain supplier agreements; and
 - Requiring certain suppliers to adhere to all applicable laws relating to labor, environmental, health/safety and ethics, and by way of example and without limitation, Zimmer Biomet's Code of Business Conduct and Ethics, Corporate Supplier Quality Handbook, and the Code of Supplier Conduct.
 - *Maintaining internal accountability standards* and procedures for all Zimmer Biomet personnel including officers, directors, employees and contractors, through for example:
 - Under Zimmer Biomet's global Code of Business Conduct and Ethics, requiring all Zimmer Biomet personnel to adhere to all applicable laws relating to labor, including forced and child labor, the environment, health and safety, and ethics; and
 - Providing avenues through which Zimmer Biomet personnel may seek guidance on a legal or ethical question, or through which they can report knowledge of an illegal or unethical activity (e.g., via the Compliance Hotline) for reporting and ethics, and by way of example and without limitation, Zimmer Biomet's Code of Business Conduct and Ethics and the Code of Supplier Conduct.
 - Requiring *training* for all Zimmer Biomet personnel, with an additional level of training required for personnel with direct responsibilities for supplier sourcing and management. This training includes, for example:
 - Training in the Code of Business Conduct and Ethics, including its topics relating to slavery, human trafficking, and other potential human rights and labor standards issues;
 - The details of the Global Sourcing Policy and supplier compliance requirements; and
 - Supplier sourcing and management best practices.

In addition to the abovementioned efforts, in the past year Zimmer Biomet conducted a number of audits with certain direct suppliers and was satisfied that the risk of slavery and/or human trafficking is low in its direct supplier base.

Zimmer Biomet strives to continuously improve its programs and practices to ensure compliance with applicable laws and regulations and the company's high ethical standards, and to meet the expectations of its customers, shareholders, associates and other stakeholders.

Signed:



Warren Ballinger
President, Zimmer Biomet ANZ