

Modern Slavery Statement

Prepared by Stryker Australia Pty Ltd

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Contents

1. Identify the Reporting Entity	2
2. Describe the Structure, Operations and Supply Chain	2
3. Risks of Modern Slavery.....	3
4. Action Taken to Assess and Address the Risks of Modern Slavery.....	4
5. Effectiveness.....	6
6. Next Steps	6
7. Consultation.....	6
8. Any other information.....	7

1. Identify the Reporting Entity

Stryker Australia Pty Ltd ABN 48 002 873 850 of 8 Herbert Street, St Leonards, NSW 2065, submits this first modern slavery statement, as required under the *Modern Slavery Act 2018* (Cth).

2. Describe the Structure, Operations and Supply Chain

Stryker Australia Pty Ltd is an Australian subsidiary of Stryker Corporation.

The term ‘Stryker Australia’ in this statement refers to the above entity, while ‘Stryker’ refers to Stryker Corporation (listed on the New York Stock Exchange) and its subsidiaries.

Structure and operations

Stryker is one of the world’s leading medical technology companies, developing, manufacturing, and selling innovative products and services.

Stryker’s products include implants used in joint replacement and trauma surgeries; surgical instrumentation, endoscopic, patient handling and emergency medical equipment; communications systems; neurosurgical, neurovascular, and spinal devices; as well as other medical device products used in a variety of medical specialties.

Stryker operates in over 75 countries worldwide, including operations in the United States of America (including Puerto Rico); Europe, the Middle East, Africa; Asia Pacific; Canada and countries in the Latin American region.

Stryker Australia employs approximately 760 employees 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 to hospitals, as well as providing demonstration equipment for trials by surgeons and hospitals.

Stryker Australia on-sells products manufactured and provided by Stryker’s overseas operations. Stryker Australia has no local manufacturing operations.

Supply Chains

Stryker Australia’s supply chain is divided into two categories – direct and indirect procurement.

Direct Procurement

Direct procurement is described as anything which directly relates to the manufacture of Stryker products sold or distributed within Australia (or by Stryker Australia), from the raw materials and components to any outside operations used to transform components or finished goods. The majority of Stryker Australia’s products are procured from other Stryker entities which are manufactured in Stryker facilities around the world, primarily in Europe and North America.

In this context, Stryker Australia’s tier one suppliers are other Stryker entities and a small percentage of original equipment manufacturers (“OEMs”). Stryker Australia’s tier two suppliers are the component and raw material suppliers that support the manufacturing for these entities.

Except for the OEMs, Stryker Australia relies on these Stryker entities to perform the direct procurement activities relating to the manufacture of the products it sells. These Stryker entities perform those activities through Stryker's Global Procurement Team, within the Stryker's Global Quality & Operations group. This team manages several thousand component and material suppliers located primarily within North America and Western Europe, and to a substantially lesser degree in other regions, including Asia. The majority of these suppliers are long term partners helping Stryker meet the evolving needs of its customers and their patients, and are subject to stringent quality and regulatory standards.

Indirect Procurement

Indirect procurement refers to all of the other goods and services Stryker uses. For Stryker, these largely operational and corporate expenditures are incurred all around the world, but primarily in the approximately 75 countries where Stryker has operations.

Stryker Australia's indirect procurement largely occurs in Australia and includes but is not limited to:

- commercial leases;
- property fit out and make good obligations;
- facility maintenance and cleaning services;
- telecommunication and IT services and products;
- various professional services;
- transport and freight services;
- travel and accommodation;
- labour hire;
- insurances; and
- stationery

Despite these suppliers being located in Australia, Stryker Australia is aware that some of them may procure products and services from overseas, and in some cases from high risk jurisdictions.

3. Risks of Modern Slavery

High level risks of modern slavery can be identified across sector and industry, products and services, geographic and entity risks.

Direct Procurement

Manufacturing is generally considered at high risk of modern slavery. Not only working conditions in factories and manufacturing sites, but the procurement of certain raw materials can elevate the level of risk in the supply chain. The majority of Stryker's manufacturing sites, and the suppliers that support them, are located in countries which are not considered high risk jurisdictions by the Global Slavery Index.

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 including the Global Slavery Index and the U.S. Department of Labor's "List of Goods Produced by Child Labor and Forced Labor", some of these industries are known to be higher risk based on where the work occurs, or to incorporate higher risk materials within their extended supply chains, including the use of tin, tantalum, tungsten and gold originating from conflict regions in the Democratic Republic of the Congo and its adjoining countries.

Indirect Procurement

Of the indirect procurement categories, Stryker Australia is aware based on publicly available research by organisations such as Anti-slavery and Walk Free that there is a higher risk of modern slavery within the cleaning and freight/transport industries. The risk of modern slavery in freight, particularly international shipping, was significantly heightened in 2020 due to the impact of COVID-19.

Stryker Australia is also aware of the higher risk of modern slavery in respect of any of its second-tier suppliers who operate within developing countries in Asia.

4. Action Taken to Assess and Address the Risks of Modern Slavery

Stryker is committed to conducting its affairs ethically and lawfully. Stryker believes in the global protection of human rights in its own entities and within its global supply chain. Strict adherence to laws and high ethical standards is required of Stryker. Stryker also expects its suppliers to share this commitment to human rights and equal opportunity in the workplace and requires that they conduct their employment practices in full compliance with all applicable laws and regulations.

As mentioned above, Stryker Australia procures the vast majority of its products which it sells or distributes from other Stryker entities and OEMs. These products are manufactured in Stryker facilities around the world. Stryker Australia's tier one suppliers are other Stryker entities or OEMs, however, this part of the report outlines the actions taken by Stryker in respect of the suppliers of components and raw materials in the manufacturing of their products (Stryker Australia's tier two suppliers).

Over the next few reporting periods, Stryker Australia will focus on suppliers within its local indirect procurement functions. For further information see below under heading 'Next Steps'.

Assessment/due diligence

Stryker's direct procurement team works closely with its suppliers to understand any critical risks a supplier may pose to its business, including those relating to potential acts of modern slavery. Specific to modern slavery, Stryker evaluates publicly available reports, including the Global Slavery Index and the U.S. Department of Labor's "List of Goods Produced by Child Labor and Forced Labor", to understand the regions and industries with which Stryker engages that are most at risk for acts of modern slavery and to assess any implications that could have for its supply base. The relationship management strategies employed with its suppliers incorporate the mitigation of any identified risks and the consideration of overall risk when determining visit and audit frequencies. In response to the COVID-19 pandemic, Stryker maintained its commitment to comprehensive supplier management by utilising technologies to virtually connect with our suppliers.

Specific to the responsible sourcing of tin, tungsten, tantalum and gold originating in the Democratic Republic of the Congo and nearby countries, Stryker maintains a Conflict Minerals Policy. Stryker supports this policy by conducting reasonable country of origin inquiries and due diligence consistent with the Organization for Economic Co-operation and Development (OECD) Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and requires its direct suppliers to conduct supporting due diligence within their supply chains. Stryker files an annual

form SD and Conflict Minerals Report with the U.S. Securities and Exchange Commission which further details these efforts.

In the spirit of continuous improvement, Stryker is currently finalising additional risk monitoring and assessment strategies within its Procurement Center of Excellence, established in 2020, to further support its procurement teams in assessing Stryker's risk of modern slavery.

Standards/requirements

Stryker's Code of Conduct establishes policies and procedures that guide employees, officers, and directors of Stryker entities in the performance of their duties and responsibilities and ensure compliance with Stryker's commitment to ethical and lawful conduct. Violations of Stryker's Code of Conduct are not tolerated and will result in disciplinary action, including termination of employment where appropriate.

Stryker's Supplier Code of Conduct communicates the expectations it has for its suppliers in several key areas and specifically addresses the prevention of acts of modern slavery. Notably, Stryker's Supplier Code of Conduct prohibits engaging in any acts of modern slavery, whether or not such acts are prohibited by the jurisdiction in which the supplier resides. Violations of the Supplier Code of Conduct includes the use of child and compulsory labour, slavery and human trafficking. Further, Stryker's Supplier Code of Conduct requires that its suppliers (1) maintain a management system designed to ensure compliance with any applicable laws and the Supplier Code of Conduct, (2) provide a complaint mechanism for their employees to report workplace grievances or violations of law or the Stryker Supplier Code of Conduct, free from threats of reprisal, intimidation, or harassment, and (3) that suppliers investigate and, where appropriate, take corrective action on any complaints. Stryker requires adherence to the Supplier Code of Conduct through contractual arrangements with its suppliers, including negotiated agreements and standard Purchase Order Terms and Conditions.

Employee training

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

In addition to the Stryker Code of Conduct, Stryker procurement employees also complete annual Supplier Code of Conduct training which covers the contents of the Supplier Code of Conduct, suppliers' compliance obligations, and how to utilize the Supplier Code of Conduct in the management of any suppliers for which they have responsibility. Further, Stryker's procurement and supplier quality employees are also required to complete annual training focused on the prevention of modern slavery in our supply chain. This training focuses on the forms of 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. The Senior Manager – Indirect Procurement in Stryker Australia has completed this training and it is anticipated that other relevant members in Stryker Australia will complete this training in the next reporting period.

Reporting and compliance

In addition to normal reporting lines and methods, Stryker has a global Ethics Hotline which allows employees and non-employees to report suspected improper, unethical or illegal conduct, misconduct and other concerns via telephone or internet submission. Reports can be provided confidentially or anonymously. This hotline is communicated and available to Stryker Australia employees and is also

communicated publicly on the Stryker Australia web pages. Stryker Australia also implemented a Whistleblowing policy in compliance with the Australian whistleblowing regime affording employees with the protections offered at law.

Stryker's Global Quality & Operations compliance committee includes representatives from HR, Manufacturing, and Procurement and it is in charge of investigating any relevant reports made to our Ethics Hotline.

In October 2020 Stryker ran a global Speak Up! campaign focusing on the importance of speaking up about ethical issues. This campaign was implemented within Stryker Australia.

5. Effectiveness

Stryker continually evaluates its risk assessment processes in order to identify new factors and methods that can be applied. In addition, management periodically reviews the actions being taken to assess the risk of modern slavery in our supply chain.

Stryker records the completion rates of its Modern Slavery training, as well as assessing employees on their comprehension as part of that training, and plans to report on same in 2021.

6. Next Steps

Stryker Australia and/or Stryker plans to make progress through the following actions in FY 2021 and FY2022:

- continue consultation with tier one suppliers to address modern slavery risks
- undertake additional due diligence on high risk suppliers
- develop a supplier monitoring framework
- where reasonably practicable, in respect of procurement, ensure contracts with new suppliers and contract renewals incorporate modern slavery requirements and/or compliance with the supplier code of conduct
- train the relevant Stryker Australia teams
- review procurement policies and procedures, including tender processes adequately address modern slavery risks
- build a more detailed understanding of the procurement supply chain and the risks of modern slavery which arise

7. Consultation

In preparing this statement, Stryker Australia Pty Ltd consulted with Stryker's Global Quality & Operations team in order to understand the approach taken to direct procurement globally.

Supply chain, operations, finance and legal were involved in preparing the information which went into this statement.

8. Any other information

Stryker is required to report under the United Kingdom's *Modern Slavery Act 2015* and has done so for 4 years.

This Modern Slavery Statement was approved by the board of Stryker Australia Pty Ltd on 15 June 2021.

A handwritten signature in black ink, appearing to read 'MB', is positioned above the name and title of the signatory.

Maurice Ben-Mayor
Chair of the Board