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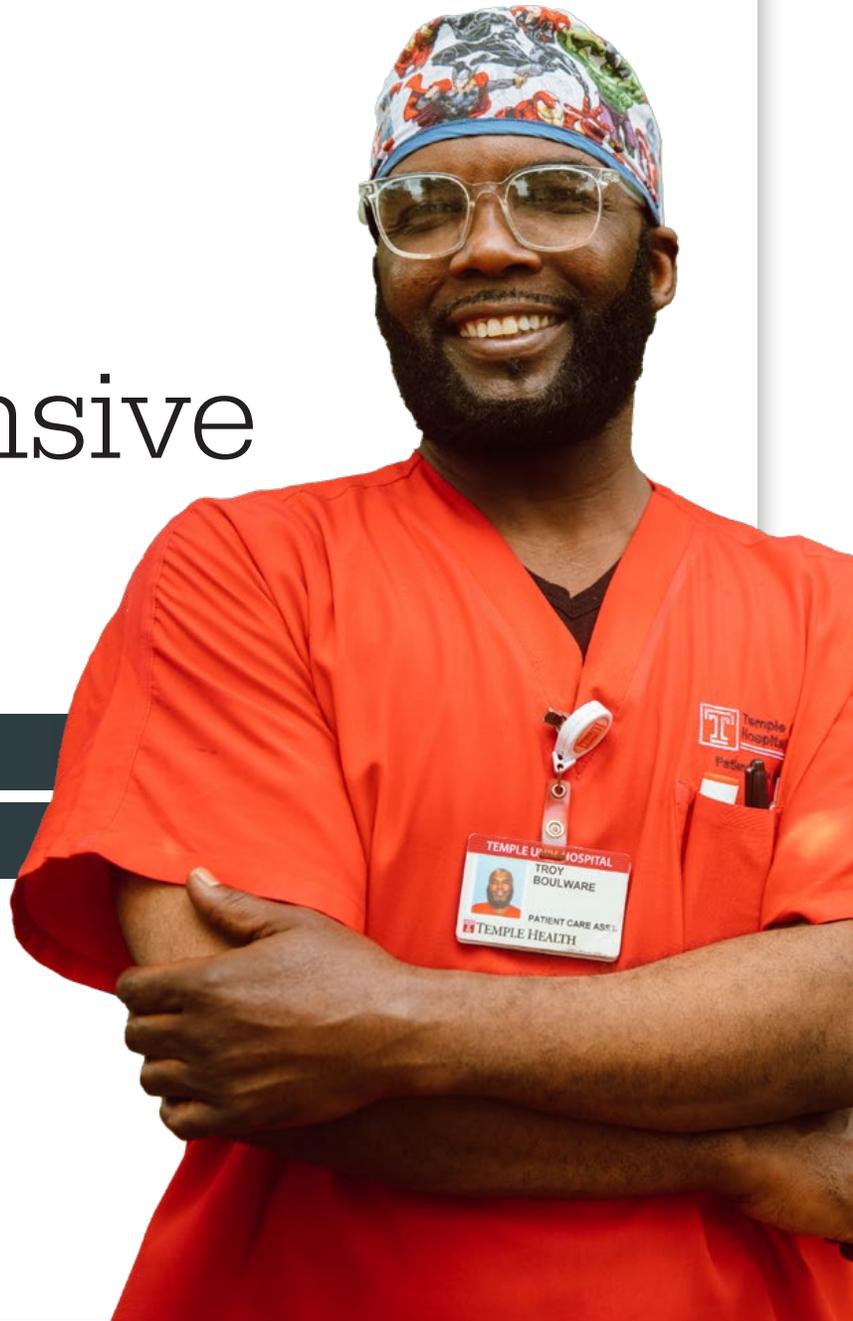
2022
Comprehensive Report

Financial, environmental,

social and governance

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Stronger together:
A day in the life of a surgical ICU nursing team

"A nurse is supportive. We draw the labs. We are the patient care assistant; we're getting them out of bed for physical therapy. We're occupational therapy; we're speech therapy; **and sometimes we're the family when they can't be at the bedside."**

Andrea Lindley, Registered Nurse, SICU

For the nurses at Temple University Hospital's Surgical Intensive Care Unit (SICU), there's no such thing as a typical shift.

As a Level 1 trauma center, the staff cares for some of the city's most critically ill and injured patients. And given Temple's location in the heart of North Philadelphia, patient needs are all over the map. In a single day, a nurse could care for patients recovering from gunshot wounds, skull surgeries, liver transplants and more. Patients' lives are at stake, and the nurses at Temple are their first line of defense, ready to respond to any need that arises.

Consider the needs of post-surgical care alone. After a complex surgery, nursing teams must coordinate with an array of specialists—from surgeons to intensivists, anesthesiologists to respiratory therapists. They work together to manage treatments and equipment, including IV poles, catheters, hospital beds, ventilators, medications and wound dressings, taking these into account each time they transport or reposition a patient. Nurses need to be sharp—to notice any changes in a patient's condition that could be a concern—and remain focused despite constant interruptions. Amid the chaos, bedside nurses are the ones responsible for understanding and knowing the patient best.

"Your patient comes before you. And sometimes, your team also comes before you, because if there's somebody crashing and coding, you're not going to say, 'Oh, I'm going to go to lunch, bye. I'll see you in 20 minutes, you got this.' **No, you're going to jump in. You're going to help.**"

Sarah Camponelli, Registered Nurse, SICU

6%
increase annually in nursing demand through 2030

Teamwork is paramount for nurses facing the unrelenting pressures of a SICU. But the demands can take a toll, and burnout among both new and seasoned nurses is high. Nursing school applications are down, and the average new nurse is leaving the industry after just two years. Meanwhile, veteran nurses are retiring due to the physical and emotional toll on them through the pandemic, and violence against healthcare workers has seen an alarming rise. At the same time, demand for nurses in the U.S. is projected to intensify as healthcare needs grow due to an aging population and increase in chronic illness.

An overburdened healthcare system leaves nurses facing significant challenges. One way we can support them is by developing solutions that make their jobs easier—to enhance outcomes and protect these vital workers. For example, Secure Connect is a new smart technology that immediately connects a ProCuity bed to a nurse call system when the bed enters the room, streamlining workflow by eliminating the need for cables. In addition, our newly acquired Vocera technologies, such as the Minibadge, provide nurses with a hands-free way to quickly call for support if a patient is in distress.

"**Stryker has a passion for nurses.** We believe it's our role as partners in healthcare to help reduce the burden that nurses are facing, so folks continue to join the industry."

Jessica Mathieson, Vice President and General Manager, Stryker's Acute Care Business

These technologies can help ease the burden to a degree. But nurses also depend on something even more important: the bonds that teams like the one at Temple share with one another. Sheila Billips, Registered Nurse, SICU, says it's the relationships with her coworkers that have kept her at Temple for the past 20 years. "There are days when it's just stressful. We all kind of pull together," she says. "We just try to support each other through it. It's like a mini family."

While the job of a nurse is difficult, the teamwork and opportunity to save lives and help patients recover are what make the job worth it. "You really see a lot of things up here. We see a lot of traumatic events," says Alex Von Hofen, Registered Nurse, SICU. "But you see people get better as well. After a long, hard day, if you can think of those moments, it makes the drive home a little bit easier."

"No one understands the challenges that healthcare providers face better than those who have been there. **That's why Stryker employs over 150 nurses who provide the caring aspect of nursing with the clinical knowledge and business acumen to accelerate the innovation process.**"

Rebecca Paalman, Senior Director, Clinical Strategy and Programs

Our
company

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 healthcare outcomes.

Focus areas

- 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

- Neurosurgical
- Neurovascular
- Otolaryngology
- Power Tools
- Reprocessing
- Robotic-Assisted Surgery
- Spine
- Sports Medicine
- Surgical Equipment
- Trauma
- Upper Extremities

SYK
symbol for our common stock publicly traded on the New York Stock Exchange

$18.4B
global sales in 2022

$1.45B
spend on R&D in 2022

Kalamazoo, MI
U.S. global headquarters

75+
countries, including operations in the following geographic areas: the U.S. (including Puerto Rico); Europe, Middle East, Africa; Asia Pacific; Canada and countries in the Latin America region

~51,000
employees worldwide in 2022

12,000+
patents owned globally in 2022

Over 130M
patients impacted*

Global recognition

- World's Best Workplaces, Great Place to Work and Fortune
- World's Most Admired Companies, Fortune
- 100 Best Companies to Work for, Great Place to Work and Fortune
- Blue Ribbon Companies, Fortune
- Companies that Care, Great Place to Work and PEOPLE

* Figure based on 2021 data. We regularly update our methodology to reflect our business footprint and data availability, which may result in changes to our reported metric.

A message from Stryker's Chair and CEO, **Kevin Lobo**

Dear stakeholders,

Together with our customers, we are driven to make healthcare better, and we're impacting the lives of more people around the world than ever before. Reflecting on 2022, it was a year of unprecedented supply chain challenges that, coupled with high inflation and negative foreign currency, created significant pressure on the organization. However, we persevered, delivered outstanding sales growth and made progress on our strategy. I'd like to thank our employees for their efforts in delivering innovation, providing excellent service to our customers and making the Stryker brand stronger than ever.

Culture and leadership

Our mission and values are the cornerstone of our culture, and people are at the heart of it. Despite challenges, our employees stayed focused on caring for our customers and each other, and our employee engagement levels remained high. Contributing to these engagement levels were continued progress on our Diversity, Equity and Inclusion commitments, as well as prioritization of employee development, career growth and workplace flexibility. Our employees are the driving force behind our progress and achievements, and in 2022, our teams around the world were honored with Great Place to Work awards, including best workplaces for women and millennials. Fortune also recognized us for the sixth consecutive year as one of the World's Best Workplaces.

"Our employees are **the driving force** behind our progress and achievements."

We had two new corporate officer appointments last year with Andrés Cedrón, Vice President, Corporate Secretary, and Jason Beach, Vice President, Investor Relations.

Financial performance

In 2022 Stryker delivered outstanding sales growth and took action to address the macroeconomic challenges that squeezed our profits in the year.

Our full-year organic net sales grew 9.7 percent, including 8.9 percent in the United States and 11.7 percent internationally. Our five-year International organic growth trend continues to outpace the U.S. as we advance our strategic pillar of globalization. Our organic growth included 10.6 percent from increased unit volume and a 0.9 percent impact from lower prices. Our reported net earnings increased 18.3 percent, and our adjusted net earnings increased by 2.8 percent.

We delivered $2.6 billion of cash from operations. This enabled us to pay down $650 million of our term loan and increase our dividend rate by 7.9 percent for the January 2023 payment.

Innovation

Our customer-centric approach led to multiple product launches, supporting the needs of physicians, nurses and healthcare providers. Specialization continues to be key to developing solutions for our customers, and we're maximizing our portfolio by working across our divisions in areas like personalization, provider and patient safety, and digital, robotics and enabling technology. Our Medical division was strengthened by the integration of our Vocera acquisition, enabling us to provide connected solutions that enhance healthcare provider communications and workflow. We also opened several innovation centers around the world to serve the technology needs of our customers: a Mako Education Center in Japan; a new facility in Ireland to advance our additive manufacturing leadership; our Global Technology Center in India; and an R&D Lab in Australia.

Corporate responsibility

This year we made further progress on our corporate responsibility (CR) commitments that align with our framework of stronger people, healthier planet and good business. To understand the scope of our reach, we developed solid impact metric methodology that

Mission

Together with our customers, we are driven to make healthcare better.

Values

| **Integrity** | **Accountability** | **People** | **Performance** |
| We do what's right | We do what we say | We grow talent | We deliver |

we started reporting last year. Each year we impact more than 130 million patients. We have already achieved our 2024 goal of a 20 percent carbon reduction for all Stryker facilities, and we signed a large virtual power purchase agreement that will provide wind power for 75 percent of our electricity needs in North America to support our 2030 carbon neutrality goal. Stryker also increased transparency and accountability to meet stakeholder expectations by releasing a new code of conduct and publishing Scope 3 carbon emissions data. Globally, our teams continued to find opportunities to make a difference for our customers and our communities, and we were honored to be recognized again on PEOPLE's Companies That Care list.

Looking ahead, we expect to continue to drive sales growth at the high end of med-tech and look to improve our profitability as the supply chain pressures ease. We will continue to make progress on our strategic pillars of Customer Focus, Innovation, Globalization and Financial Performance. Our strategy, people and culture will ensure that we continue to deliver on our mission and that we are well-positioned for the future.

Our company strategy

Drive market leading growth and achieve category leadership in MedSurg, Neurotechnology, Orthopaedics and Spine

Customer focus
- Intense customer commitment through business unit specialization
- Achieve highest levels of customer engagement through high quality products, sales and marketing excellence and world-class supply chain

Innovation
- Make healthcare better through evidence-based products and services that enable safer patient care and improved outcomes
- Drive growth through disciplined investment in R&D and business development

Globalization
- Focus resources and talent on key global markets
- Strengthen alignment among franchises, country teams and global functions
- Positively impact people and environment through responsible and sustainable practices

Financial performance
- Continuously reduce costs and generate cash to fund our future
- Improve profitability and operating leverage through scale and process excellence

Quality first: Top tier products and services
Talent and culture: Mission-driven diverse and inclusive teams

Innovating for **patient impact**

Innovation not only fuels our growth, it also impacts lives around the world—more than 130 million annually. This would not be possible without our people, the approximately 51,000 employees from over 75 countries who are passionately driven to deliver remarkable results. Stryker is uniquely positioned to impact patients across their care journey through our innovative capital, disposable and implant offerings.

Keeping athletes playing

"I wanted people to know that you can play as one of the top players even after surgeries. **Softball will always be a part of my life."**

Kurumi Matsuoka

Learn more

Kurumi Matsuoka, who has been committed to softball from a young age, is a player on a top Japanese women's softball team. Despite repeated injuries, including a ruptured meniscus and ACL that resulted in four surgeries, Kurumi is on the field again, thanks to ACL reconstruction technology and her grit, determination and passion for the sport.

Getting a hiker back on the trail

"The first time I put my feet on the ground I was like, **'Wow!' I feel like I have my life back.** "

Rose Odum

Learn more

About 20 percent of people affected by acute lower back pain develop chronic lower back pain with persistent symptoms at one year.[1] Rose Odum, an avid hiker, was one of them. After trying to manage her pain for three years with conservative treatments, she and her orthopaedic spine surgeon decided to try surgery using our Niagara retractor system technology. Today, Rose is back on the trails.

Keeping a family whole

"If it wasn't for that AED I don't know that I would mentally be here. I'm really appreciative of the sheriff and the EMTs. **They saved my life and gave my family and me more time.** "

Esley Thorton

Learn more

When Esley Thorton suffered a cardiac arrest in his home, his wife and son immediately called 911, grabbed their automated external defibrillator (AED) and followed the voice prompts. When emergency responders arrived, they continued CPR, and later emergency medical services (EMS) deployed the LUCAS chest compression system. Esley's pulse returned before leaving for the hospital.

Innovating for **growth**

We continue our mission of making healthcare better by focusing on more precise, safer and more efficient ways to deliver care.

Our approach to innovation, both organically and through acquisitions, is driven by an understanding of what our customers need. During 2022, we leveraged advanced manufacturing techniques, user research and enabling technologies to introduce products aligned with three key trends: personalization, safety, and digital and enabling technologies. These new offerings will allow us to improve the lives of more patients and healthcare professionals in hospitals and ambulatory surgery centers (ASCs) alike.

Personalized solutions for patients

Individualized implants

Early in 2022, the new Shoulder iD Primary Reversed Glenoid was used in surgery for the first time. The patient-matched implant is the first scalable solution of its kind available for shoulder arthroplasty. Powered by Blueprint 3D Planning Software, the surgeon is in the driver seat to autonomously visualize, plan and place orders for this patient-tailored implant.[2]

Biologic solutions

Beyond customizing the shape and positioning of implants themselves, Stryker is also innovating with implants that promote the eventual integration of a patient's own tissue. This includes the MEDPOR product line of porous polyethylene solutions and our biologic portfolio, which includes proprietary spinal grafts, viable bone matrices, demineralized bone matrix products, synthetic bone grafting substitutes, amniotic and dermal membranes, and nerve products.

Keeping healthcare providers safe

We are trusted to deliver solutions that save and restore health, as well as avoid risk in healthcare settings. Stryker identifies preventable hazards and challenges then introduces safety solutions that protect not only patients, but also caregivers, from harm.

Safe and sustainable handling of surgical smoke and operating room fluid waste

Surgical smoke happens when human tissue is contacted by lasers or electrosurgical devices, causing a toxic plume. This smoke can carry harmful toxins, viruses and bacteria,[3] which can expose surgical staff to the health equivalent of 27 cigarettes per day.[4] Stryker's Neptune and SafeAir Smoke Evacuation systems are designed to protect patients and staff from surgical smoke. We are also proponents of global standards for smoke evacuation. Stryker partners with organizations such as the Surgical Smoke Coalition in the European Union, as they work to minimize risk of harm from surgical smoke in the workplace.

Also, Stryker's Neptune 3 system simplifies the process of surgical waste management in operating rooms by protecting healthcare staff from exposure to collected fluid waste. A recently conducted service evaluation study by Stryker showed that Neptune significantly reduced the total weight of device-related treated waste and improved operating room efficiency, staff safety and user satisfaction compared to the traditional canister system.[5]

Fewer repetitive injuries

An estimated 24 percent of EMS work-related injuries are sprain or strain, and 13 percent of these injuries are in the lower trunk.[6] The Power-PRO 2 powered ambulance cot includes an ergonomic transport handle, optimal loading height settings and a smarter hydraulic assembly, all designed to make the cot more maneuverable and reduce worker injuries.

Better communication

Doctors and nurses are often bombarded by a stream of alerts, alarms, text messages and phone calls, which can make it difficult to determine urgency and priorities. These interruptions can impact response times, create bottlenecks in patient care and contribute to cognitive overload and burnout among healthcare professionals. Vocera Communications, Inc., which Stryker acquired in 2022, augments Stryker's portfolio, providing solutions to simplify clinical workflows and improve communication. These intelligent solutions also integrate with over 150 clinical and operational systems, including electronic health records, nurse call systems, beds and physiological monitors.

Embracing digital technology

Complementing our investments in personalization and safety are enabling technologies that focus on improving operational, financial and clinical outcomes—including before, during and after surgical procedures.

Inventory tracking

At a time when surgeons and administrators are looking for ways to streamline operations while increasing the reliability of their surgical equipment, the Pulse Intelligent Delivery Platform offers a full-circle product and fulfillment solution that is optimized for high-volume ASCs. The platform includes a comprehensive suite of out-of-the-box, surgery-ready products for foot and ankle indications. These products are sterile packaged with radio frequency identification (RFID) technology, which in conjunction with a proprietary Procedure Mapping Technology, is able to monitor an ASC's inventory and trigger personalized replenishment orders automatically. This ensures each ASC has everything they need for each surgery and nothing it does not.

3D planning

3D planning helps surgeons evaluate a patient's shoulder anatomy and determine in advance how to plan for challenging cases. The Blueprint digital platform takes 3D planning a step further with mixed reality technology. Blueprint Mixed Reality allows surgeons to see their Blueprint surgical plans in 3D as they operate. The Q Guidance System with Spine Guidance Software, part of Stryker's suite of enabling technologies, uses a proprietary camera and advanced algorithms to deliver more surgical planning and navigation capabilities.


Q Guidance System with Spine Guidance Software

Precision technologies during and post-surgery

Mako SmartRobotics 3D, CT-based planning enables AccuStop haptic technology, which helps surgeons execute their total knee, total hip and partial knee replacement surgical plans with precision and accuracy.[7,8,9,10] Mako is compatible with our clinically proven hip and knee implants, including the new Insignia Hip Stem. Other new products include CD NXT, a patented technology that provides real-time depth measurement as you drill, allowing for fast, accurate and consistent digital depth measurement across a variety of procedures.[11,12,13] The OptaBlate Bone Tumor Ablation System uses microinfusion technology to provide relief for people living with painful metastatic tumors.[14]

Post-operation, MotionSense with OrthoLogIQ is a wearable remote therapeutic monitoring device that guides patients through their pre- and post-operative knee replacement journey. Post-surgery, the device sends data, including range of motion, pain scores, wound images and patient compliance, directly to the surgeon and care team.
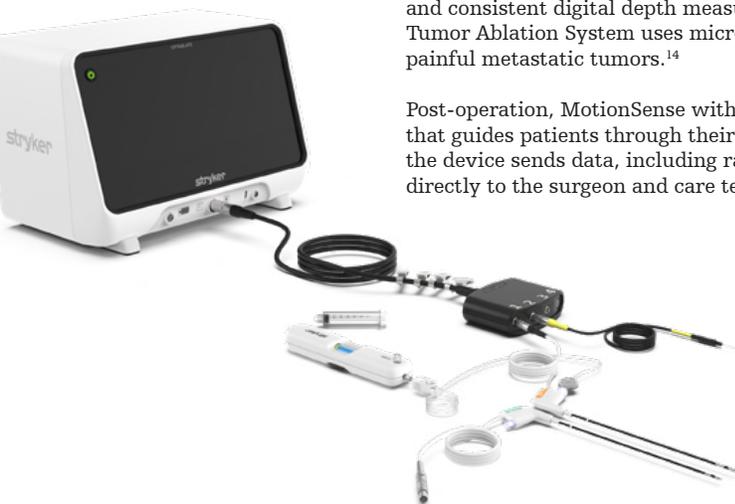
> "There is no more deserving patient population for our attention and intervention. **OptaBlate will change lives."**
>
> **Dr. Anthony Brown,** Vascular and Interventional Radiologist, Radiology Imaging Associates, Colorado
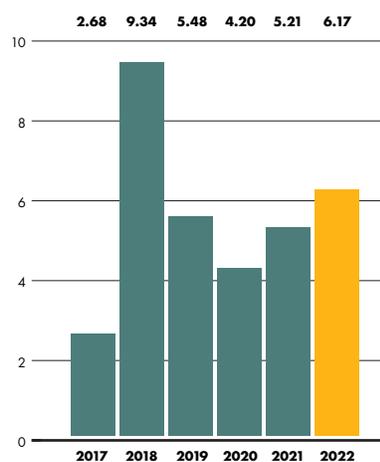
Financial **highlights**

Financial overview
($ in millions, except per share amounts)

	2022	2021	% Change
Net sales	$18,449	$ 17,108	7.8%
Earnings before income taxes	2,683	2,281	17.6%
Income taxes	325	287	13.2%
Net earnings	2,358	1,994	18.3%
Adjusted net earnings*	3,571	3,474	2.8%
Net earnings per diluted share of common stock			
Reported	6.17	5.21	18.4%
Adjusted*	9.34	9.09	2.8%
Dividends paid per share of common stock	2.78	2.52	10.3%
Cash, cash equivalents and marketable securities	1,928	3,019	(36.1%)

Net earnings
($ per diluted share)

2.68   9.34   5.48   4.20   5.21   6.17

2017 2018 2019 2020 2021 2022

Adjusted net earnings*
($ per diluted share)

6.49   7.31   8.26   7.43   9.09   9.34

2017 2018 2019 2020 2021 2022

Dividends paid
($ per share of common stock)

1.70   1.88   2.08   2.30   2.52   2.78

2017 2018 2019 2020 2021 2022
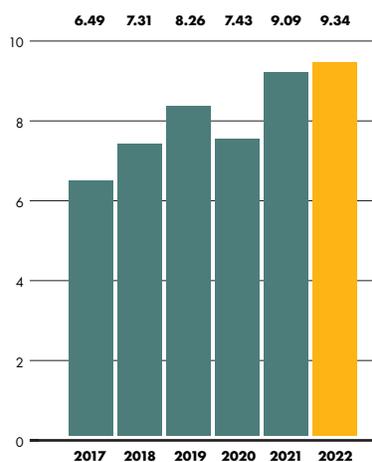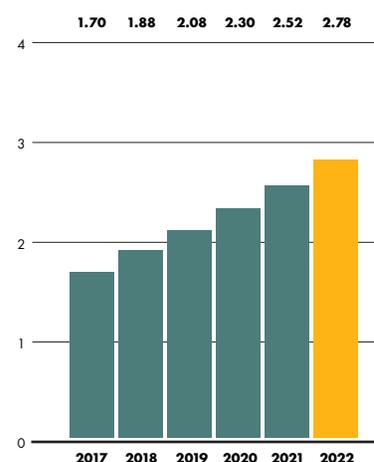
* Adjusted net earnings and adjusted net earnings per diluted share are non-GAAP financial measures. Refer to page 96 for a reconciliation to the most directly comparable GAAP financial measures, net earnings and net earnings per diluted share.

Leading in MedTech

$18.4B in global sales

Sales by segment

- 16% Medical*
- 15% Trauma & Extremities†
- 13% Endoscopy*
- 12% Instruments*
- 11% Knees†
- 8% Hips†
- 8% Neuro Cranial*
- 7% Neurovascular*
- 6% Spine†
- 4% Other*†

* MedSurg and Neurotechnology
† Orthopaedics and Spine

2022 geographic net sales
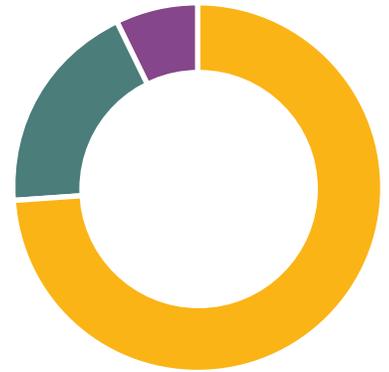
- 74% United States
- 19% International (developed)
- 7% Emerging markets

58%
MedSurg and Neurotechnology

- 16% Medical
- 13% Endoscopy
- 12% Instruments
- 8% Neuro Cranial
- 7% Neurovascular
- 2% Other

42%
Orthopaedics and Spine

- 15% Trauma & Extremities
- 11% Knees
- 8% Hips
- 6% Spine
- 2% Other

Our **corporate responsibility** journey

Stryker's CR objective is to positively impact people and our planet through responsible, sustainable practices that create a better, healthier world.

This objective aligns with Stryker's mission to make healthcare better and helps us focus on environmental, social and governance (ESG) priorities and strategic initiatives that drive progress. We achieve this objective by striving to integrate ESG into all aspects of our business, working across functions to improve ESG performance and engaging employees around ESG programs, including social impact activities. We have clear commitments and business activities that support each of these pillars, which you can read about in more detail throughout this report.

Corporate responsibility framework

Stronger **people**

We are committed to serving our communities and creating a healthy, diverse, equitable and inclusive workplace where employees thrive.
- Advancing a culture of inclusion, engagement and belonging
- Strengthening the diversity of our workforce and measuring progress

Healthier **planet**

We are committed to reducing our environmental impact on the world through responsible, sustainable operations.
- Reducing carbon emissions by 20 percent for all Stryker facilities compared to a 2019 baseline—achieved in 2022
- Becoming carbon neutral for all Stryker facilities by 2030
- Powering 100 percent renewable electricity by 2027

Good **business**

We are committed to helping customers improve patient outcomes and fostering responsible growth by pursuing quality and integrity in everything we do.
- Engaging suppliers on ESG performance assessments with the goal of covering 85 percent of our direct spend by the end of 2027
- Maintaining formal accountability to the Board of Directors for CR

Stakeholder engagement

Stryker regularly engages on ESG topics with employees, customers, investors, suppliers, community members and regulators. This engagement comes in many forms, from formal surveys and interviews to ESG-focused calls with investors to industry collaborations. For example, Stryker is co-leading the Decarbonizing the Healthcare Value Chain initiative, a cross-functional convening of healthcare organizations, to build community and identify a collective path to address emissions across our sector. We maintain and share our healthcare expertise through membership in organizations like the American College of Clinical Pharmacy, AdvaMed, MedTech Europe and APACMed. Stryker also regularly participates in and gathers input from supplier diversity roundtables.

ESG Priorities*

Stryker has 20 ESG Priority topics that align with our pillars of Stronger people, Healthier planet and Good business. This prioritization informs our strategic planning, the targets and goals we set and how we communicate progress. We arrived at these topics through an assessment designed to identify, refine and prioritize the potential ESG issues that matter most to our business and external stakeholders. The assessment included a benchmark against Stryker's peers; an interview and data-based analysis of priorities among customers, suppliers and investors; surveys of Stryker's sales representatives about the topics of greatest interest to customers; and a review of broad ESG trends.

Stronger **people**

- Access to quality healthcare
- Community engagement, charitable giving and volunteering
- Diversity, equity and inclusion
- Employee and patient health and safety
- Employee development and training
- Engagement with healthcare providers and customers
- Ethical marketing
- Product social impact and innovation

Healthier **planet**

- Air pollution
- Biodiversity
- Climate change
- Environmental product packaging development and design
- Operational waste management
- Water

Good **business**

- Ethics, compliance, anticorruption and antitrust
- Information security and privacy, intellectual property and cybersecurity
- Product safety and quality
- Responsible sourcing and human rights
- Supply chain transparency and diversity
- Transparency, ESG reporting and stakeholder engagement

* ESG materiality[†] approach: Our assessment, completed by an external agency with input from our leaders and internal stakeholders, helped us identify and prioritize the ESG topics that matter most to our external stakeholders and our company. We will continue to monitor the rapidly evolving ESG and CR landscape, including the frameworks and guidelines, report on ESG Priorities, evaluate these topics in the future and adjust our approach accordingly.

† "Materiality," as used in this report, is different than the definition used in the context of filings with the Securities and Exchange Commission.

Stronger **people**

People—customers, employees, patients and community members—are at the heart of everything we do. Healthcare professionals around the world use Stryker's products and solutions daily to care for patients, operate efficiently and communicate. We make a difference in communities through donations and volunteer time to causes that align with our giving and volunteering strategy. Stryker's employees make it all possible, and we do our best to create a workplace that is safe, rewarding and inclusive.

Healthcare professionals and patients
Making healthcare better

Our customers are contending with bigger challenges than ever. The healthcare industry faces mounting financial pressures and staff shortages; care team members are burned out; and, at the same time, patients, having delayed care during the pandemic, are coming into hospitals sicker than before. This makes it more critical than ever for Stryker to develop products that help care teams function efficiently, improve safety and reduce the overall cost of care. Stryker strives to adapt to this changing landscape and help healthcare professionals better care for patients by:

- Staffing a team of clinical nurse consultants who work directly with our customers onsite to understand challenges and develop solutions that promote safety and efficiency
- Providing ProCare OnSite Service Teams to support staff at hospitals that face staffing challenges
- Collaborating with healthcare professionals throughout the product design and development process to create a continuous feedback loop to our engineers

- Sponsoring research and publishing reports on current issues affecting the medical community
- Innovating ways to help reduce preventable health risks to patients and healthcare professionals—such as with our Neptune Waste Management System and SafeAir Smoke Evacuation System[15,16,17,18,19]
- Enabling easier and faster decision-making for surgeons with products that help them plan and visualize implant placement in advance[20,21,22]

- Offering medical education opportunities to ensure our customers understand how to use Stryker's products safely and effectively
- Providing flexible financial solutions that make it easier for customers to acquire the equipment they need to deliver care
- Working with physicians to design and outfit new ambulatory surgery centers (ASCs)

Creating safety solutions for a changing healthcare environment

Our mission to make healthcare better includes creating safe conditions for patients and healthcare professionals alike. In 2022, we advanced this commitment in several ways:

Addressing healthcare team member challenges

Healthcare workers increasingly fear for their personal safety and wellbeing. Patient frustration and violence against care team members is on the rise, with one in four nurses reporting being assaulted at work.[23] In addition to safety concerns, many staff members feel overwhelmed by their workload.

One way of addressing such concerns is through enhanced communication technology. At the beginning of 2022, we completed our acquisition of Vocera Communications—an innovator in digital care coordination and communication. This has given us a complementary portfolio of advanced digital healthcare offerings to help us proactively innovate new solutions to address these issues.

For instance, using the NASA Task Load Index—a validated instrument that measures workers' task load in high-intensity jobs—we researched and published a report on nurse communication issues[24] and how these contribute to nurse frustration and burnout. We recently sponsored research on workplace violence in healthcare

systems[25], which helped produce a model that hospitals can use to empower outcomes in workplace violence prevention and recovery.

We also introduced the Vocera Minibadge—a wearable, voice-activated device that allows workers to communicate completely hands-free. It enables those in isolated environments to stay connected, ask for help, request supplies and access information without having to leave the bedside or remove personal protective equipment (PPE). It also has a dedicated panic button, which allows healthcare workers to make discreet, one-way distress calls. The Vocera Minibadge vibrates slightly when activated to let staff know that they are being heard by security and help is on the way.

"The powered cot makes it easier for my back. It delivers more stability for loading patients and **provides them with peace of mind."**

Kazuko Sasaki,
emergency worker

Making life easier for emergency responders

The Power-PRO XT powered ambulance cot is a Stryker innovation that provides added safety benefits for emergency workers. A battery-powered hydraulic system raises and lowers the cot at the touch of a button. For emergency workers, the cot helps with maneuverability without requiring significant strength,

allowing a variety of people to work in these roles.[26]

Creating safer operating rooms

During surgery, healthcare professionals can encounter bodily fluids that must be carefully disposed of. In many cases, operating room staff must manually clean fluids from an operating theatre and transfer them for disposal. The Neptune 3 Waste Management system simplifies what can be a time-consuming and potentially hazardous process.[27,28] As the only constantly closed system on the market, Neptune protects staff from exposure to collected fluids

by containing surgical liquid waste from collection through disposal. In a recent service evaluation study conducted by Stryker, we found that Neptune significantly reduced the total weight of device-related treated waste and improved operating room efficiency, staff safety and user satisfaction over the traditional canister system. Says Sarah Baker,

Operation Lead at James Cook University Hospital in the U.K., "Neptune is the most innovative piece of equipment I have seen in the last 20 years that is dedicated not only to patient safety but staff wellbeing as well."

Reducing complications
in the ICU

Our safety solutions also include products that reduce the likelihood of hospital-acquired conditions among patients. After switching to Stryker's ProCuity ZMX beds in their adult ICU, a Virginia-based medical center saw a 92 percent decrease in hospital-acquired pressure injuries and estimated hospital cost savings of up to $5 million.[29]

Access to quality healthcare

A person's location and demographics should not determine the healthcare they receive. Stryker is helping to address inequities in healthcare through product development as well as in our broader market access, advocacy and philanthropic investments.

Affordability for healthcare facilities

Hospitals are facing a range of financial pressures, making it challenging to balance service and resources. To help support care team members and leaders, we are continuously looking for new ways to make our products available to all. Some of our approaches include:

- **Flexible financing:** Our ability to extend flexible payment programs to our customers is as important as ever in today's rapidly changing economy. Our Flex Financial business remains focused on its purpose to provide comprehensive solutions that make it easier for our customers to meet their clinical and financial goals. These programs include options for traditional finance and operating leases, deferred payments, step payments and usage-based options.

- **Reprocessed equipment program:** Customers can save money by purchasing reprocessed products restored by Stryker, without compromising safety or quality.
- **Tailored solutions for regional needs:** Some parts of the world face particular challenges around price. Stryker has placed an increasing focus on localization to meet the needs of patients around the world. For example, 60 percent of the world's population is based in Asia, and around one quarter of them—1.6 billion people—do not have access to healthcare.

However, most have access to a mobile phone. The Asia Pacific Medical Technology Association (APACMed), of which Stryker is a member, is working with governments to pave the way for digital health software to become an approved medical device by regulatory bodies internationally. If approved, this could transform healthcare access across the continent.

Another example of localization is SmartMedic, an advanced ICU solution to upgrade hospital beds and elevate patient care. The solution was designed and made in India for the India market.

- **Supporting the shift to outpatient care:** The shifting site of surgery from an inpatient to outpatient setting through ASCs is one of the most important trends in healthcare today. Due to their specialized services, lean operating models and lower overhead, ASCs offer a lower-cost option for insurers and patients. Recent research shows that the average Medicare payment to an ASC is 60 percent of the hospital outpatient rate.[30] To support this shift in site of care, Stryker has a dedicated ASC business that combines our broad portfolio of equipment, implants and disposables with flexible financial solutions, staff education, marketing support and more.

Improving access for patients
The cost of quality healthcare can be a burden for people in many parts of the world. We work to address these inequities where possible:

- **Access through Medicare:** In 2022, the United States Centers for Medicare & Medicaid Services established a new Healthcare Common Procedure Coding System (HCPCS) code C9781 and payment for outpatient hospitals and ASCs to report the insertion of Stryker's InSpace balloon implant and concomitant procedures. The balloon implant is a breakthrough solution to address massive irreparable rotator cuff tears. It is less invasive than other surgical treatment options and is designed to restore the subacromial space.[31] The new HCPCS code facilitates the processing of health insurance claims for individuals enrolled in Medicare and other health insurance programs, allowing for more patients to have access to InSpace.

Medical education

As one of the world's leading medical technology companies, we are driven to make healthcare better by creating innovative products and services that improve patient outcomes. To deliver the full potential of these innovations, customers must be trained on their safe and effective use. We support care team member learning in many parts of the world through a full range of virtual trainings on our MedEd portal, including trainings delivered in virtual reality. These offerings have been a valuable resource during pandemic lockdowns in many parts of the world. In addition, we work to expand hands-on training opportunities for every medical specialty we serve.

Bringing education to healthcare professionals and communities

Stryker's medical education programs provide education to healthcare professionals on the problems that our technology helps to solve. Each program's curriculum has specialized offerings tailored to the broad range of providers we serve in pre-hospital, hospital and community settings. Educational programs are delivered in a variety of ways such as onsite, virtually and mobile labs.

When a mobile medical education vehicle arrives outside a hospital, it provides a convenient way for physicians and healthcare teams to get the training they need. Our Trauma & Extremities

Team has seven mobile labs throughout the U.S. that bring education directly to healthcare professionals. The fleet comprises six labs that accommodate two surgical training stations each, and one large lab that accommodates eight stations. Fully equipped with surgical tables, lighting, power and a variety of Stryker solutions for trauma, foot and ankle, and upper extremity procedures, each training is customized to the needs of our customers. We have additional labs in the U.S. and a four-truck fleet in Europe with specialties in neurotechnology and spine education, orthopaedic instruments and surgical technologies, and trauma and extremities.

Delivering on-the-job skills

We also support education courses in lab settings. For instance, the Stryker Learning Center in

Trained more than

111,900

healthcare professionals and held more than

6,200

events in 2022

Salt Lake City, Utah, is ideal for training and education on many different specialties, hosting over 150 events a year. The state-of-the-art lab features the latest technologies from our Neurotechnology and Spine businesses. We recently hosted 23 residents for the 3rd Annual ResEd Bootcamp to train on Stryker's latest technology in otolaryngology.

Advancing education in underresourced communities
Our partnership with Operation Smile, a medical nonprofit that provides cleft surgery and increases access to surgical care in more than 30 countries, expands our mission to make healthcare better. Through supporting medical programs, we help bring care directly to those in need. By funding innovative medical education programs that train healthcare professionals, we are building surgical capacity in underresourced countries worldwide. Our support of Rwanda Surgical Training Rotations and other health worker training programs has enabled Operation Smile to multiply the surgical capacity and empower more healthcare professionals to deliver quality surgical care to communities where care is most needed.

Creating a more diverse profession
In 2022, we also worked with leading medical organizations to advance diversity in medical education. For example, Stryker partnered with the Congress for Neurological Surgeons Foundation to reach out to high school students from underrepresented groups and disadvantaged backgrounds to provide them with exposure, shadowing and mentorship opportunities for careers in neurosurgery. At this day-long event, we set up mobile labs where students got hands-on experience with neurosurgical activities using Stryker's products. In the orthopaedics industry, women represent just a fraction of board-certified orthopaedic surgeons, and only 4 percent of orthopaedic residents entering medical school are Black. Stryker has partnered to increase diversity in the orthopaedic specialty, including partnering with the Orthopaedic Diversity Leadership Consortium to offer professional development programs, networking and medical education opportunities.

Employees
A culture like no other

Our DE&I **commitments**

Strengthen the diversity of our workforce

Advance a culture of inclusion, engagement and belonging

Maximize the power of inclusion to drive innovation and growth

Stryker's employees are united by a common mission to make healthcare better. We focus on developing exceptional talent by celebrating our strengths and collaborating to win. We build meaningful relationships by caring for—and believing in—one another. We create a culture of belonging by valuing and leveraging diverse perspectives which, in turn, drives innovation and growth.

Diversity, equity and inclusion

We are dedicated to maximizing the power of diverse backgrounds, talents and perspectives. Our approach to creating an inclusive company is two-fold: We engage our current employees so that everyone has a voice. And we engage with the communities we serve—creating platforms, events and opportunities to strengthen diversity, equity and inclusion (DE&I).

Living our commitments
To accelerate our DE&I journey, we have an intentional strategy with six key focus areas:

Holding our leaders accountable: Stryker's leaders regularly review diversity metrics and share global representation data with employees. Leaders have performance objectives tied to strengthening the diversity of our workforce and advancing a culture of inclusion and

belonging, which leads to more diverse teams and an environment that embraces diverse viewpoints.

Developing our people and processes: We recently launched inclusion challenges, a series of on-demand videos that highlight practical ways to drive inclusion and challenge bias in action. Topics covered include how to hold inclusive meetings and give constructive feedback. Each video includes a call to action for individuals and teams to encourage

"**Everyone's journey is different.** My goal is to inspire and lift others so that we can achieve more together and, most importantly, help each other to create meaningful impact."

Michelle Koyanagi
Vice President of Finance, Asia Pacific

them to put these simple, but powerful actions into practice. Below are a few more spotlights from around the globe:

- In Ireland, 40 volunteers participated in a showcase for I WISH, a Stryker-sponsored organization that motivates young women to pursue careers in STEM.
- In our Asia Pacific offices, we have made tremendous progress in cultivating women leaders through our Executive Dialogue Program, which mentors and develops high-potential women for leadership roles. To date, 40 percent of participants in the program have been promoted, with 100 percent participant retention.
- In the U.S., the Crossing the Finish Line program gave a group of high-potential Black and Hispanic/Latino leaders direct exposure to a number of senior leaders at Stryker. Through a combination of in-person and virtual engagements, participants had the opportunity to network, ask questions and discuss removing barriers to success.

Engaging and inspiring our employees: Our second-annual Global DE&I Summit encouraged all employees to listen, ask questions and seek to understand different ideas, experiences and perspectives. We featured 17 speakers over three days who shared their stories and insights with their colleagues, as well as a roundtable discussion on navigating DE&I conversations. The summit, which was broadcast virtually, received an average of 5,000 views per day from employees around the world.

As our working environment changes, we have also engaged with employees to support both their professional growth and personal wellbeing. In 2022, we

piloted an Employee Resource Network, a support service in our Michigan-based manufacturing facilities to help employees receive confidential, onsite support to manage a range of personal matters. For instance, if an employee's car breaks down on their way to work, the coach can help call a tow truck and also help find a long-term transport solution—such as choosing a new vehicle, arranging financing options, setting up appointments and assisting with necessary paperwork. This service is especially valuable for manufacturing employees, whose fixed working hours make it challenging for them to attend to such issues during the workday.

Attracting a diverse talent pool: Our Talent Acquisition Team takes a lens of gender and racial equity within our recruitment marketing and branding. This focus drove an increase in applications, interview slates and hires from underrepresented talent groups, which is increasing the overall diversity of our workforce. We are also working to shift our recruitment practices to emphasize skills rather than degrees for some positions, and therefore offer opportunities to a wider range of candidates.

We worked to strengthen our partnership with key diversity recruitment organizations and piloted new partnerships with the following nonprofit organizations:

- Disability:IN—A resource for disability inclusion in business
- CodePath—A group that works to eliminate inequities in tech education
- Educafro—Advocates for the inclusion of impoverished youth in universities and the job market in Latin America
- Higher Promise—A program at our Kalamazoo, Michigan, locations that helps match internship seekers with companies based on student majors and career interests

Stryker was honored to be a title sponsor of the 2022 National Sales Network Conference and Career Fair. At this event, leaders across Stryker gathered to meet and recruit sales talent for a variety of U.S.-based sales and business positions. Explore Stryker's representation data on pages 30–32.

"The Higher Promise program helps remove the biases and barriers oftentimes associated with students' ability to obtain quality internship and employment opportunities. It also gives employers the opportunity to bring in students from a broader talent pool to **support our diversity and inclusion efforts.**"

Demecia LaBarre, Program Manager of Diversity, Equity & Inclusion

Positively impacting our customers and communities: In 2021, we announced the launch of Career Right Here, a career-building program designed to engage with and develop diverse talent in Kalamazoo, Michigan—where our global headquarters is based—in an effort to support equitable career opportunities. The program focuses on making pathways to careers in Kalamazoo accessible to all, especially to populations with unequal access to higher-wage careers. In 2022, we partnered with the program to host paid summer internships for students from Higher Promise.

Advancing our ERGs: Our nine employee resource groups (ERGs) help promote a culture of belonging and advance our DE&I strategy. Our ERG highlights in 2022 include:

- Stryker Allies for Equality (SAFE) chapters across the globe led several in-person and virtual events during Pride Month in June. SAFE provides networking, education, training and resources that support sexual orientation, gender identity and expression awareness to employees.
- In the week leading up to Juneteenth, we hosted Stryker's first-ever African Ancestry Network summit, where over 60 members, leaders and allies gathered to connect, develop and recognize the contributions of our Black employees.

Workplace **awards**

Stryker is proud to receive external recognition for workplace excellence. Awards aren't why we do what we do—but we appreciate feedback that shows us we're on the right track.

- Best Workplace in Manufacturing and Production for fifth straight year, Great Place to Work and Fortune
- One of the World's Most Admired Companies in the Medical Products & Equipment Industry for 21st consecutive year, Fortune
- 100 Best Companies to Work for 12 years in a row, Great Place to Work and Fortune
- Companies that Care, PEOPLE

- Best Place to Work for Disability Inclusion, Disability Equality Index
- Best Places to Work for LGBTQ+ Equality, Human Rights Campaign Foundation
- 100 percent rating on the Corporate Equality Index for LGBTQ+ workplace equality for sixth consecutive year, Human Rights Campaign Foundation

Progress toward our DE&I goals in 2022

Increase representation of women and racially/ ethnically diverse talent to reflect the communities we serve

~1%

increase in representation of women (global)

~1%

increase in race/ethnicity representation (U.S. only)

Compared with 2021

Measure employee sentiment through regular engagement surveys and ensure inclusion and belonging across demographic groups

Scored a

4.26 out of 5

on Gallup's inclusion index and scored in the

top 10%

of the companies Gallup surveyed

Continue investment in diversity recruitment and measure progress through diverse interview slates

70.8%

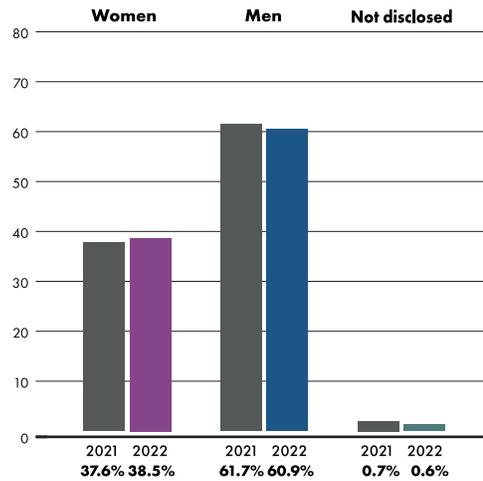diverse interview slates in U.S., up 4% from 2021
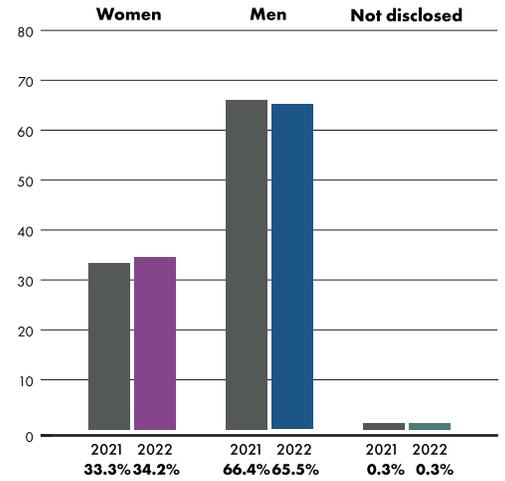
Representation **data**

Gender (global)

Overall

	2021	**2022**
Men	62.8%	62.0%
Women	36.6%	37.5%
Not reported/disclosed	0.6%	0.5%

Team members
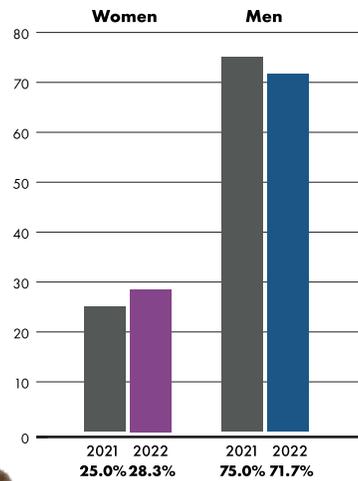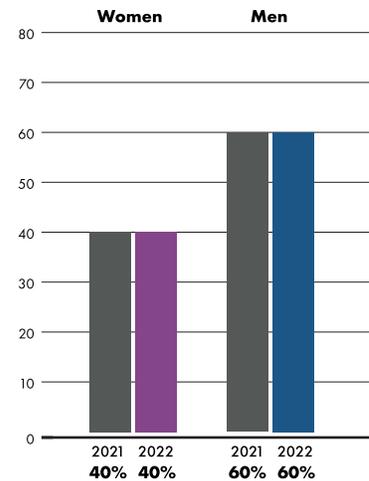
	Women		Men		Not disclosed	
	2021	2022	2021	2022	2021	2022
	37.6%	**38.5%**	**61.7%**	**60.9%**	**0.7%**	**0.6%**

Managers and Directors

	Women		Men		Not disclosed	
	2021	2022	2021	2022	2021	2022
	33.3%	**34.2%**	**66.4%**	**65.5%**	**0.3%**	**0.3%**

Vice Presidents+

	Women		Men	
	2021	2022	2021	2022
	25.0%	**28.3%**	**75.0%**	**71.7%**

Board*

	Women		Men	
	2021	2022	2021	2022
	40%	**40%**	**60%**	**60%**

* Calculated on the day the Directors were elected at the annual shareholders' meetings in 2021 and 2022.

Representation **data**

Race/ethnicity (U.S. only)*

Managers and Directors

Overall
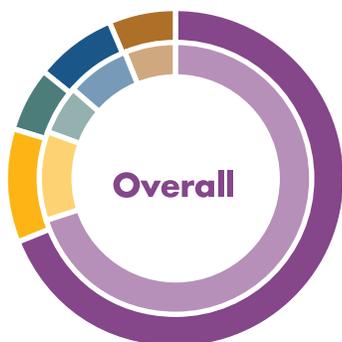
	2021	2022
White	70.2%	69.1%
Hispanic or Latino/a	10.6%	10.7%
Black or African American	5.6%	6.2%
Asian	7.5%	7.7%
Additional races/ethnicities†	6.1%	6.3%

Team members

	2021	2022
White	67.9%	67.0%
Hispanic or Latino/a	12.3%	12.5%
Black or African American	6.6%	7.4%
Asian	6.7%	6.6%
Additional races/ethnicities	6.5%	6.6%

Managers and Directors

	2021	2022
White	76.9%	75.4%
Hispanic or Latino/a	5.5%	5.4%
Black or African American	2.5%	2.6%
Asian	10.0%	11.3%
Additional races/ethnicities	5.1%	5.3%

Vice Presidents+

	2021	2022
White	83.5%	81.5%
Hispanic or Latino/a	1.6%	2.1%
Black or African American	2.7%	2.1%
Asian	6.4%	7.2%
Additional races/ethnicities	5.8%	7.2%

Board‡
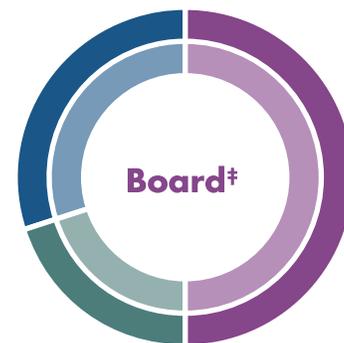
	2021	2022
White	50.0%	50.0%
Black or African American	20.0%	20.0%
Asian	30.0%	30.0%

* This data does not include Puerto Rico.

† Includes American Indian, Native Alaskan, Native Hawaiian, Pacific Islander, two or more races and not disclosed.
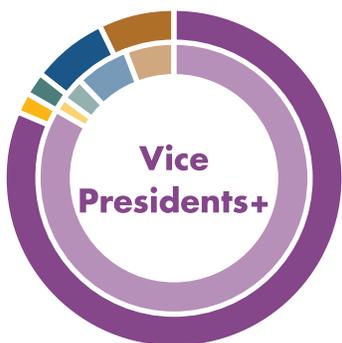
‡ Calculated on the day the Directors were elected at the annual shareholders' meetings in 2020 and 2021.

63%
of eligible U.S.-based employees and

69%
of eligible Latin America-based employees participated in Strive in 2022

Wellbeing and mental health

Wellbeing at work and at home are mutually reinforcing. Stryker strives to support employees in all aspects of life. In 2022, we created a wellbeing framework that takes a holistic approach to wellbeing, focusing on five core areas: physical, emotional, financial, career and social. Our most recent employee engagement and pulse surveys focused on overall and career wellbeing. Through our annual employee engagement survey we learned that Stryker's companywide engagement remains strong. We also learned that employees feel a high degree of psychological safety and appreciation for their managers' support of their wellbeing.

One of our wellbeing programs, Strive, is available to eligible employees and their spouses/domestic partners in the U.S. and Latin America. This program helps participants confidentially learn about, create, implement and sustain healthy habits—with incentives to track progress. Our U.S. employees have access to four additional partners within the Strive program:

- **Goldman Sachs Ayco**—Our financial wellbeing partner, Goldman Sachs Ayco, helps employees create a plan to manage their personal finances and maximize the value of their benefits and compensation. Employees can access GS Ayco's online tools or work 1-on-1 with a financial coach—at no cost to the employee.
- **Foodsmart**—With Foodsmart, employees can access thousands of recipes based on their dietary preferences, create meal plans and order groceries online. Over 8,000 eligible Strive participants reviewed nutrition education materials.
- **RethinkCare**—Our mindfulness partner, RethinkCare, helps people train their brains to stress less, sleep better and become more productive. Eligible Strive participants completed over 456,000 mindfulness sessions in 2022.
- **Wellbeats**—Wellbeats offers over 800 workout classes, including yoga, HIIT, strength training, cardio, cycling and recovery. It also includes goal-based challenges, family-oriented workouts and inspiring ways to spend work breaks. Eligible Strive participants completed over 77,000 workouts in 2022.

We introduced three new benefits for U.S. employees in 2022:

- A tax-advantaged commuter benefits plan that allows employees to purchase transit cards from hundreds of mass transit systems across the country and pay for work-related parking, all on a pre-tax basis via payroll deduction.
- An employee discount program that gives employees access to a robust vendor website offering discounts from hundreds of

merchants, with the ability to focus on local deals, and even make suggestions for new merchants.
- Expanded UnitedHealthcare travel and lodging benefits for all covered healthcare services as legally permissible when an employee resides more than 50 miles from the nearest network provider.

In our Asia Pacific offices, we introduced better coverage for mental health, maternity/fertility benefits and teleconsulting/telemedicine. We also offered more inclusive insurance plans that are not based on gender, marital status, parental status or citizenship. These will go into effect in early 2023. This region also introduced a new sabbatical policy available to employees in good standing who have been at Stryker for at least three years and have received positive ratings on their most recent performance review.

Supporting people in a new working environment
Workplace flexibility is a growing priority for employees around the world. We embrace flexibility in where, how and when we work, and recognize that connection and relationships are central to our culture, mission and how we deliver for customers. As a result, we take an individualized approach that considers how each person does their best work—taking into account role requirements, team dynamics and individual performance. In our most recent employee surveys, we have added an optional question about people's work arrangements (onsite, hybrid, virtual and field) to deepen our understanding of how various arrangements affect engagement and wellbeing.

Many employees' jobs require them to be onsite, so we've sought ways to bring flexibility and wellbeing benefits to their roles in a

different way. For instance, we've introduced opportunities for split shifts or reduced working days for some manufacturing employees. Stryker's Global Technology Center, which recently opened in Gurgaon, India, includes features to accommodate all employees, such as a dedicated room for nursing parents, a gym and multipurpose sports complex, and spaces that encourage active collaboration.

Employee career development

Our people are passionate, focused and driven. We act with integrity, we deliver remarkable results, and we expect to win. But it's not by chance that our workplace is filled with talented individuals. It's a result of our relentless pursuit to attract, engage, align and develop talent—what we call our Talent Offense. This framework has four pillars:

Attract	**Develop**
Drive an unbiased, data-supported process and create a positive candidate experience to ensure we hire the best people.	Disciplined, strengths-based and individualized investment in our people to maximize their full potential.

Engage	**Align**
Ensure our people are thriving and feel a strong connection to their manager, each other and our mission.	Commitment to the right people in the right roles, at the right time, focused on the right outcomes.

In 2022, we worked toward ensuring that people have the resources they need to move their careers forward. This involved fostering space for open dialogues with managers as well as making sure our teams have a widespread understanding of how to be successful at work, the breadth of career opportunities available across the organization and where to access resources for personal development.

Here are some of the ways we've put the Talent Offense framework into action to achieve our internal development goals:

Identifying employee needs and goals
Each employee is different and has distinct career goals. Through regular connections with HR business partners and business leaders, we identify ongoing and emerging development needs for our employees. Our methods include talent reviews, development plans, surveys, focus group discussions, talent planning and individual conversations.

We use these insights to evaluate and refine our overall strategy for employee development and career growth to ensure it is aligned to the current needs of our dynamic workforce. Understanding that personal and professional development are key drivers of retention, this year we've introduced a career wellbeing focus to our employee pulse survey. For example, one of the new survey statements is, "In the last six months, my manager and I have had a meaningful discussion about my development." Employees' responses to this statement enable us to provide managers with insights to drive better and more continuous development conversations.

Employees spent
19,100+
hours viewing
78,500+
LinkedIn Learning courses in 2022

Training spotlight: **Finance professionals**

Our Finance function invests in its talent by offering structured development programs for entry-level through senior finance professionals. These comprehensive, targeted programs consist of formal training, mentorship, real-world impact project work and networking. They include over 100 members of the finance community each year. In 2022, the team offered internships, a rotational program for entry-level professionals, Advancing in Management for manager development and the Finance Advisory Council for executive development. In addition, the team trained 149 people at our three-day Core finance training. Stryker has also included simulation-based learning, technical development and leadership training.

We also have a catalogue of over 50 finance technical training topics. These trainings are accessible on-demand or through periodic synchronous virtual sessions.

Example of topics covered include:

- Revenue recognition
- Internal books and records
- Cash flow and working capital
- Inventory product costing
- Corporate finance policies
- Growth mindset

In 2022, our Finance function also launched a quarterly Meaningful Development virtual training series on career development, which provided tools to help employees and managers create individual development plans leveraging formal training, social learning and targeted experiential learning. After piloting this training, Finance partnered with other functional groups to roll out the Meaningful Development training to broader groups within Stryker. Overall, in 2022, our community of over 2,300 finance professionals completed over 10,000 hours of onboarding training, over 4,000 hours of classroom training and over 8,000 hours of synchronous virtual training.

Stronger people

Professional development offerings for all

The Talent Management Center of Expertise designs and delivers management and leadership development offerings. Our LinkedIn Learning trainings remained popular across our workforce. We also released seasons 2 and 3 of our podcast, Talent Talk, which has received steady listenership. Other development programs we have continued from 2021 include:

- Global Leadership Development series
- One-on-one leadership coaching
- Learning Sprints
- Leadership Masterclass
- Immersive cohort-based development programs with corporate education partners, such as Harvard Business School
- Director Roundtables
- Growth Academy

Additionally, we have over 300 certified coaches on staff, with whom employees can connect for further, individualized development. We are also in the process of developing a program for new people leaders that will be launched in early 2023 called the Leadership Playbook. The delivery of this program will be more agile than our previous program and will allow us to engage with and develop more leaders in alignment with Stryker's growth goals.

Paying attention to performance

A key part of our talent offense is ensuring that our managers engage with and support their teams to help them reach their full potential. Our aim is to give everyone a clear understanding of what's expected of them, how they're performing and their pathways for development.

To encourage continuous feedback, we offer two formal manager-employee progress check-ins throughout the year, in addition to annual performance reviews.

We also encourage employees to create individual development plans, in partnership with their manager, on an ongoing basis. Employee goals—comprised of both performance goals and leadership expectations—drive focus on outcomes and behaviors.

Environment, health and safety

We are committed to ensuring the health and safety of our employees—and protecting the environment. Through our environment, health and safety (EHS) program, we focus on continuous improvement in each of these areas, knowing that there is always room for us to learn more and do better.

Injury prevention is a key element of EHS activities, which we accomplish by partnering with site leaders and local EHS committees to continually improve our safety culture. A major focus in 2022 was on minimizing risk by promoting ergonomic workplace safety; slip, trip and fall prevention; controlling hazardous energy; and the safe operation of powered industrial vehicles.

Across the global network we've made significant investments in our occupational safety program. For example, to address ergonomic safety issues, we brought in external ergonomics consultants and mechanical engineers who worked with teams on the ground to understand how people in our facilities use equipment—and how it can be redesigned to reduce strain. Additionally, we've invested over multiple years in fire and electrical safety improvements in our global manufacturing network.

Safety performance across our facilities

Stryker is making progress toward our goal of zero work-related injuries. We have seen a reduction in injury rates from the majority of manufacturing divisions. At seven of our 10 divisions, we have exceeded our 2022 EHS goal for limiting recordable injury rates. We're working closely with facilities that have not yet met our 2022 EHS goal to drive transformation in their safety cultures. Site leaders met with our global EHS Leadership Team to develop specific, site-level improvement plans to reduce injuries.

Disaster preparedness **in Arroyo**

When Hurricane Maria hit Puerto Rico in 2017, it became the most severe storm to impact the island in nearly 90 years. Since that time, our facility in Arroyo has incorporated an evaluation of its Business Continuity Programs (BCP) in its continuous improvement activities. New elements are added to the BCP every year, making it more robust over time. The facility also reinforced its roof, improved HVAC and other external equipment anchoring, updated electrical infrastructure and installed backup equipment to add redundancy for cooling and communications.

Arroyo's BCP allowed the site to be ready for Hurricane Fiona in 2022. Our crisis management team met regularly to help make certain that our systems, facilities and people were prepared for the storm. We ensured the physical readiness of all network components and facility equipment and offered support to employees who live in flood-prone areas. These actions allowed us to safeguard people and property, keep stakeholders informed, restart operations quickly and help employees and the surrounding community recover.

To improve EHS communication with both front-line employees and executive leadership, our EHS Leadership Team developed monthly and bimonthly EHS Leadership Forums. These forums allow facility leaders, EHS managers and senior business leaders to recognize exceptional performance and share opportunities for improvement. These lessons learned are shared rapidly throughout the manufacturing network, ensuring that we collectively learn from each experience and strengthen our safety culture.

We are establishing the foundation for a new risk stratification and injury-reporting system, which will launch in early 2023. In addition, we are expanding our leading indicators for EHS performance, such as the closure of safety observations. These indicators are critical in correcting potentially unsafe behaviors or conditions. Increased safety observations and near-miss reports are positive indicators of a strong safety culture. For 2022, there has been an increase of 63 percent in the total number of safety observations and an increase of 79 percent in the number of total reported near misses at manufacturing sites compared to 2021.

Advances in radiation safety

Our acquisition of Mobius Imaging, a maker of CT scanning equipment, has led Stryker to expand our existing radiation safety protocols. In 2022, we added senior executive sponsorship to our global Radiation Safety Committee and published a global radiation safety standard. Our Committee is focused on refining these requirements that protect employees, whether at our own facilities or in healthcare settings.
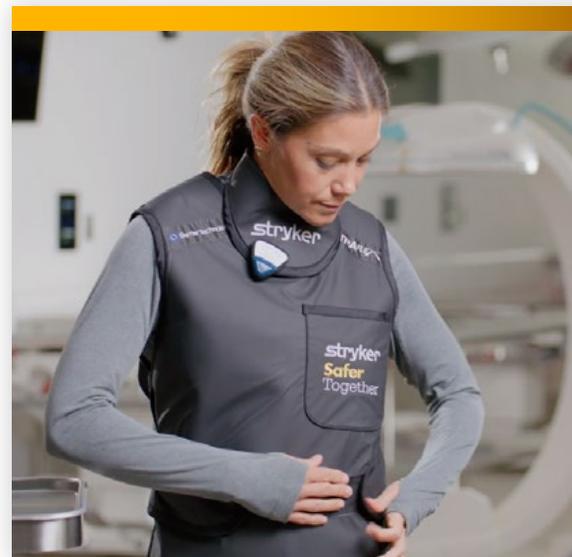
Over the past two years, we enhanced our commitment to radiation safety with a formalized program, covering the areas of training, surveillance (area monitoring and dosimeters) and PPE compliance. We have developed metrics to support compliance with our standards. At the end of 2022, we purchased over 2,800 protective thyroid shields for employees who could be exposed to ionizing radiation.

To further promote employee engagement in radiation safety protocols, we developed two informational videos. The first is a how-to video, which walks through the fundamentals of radiation safety, such as how to properly wear radiation PPE and how to initialize a radiation monitoring dosimeter. The second video goes deeper into why these safety protocols are so important—and how they protect against the adverse health threats of radiation.

EHS governance and policies

In 2022, we hired a global leader for our EHS program and have revised and implemented six global corporate standards for our major risk areas. Each standard includes an implementation guide and regular training for every EHS point of contact.

Worldwide, 14 of our facilities are ISO 14001-certified, six sites are certified to ISO 50001, and four facilities are certified to ISO 45001.

In the fall of 2022, we revised our EHS policy to formalize the global EHS strategy and supporting framework. The updated EHS policy will be published in 2023 and will outline the long-term direction of the company to support and continually improve EHS performance.

Communities

Building a society where everyone belongs

Stryker invests in social impact programs within four focus areas and through a lens of equity, as outlined in the following table. When employees volunteer their time and talents in these areas, the impact of our community investment is amplified. Over the past two years, we reaffirmed our focus on equity when considering social impact investments. For example, in the U.S., we sought out nonprofits run by and serving marginalized groups and added these organizations to the nonprofits we support. We also expanded our portfolio of signature partners, or those whose partnership is funded and managed at the company level, and with which all employees can participate. In 2021, we elevated Project C.U.R.E. to a signature partner alongside Operation Smile and the Red Cross. In addition, we added environmental health as a focus area in our giving and volunteering strategy to reflect our sustainability commitments. Our strategy now includes four pillars:

Advancing **healthcare**	Supporting **education**	Improving **environmental health**	Enriching **community culture**
Nonprofits that provide the underresourced access to safe, timely healthcare	**Nonprofits that help public education prepare every child to achieve their potential**	**Nonprofits that improve environmental health**	**Nonprofits and events that enrich quality of life through the arts**
We also fund initiatives and medical education programming that help improve outcomes and increase surgical capacity with a focus on low- and middle-income countries.	We help prepare students by supporting causes spanning the continuum of education: early childhood prep, reading proficiency, STEM curriculum, mentoring and post-secondary preparedness.	We support global nonprofits that tackle the world's sustainability challenges as well as local groups that protect and preserve our environment for generations to come.	Aligned with our employee resource group (ERG) objectives, we seek opportunities to connect people, strengthen community and empower our citizens to imagine a more vibrant future.

How employees make an impact

It's been a year since we launched Impact—our online giving and volunteering platform. In that time, we've seen growing participation from employees across the globe. Our donation matching program has enabled our people to double their support of the nonprofits they care about. In 2022, over 3,500 employees participated in our company-match program on Impact, resulting in $2.1 million for more than 1,400 nonprofits. We tracked employee volunteering and will use this data to form a baseline for future targets.

In 2022, we offered a 1:1 employer match and launched an engagement campaign for the one-year anniversary of the Impact platform. We also tied giving and volunteering opportunities to our DE&I strategies, with new opportunities highlighted year-round, including Black History Month, International Women's Day, Asian American/Pacific Islander Heritage Month, Pride Month, Hispanic Heritage Month, Military Appreciation Month and National Disability Employment Appreciation Month.

Donations that make a difference

As a company that makes a range of lifesaving healthcare solutions, donating our products allows us to make a meaningful impact in our global community.

We have a longstanding partnership with Operation Smile, a medical service nonprofit that provides free surgeries, including cleft lip and palate repair. In 2022, our Driven to Give Smiles employee-led fundraising campaign raised $310,000, which helped provide 1,292 life-changing surgeries to children in need. Our partnership also helped train surgical residents in Rwanda, expand the Global Surgery Scholars program and deliver surgical safety education for teams in Madagascar.

Highlights from Impact's first year

$2.1M[*]
contributed

1,400
nonprofits

3,500+
employees participated

[*] Total includes employee, friends, family and company match dollars.

We also work with Project C.U.R.E., the world's largest distributor of donated medical supplies, equipment and services. Recently, Project C.U.R.E. provided enough of Stryker's beds and mattresses to fully replace the beds in two hospitals in Tanzania. These were part of a donation of more than 22,500 emergency relief bed sets— the largest equipment donation in Project C.U.R.E.'s history. Stryker also supplied Project C.U.R.E. with orthopaedic surgical equipment, which one of the organization's partners used to perform surgeries in Eswatini, an isolated and underserved country in southern Africa. More than 30 surgeries were performed over two weeks for a population that largely lacks access to health services.

Stryker worked with the Red Cross to direct additional financial resources to the International Committee of the Red Cross, International Federation Red Cross and Red Crescent Societies to support their humanitarian relief efforts in Ukraine and in surrounding countries. In addition to our continued partnership with the Red Cross, we worked with other industry societies and trade associations to support relief efforts.

Hungarian Red Crosser Kateryna plays with a child at a Red Cross shelter in Szeged, Hungary. At the shelter, those who have fled Ukraine find a safe place for themselves and their children as they figure out their next steps. Red Cross photo by Brad Zerivitz Courtesy of the American Red Cross. ©2022 The American National Red Cross ALL RIGHTS RESERVED
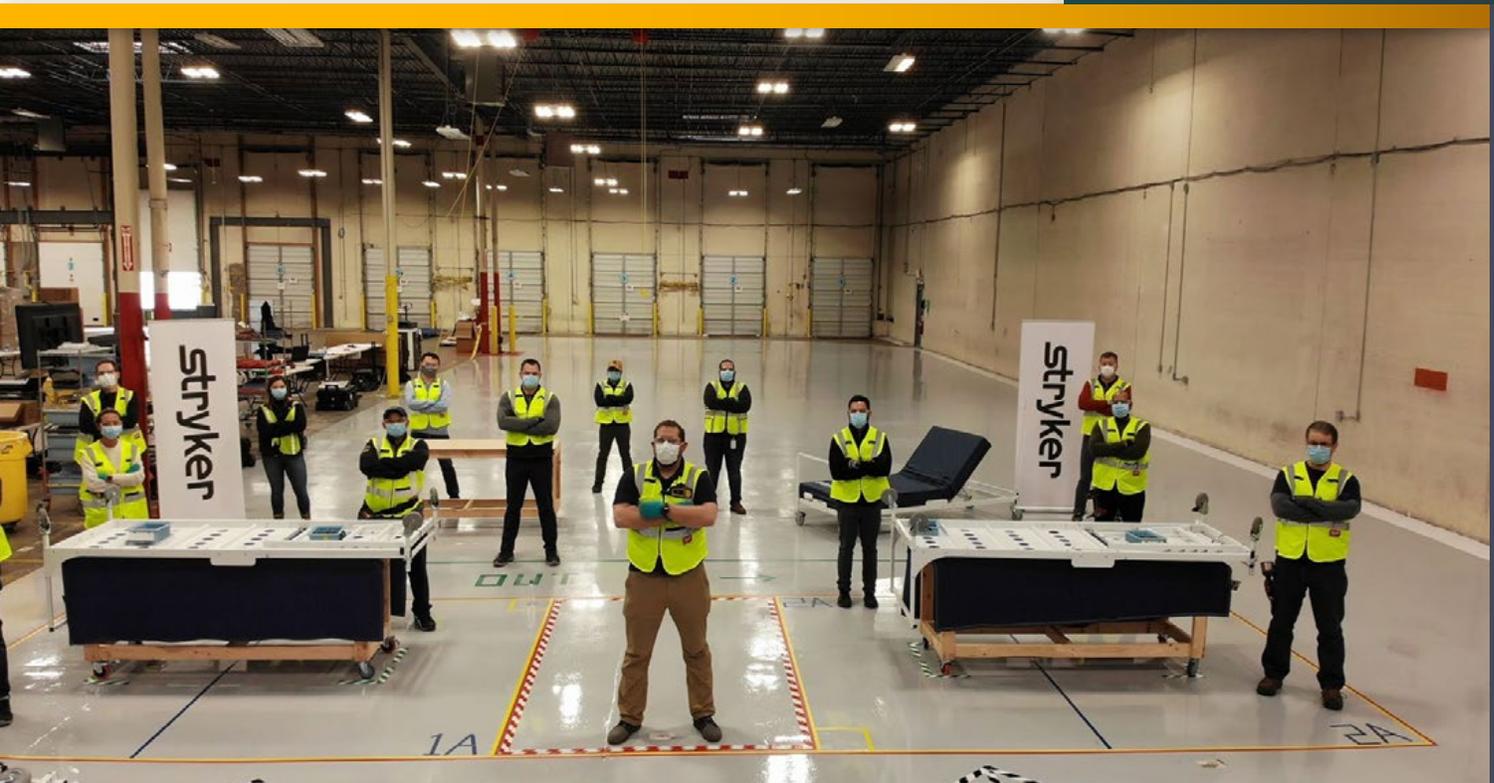
Inspiring the next generation

Supporting education is one of Stryker's giving and volunteering focus areas, and our educational efforts go beyond the medical field. Knowing that there is a worldwide shortage of professionals trained with the science, technology, engineering and math (STEM) skills necessary to fill jobs in many scientific fields, Stryker's employees across geographies work to encourage students to cultivate an interest in science. Many teams volunteer with local school districts on engineering competitions like an egg drop challenge, during which students design a structure that will protect an egg from breaking. Employees from our Joint Replacement Team donated to FIRST Robotics and mentored a high school robotics team throughout the school year. Members of our Spine Team held an event at a Boys & Girls Club during which they discussed STEM career opportunities and led a group of students through a series of hands-on activities to build their skills.

Children at Stryker Selzach participate in National Future Day to promote gender equality in career choices.

To support students who are further along in their educational journeys, a local ERG chapter of Stryker's Emerging Professionals conducted virtual mock interviews for students interested in medical school. In addition, a group of Stryker's engineers recently spoke to Northwestern University's Biomedical Engineering Society. Students had the opportunity to learn about internship, co-op and rotational programs at Stryker. Stryker also helped fund the American Academy of Orthopaedic Surgeons IDEA Grant program, which helps promote diversity in the field of orthopaedics.

Recognition for **local engagement**

Every year, the Kalamazoo Regional Educational Service Agency (KRESA) selects an Outstanding Business and Industry Partner of the Year, a partner that has gone above and beyond to invest in student success. Stryker recently received the honor as a result of employees' participation in Career Awareness and Exploration experiences, facility tours, job fairs and employer-of-the-day events. Team members have also worked alongside KRESA on the Young, Employed, Successful (YES) Project, which aims to improve belonging in the workplace for young people of color.

Healthier
planet

Our efforts to create a healthier world not only include the products and services we offer, but also the manner in which we operate. In 2022, Stryker developed a new sustainability strategy with four key areas of focus:

Operational carbon emissions

Value chain carbon emissions

Design for sustainability

Waste reduction

Operational carbon emissions

Delivering impact through carbon reduction

At our Freiburg, Germany, site, rooftop solar panels will generate renewable electricity to help power the facility.

"Stryker's actions to support a healthier planet are also helping to deliver more sustainable healthcare.*"*

Erol Odabasi,
Director, Corporate Sustainability

We are prioritizing areas where we can have the most immediate impact, including energy use and emissions from our operations. Already we've built significant momentum, achieving our interim goal of 20 percent emissions reduction, compared to a 2019 baseline, two years ahead of schedule. Reaching this goal is an important milestone in achieving carbon neutrality for our Scope 1 (direct site emissions) and Scope 2 (purchased electricity) greenhouse gas (GHG) emissions by 2030. This target aligns with the guidance of the Science Based Targets initiative (SBTi) to limit warming to 1.5 degrees above pre-industrial temperatures.

Meeting our goals early

Stryker has already achieved its 2024 goal of 20% emissions reduction.

Highlights:

110+
energy projects at 30 Stryker sites

19,000
metric tons of CO2 reduced since 2019

8%
additional emissions reduction through projects implemented in 2022

1,500+
homes could be powered with the reduction in energy

Renewable energy

Our pathway to carbon neutrality depends on transitioning from fossil fuel-based to renewable electricity. Currently, 18 Stryker sites are powered by renewable energy, covering 33 percent of our global electricity needs. In Europe, we procure 88 percent of our electricity from renewable sources. In 2022, we announced a new goal for our global sites to be powered by 100 percent renewable electricity by 2027. This electricity will come from a combination of wind, solar, hydroelectric and other sources.

Stryker partnered with global clean energy leader Ørsted and with Schneider Electric, a global leader in sustainability and renewable energy procurement, to establish our first long-term renewable power purchase agreement. The Sunflower Wind Farm, operated by Ørsted, is a 200 MW wind project. We expect this 12-year agreement will generate enough wind power to supply 75 percent of our current electricity needs in North America. Construction on the wind turbines commenced in late 2022, and the project is expected to be online by 2024.

In addition, Stryker implemented onsite renewable energy projects, bringing solar energy directly to certain facilities. In 2022, Stryker's Tijuana facility added a roughly 600 KW system, and Freiburg installed a 425 KW system.

Stryker's sites with renewable energy

- Hydroelectric procurement
- Wind procurement
- Onsite solar
- Renewable procurement mix
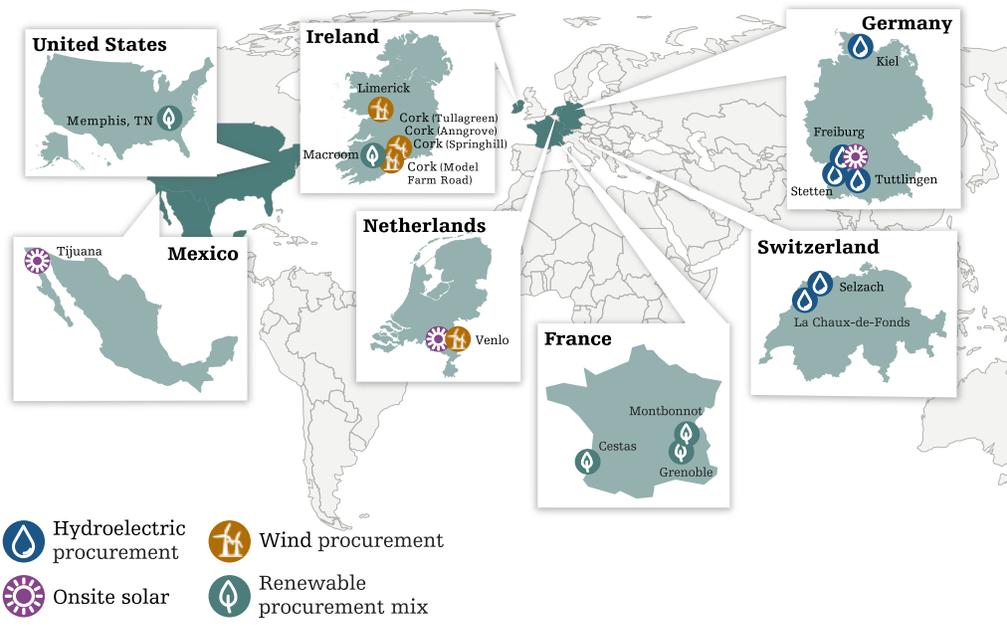
Operational excellence at Stryker's sites

Continual improvements in energy efficiency will contribute approximately 25 percent to our carbon neutral journey (see chart on page 48). Stryker's facilities around the world are taking steps to operate more sustainably through lighting and HVAC upgrades, heat recovery, combined heat and power systems, air compressors and sustainable building practices. In 2022, several facilities earned sustainable building certifications, most notably our Stryker's Global Technology Centre in Gurgaon, India (LEED Gold), and our Tijuana, Mexico facility (LEED Silver). These new certifications bring our total to 13 LEED buildings and three BREEAM-certified buildings worldwide.

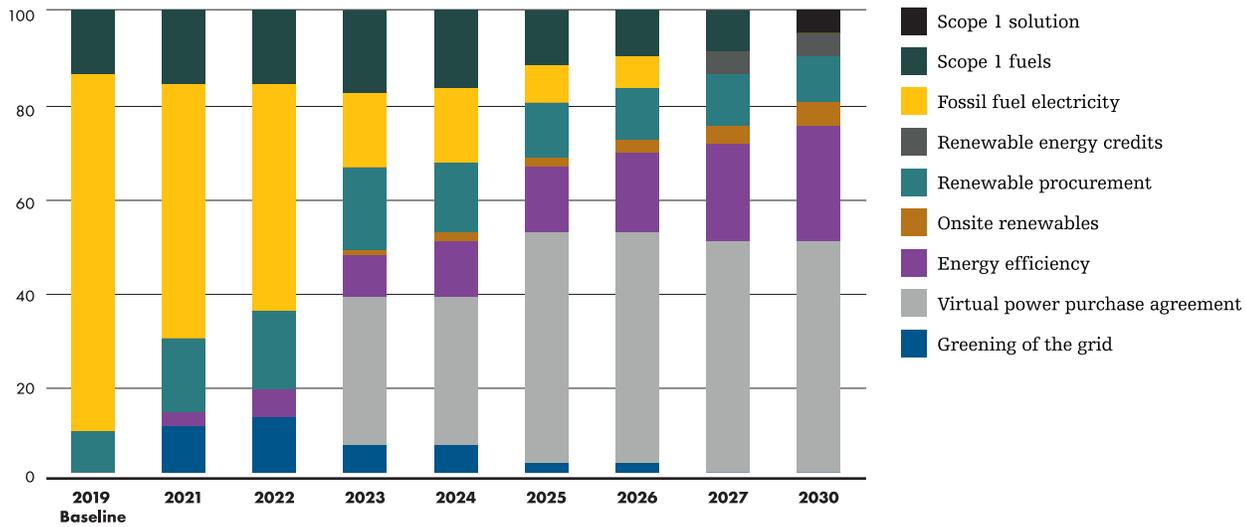*"As a global healthcare leader,* we understand the growing link between human health and environmental health and our role to deliver sustainable solutions. Securing renewable energy at large scale helps us play a role in decarbonizing the healthcare sector."

Viju Menon,
Group President, Global Quality and Operations

In 2022, we announced a new goal for our global sites to be powered by

100%

renewable electricity by 2027

Stryker's anticipated pathway to decarbonization

Legend:
- Scope 1 solution
- Scope 1 fuels
- Fossil fuel electricity
- Renewable energy credits
- Renewable procurement
- Onsite renewables
- Energy efficiency
- Virtual power purchase agreement
- Greening of the grid

X-axis: 2019 Baseline, 2021, 2022, 2023, 2024, 2025, 2026, 2027, 2030

Over the past several years, we have committed $20 million in capital investments to reduce emissions. Highlights of projects we have invested in include:

- Our Arroyo, Puerto Rico, facility broke ground on a new combined heat and power electricity co-generator. Once completed in 2023, the co-generator should reduce the facility's emissions by over 4,000 metric tons, save more than $1 million annually in electricity costs and allow the plant to continue operating in the event of power outages.

- Our facility in Mahwah, New Jersey, installed new compressed air systems, reducing its annual emissions by over 1,000 metric tons. The site also undertook a project to replace its chiller system and improve controls, which reduces emissions by nearly 800 metric tons of carbon annually.

- Stryker's facility in Cary, Illinois, saved more than 260 metric tons of carbon annually by replacing lighting in its warehouse and parking lot with LEDs.

- An upgraded building management system and boiler plant will benefit several of our facilities in Kalamazoo, Michigan, and reduce carbon emissions by over 750 metric tons per year.

Groundbreaking on a new combined heat and power electricity co-generator at our Arroyo, Puerto Rico, facility.

- Until recently, one of our buildings in Selzach, Switzerland, operated with oil heating, which was a significant contributor to the facility's emissions footprint. In 2022, the building upgraded to a biomass heating system that will eliminate approximately 63,000 liters of heating oil, resulting in savings of over 150 metric tons of carbon annually.

Value chain carbon emissions

Progress beyond our operations

Approximately 95 percent of Stryker's carbon footprint lies outside of the electricity and energy consumption at our global sites. These Scope 3 emissions include our supply chain, transportation, logistics and use of our products and business-related travel, among other categories. We are working to calculate our baseline Scope 3 emissions and anticipate submitting a Science-Based Target in 2023.

Stryker works with approximately 300 transportation carriers to move our products from our facilities to customers around the world. We remain a member of the U.S. Environmental Protection Agency's SmartWay program, which helps companies improve their freight transportation efficiency by identifying more sustainable carriers and transportation modes.

Industry **partners**

National and global partnerships help us share best practices and extend our impact. Organizations of which Stryker is a member include:

- **Additive Green Manufacturing Trade Association**—Educate public and industry on sustainability benefits of additive manufacturing

- **Business in Community Ireland's Low Carbon Pledge**—Irish business pledge to set industry standards on sustainability and carbon emissions

- **Clean Energy Buyers Association**—Promotes industry collaboration to procure renewable energy

- **EPA SmartWay Program**—Helps the freight transportation sector improve supply chain efficiency

- **Healthcare Plastics Recycling Council**—Industry consortium seeking to improve the recyclability of plastic products and packaging within healthcare

- **National Academy of Medicine: Action Collaborative on Decarbonizing the U.S. Health Section**—Health system public-private partnership of leaders committed to strengthening sector sustainability and resilience

- **Practice Greenhealth**—Networking organization focused on delivering environmental solutions to healthcare across the U.S.

- **U.S. Department of Energy's Better Climate Challenge**—Develops innovative solutions and best practices with partners across industries

Design for sustainability

Products that do more with less

Manufacturing our products requires materials, energy and water, and often generates waste as a byproduct. Stryker recognizes the need to focus on sustainable design as a strategic priority and integrate sustainability into our products and packaging. We have made progress in multiple areas:

- Conducting lifecycle assessments (LCAs) to learn about our impacts and areas for improvement
- Optimizing our manufacturing process to generate less waste
- Collecting and reprocessing single-use devices so they can be used again

- Using additive manufacturing, which results in fewer emissions and less waste
- Investing in alternative sterilization methods
- Designing products that help customers reduce medical waste in hospitals

Triathlon cementless tibial baseplate created using additive manufacturing.

We are exploring ways to make sustainable design part of our new product development processes. In 2022, we held a two-day Design for Sustainability workshop to educate Stryker's R&D, marketing, operations and sourcing professionals on why this topic matters and how we can better meet customer expectations. More than 70 leaders generated dozens of ideas for better integrating sustainable design throughout the product lifecycle.

Stryker's Sustainability Solutions

The lifespan of many medical products is relatively short; many devices are used only once, leading to thousands of tons of materials sent to landfills each year. As the leading provider of reprocessing in the global healthcare market, Stryker's Sustainability Solutions business unit is reducing our industry's impact during manufacturing, use and end of life.

Sustainability Solutions helps reduce healthcare industry waste by reprocessing medical devices that would otherwise be disposed of after a single use, extending the life of these products and reducing material consumption.[32]
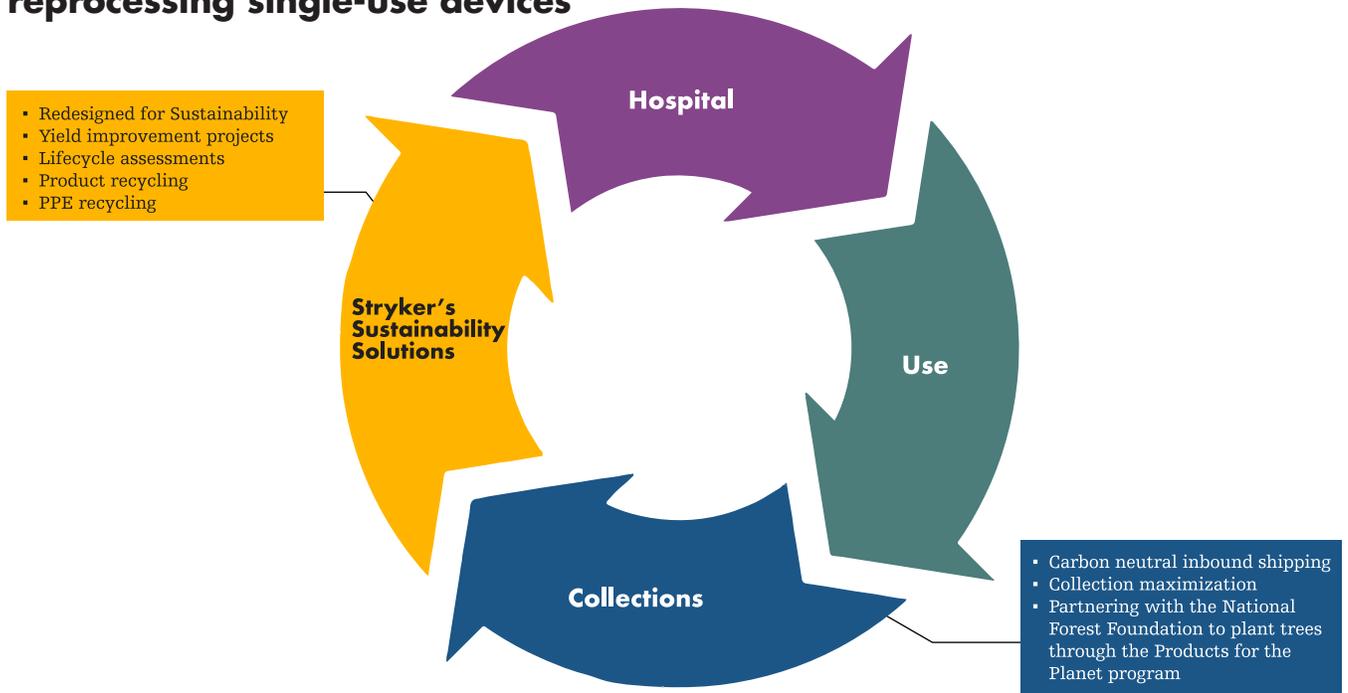
Sustainability Solutions collects and reprocesses devices spanning thousands of SKUs. Over the past five years, more than 3,000 customers saved approximately $1 billion through reprocessing programs and diverted over 25 million pounds of waste from landfills.

Sustainability Solutions also reduces waste and other environmental impacts during the manufacturing phase. Our Redesigned for Sustainability initiative works to limit known negative environmental impacts that come with traditional manufacturing, without compromising the performance or quality of our products. In 2022, Stryker added the LigaSure Small Jaw and LigaSure Exact Dissector, two electrosurgical instruments used for cutting and sealing tissue, to our portfolio of products that are both reprocessed and considered Redesigned for Sustainability. We reduced packaging weight for the Small Jaw and Exact Dissector by 41 percent and 13 percent, respectively, and achieved an 88 percent reduction in water consumption for both during manufacturing.[33] Sustainability Solutions and our Neurovascular division

Advancing the circular economy through reprocessing single-use devices

- Redesigned for Sustainability
- Yield improvement projects
- Lifecycle assessments
- Product recycling
- PPE recycling

Stryker's Sustainability Solutions

Hospital

Use

Collections

- Carbon neutral inbound shipping
- Collection maximization
- Partnering with the National Forest Foundation to plant trees through the Products for the Planet program

recently collaborated on a project to recycle InZone detachment systems, which help deploy platinum metal coils used in treatment of aneurysms. Since the program launched in the U.S., we have collected thousands of InZone devices to date with collections now expanding to all of Europe, Korea and Australia.

Stryker recently conducted LCAs that compared the environmental impact of select reprocessed devices with traditionally manufactured single-use medical devices. 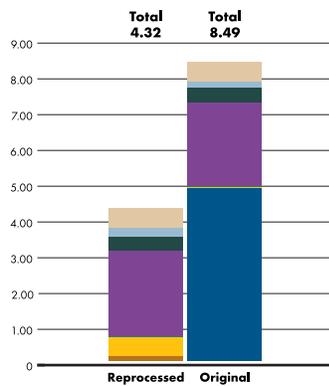This peer-reviewed study found that all reprocessed single-use devices show a lower carbon footprint than the original manufactured device. Reprocessing one ViewFlex, HARH36, LigaSure Exact Dissector, MyoSure Reach and Max-A Pulse Oximeter had carbon footprint reductions of 49 percent, 46 percent, 33 percent, 23 percent and 51 percent respectively. The main factor contributing to the reduction of GHG emissions when reprocessing medical devices for single use is that reprocessing does not require the production and manufacturing of new virgin plastic and metal material. In addition, the assessment provided insights into how we can make reprocessing even more sustainable. For example, we learned that production and disposal of packaging are major contributors to the carbon footprint or reprocessed devices. We've already started to incorporate this learning into our new product development as shown in the two new LigaSure products launched in 2022. The results of the LCA are presented in the charts below.

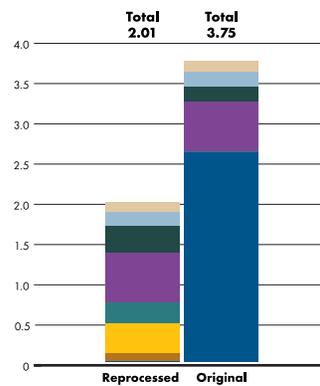# Lifecycle analysis of products reprocessed by Stryker's Sustainability Solutions (kg CO2 eq)

- Original Material Production
- Transport from Hospitals
- Sorting
- Decontamination and Cleaning
- Assembly
- Packaging and Boxing
- Sterilization
- Device Disposal
- Waste Treatment of Packaging
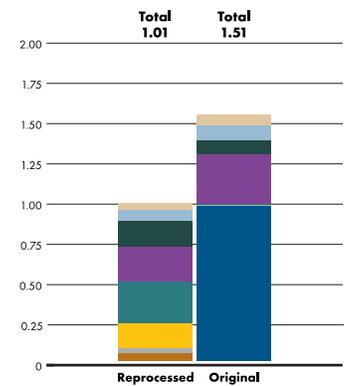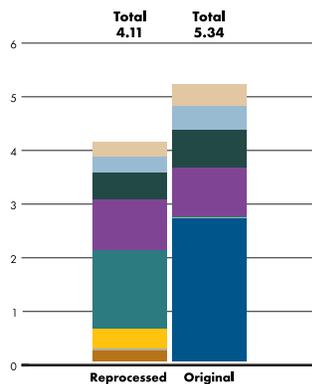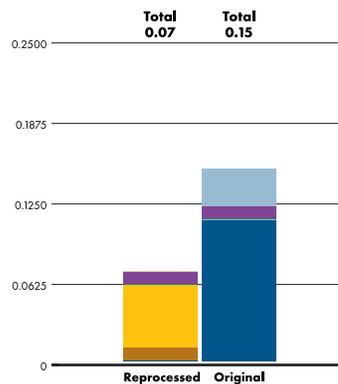
ViewFlex

HARH36

LigaSure Exact Dissector

MyoSure REACH

Max-A Pulse Oximeter

Additive manufacturing

Stryker is the global leader in additive manufacturing (AM) for the healthcare industry. AM, also known as 3D printing, uses computer-aided design software to create objects one layer at a time. In contrast to subtractive manufacturing, in which a manufacturer creates a product by cutting away at a block of material, AM produces less waste, allows for greater product customization and provides novel design features.[34]

Additive manufacturing enabled Stryker to surpass

1 million

cementless knee replacements since 2013

Comparison of environmental impacts when manufacturing a baseplate for a knee replacement using additive vs. subtractive processes

In 2022, Stryker conducted an LCA of the Triathlon tibial baseplate product to identify environmental impact hotspots of the AM process and focus on improvement efforts. The LCA revealed that AM has environmental benefits over subtractive manufacturing that go beyond waste reduction.* Tibial baseplates created using AM also have lower contributions to ozone depletion, global warming, smog formation and fossil fuel depletion, compared to our conventionally manufactured counterparts.

Ozone depletion
(kg CFC-11)
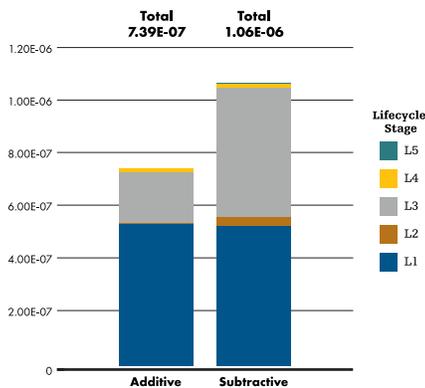
Global warming
(kg CO2 eq)

Smog
(kg O3 eq)

Acidification
(kg SO2 eq)

Eutrophication
(kg N eq)

Fossil fuel depletion
(Energy MJ surplus)

*   The LCA was conducted by applying ISO 14040 series of standards. These results have not been peer-reviewed.

Waste reduction and water stewardship
Protecting scarce resources

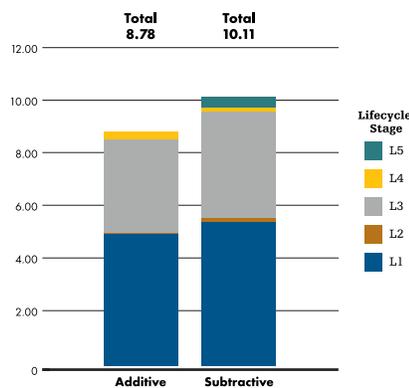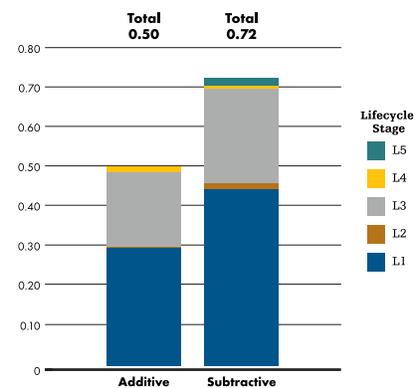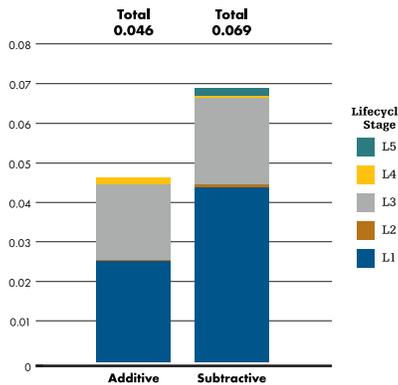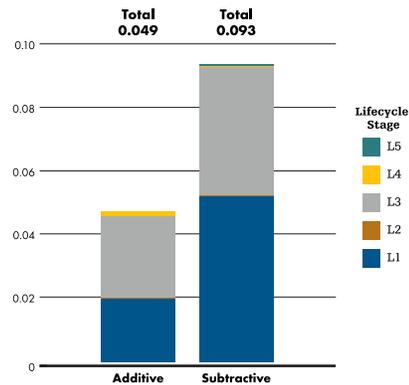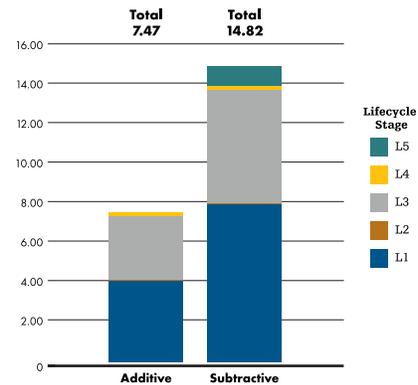Conserving water, materials and natural ecosystems is another way that Stryker helps create a better, healthier world.

Minimizing waste

Stryker strives to minimize the amount of waste we send to landfills and increase recycling rates. Because each of our sites deals with different processes and materials, we take an individualized approach to waste management. For example, our Weston, Florida, facility began reusing or mulching wooden pallets that would otherwise have gone to the landfill.

Stryker's manufacturing sites in Ireland have achieved zero waste to landfill status—meaning that all waste generated onsite is recycled, reused or sent to a waste-to-energy facility. We have conducted waste audits at additional manufacturing sites to assess opportunities for continual waste reduction and diversion.

Understanding water risk

Water is an important input to our manufacturing process. Because we have facilities in many parts of the world, in 2022 we conducted a water risk assessment to understand which facilities are at risk of water scarcity. As a next step, we will engage our nine facilities in water-stressed areas on water conservation strategies. See page 83 for Stryker's water data.

To go green,
think tiny

Forests provide a multitude of benefits: they absorb CO2, prevent flooding, provide homes for plant and animal life and promote wellbeing among those who visit them. They aren't often found near urban spaces. But the "tiny forest" movement, where small but dense forests are planted in developed areas, is attempting to change that.

At Stryker's facility in Limerick, Ireland, a new tiny forest is taking root. Local community and school groups helped plant the forest, which includes over 1,000 trees and shrubs native to Ireland, as well as a bee apiary and a walkway to invite exploration. Stryker's life-enhancing work influenced the forest's design: it is planted in the shape of a femoral knee replacement.

This project is an example of Stryker's commitment to biodiversity. We are developing a high-level plan to describe our approach to biodiversity and will share details in future reporting.

Governance and engagement

Focusing on sustainability across Stryker

CDP **reporting**

Stryker publicly reports our GHG emissions data and reduction initiatives annually through CDP, an internationally recognized nonprofit organization that collects and reports environmental metrics. Currently, we report our direct and **electricity emissions** from all of Stryker's facilities and business travel. In 2022, we received a B score on CDP's Climate Change questionnaire, above the industry average of C.

Stryker's Corporate Responsibility (CR) Steering Committee, which reports to the Governance and Nominating Committee of the Board of Directors, allocates resources to measure and report carbon emissions, reduce carbon emissions from energy consumption and identify climate-related risks and opportunities. Our reporting is informed by recommendations developed by the Task Force on Climate-related Financial Disclosures (TCFD) in four areas: governance, strategy, risk management and metrics and targets. In early 2023, we launched a climate risk and opportunity survey among key internal leaders and initiated a scenario analysis aligned with the TCFD framework. Details on our climate change governance models and risks/opportunities can be found on Stryker's CR hub.

Engaging Stryker's employees

Our progress is possible because of the many employees who make our business more efficient. Stryker's Environmental Alliance, now 650 members strong, is an employee community dedicated to making environmental change. Over the past year, facility-level chapters planned projects that included installation of electric vehicle (EV) chargers at our facilities, informational sessions on composting and recycling, park cleanup events and onsite farm stands with local produce.

The CR committee in our Asia Pacific offices launched the Green for Better campaign in 2022, a month-long challenge that crowdsourced over 200 ideas to help Stryker further our sustainability strategy. Winning ideas included promoting carpooling to work, consolidating shipments to hospitals, going digital for internal marketing of product launches and transitioning to sustainable packaging.

Good
business

Making healthcare better means striving for quality and integrity in all that we do. This pursuit of excellence applies to all aspects of our business, from how we approach product development and data security; to how we interact with employees, customers and suppliers; to the standards our leaders set from the top.

Our values

Integrity
We do what's right

Accountability
We do what we say

People
We grow talent

Performance
We deliver

Governance
Holding ourselves to the highest standards

Stryker adopts policies, procedures and guidelines, which we review periodically, in pursuit of ethical business standards. We also provide appropriate levels of oversight by our Board, senior leadership and other members of management. In 2022, we made slight changes to certain Board Committee charters and our bylaws to stay current with new regulations, market trends and investor expectations. We also updated our bylaws to comply with the new universal proxy access rule for shareholder director nominations adopted by the U.S. Securities and Exchange Commission (SEC).

Stryker regularly engages with shareholders and considers their proposals. Proposals come to a vote at our annual meeting when common ground is not found. Corporate governance information, including our bylaws, charters, guidelines and policies, is available on stryker.com, and we include details about governance topics in our proxy statement. We also provide periodic disclosures in our SEC filings.

Board of Directors

Kevin Lobo *

Allan Golston ‡§

Mary Brainerd ‡§

Giovanni Caforio, M.D. ‡§

Srikant Datar, Ph.D. **

Sherilyn (Sheri) McCoy †‡§

Andrew (Andy) Silvernail **

Lisa Skeete Tatum **

Ronda Stryker §

Rajeev Suri **

John Brown
Chairman Emeritus
Former Chair, President
and CEO

Howard Cox, Jr.
Director Emeritus

*   Chair of the Board   †   Lead Independent Director   ** Audit Committee
‡   Compensation Committee   §   Governance and Nominating Committee

More information about our directors' experience is available in our proxy statement.
See page 31 for Board diversity metrics.

50%
of Stryker's Board of
Directors identifies
as racially/ethnically
diverse, and

40%
identifies as female

Senior Leadership Team

Kevin Lobo
Chair and Chief
Executive Officer

Yin Becker
Vice President, Chief
Corporate Affairs Officer

Glenn Boehnlein
Vice President, Chief
Financial Officer

Katy Fink
Vice President, Chief Human
Resources Officer

Rob Fletcher
Vice President, Chief
Legal Officer

Viju Menon
Group President, Global
Quality and Operations

Andy Pierce
Group President, MedSurg
and Neurotechnology

Spencer Stiles
Group President,
Orthopaedics and Spine

38%
of our Senior
Leadership Team
identifies as racially/
ethnically diverse, and

25%
identifies as female

Sharing knowledge
across our industry

Beyond leading our company, many Stryker executives share their
expertise more broadly by holding leadership positions in healthcare
industry associations. Organizations in which our leaders hold key
roles include:

- **AdvaMed**—Kevin Lobo, Chair, March 2019–March 2021; Executive
  Committee Member, March 2013–Present
- **APACMed**—John Collings, Chair
- **Healthcare Leadership Council**—Andy Pierce, Council Member
- **Medical Device Manufacturers Association**—Spencer Stiles,
  Board Member
- **MedTech Europe**—Stuart Silk, Board Member

Other leadership members

Other officers

Jason Beach
Vice President,
Investor Relations

William Berry Jr.
Vice President,
Chief Accounting Officer

Jeanne Blondia
Vice President,
Finance and Treasurer

Andrés Cedrón
Vice President,
Corporate Secretary

Irene Corbe
Vice President,
Internal Audit

Robert Cummings
Vice President,
Tax

Alan Douville
Vice President,
Chief Information Officer
and Chief Information
Security Officer

Dana McMahon
Vice President,
Chief Compliance Officer

Jody Powell
Vice President,
Global Regulatory
Affairs and Quality
Assurance

Divisional leadership

Michael Carlin
Customer Solutions

Robert Cohen
Digital, Robotics and
Enabling Technologies

Dylan Crotty
Instruments

Brent Ladd
Endoscopy

James Marucci
Neurovascular

Michael Panos
Trauma & Extremities

Donald Payerle
Joint Replacement

**Charles (Robbie)
Robinson, Jr.**
Spine

Bradford Saar
Medical

Regional leadership

Maurice Ben-Mayor
South Pacific

Silvia Braga
Latin America

Dragana Bunjevac
EEMEA

John Collings
Asia Pacific

Christophe Dujardin
Europe

Wesley Grant
East Asia

Satoshi Mizusawa
Japan

Aman Rishi
India

Stuart Silk
EMEA, Canada,
Latin America

Lindsay Williams
Canada

Corporate responsibility governance

Stryker's corporate responsibility (CR) work is underpinned by our mission and values, company strategy and code of conduct, revised in 2022 (see page 65 for more information). 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. The Committee:

- Advises on CR and environmental, social and governance (ESG) initiatives— terms we use interchangeably
- Ensures accountability for CR-related budget and resources
- Guides company-level disclosures and business integration strategies
- Oversees development of future CR operating models
- Provides accountability for progress toward goals, including setting new goals

Our Board of Directors considers ESG risks in enterprise risk management and strategy development, entrusting responsibility for these risks to Stryker's leaders, who direct local management responsible for implementation. During shareholder engagement sessions pertaining to ESG issues, we typically receive questions about our product quality processes and supply chain practices, governance models, ethical marketing practices and carbon reduction commitments.

Stryker includes ESG metrics in the compensation plans of select Named Executive Officers (NEOs). The details of our NEOs' compensation plan for 2022 is available in our proxy statement.

Briefings to our Board
The CR Steering Committee, along with other Leadership Team members, provides quarterly updates to the Governance and Nominating Committee and annual updates to the full Board of Directors. In addition, Stryker's Human Resources (HR) function regularly briefs the Compensation and Human Capital Committee and Board on diversity, equity and inclusion (DE&I) commitments and performance. Our global Chief Information Officer/Chief Information Security Officer (CISO), a member of our senior management, provides quarterly updates to the Audit Committee and/or full Board of Directors on company policies and practices with respect to cybersecurity risk assessment and risk management.

CR steering **committee**

Stryker's CR steering committee oversees ESG strategy, goals and reporting and provides feedback to the CEO and Senior Leadership Team. Members of the committee include:

Mike Anderson
EMEA and APAC

Jason Beach
Investor Relations

Yin Becker
Corporate Affairs

Eileen Buckley
Corporate Responsibility

Andrés Cedrón
Corporate Secretary

Katy Fink
Human Resources

Jennifer James
Finance

Viju Menon
Global Quality and Operations

Matt Moreau
MedSurg and Neurotechnology

Jodie Morrow
Orthopaedics and Spine

Erol Odabasi
Corporate Sustainability

Risk assessment

Stryker faces a variety of strategic, financial, operational and compliance risks, including risk of anti-competitive behavior, antitrust and monopoly practices and information security threats. Our programs and processes to identify and assess these risks include robust oversight, as well as management strategies and initiatives.

For example, the Board's Audit Committee and Governance and Nominating Committee meet regularly with Group Presidents and our Finance, Information Security, Tax, Treasury, Internal Audit, Legal and Compliance management teams to assess financial, legal, compliance, cybersecurity, operational and strategic risks throughout our businesses. These committees also review our insurance and other risk management programs and policies to enable the Board to exercise its ultimate oversight responsibility for the company's risk management processes.

We conduct an annual organization-wide compliance risk assessment, which evaluates 93 unique compliance risks, many of which directly or indirectly address corruption risks.

Information security and privacy
Safeguarding critical data

Key cybersecurity **partnerships**

- Anti-Terrorism Advisory Council
- Cincinnati CISO Roundtable
- CISO Coalition
- Critical Manufacturing Sector
- Cybersecurity and Infrastructure Security Agency (CISA)
- Department of Homeland Security
- Domestic Security Alliance Counsel
- Gartner Institute Research Board for Enterprise Risk Executives and CISO Health Information Sharing and Analysis Center
- InfraGard Chicago HealthCare Information Sharing and Analysis Center
- Sector Coordinating Council

Stryker works diligently to ensure that the organization can operate efficiently, and to protect the interests and privacy of our employees, customers, patients and other stakeholders. We protect intellectual property that we own and develop, and we respect the valid intellectual property rights of others.

Cybersecurity

Stryker's cybersecurity program defends the company and our customers against cybercrime activity around the globe. The Audit Committee of the Board of Directors reviews and discusses with management the company's policies and practices with respect to cybersecurity risk assessment and risk management, as well as the steps management takes to assess, monitor and control exposure to this risk.

We use multiple layers of security to achieve holistic protection of our assets and those of our business partners. Our program activities include risk management, compliance assurance, data breach management, regulatory and audit. Specialized teams are in place whose focus is dedicated to the cybersecure design and support of Stryker digital products and medical devices.

Our Security Operations and Cyber Fusion Center monitors and detects threat activity 24/7 by gathering, analyzing and acting on intelligence. We conduct quarterly security-related exercises that simulate incidents and outages to help us refine our global incident response plan.

As an organization certified in international cybersecurity standards, including International Organization for Standardization (ISO) 27001, our Quality Management Program includes internal and external security reviews of products and systems, and is developed in accordance with security and privacy-by-design principles. See page 72 for more information about product quality and safety.

Our CyberSecurity, CyberRisk and IT Compliance Team keeps Stryker's data and assets secure while responding quickly to cyber threats and mitigating risks. In 2022, the team incorporated new regulatory requirements from India and China, as well as U.S. agencies such as CISA. We are monitoring potential new disclosure requirements under consideration by the SEC and Federal Trade Commission.

Stryker's cybersecurity experts use industry-leading practices, including artificial intelligence and machine learning, to provide state-of-the-art global cybersecurity protection. The team holds over 140 security, risk and compliance certifications. We have strong relationships with government, cybersecurity industry and security research partners that bolster our cybersecurity profile across our highly regulated and controlled infrastructure for facilities, data and assets.

All of Stryker's employees with network access undergo mandatory security education several times a year, including role-specific security and data protection training. We also communicate frequently with employees regarding pertinent security topics and policies throughout the year.

We conduct cybersecurity and privacy assessments on third parties that integrate with

Stryker's data, network, systems and products. As a growing company that routinely acquires and integrates other businesses, we have streamlined processes that quickly bring acquired companies into alignment with our cybersecurity standards.

Privacy
Every day, employees, customers and their patients entrust personal information to Stryker, and we aim to keep that trust. Stryker's Global Privacy program is built upon common principles that allow us to comply with ever-changing and complex global privacy regulations and to meet individuals' expectations for how we handle their data. We hold ourselves accountable to these principles by integrating privacy by design into every aspect of product development to

help instill confidence in our customers and their patients throughout the continuum of care. Our practices and high standards extend to our third-party partners.

In 2022, we elevated our commitment to privacy by hiring a Chief Privacy Officer who is responsible for overseeing the Global Privacy organization and program and leading organizational compliance with laws, regulations and standards. The continued maturation of our Global Privacy program will ensure that privacy is an integral part of our company's growth and innovation.

Business ethics and integrity

Conducting business according to our values

Stryker is guided by our values of integrity, accountability, people and performance. Our Global Compliance and Privacy (GCP) program is informed by these values, along with laws, regulations, industry standards and the needs of our organization.

Code of Conduct

Our Code of Conduct, policies and standards help our employees conduct business the right way. In January 2023, Stryker launched a refreshed Code of Conduct that incorporated significant changes to underscore our expectations of all employees and business partners. The updated Code encourages employees to apply ethical decision-making principles, rather than remember a lengthy set of rules. Within the Code, each topic begins with a guiding principle setting out the expected behavior and an explanation of why the topic matters to Stryker's continued success, followed by practical examples for how to do what's right. Our Code also emphasizes the importance of managers' creating a "speak up" culture and leading by example.

Available in English and 20 other languages, our revised Code of Conduct incorporates our previous Code of Ethics. The Code expands upon the topics covered and provides new or enhanced guidance to:

- Promote CR
- Foster a diverse and inclusive work environment
- Engage trustworthy third parties and indirect channels
- Comply with international trade laws
- Respect human rights and source responsibly
- Protect the environment
- Participate responsibly in the political process
- Respect privacy and personal information

Top executives at the company led the launch of our new Code of Conduct. In addition, we identified over 140 employees throughout the company to help lead change management initiatives related to the refreshed Code. We prepared dedicated, scenario-based training for the entire organization to support the Code launch. We're also incorporating supplemental learning resources, including manager discussion guides and job aids, in existing training programs and leadership resources.

Ongoing training and communication

In 2022, Stryker hosted a global Integrity Matters month for people managers that highlighted the important role they play to foster a safe environment for employees to speak up about ideas and concerns, encourage open dialogue about ethical behavior, spark curiosity and advance our DE&I commitments.

Integrity Matters month expanded on previous Integrity Matters campaigns with virtual talks, workshops (including a DE&I summit) and training over four weeks. Proceedings began with an address about the importance of psychological safety. We launched a mandatory ethical

conduct e-learn training module for managers, which allowed individuals to tailor their experience to their knowledge level and work through case studies. More than 6,400 people managers completed the course, representing over 90 percent of employees at this tier.

We continue to issue Integrity Matters newsletters with updates about our prioritized risk areas, including real-world examples and spotlights on employees who showcase Stryker's value of integrity in their daily work. These newsletters are available in multiple languages. The newsletters for our Global Quality and Operations (GQO) organization focus on updates and

risks related to manufacturing, supply chain and international trade. For our Indirect Channels (ICs), we share updates and news to increase understanding of bribery and corruption risk and focus on appropriate healthcare professional interactions. This newsletter also directs our ICs to the IC Resource Center, where tools and templates are available for them to build their own compliance programs.

Compliance priorities and programs

The GCP Team partners with the business to reduce compliance risk and enable growth.

We formalized the governance for our GCP program, including quarterly meetings for all committees. Their responsibilities include:

- The Board of Directors and subcommittees oversee our GCP program and receive quarterly updates from our Global Chief Compliance Officer
- The GCP Committee consists of senior leaders who manage our GCP program
- A global network of Compliance Committees is tasked with ensuring that our GCP program is tailored to the specific risks of each business and is executed effectively

The GCP Team has local Compliance Officers who ensure the program is appropriately tailored to the needs of the business and consistently implements and incorporates global considerations and expectations.

Risk assessments and plans

Each year, compliance risk assessments are conducted globally and locally to identify and address compliance risks. Annually, the GCP Team creates a global plan based on the results of these assessments, external expectations for compliance programs and other internal considerations, such as people, talent and development.

Local Compliance Committees, with the support of the local Compliance Officer, are also responsible for creating a local Compliance Plan. The Compliance Committee owns that plan and monitors implementation and performance throughout the year. In 2022, we delivered a transformed curriculum to all Compliance Committee members worldwide to clarify roles, refine expectations and increase consistency and effectiveness.

Data helps us determine whether our compliance program, guidance and processes are effective, or if additional actions are necessary. We conduct global and local risk-based monitoring and assessments to ensure compliance with our communicated policies and standards. This data is also used in our annual risk assessments.
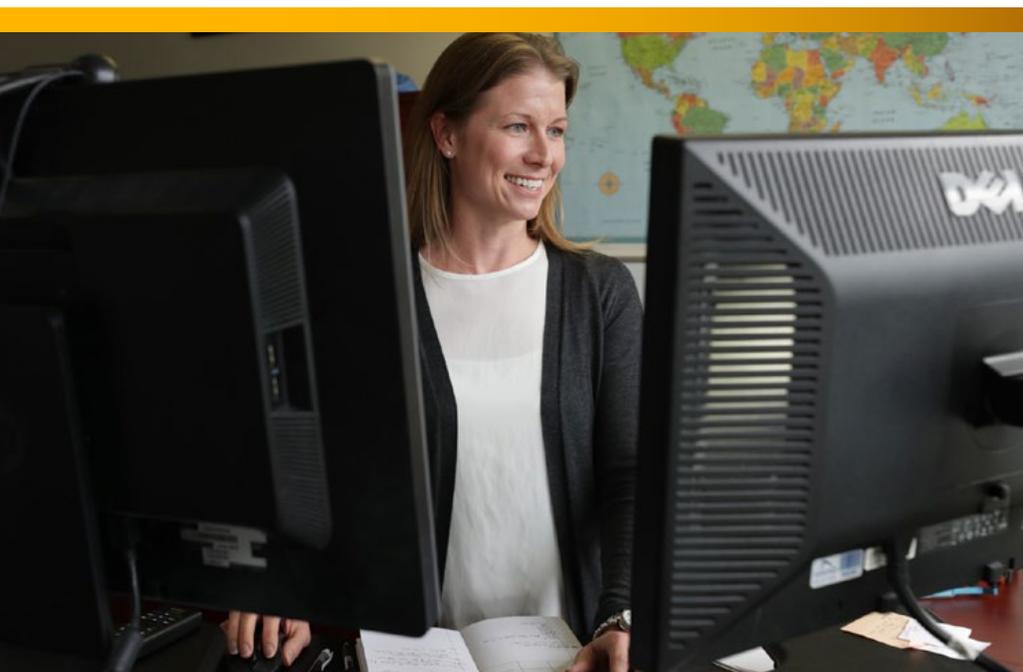
Ethics and integrity assessment

In 2022, Stryker conducted a formal assessment of how employees view ethics and integrity at the company, supported by a leading provider of ethics benchmarking. Over 15,000 employees from 45 countries participated. The assessment revealed a 98 percent positive response rate regarding our employees' understanding and support for our mission and values. The results also demonstrated that Stryker's culture of ethics and integrity is consistent with industry benchmarks.

The assessment confirmed the large impact that people managers have when they communicate regularly about ethics and integrity to their teams, creating an open-door culture for speaking up. It also revealed the need to create more awareness about Stryker's nonretaliation policy and to clearly explain

our investigation process and approach to disciplinary actions. We are in the process of implementing short- and long-term action plans to address these opportunities.

Compliance during mergers and acquisitions

Stryker's compliance specialists work closely with local Compliance Officers and external advisors to evaluate potential acquisition targets and identify business practices that do not align with our high ethical standards, so that we know what practices will need to be adapted after closing. The GCP Team onboards acquired companies into Stryker's GCP program through education on policies, implementation of Stryker's compliance systems and completion of due diligence on third-party business partners. We continuously monitor integration progress to ensure all timelines are met and processes have been established to escalate any

identified risks to GCP leadership. Once complete, we evaluate every integration to identify potential areas for improvement.

Investigations and corrective actions

The GCP Team receives reports of suspected misconduct from a variety of sources, such as monitoring, assessments and employee reports to managers, Compliance, HR or Stryker's Ethics Hotline. Once a report is received, the Investigations Team collects any available documentation, conducts interviews and reviews Stryker's relevant policies. The team considers all information and takes appropriate follow-up and corrective action. This data also feeds into future risk assessments.

Employees and third parties can report ethical concerns or allegations of noncompliance with our Code of Conduct and Stryker's other policies through many methods, such as their manager, Compliance, Legal, HR or Stryker's Ethics Hotline. The Ethics Hotline is accessible via the web, telephone and SMS messaging, and allows individuals to report their concerns confidentially and anonymously, if desired. Stryker's Ethics Hotline Committee has oversight responsibility for the hotline and receives regular reports on key trends and critical issues. In 2022, over 1,400 matters were raised and tracked on the Ethics Hotline.

Ethical marketing and sales

We distribute products through our internal sales force and third parties—or IC partners who sell on our behalf. Our refreshed Code outlines our commitment to

Stryker's **Animal Welfare Directive**

Stryker's position regarding animal research in the context of medical technology development recognizes two interrelated ethical commitments: one to human patients and one to animals that may be used in product development and lifecycle management. Our directive describes the limitations and principles of animal use that Stryker abides by as a corporation. For more information, please see our complete directive online.

accurately represent our products and services and comply with applicable regulatory and legal requirements governing their marketing and sale.

Our Corporate Policy 5: On-Label Product Promotion clarifies that our employees, contractors, consultants and other third parties acting on Stryker's behalf may only promote our products for uses consistent with the product label.

The Code also describes our commitment to transparent and ethical interactions with healthcare professionals and prohibition of bribery and corruption. Stryker has adopted the AdvaMed Code of Ethics and similar regional and local industry association codes as guidance for our internal sales force and IC partners regarding ethical interactions with healthcare professionals.

Our IC Management Team provides global oversight, alignment and consistency in managing ICs across geographies, ensuring that all partners conduct business ethically and with integrity. During 2022, we began the global rollout of an advanced training program for ICs called "Winning the Right Way." The objective is to bring ICs together to upskill ethical decision-making and provide support for them to develop their own compliance programs.

Human rights
Treating all people with dignity and respect

As a global healthcare company, we are also guided by **global principles including:**

- International Labour Organization Declaration on Fundamental Principles and Rights at Work

- Organization for Economic Cooperation and Development Guidelines for Responsible Business Conduct

- United Nations Guiding Principles on Business and Human Rights

- Universal Declaration on 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. We expect third parties, including indirect channels, suppliers, vendors and contractors doing business with Stryker, to share our commitment to safeguarding human rights.

These principles are summarized in our Code of Conduct and Supplier Code of Conduct, which serve as guides for how we do business and include:

- No forced labor, involuntary labor or human trafficking
- No child labor and fair treatment of young workers
- Fair labor practices

- Nondiscrimination and antiharassment
- Safe working environment

Oversight for human rights

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 GQO serves as executive sponsor. The Council

reports directly to Stryker's CR Steering Committee and provides regular updates on human rights topics. In previous disclosures, this group was referred to as the Forced Labor Human Trafficking Workgroup. In 2022, Stryker published our latest disclosures pursuant to the U.K. Modern Slavery Act of 2015 and the Australian Modern Slavery Act of 2018.

Helping employees do what's right

We require that Stryker's employees who most frequently visit or interact with direct suppliers complete annual training on the prevention of forced labor and human trafficking in our supply chain, which educates them on risk factors, indicators and reporting methods. In 2022, 98.8 percent of these employees completed training.

We also encourage employees to report any human rights concerns to Legal, Compliance or HR, or by using our Ethics Hotline.
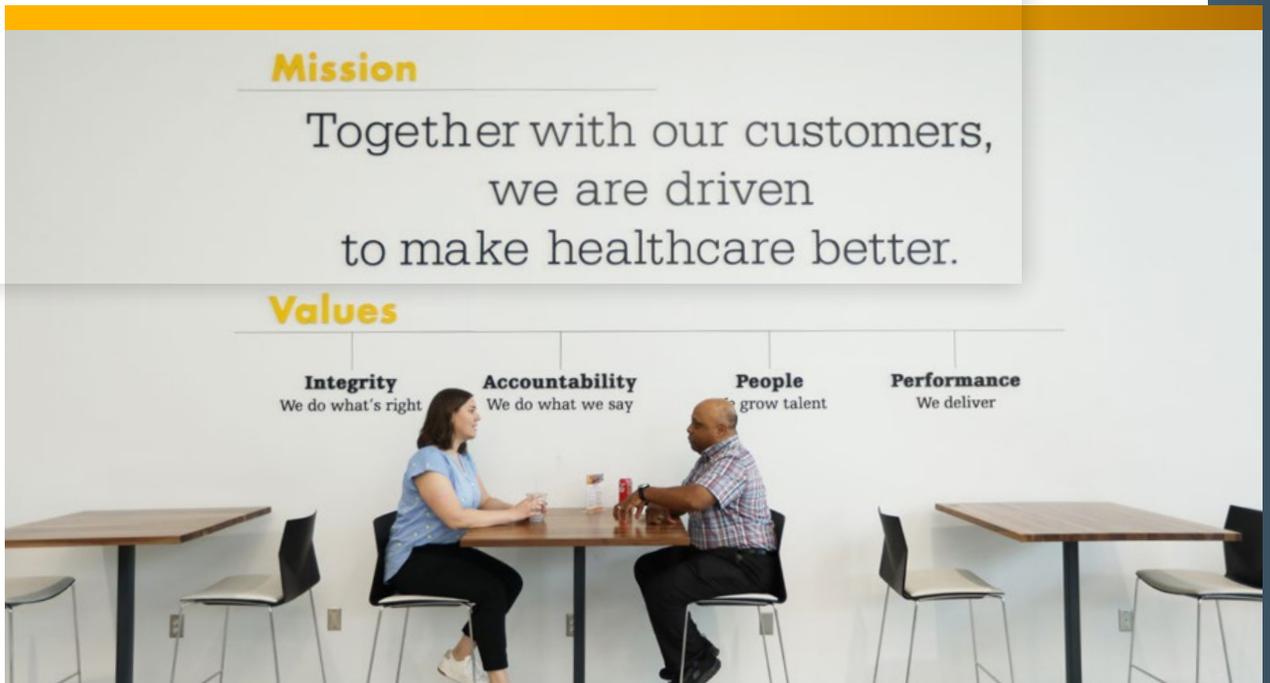
Product quality and safety

Putting quality first in all we do

For more information on our quality strategy, please see our website.

For Stryker, quality, as captured in our Quality Policy, means delivering healthcare solutions that improve safety, efficacy and efficiency. When we meet or surpass product quality and safety expectations, we can grow based on a reputation of reliability and trust that positions Stryker as a global healthcare technology leader.

Our global manufacturing sites are accredited to ISO 13485:2016 and other appropriate regulatory certifications. Stryker has approved over 100 accredited quality and safety standards from organizations such as ASTM International (formerly known as American Society for Testing and Materials), ISO and British Standards Institution which are used when designing, manufacturing and distributing our products.

Every year, Stryker supports over 100 external audits across our manufacturing, logistics and distribution sites to assess adherence against all relevant standards. Internally, we conducted over 400 quality audits in 2022. In addition, we created dedicated teams focused on transitioning products and solutions obtained via mergers and acquisitions to meeting our rigorous quality standards.

Quality monitoring

Stryker's Quality Team is dedicated to delivering quality products and processes. The team is supported by a robust quality data program that includes key process indicators for different dimensions of quality. The data we gather through this program guides us in managing day-to-day quality activities and is regularly reviewed with executive leadership.

Quality **Policy**

At Stryker, quality is first in everything we do. We are driven to make healthcare better for our customers by providing innovative products and services that meet regulatory requirements through our effective quality system.

Quality management metrics

Recalls reported to U.S. FDA	2019	2020	2021	2022
Number of FDA Class I recalls	0	1	0	0
Number of FDA Class II recalls	28	17	28	26
Number of FDA Class III recalls	0	0	0	2
Recalls pending classification	—	—	—	1
Normalized by revenue (All recalls reported to U.S. FDA per billion dollars in revenue)	1.88	1.25	1.64	1.58

U.S. FDA Warning Letters	2019	2020	2021	2022
FDA Warning Letters received	0	0	0	0
FDA Warning Letters resolved	1	0	0	0

Inspections	2019	2020	2021	2022
Number of inspections by Notified Bodies and worldwide regulatory agencies	*	137[†]	185[†]	180
Average findings per audit	*	0.7	0.8	0.7
Number of FDA inspections	6	2	4	5
Average observations per FDA inspection	1.2	0.0	0.8	0.0
Number of corporate quality audits conducted	30	26	29	23

*   Predates consolidated data for this metric.
†   Previous reports included one (1) additional audit in each of these years.

Quality training

Training is at the core of our quality culture at all levels of the organization. All employees are required to complete quality-based trainings applicable to their roles. When procedures change, we conduct retraining as needed. We use the most appropriate delivery methods to ensure efficacy, including self-paced reading, interactive web-based and in-person training.

Designing for quality

Maintaining Stryker's industry-leading quality standards starts with our product development process, where we design for quality, manufacturability, serviceability and reliability. We have dedicated Quality Teams working throughout the new product development process. These teams partner with our Design Engineering Teams to instill our quality culture into the product lifecycle. Our teams analyze the risks of health and safety impacts for our products and assess them for improvements. We also take feedback from current-generation products to

Research and Development Teams to improve next-generation designs.

In November 2022, Stryker's sites around the world celebrated World Quality Week. This year's theme focused on "Quality Conscience and Doing The Right Thing." Having a quality conscience goes beyond the physical quality of our products. It is a belief system that guides us every day in all our actions, words and thoughts.

Throughout the week, leaders emphasized what this means to them in each of their roles, as well as our patients, our planet and the way these beliefs connect to our mission and values. In-person and online activities, including games, competitions and videos, kept employees engaged and raised awareness.

Post-market surveillance

Our continuous improvement program encourages employees to be proactive in their quality management work, rather than reactive. We incorporate customer feedback into product development

and post-market surveillance processes, using what we believe to be a best-in-class complaint-handling process to receive, evaluate and investigate customer complaints. We also use that information to track and interpret trends, to inform a corrective and preventive action process for continuous improvement and to create a feedback loop from customers into our design process.
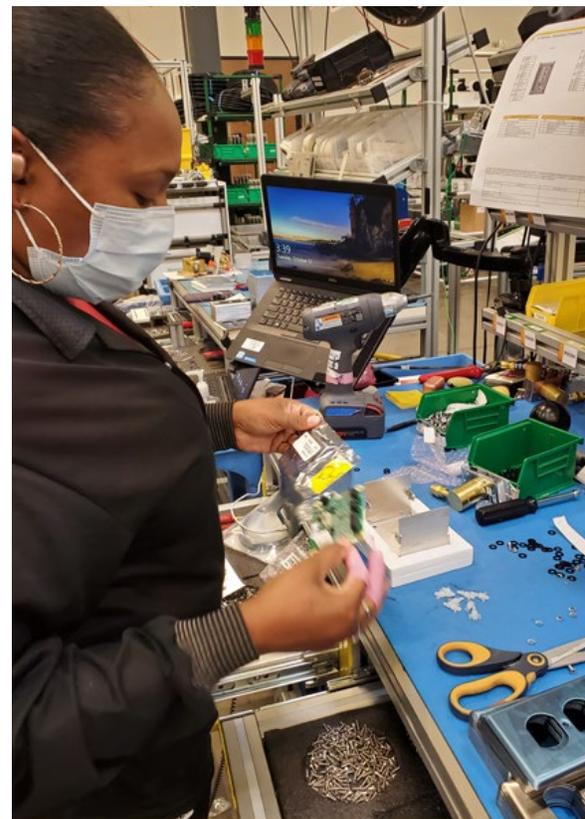
"**At Stryker, quality is first in everything we do.** We are driven to make healthcare better for our customers by providing innovative products and services that meet or exceed global regulatory standards. We have a robust quality program that includes key process indicators for many different dimensions of quality. We focus on building a culture of quality, engaging our global workforce to drive continuous improvement."

Jody Powell
Vice President, Regulatory Affairs and Quality Assurance

Supply chain management

Involving suppliers in our mission

By the end of 2027, Stryker will engage **85%** of our direct suppliers (by spend) on ESG performance assessments

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

Supplier Code of Conduct

Any supplier doing business with us is required to adhere to our Supplier Code of Conduct through our supplier contracts and purchase order terms and conditions. The Supplier Code communicates our expectations for suppliers in key areas including:

- General business and ethics
- Human rights
- Labor and employment
- Health, safety and environment
- Intellectual property and data

Our Direct Procurement Team completes annual training to assist suppliers in meeting their obligations under the Supplier Code. In 2022, 98.6 percent of the team completed this training.

Engagement and assessments

Our ESG impact extends beyond our own operations, and we actively engage direct suppliers on their ESG performance and initiatives. We segment our direct suppliers based on their overall importance to our business and perform evaluations against publicly available data to identify suppliers that may inherently be at higher risk for ESG-related issues based on their industry or region where they operate. Using the results of these activities, we engage the identified in-scope suppliers in ESG performance assessments through recognized third-party audit and ratings platforms that focus on policies, governance, key performance indicators (KPIs) and other evidence of integrated processes addressing human rights and labor, environmental, ethics and sustainable procurement risks. 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

2022 North America spend

>$300M
with diverse-owned businesses

>$890M
with small businesses

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 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 completed assessments identified opportunities for continued supplier development but did not result in findings that required our immediate intervention. See Human Rights for more information about how Stryker addresses human rights issues throughout our value chain.

Conflict minerals

We support the responsible procurement of tin, tantalum, tungsten and gold, commonly referred to as conflict minerals, including those that originate from the Democratic Republic of the Congo and adjoining countries. To address any potential risks that may occur deep within our supply chain related to conflict minerals, we maintain a Conflict Minerals Policy and provide updates on our efforts in our Conflict Minerals Report, filed annually with the SEC. In addition, we are members of the Responsible Minerals Initiative, which provides companies with tools and resources to make decisions that improve regulatory compliance and support responsible procurement from conflict-affected and high-risk regions.

Supplier diversity

We are committed to increasing representation of disability-, LGBTQ-, minority-, veteran- and women-owned businesses and small businesses in our supply chain.

Our Supplier Diversity Council, consisting of senior functional leaders from across the company, oversees the implementation of our strategy, which centers on:

- Building awareness
- Identifying, retaining and growing current diverse suppliers
- Identifying new diverse suppliers with potential to support future opportunities

The Supplier Diversity Council promotes the expectation that procurement managers seek and consider highly qualified diverse suppliers within new business opportunities. In addition to our work directly with diverse suppliers, council members are also engaging non-diverse suppliers in our strategy. For example, our Legal function considers the diversity of attorneys assigned to Stryker as a factor when selecting outside counsel. To monitor our progress, the council meets quarterly to review KPIs and provide updates.

In 2022, we maintained our memberships with Disability:IN, the National Minority Supplier Development Council and the Women's Business Enterprise National Council to engage with highly qualified diverse suppliers and support diverse supplier development. Stryker also engaged with the Michigan Economic Development Corporation, Pure Michigan Business Connect and Southwest Michigan First to support opportunities to develop diverse suppliers.

Supplier quality management

Quality comes first in everything we do, so we take particular care to manage suppliers who have the potential to impact quality. Our Global Supplier Quality Team is responsible for onboarding suppliers from a quality perspective, which includes identifying a supplier's quality risk and monitoring compliance with regulations and standards such as ISO 13485. Our approval and onboarding process for new suppliers is dependent on the supplier's quality risk, which may include an assessment of a supplier's capabilities, an initial audit, review of regulatory certifications and supplier agreements. Approved suppliers are classified on our quality-controlled approved supplier list by category and risk of impacting quality. Our Global Supplier Quality Team tracks supplier quality performance. KPIs include those related to product and audit nonconformances, corrective and preventive actions, product field actions, supplier defects per million and nonconformances that are not in Stryker's control. Based on the results of the monitoring and tracking, we take additional actions to improve quality performance.

In 2022, we instituted Supplier Quality Onboarding Days on a quarterly basis, which we use to help make a positive and transparent connection with new suppliers, while providing an overview and training regarding Stryker's quality processes. In addition, we introduced the Supplier Quality Guidebook, which is a resource for suppliers to understand our quality requirements and expectations. The guidebook sets forth Stryker's expectations on topics such as suppliers' training of their employees on quality requirements, supplier agreements, change approval processes, qualification and process controls, quality expectations and ongoing performance standards.

The Supplier Quality Guidebook also reinforces our suppliers' obligations pursuant to our Supplier Code of Conduct and purchase order terms.

Any changes to products or processes that may impact quality are required to undergo a rigorous review and approval process by Stryker's Quality Team. Suppliers who propose a quality-impacting change to products must follow a formal change request process. The process outlines steps that must be completed before a change is approved, such as testing and inspections, to ensure that product continues to meet Stryker's and customers' expectations. In 2022, we evolved our supplier change approval process to an enhanced risk-based approach which improves our agility and strengthens our supplier relationships while maintaining our commitment to quality first.

Appendix

About
this report
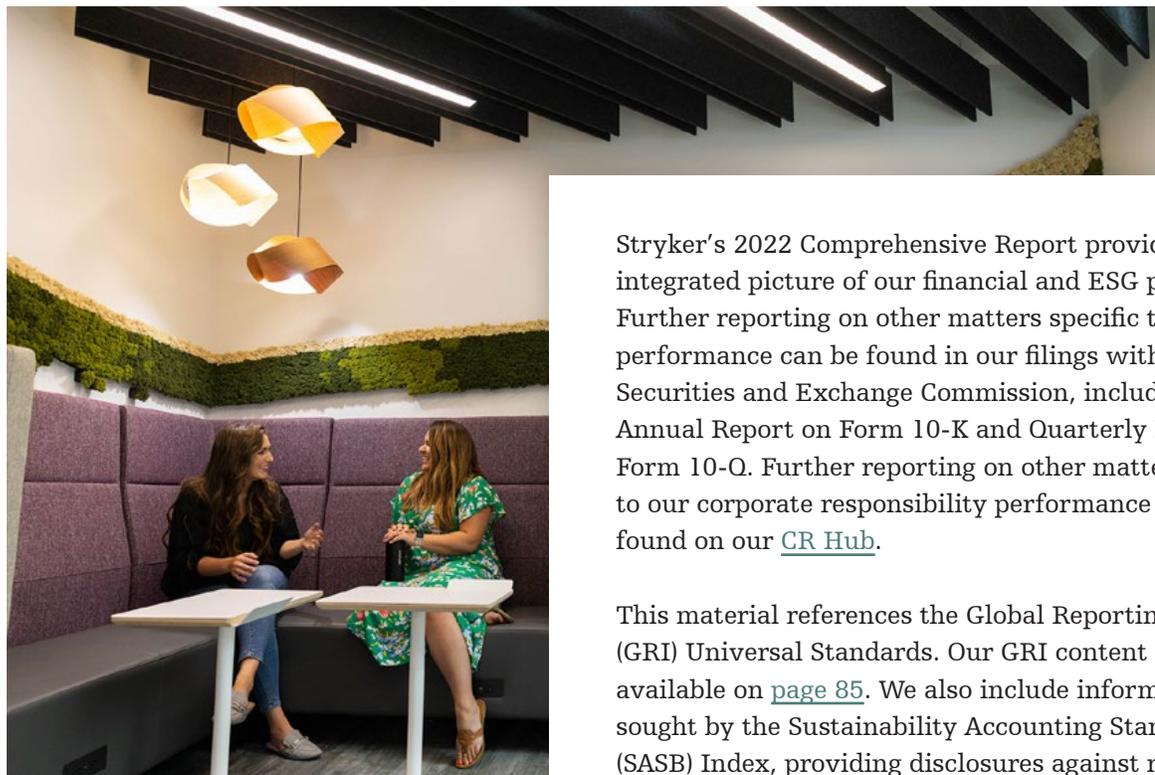
Stryker's 2022 Comprehensive Report provides an integrated picture of our financial and ESG performance. Further reporting on other matters specific to financial performance can be found in our filings with the U.S. Securities and Exchange Commission, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Further reporting on other matters specific to our corporate responsibility performance can be found on our CR Hub.

This material references the Global Reporting Initiative (GRI) Universal Standards. Our GRI content index is available on page 85. We also include information sought by the Sustainability Accounting Standards Board (SASB) Index, providing disclosures against relevant SASB Standards, and the Task Force on Climate-related Financial Disclosure (TCFD). Our SASB and TCFD content indexes are available on pages 91 and 92, respectively.

The data contained in this report was reviewed by internal subject matter experts as well as members of Stryker's Leadership Team. We believe this information accurately represents our performance in 2022. We welcome your questions and feedback on this report. Please contact us at: CR@stryker.com.

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2021 environmental
performance

This report supplements Stryker's 2021 Comprehensive Report and details our environmental performance data with respect to energy, carbon and water. This report is an update and expansion to our 2020 energy and carbon supplement.

In 2020, we committed to two carbon reduction goals informed by the Science Based Targets initiative (SBTi), consistent with reductions required to limit global warming to 1.5°C:

* Achieve a 20 percent reduction in carbon emissions (Scopes 1 and 2) by 2024, and
* All Stryker facilities to be carbon neutral (Scopes 1 and 2) by 2030, using 2019 as our baseline year.

Energy and carbon emissions (Scope 1 and 2)
Stryker is pleased to share that we achieved our interim 2024 goal of a 20 percent carbon emission reduction for Scopes 1 and 2. In 2021, we saw a 22 percent absolute emissions reduction and a 32 percent reduction in our greenhouse gas (GHG) emissions intensity (per revenue dollar) from our 2019 baseline year. We continue to invest in energy efficiency and renewable electricity in our journey to carbon neutral by 2030.

Scope 1 and 2 GHG emissions by year

GHG emissions (MT CO2e)	2019	2020*	2021
Scope 1 GHG emissions	25,284	25,717	24,883
Scope 2 GHG emissions			
Location-based (LB)	133,703	129,177	127,696
Market-based (MB)	152,475	114, 016	114,213
Total GHG emissions (Scope 1 MB + Scope 2 MB)	177,759	139,733	139,096
Percentage change in GHG emissions	—	-21%	-22%
Energy intensity ratio (MT CO2e/million USD)	11.9	9.7	8.1
Percentage change in GHG intensity compared to 2019 baseline (MT CO2e/million USD)	—	-18%	-32%

Purchased energy use by type (TJ)	2019	2020*	2021
Non-renewable electric power	1,198.5	1,250.0	1,305.3
Renewable electric power	102.7	255.2	284.9
Natural gas	482.5	493	485.2
Diesel	9.2	7.8	3.3
Fuel oil	4.0	2.9	2.7
Total purchased energy	1,796.9	2,008.9	2,081.4
Energy intensity ratio (TJ/billion USD)	120.7	140.0	121.7
Percentage change in energy intensity compared to 2019 baseline (TJ/billion USD)	—	16%	1%

* As a result of improved integrity of our energy and carbon emissions reporting data, the 2020 energy and carbon values reported above were updated to reflect actual results.

Appendix

GHG Scope 1 emissions by region (MT CO2e)	2019	2020*	2021
North America (NAM)	20,595	20,440	18,872
Europe, Middle East, Africa (EMEA)	4,482	5,135	5,879
Asia Pacific (APAC)	207	142	132

GHG Scope 2 emissions (MB) by region (MT CO2e)	2019	2020*	2021
North America (NAM)	99,563	85,556	87,195
Europe, Middle East, Africa (EMEA)	29,201	10,265	8,764
Asia Pacific (APAC)	23,361	17,845	17,904
Latin America (LATAM)	350	350	350

GHG Scope 1 emissions by facility (MT C02e)	2019	2020*	2021
Manufacturing (GQO)	20,855	20,102	18,938
Office/warehouse (non-GQO)	4,429	5,615	5.945

GHG Scope 2 emissions (MB) by facility (MT CO2e)	2019	2020*	2021
Manufacturing (GQO)	106,312	72,767	75,115
Office/warehouse (non-GQO)	46,163	41,249	39,098

* As a result of improved integrity of our energy and carbon emissions reporting data, the 2020 energy and carbon values reported above were updated to reflect actual results.

FY2019 emissions by Scope 3 categories

Scope 3 carbon emissions

Guided by the GHG Protocol for Scope 3 Accounting and Reporting, in 2021, we completed a pilot Scope 3 carbon emissions analysis utilizing 2019 data for all relevant categories. These 2019 results are estimates based on primary and secondary data. We prioritized the collection of primary activity data wherever available. Primary data refers to data from specific activities within our operations and value chain and may be obtained through purchased records, bills and direct monitoring. In the absence of primary data, we relied on secondary data, which includes industry average data (e.g., from published databases, government statistics, literature studies and industry associations), financial data, proxy data and other standard data.

We continue to refine our approach to Scope 3 carbon emissions in order to establish a 2021 baseline. This baseline is expected to inform a future SBTi target.

Emissions tCO2e	2019
Purchased goods and services	1,769,727
Capital goods	105,747
Fuel and energy related activities	33,129
Upstream transportation and distribution	319,851
Waste generated in operations	2,286
Business travel	68,597
Employee commuting	89,535
Upstream leased assets	1,676
Use of sold products	Not disclosing
End of life treatment	Not disclosing

Water

Stryker understands our water use is a critical aspect of our environmental performance. Our 2021 water consumption is reflective of the water usage at Stryker's manufacturing facilities globally.

Cubic meters	2021
Manufacturing water consumption	2,379,881

VEREGO

VERIFICATION STATEMENT

To the stakeholders of Stryker Corporation

Verego was engaged by Stryker, to conduct a verification of their GHG emissions.

VEREGO

Verification Statement

GHG Inventory Verification 2021 prepared for Stryker Corporation

Period(s) Covered by Verification
1st January 2021 – 31st December 2021

Verification Standard used to conduct the verification
The principles of ISO – 14064-3:2019 Specifications with Guidance for the Validation and Verification of Greenhouse Gas Statements.

Level of Assurance
The opinion expressed in this verification statement has been formed on the basis of a Reasonable level of assurance and at a materiality of the professional judgement of the verifier.

Opinion
In Verego's opinion, nothing has come to the attention of the verifier that would cause us to believe that the Scope 1, Scope 2, and Scope 3 emissions disclosed in the statement and summarized in Table 1 are not materially correct. There are no known materially significant omissions.

Emissions data verified
Table 1. Breakdown of total verified emissions by each Scope

Scope of Emissions	Total Emissions tCO$_2$e
Direct Emissions – Scope 1	24,883
Indirect Emissions (Location Based) – Scope 2	127,696
Indirect Emissions (Market Based) – Scope 2	114,213
Indirect Emissions – Scope 3 (Business Travel)	23,586

GHG Verification Methodology
- Interviews with key personnel at Stryker
- Review of Stryker's methodology for data collection, aggregation, and appropriate classification of emission sources
- Review of Stryker's data and information systems and controls

Signed

Dated: 1st July 2022

Carole Kerrey

Carole Kerrey, Lead Verifier
Verego

2022 GRI
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Disclosure	Description	Response
General Disclosures		
GRI 2: General Disclosures 2022		
The organization and its reporting		
2-1	Organizational details	Stryker Corporation Kalamazoo, MI, USA
2-2	Entities included in the organization's sustainability reporting	2022 Form 10K, pg. 1
2-3	Reporting period, frequency and contact point	Annually Year end: December 31, 2022 CR@stryker.com
2-4	Restatements of information	Stryker has no restatements of information for 2022.
2-5	External assurance	Verego was engaged by Stryker to conduct a verification of the company's GHG emissions.
Activities and workers		
2-6	Activities, value chain and other business relationships	2022 Form 10K, pgs. 1-3
2-7	Employees	2022 Comprehensive Report> 2022 in review> Our company 2022 Comprehensive Report> Stronger people> Employees
Governance		
2-9	Governance structure and composition	2022 Proxy Statement> Board Committees, pgs. 17–18 2022 Proxy Statement> Board Leadership Structure, pg. 19
2-10	Nomination and selection of the highest governance body	2022 Proxy Statement> Board Committees, pgs. 17–18
2-11	Chair of the highest governance body	2022 Comprehensive Report> Good business> Board of Directors
2-12	Role of the highest governance body in overseeing the management of impacts	2022 Proxy Statement> Board's Role in Strategic Planning and Risk Oversight, pg. 17 2022 Proxy Statement> Approach to Environmental, Social and Governance Related Matters, pg. 20
2-13	Delegation of responsibility for managing impacts	2022 Proxy Statement> Board Leadership Structure, pg. 20
2-14	Role of the highest governance body in sustainability reporting	2022 Comprehensive Report> Good business> Governance 2022 Proxy Statement> Approach to Environmental, Social and Governance Related Matters, pg. 20
2-15	Conflicts of interest	Stryker Code of Conduct 2022 Proxy Statement> Code of Conduct / Code of Ethics, pg. 19
2-16	Communication of critical concerns	2022 Comprehensive Report> Good business> Governance
2-17	Collective knowledge of the highest governance body	2022 Comprehensive Report> Good business> Governance

Appendix

Disclosure	Description	Response
2-18	Evaluation of the performance of the highest governance body	2022 Comprehensive Report> Good business> Corporate responsibility governance
2-19	Remuneration policies	2022 Proxy Statement> Compensation Discussion and Analysis, pgs. 21–32
2-20	Process to determine remuneration	2022 Proxy Statement> Compensation Discussion and Analysis, pgs. 21–32
2-21	Annual total compensation ratio	2022 Proxy Statement> Ratio of 2021 Compensation of the Chief Executive Officer to that of the Median Employee, pg. 39

Strategy, policies and practices

Disclosure	Description	Response
2-22	Statement on sustainable development strategy	2022 Comprehensive Report> 2022 in review> A message from Stryker's Chair and CEO
2-23	Policy commitments	Code of Conduct Anti-Discrimination Sexual and Other Unlawful Harassment Drug Free Workplace / Prohibited Substances On-Label Product Promotion Trading in Securities by Company Personnel Global Information and Systems Security Stryker Compliance Program Quality Ethics Hotline Global Privacy and Data Protection Improper Payments Attendance at Surgery or Other Medical Procedures Human Rights Position
2-24	Embedding policy commitments	2022 Comprehensive Report> Good business> Business Ethics and integrity
2-25	Processes to remediate negative impacts	2022 Comprehensive Report> Good business> Business ethics and integrity Ethics Hotline
2-26	Mechanisms for seeking advice and raising concerns	Ethics Hotline
2-27	Compliance with laws and regulations	2022 Form 10K> Note 7, Contingencies and Other Commitments, pgs. 32-33
2-28	Membership associations	-AdvaMed -APACMed -Healthcare Leadership Council -MedTech Europe -Medical Device Manufacturers Association -ACCP -Healthcare Plastics Recycling Council (HPRC) -Additive Manufacturer Green Trade Association (AMGTA) -US EPA's SmartWay -Healthcare Industry Resilience Collaborative

Stakeholder engagement

Disclosure	Description	Response
2-29	Approach to stakeholder engagement	2022 Comprehensive Report> 2022 in review> Our corporate responsibility journey

Appendix

Disclosure	Description	Response
Material topics		
GRI 3: Material Topics 2022		
3-1	Process to determine material topics	2022 Comprehensive Report> 2022 in review> Our corporate responsibility journey
3-2	List of material topics	2022 Comprehensive Report> 2022 in review> Our corporate responsibility journey
3-3	Management of material topics	2022 Comprehensive Report> 2022 in review> Our corporate responsibility journey
GRI 200: Economic		
GRI 203: Indirect Economic Impacts		
3-3	Management of material topic	2022 Comprehensive Report> Stronger people> Healthcare professionals and patients
203-1	Infrastructure investments and services supported	2022 Comprehensive Report> Stronger people> Communities
203-2	Significant indirect economic impacts	2022 Comprehensive Report> Stronger people> Healthcare professionals and patients> Access to quality healthcare
GRI 205: Anti-corruption		
3-3	Management of material topic	2022 Comprehensive Report> Good business> Business ethics and integrity
205-1	Operations assessed for risks related to corruption	2022 Comprehensive Report> Good business> Business ethics and integrity
205-2	Communication and training about anti-corruption policies and procedures	2022 Comprehensive Report> Good business> Business ethics and integrity
205-3	Confirmed incidents of corruption and actions taken	There were no confirmed incidents of corruption in the 2022 reporting period.
GRI 300: Environmental		
GRI 301: Materials		
3-3	Management of material topic	2022 Comprehensive Report> Healthier planet> Design for sustainability> Products that do more with less
301-1	Materials used by weight or volume	2022 Comprehensive Report> Healthier planet> Design for sustainability
301-2	Recycled input materials used	2022 Comprehensive Report> Healthier planet> Stryker's Sustainability Solutions
301-3	Reclaimed products and their packaging materials	2022 Comprehensive Report> Healthier planet> Stryker's Sustainability Solutions
GRI 302: Energy		
3-3	Management of material topic	
302-1	Energy consumption within the organization	2022 Comprehensive Report> Appendix> 2021 environmental performance
302-2	Energy consumption outside of the organization	2022 Comprehensive Report> Appendix> 2021 environmental performance
302-3	Energy intensity	2022 Comprehensive Report> Appendix> 2021 environmental performance
302-4	Reduction of energy consumption	2022 Comprehensive Report> Healthier planet> Renewable energy

Disclosure	Description	Response
GRI 303: Water and Effluents		
3-3	Management of material topic	2022 Comprehensive Report> Healthier planet> Waste reduction and water stewardship
303-1	Interactions with water as a shared resource	2022 Comprehensive Report> Healthier planet> Waste reduction and water stewardship
303-5	Water Consumption	2022 Comprehensive Report> Appendix> 2021 environmental performance
GRI 304: Biodiversity		
3-3	Management of material topic	2022 Comprehensive Plan> Healthier planet> Waste reduction and water stewardship
GRI 305: Emissions		
3-3	Management of material topic	2022 Comprehensive Report> Healthier planet> Operational carbon emissions
305-1	Direct (Scope 1) GHG emissions	2022 CDP Report, C6 2022 Comprehensive Report> Appendix> 2021 environmental performance
305-2	Energy indirect (Scope 2) GHG emissions	2022 CDP Report, C6 2022 Comprehensive Report> Appendix> 2021 environmental performance
305-3	Other indirect (Scope 3) GHG emissions	2022 CDP Report, C6 2022 Comprehensive Report> Appendix> 2021 environmental performance
305-4	GHG emissions intensity	2022 Comprehensive Report> Appendix> 2021 environmental performance 2022 CDP Report, C7
305-5	Reduction of GHG emissions	2022 CDP Report, C4 2022 Comprehensive Report> Appendix> 2021 environmental performance
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	2022 CDP Report, C7.1a
GRI 306: Waste		
3-3	Management of material topic	2022 Comprehensive Report> Healthier planet> Waste reduction and water stewardship 2022 Comprehensive Report> Healthier planet> Stryker's Sustainability Solutions
306-2	Management of significant waste-related impacts	2022 Comprehensive Report> Healthier planet> Stryker's Sustainability Solutions
306-4	Waste diverted from disposal	2022 Comprehensive Report> Healthier planet> Stryker's Sustainability Solutions
GRI 308: Supplier Environmental Assessment		
3-3	Management of material topic	2022 Comprehensive Report> Good business> Supply chain management> Engagement and assessments

Appendix

Disclosure	Description	Response
GRI 400: Social		
GRI 403: Occupational Health and Safety		
3-3	Management of material topic	2022 Comprehensive Report> Stronger people> Employees> Environment, health and safety
403-1	Occupational health and safety management system	2022 Comprehensive Report> Stronger people> Employees> Environment, health and safety
403-3	Occupational health services	2022 Comprehensive Report> Stronger people> Employees> Environment, health and safety
403-4	Worker participation, consultation, and communication on occupational health and safety	2022 Comprehensive Report> Stronger people> Employees> Environment, health and safety
403-5	Worker training on occupational health and safety	2022 Comprehensive Report> Stronger people> Employees> Environment, health and safety
403-6	Promotion of worker health	Stryker Total Rewards 2022 Comprehensive Report>Stronger People>Wellbeing and mental health
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	2022 Comprehensive Report> Stronger people> Employees> Environment, health and safety
403-8	Workers covered by an occupational health and safety management system	Our management system is applicable to all Global Quality and Operations (GQO) Stryker manufacturing employees, as well as to workers who are not employees but whose work and/or workplace is controlled by Stryker.
403-9	Work-related injuries	2022 Comprehensive Report> Stronger people> Employees> Environment, health and safety
GRI 404: Training and Education		
3-3	Management of material topic	2022 Comprehensive Report> Stronger people> Employees> Employee career development
404-1	Average hours of training per year per employee	2022 Comprehensive Report> Stronger people> Employees> Employee career development
404-2	Programs for upgrading employee skills and transition assistance programs	2022 Comprehensive Report> Stronger people> Employees> Employee career development
404-3	Percentage of employees receiving regular performance and career development reviews	2022 Comprehensive Report> Stronger people> Employees> Employee career development
GRI 405: Diversity and Equal Opportunity		
3-3	Management of material topic	2022 Comprehensive Report> Stronger people> Employees> Diversity, equity and inclusion
405-1	Diversity of governance bodies and employees	2022 Comprehensive Report> Stronger people> Employees> Diversity, equity and inclusion>Representation data
GRI 406: Non-discrimination		
3-3	Management of material topic	2022 Comprehensive Report> Good business> Human rights
GRI 413: Local Communities		
3-3	Management of material topic	2022 Comprehensive Report> Stronger people> Communities
413-1	Operations with local community engagement, impact assessments, and development programs	2022 Comprehensive Report> Stronger people> Healthcare professionals and patients> Access to quality healthcare

Disclosure	Description	Response
GRI 414: Supplier Social Assessment		
3-3	Management of material topic	2022 Comprehensive Report> Good business> Supply chain management
414-1	New suppliers that were screened using social criteria	100% of all suppliers must adhere to the Supplier Code of Conduct. 2022 Comprehensive Report> Good business> Supply chain management
414-2	Negative social impacts in the supply chain and actions taken	2022 Comprehensive Report> Good business> Supply chain management
GRI 416: Customer Health and Safety		
3-3	Management of material topic	2022 Comprehensive Report> Good business> Product quality and safety
416-1	Assessment of the health and safety impacts of product and service categories	2022 Comprehensive Report> Good business> Product quality and safety
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	There were zero incidents of non-compliance concerning the health and safety impacts of products and services.
GRI 417: Marketing and Labeling		
3-3	Management of material topic	2022 Comprehensive Report> Good business> Business ethics and integrity> Ethical marketing and sales
417-1	Requirements for product and service information and labeling	2022 Comprehensive Report> Good business> Business ethics and integrity> Ethical marketing and sales On-Label Product Promotion
417-2	Incidents of non-compliance concerning product and service information and labeling	There were zero incidents of non-compliance concerning product and service information and labeling.
417-3	Incidents of non-compliance concerning marketing communications	There were zero incidents of non-compliance concerning marketing communications.
GRI 418: Customer Privacy		
3-3	Management of material topic	2022 Comprehensive Report> Good business> Information security and privacy
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	There were zero breaches of customer privacy reported in 2022.

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Stryker is reporting to the SASB Standards to bring industry-specific rigor to our sustainability disclosure. We are reporting to the Medical Devices and Supplies Standards which most closely align with the business.

Metric	Code	Unit of Measure	Category	Response/Reference
Accounting metrics				
Number of recalls issued, total units recalled	HC-MS-250a.1	Number	Quantitative	2022 Comprehensive Report> Good business> Product quality and safety> Quality management metrics
Description of code of ethics governing promotion of off-label use of products	HC-MS-270a.2	n/a	Discussion and Analysis	2022 Comprehensive Report> Good business> Business ethics and integrity> Ethical marketing and sales Corporate Policy 5: On-Label Product Promotion
Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	HC-MS-410a.1	n/a	Discussion and Analysis	2022 Comprehensive Report> Healthier planet> Design for sustainability
Total amount of products accepted for take-back and reused, recycled, or donated, broken down by: (1) devices and equipment and (2) supplies	HC-MS-410a.2	Metric tons (t)	Quantitative	2022 Comprehensive Report> Healthier planet> Design for sustainability> Stryker's Sustainability Solutions 2022 Comprehensive Report> Stronger people> Communities> How employees make an impact
Percentage of (1) entity's facilities and (2) Tier 1 suppliers' facilities participating in third-party audit programs for manufacturing and product quality	HC-MS-430a.1	Percentage (%)	Quantitative	(1) 2022 Comprehensive Report> Good business> Product quality and safety> Quality monitoring (2) 2022 Comprehensive Report> Good business> Supply chain management> Engagement and assessments
Description of the management of risks associated with the use of critical materials	HC-MS-430a.3	n/a	Discussion and Analysis	2022 Comprehensive Report> Good business> Supply chain management> Conflict minerals
Description of code of ethics governing integrations with health care professionals	HC-MS-510a.2	n/a	Discussion and Analysis	2022 Comprehensive report> Good business> Ethical marketing and sales
Activity Metrics				
Number of Units Sold by Product Category	HC-MS-000.A	Number	Quantitative	2022 Comprehensive Report> 2022 in review> Innovating for growth 2022 Comprehensive Report> 2022 in review> Financial highlights

2022 TCFD
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Disclosure Focus Area	Recommended Disclosure	Reference
Governance		
Disclose the organization's governance around climate-related risks and opportunities.	a) Describe the board's oversight of climate-related risks and opportunities.	CDP Climate Change 2022 C1.1a, C1.1b 2022 Comprehensive Report> Good business> Governance> Corporate responsibility governance 2022 Proxy Statement> Corporate Governance> Approach to Environment, Social and Governance Related Matters, pg. 20
	b) Describe management's role in assessing and managing climate-related risks and opportunities.	CDP Climate Change 2022 C1.2, C1.2a 2022 Comprehensive Report> Good business> Governance> Corporate responsibility governance 2022 Comprehensive Report> Healthier planet> Operational carbon emissions 2022 Comprehensive Report> Healthier planet> Value chain carbon emissions
Strategy		
Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.	a) Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.	CDP Climate Change 2022 C2.1, C2.1a, C2.1b, C2.2a, C2.3a, C2.4a 2022 Comprehensive Report> Healthier planet> Operational carbon emissions 2022 Comprehensive Report> Healthier planet> Value chain carbon emissions
	b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.	CDP Climate Change 2022 C2.3a, C2.4a, C3.1, C3.3, C3.4 2022 Comprehensive Report> Healthier planet> Operational carbon emissions 2022 Comprehensive Report> Healthier planet> Value chain carbon emissions
	c) Describe the potential impact of different scenarios, including a 2°C scenario, on the organization's businesses, strategy, and financial planning.	Scenario analysis has been initiated in 2022 but not yet complete. 2022 Comprehensive Report> Healthier planet> Governance and disclosures
Risk Management		
Disclose how the organization identifies, assesses and manages climate-related risks.	a) Describe the organization's processes for identifying and assessing climate-related risks. b) Describe the organization's processes for managing climate-related risks. c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management.	CDP Climate Change 2022 C2.1, C2.1a, C2.2 2022 Comprehensive Report> Good business> Governance> Corporate responsibility governance 2022 Proxy> Corporate Governance> Board's Role in Strategic Planning and Risk Oversight, pg. 17

Appendix

Disclosure Focus Area	Recommended Disclosure	Reference
Metrics and Targets		
Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities.	a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.	CDP Climate Change 2022, C8
	b) Disclose Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	CDP Climate Change 2022, C6 2022 Comprehensive Report> Healthier planet> Stryker's anticipated pathway to decarbonization
	c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets.	CDP Climate Change 2022, C4 2022 Comprehensive Report> Healthier planet> Operational carbon emissions 2022 Comprehensive Report> Healthier planet> Value chain carbon emissions 2022 Comprehensive Report> Healthier planet> Renewable energy

Forward-looking
statements

This Report contains information that includes or is based on forward-looking statements within the meaning of the federal securities law that are subject to various risks and uncertainties that could cause our actual results to differ materially from those expressed or implied in such statements. Such factors include, but are not limited to: the impact on our operations and financial results of the COVID-19 pandemic and any related policies and actions by governments or other third parties; weakening of economic conditions that could adversely affect the level of demand for our products; pricing pressures generally, including cost-containment measures that could adversely affect the price of or demand for our products; changes in foreign currency exchange markets; legislative and regulatory actions;

unanticipated issues arising in connection with clinical studies and otherwise that affect United States Food and Drug Administration approval of new products; inflationary pressures; supply chain disruptions; changes in reimbursement levels from third-party payors; a significant increase in product liability claims; the ultimate total cost with respect to recall-related matters; the impact of investigative and legal proceedings and compliance risks; resolution of tax audits; the impact of the federal legislation to reform the United States healthcare system; costs to comply with medical device regulations; changes in financial markets; changes in the competitive environment; our ability to integrate and realize the anticipated benefits of acquisitions in full or at all or

within the expected timeframes, including the acquisition of Vocera; our ability to realize anticipated cost savings; and potential negative impacts resulting from environmental, social and governance (ESG) and sustainability related matters. Additional information concerning these and other factors is contained in our filings with the United States Securities and Exchange Commission, including our Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. We disclaim any intention or obligation to publicly update or revise any forward-looking statement to reflect any change in our expectations or in events, conditions or circumstances on which those expectations may be based, or that affect the likelihood that actual results will differ from those contained in the forward-looking statements.

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Latin America

Este informe fue elaborado por Stryker Corporation con el objetivo de comunicar acerca de los resultados de la compañía en 2022. Este informe no tiene como objetivo la promoción de productos sanitarios y, en función de las cuestiones reglamentarias, parte de su contenido puede no ser relevante o no estar disponible en el mercado local.

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Canada

This 2022 Comprehensive Report is developed by Stryker Corporation, our parent company based in the United States. Some of the content in this Report may not be relevant for the Canadian market. Products referenced in the Report may not be authorized for marketing or available in Canada. Product availability is subject to the regulatory and/or medical practices in individual markets.

Non-GAAP
reconciliation

Reconciliation of the Most Directly Comparable GAAP Financial Measure to Non-GAAP Financial Measure

Net earnings ($ millions)	2017	2018	2019	2020	2021	2022
Reported	$ 1,020	$ 3,553	$ 2,083	$ 1,599	$ 1,994	**$ 2,358**
Acquisition and integration-related costs						
Inventory stepped-up to fair value	20	9	51	36	203	**9**
Other acquisition and integration-related	31	90	160	157	244	**104**
Amortization of purchased intangible assets	250	338	375	381	489	**495**
Restructuring-related and other charges	155	179	180	397	345	**283**
Goodwill impairment	—	—	—	—	—	**216**
Medical device regulations	—	10	48	63	90	**115**
Recall-related matters	131	18	154	13	89	**(12)**
Regulatory and legal matters	25	141	(33)	8	(12)	**69**
Tax matters	833	(1,559)	121	173	32	**(66)**
Adjusted	$ 2,465	$ 2,779	$ 3,139	$ 2,827	$ 3,474	**$ 3,571**
Effective tax rate—reported	50.6%	(50.8%)	18.7%	18.2%	12.6%	**12.1%**
Effective tax rate—adjusted	15.6%	16.7%	15.8%	12.6%	14.9%	**14.0%**

Net earnings per diluted share	2017	2018	2019	2020	2021	2022
Reported	$ 2.68	$ 9.34	$ 5.48	$ 4.20	$ 5.21	**$ 6.17**
Acquisition and integration-related costs						
Inventory stepped-up to fair value	0.05	0.02	0.13	0.10	0.53	**0.02**
Other acquisition and integration-related	0.09	0.24	0.42	0.41	0.64	**0.27**
Amortization of purchased intangible assets	0.67	0.89	0.99	1.00	1.28	**1.30**
Restructuring-related and other charges	0.41	0.47	0.47	1.04	0.90	**0.74**
Goodwill impairment	—	—	—	—	—	**0.57**
Medical device regulations	—	0.03	0.13	0.17	0.24	**0.30**
Recall-related matters	0.34	0.05	0.41	0.03	0.23	**(0.03)**
Regulatory and legal matters	0.06	0.37	(0.09)	0.02	(0.02)	**0.18**
Tax matters	2.19	(4.10)	0.32	0.46	0.08	**(0.18)**
Adjusted	$ 6.49	$ 7.31	$ 8.26	$ 7.43	$ 9.09	**$ 9.34**
Weighted average diluted shares outstanding	380.1	380.3	379.9	380.3	382.3	**382.2**

Refer to our 2022 Annual Report on Form 10-K, available at stryker.com, for additional information regarding our non-GAAP financial measures.