

This report supplements <u>Stryker's 2021</u> <u>Comprehensive Report</u> and details our environmental performance data with respect to energy, carbon and water. This report is an update and expansion to our <u>2020 energy and carbon</u> 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 1.5C:

- Achieve a 20% 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% carbon emission reduction for scopes 1 and 2. In 2021, we saw a 22% absolute emissions reduction and a 32% reduction in our GHG emission 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

#### Greenhouse gas (GHG) emissions (MT CO2e)

	2019	2020*	2021
Scope 1 GHG emissions	25,284	25,717	24,883
Scope 2 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	1,305.30
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%

<sup>\*</sup>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.



## Greenhouse gas (GHG) scope 1 emissions by region (MT CO2e)

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

#### Greenhouse gas (GHG) scope 2 emissions (MB) by region (MT CO2e)

	2019	2020*	2021
North America region (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

#### Greenhouse gas (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

# Greenhouse gas (GHG) scope 2 emissions (MB) by facility (MT CO2e)

	2019	2020*	2021
Manufacturing (GOO)	106,312	72,767	75,115
Office/warehouse (non-GQO)	46,163	41,249	39,098



## **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 Science Based Target initiative (SBTi) target.

#### Water

Stryker understands our water use is a critical aspect of our environmental performance. We are working on gathering our 2021 water consumption data and anticipate that data will be included in Stryker's 2022 comprehensive report.

## FY2019 emissions by scope 3 categories

#### **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





# **VERIFICATION STATEMENT**

# To the stakeholders of **Stryker Corporation**

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



# **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.

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 tCO2e
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

Cole Kenny

- · 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

Dated: 1st July 2022

Carole Kerrey, Lead Verifier