



2017 Gender Pay Gap Report

Under new legislation that came into force in April 2017, all employers in the UK with 250 or more employees are required to publish their gender pay gap.

The gender pay gap gives a snapshot of the gender balance within an organisation. It measures the difference between the average earnings of all male and female employees, regardless of their role or seniority.

At Stryker, we encourage, value and leverage the diversity of people, perspectives, experiences and lifestyles to achieve maximum business performance. It is critical to our success that we have a workforce as diverse as the patients, professionals and communities we serve. Focusing on diversity and inclusion supports our business strategy by attracting top talent and improving our decision-making. Our engaged and inclusive teams encourage people to share their diverse insights, perspectives and opinions to help drive innovative solutions that accommodate our customers' and their patients' different physical and lifestyle needs.

At a glance

The below table shows our overall median and mean gender pay gap and gender bonus gap based on hourly rates of pay at the snapshot date of 5 April 2017, and bonuses paid in the 12 months to the snapshot date.

	Median	Mean
Gender pay gap	23%	21.2 %
Gender bonus gap	53.2%	37.9 %

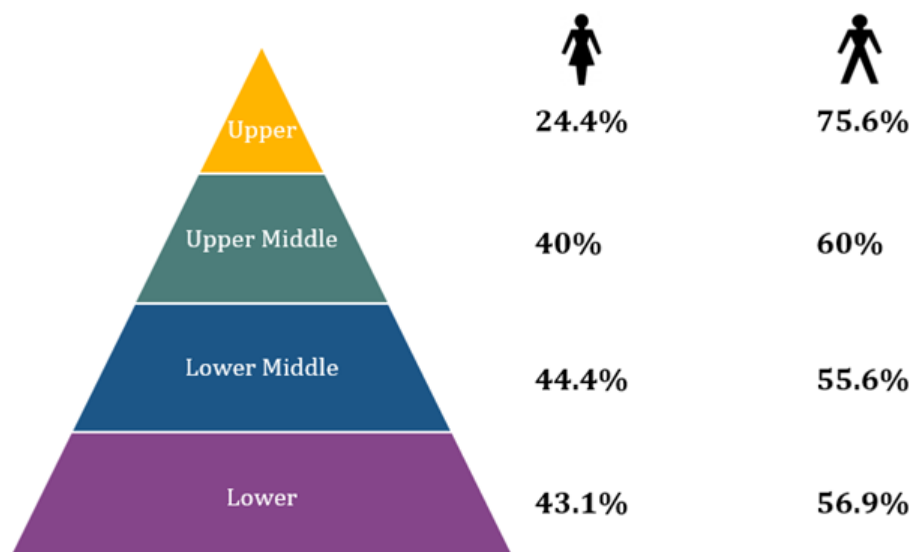
Bonus Pay

Proportion of females and males who received bonus payments:



Gender pay gap quartile figures

Proportion of females and males in each quartile band:



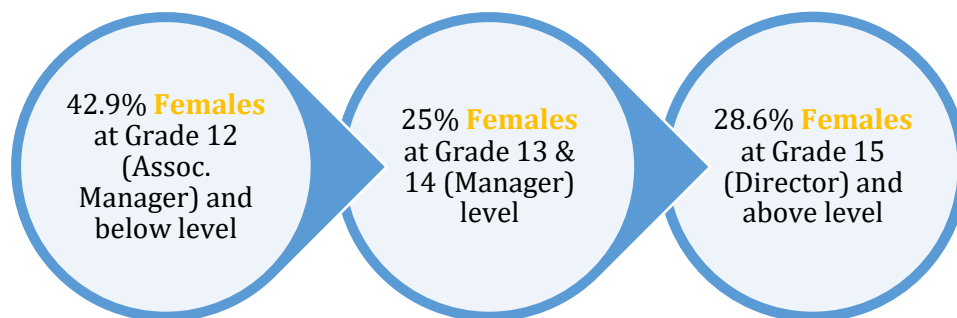
Understanding the gap

Analysis of our gender pay gap figures has helped us to better understand the gap. Our gender pay gap in the upper quartile as of 5 April 2017 is larger than the rest of the quartiles due to women holding fewer senior positions, and fewer higher-earning sales and marketing roles.

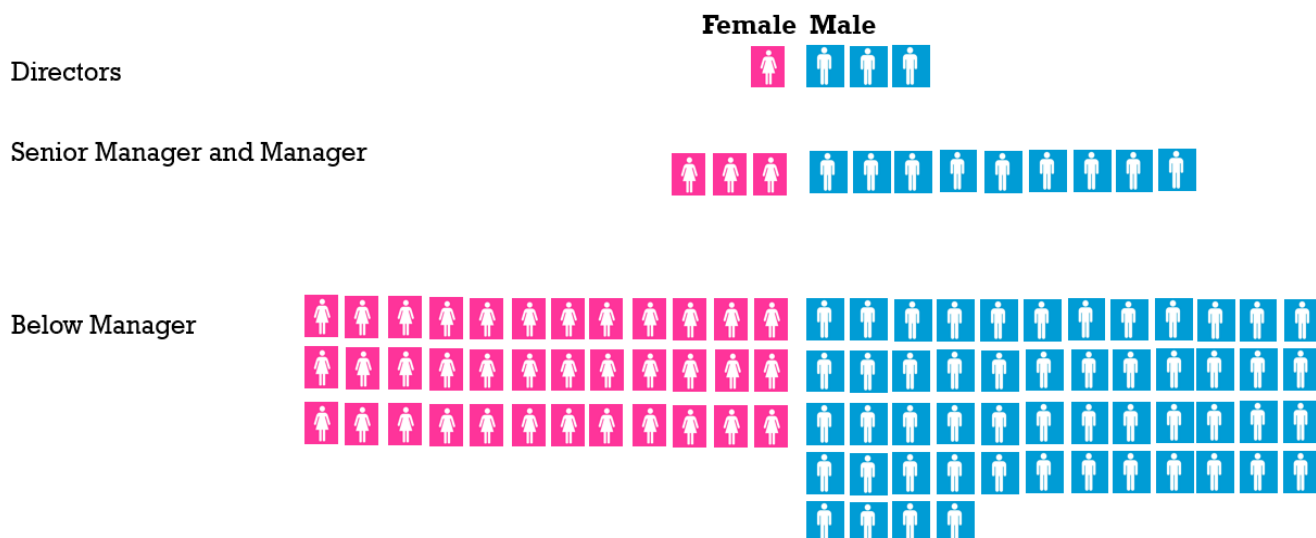
For example, while women made up 38.8% of our overall workforce, only 10% of the female population hold a senior level management position.

The gender pay gap data prompted us to conduct further analysis internally. In evaluating compensation across similar job grades, encouragingly, we found that pay gaps contracted when looking across similar roles at Stryker, with gaps ranging between 1% - 9%. In several cases, we found no gap at all. And indeed in others, the gap was to the positive for female employees. This gives us confidence about internal pay practices – that when we look at equivalent job roles, males and females are compensated equitably at Stryker.

While we are maintaining a relentless focus on increasing the number of women in senior positions and in sales, within our *Talent First* culture, we also strive to have the most talented people in roles regardless of gender.



Gender breakdown by position type



Aims and Action plan

Meaningful changes take time, and our ultimate goal is to achieve gender equality across all levels of our organisation without compromising our core values.

At the heart of what we do and believe is making healthcare better. Our core values of Integrity, Accountability, **People** and Performance guide our behaviours and actions. We do what's right, we do what we say, we grow talent and we deliver. These values are part of our DNA and are fundamental to how we execute our mission.

Our plan to attract and hire more women into our business includes the following interventions:

- Inclusive bias-free recruitment practices.
- Enabling more women to progress to senior management levels through mentoring, sponsorship and bias-free internal mobility processes.
- Building an inclusive culture where all our women can be completely themselves and succeed in partnership with our **Stryker Women's Network**.

Our enhanced **maternity policy**

Our enhanced maternity policy rewards returning mothers with a **return to work bonus**. Women who have completed a minimum of 2 years' service on the date they start their maternity leave are entitled to this **bonus** which is paid up as a lump sum. The bonus amount is equivalent to the difference between the statutory maternity/adoption pay paid during OML/OAL and the employee's **full salary** for the 14 weeks OML/OAL.

We value and support **diversity & inclusion**

Because we have a decentralized organization with a wide range of people, cultures and experiences, each of our businesses has its own local practices and programmes geared toward building awareness. Each location participates in diversity and inclusion activities based on the needs and interests of the employees who work there.

Research shows a direct correlation between employee engagement and workplace inclusion. We evaluate our engagement through our annual employee engagement survey, and we even have an inclusiveness question on our employee engagement survey, “My company values diverse opinions,” which helps us more closely track how employees feel about our continuous efforts to create and maintain a diverse and inclusive culture.

Stryker’s Women’s Network (SWN) builds a more **inclusive culture**

The Stryker’s Women’s Network (SWN) is an employee resource group that focuses on helping to build an engaged, high-performance work environment through inclusion activities. SWN improves our business results by fostering an open and inclusive culture, developing and retaining talented women and driving engagement. SWN members take advantage of numerous professional development, mentoring, community outreach and educational opportunities, meeting and networking with women and men in many different roles across Stryker. Because many of the issues that affect women in the workplace also affect men, the SWN is open to all employees. By engaging both male and female employees on issues such as balancing work and family life, participating in personal and professional development opportunities, staying connected to their communities and finding ways to help those in need, the SWN is making a difference for many people.

SWN has more than 4,400 members across 45 countries. It consists of 70% female and 30% male members. The group has broadened our culture of inclusion through various activities, such as hosting events with guest speakers from Stryker and other organizations. The SWN’s newsletters reinforce inclusive messages with employee profiles and interviews, research links, and information on events and activities. The SWN also hosts mentorship and networking programmes with support tools that encourage frequent interaction. Members participate in numerous philanthropic and community events supporting women and children, minorities and the underprivileged.

We expand our SWN global steering committee. As SWN continued to grow and mature, we realized that we needed additional skills to reach our goal of attracting, retaining and developing women. In 2016, we added the roles of Vice President of Recruiting and Vice President of Program Management (PMO) to our global steering committee. The focus of the VP of Recruiting includes collaborating with our recruiting teams to **increase the pipeline of female talent through visibility, tools and programs**. The VP of PMO is responsible for collaborating with the SWN president to plan agendas, schedule meetings and communicate about SWN activities.

Online community encourages conversations. The SWN community on our Connect intranet helps global SWN members become better connected. In this community, members stay informed

of events, activities and conversations on various topics of interest to them. The community has more than 1,500 followers—the largest number of followers of all of our communities on Connect.

Leadership Spotlights connect employees and leaders. SWN's Leadership Spotlights increase senior leaders' interactions with employees, provide a global activity that all SWN members can participate in, and provide members with an opportunity to learn from leaders in various regions and/or functional roles. The format for the spotlights is simple: senior leaders select topic, book, video or article that is meaningful to them, then during a live broadcast, they present their thoughts and how they apply to Stryker. SWN members listen to the presentation, then ask questions during a live question and answer session at the end of each presentation. For members who can't attend, we post recordings of the event on our intranet.

Sales sub-committee provides support and encouragement for female sales representatives. The sales sub-committee of the SWN focuses on creating a community among our female sales representatives who don't have the day-to-day encouragement and support of working in one of our offices. The group is open to any sales representative—female or male—and provides a support network for women in sales. The sub-committee meets every month by phone and during our annual sales meetings. The team also produces a quarterly newsletter that features messages from leaders, profiles of successful female sales representatives, and tips for staying fit and healthy. In addition, the sales sub-committee sponsors a mentoring program where we pair seasoned female sales reps with newer reps to offer encouragement, suggestions for success and support. The sales sub-committee also hosts regional site events where female and male sales representatives can gather in a central location to meet with leaders and network with each other.

We facilitate diversity and inclusion **outside our workplace**

We support many industries and professional and community-based organizations that advocate for under-represented groups. In addition to contributing funds, we encourage employees to get involved as advisors and members and take leadership positions on boards and committees. We know that these organizations make our community a better place for everyone.

Association for Women in Science (AWIS). Stryker's Women Network (SWN) announced its new partnership with the Association for Women in Science (AWIS). Founded in 1971, AWIS is the largest multi-disciplinary organization for women in science, technology, engineering, and mathematics (STEM). The association is dedicated to driving excellence in STEM by achieving equity and full participation of women in all disciplines and across all employment sectors. AWIS reaches a global network of more than 100,000 professionals in STEM with members, chapters, and affiliates worldwide. This membership allows all of our employees to benefit from the many offerings of AWIS and aids in the efforts to recruit and develop a diverse workforce.

Society of Women Engineers (SWE). The Society of Women Engineers (SWE) strives to advance and honour the contributions of women at all stages of their careers, as well as recognize the successes of SWE members and individuals who enhance the engineering profession through their contributions to industry, education and the community. Because we are a corporate partner with the SWE, we have the opportunity to nominate women from our organization who

have made an impact on the engineering profession. Sixteen individual SWE awards provide many avenues for recognizing our female engineers. The public recognition of our engineers fosters our reputation as an inclusive organization, which helps increase the pool of talented engineers eager to work for us.

Disclosure

This statement confirms that the published information is accurate as at the time of publishing and is signed by Peter Bradley, VP and MD, UK and Benenord.