

Stryker Canada Report – 2023

Pursuant to the *Fighting Against Forced Labour and Child Labour in Supply Chains Act*

Reporting entity

This statement is made by Stryker Canada ULC (“**Stryker Canada**”) in accordance with Bill S-211 “An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff” (the “**Act**”) for the period 1 January 2023 – 31 December 2023 (“**Reporting Period**”).

Our business

Stryker Canada is a Canadian subsidiary of Stryker Corporation (“**Stryker**”). Stryker Canada sells, loans, consigns and services medical products manufactured and provided by Stryker’s overseas operations to hospitals, as well as providing demonstration equipment for trials by surgeons and hospitals. Stryker Canada conducts its business as an exclusive distributor of Stryker products from premises in Waterdown, Ontario. Stryker Canada does not have any manufacturing operations in Canada.

Stryker Canada employs approximately 700 people. Stryker Canada employs most of its employees directly and on permanent contracts, thereby reducing the risk of modern slavery within its operations.

Stryker

Stryker is a global leader in medical technologies and, together with our customers, we are driven to make healthcare better. We offer innovative products and services in MedSurg, Neurotechnology, Orthopaedics and Spine that help improve patient and healthcare outcomes.

Stryker is headquartered in Kalamazoo, Michigan, United States and our more than 52,000 employees operate in approximately 75 countries worldwide, including operations in the following geographic areas: United States of America (including Puerto Rico); Europe, the Middle East, Africa; Asia Pacific; Canada and countries in Latin America.

With operations and supply chains spanning the globe, Stryker is committed to improving the working conditions of people who are connected to our business. We recognize the need to monitor for conditions that put workers at risk of human rights abuse. The term ‘adverse human rights impact’ is used throughout this statement and includes within its meaning all elements of “forced labour” and “child labour” as defined by the Act.

Stryker believes that the risk of adverse human rights impact in its operations is low and this belief is reinforced by the outcomes of its risk assessments and on-going due diligence activities described in this statement.

More information about Stryker can be found in our most recent [Comprehensive Report](#).

This statement outlines actions Stryker has taken to address potential slavery and human trafficking risks in our business operations or supply chain.

In this statement, the collective expressions “we”, “us”, “our”, are used when we refer to Stryker and any entities which it owns or over which it has control because we operate using group-wide policies

and procedures to assess and manage risk of adverse human rights impact. It is not intended to convey how we are structured, managed or controlled.

Our policies

Our company values of integrity, accountability, people and performance underscore how we deliver on our mission to make healthcare better, serve our customers, employees and communities and protect the planet.

Making healthcare better means conducting all aspects of business ethically and lawfully. Our Code of Conduct sets out our expectations of all employees and business partners to conduct business the right way.

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

Additionally, our [Position on Human Rights](#) outlines our commitment to respecting human rights and we expect all third parties doing business with Stryker to share our commitment to safeguarding human rights, including risks of adverse human rights impacts.

Governance

Stryker's mission and values, company strategy and Code of Conduct support our corporate responsibility (CR) work. The Governance and Nominating Committee of our Board of Directors oversees all CR matters. Our CR Steering Committee includes three executive officers who report to the CEO. More information about our Corporate Responsibility governance can be found in our most recent Comprehensive Report.

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 Global Quality & Operations serves as executive sponsor. The Council reports directly to Stryker's CR Steering Committee and provides regular updates on human rights topics.

In addition, Stryker maintains a strong Global Compliance program to drive Stryker's compliance with our mission and values. Stryker has several Compliance Committees, comprised of senior leaders, that monitor Stryker's compliance with Stryker's policies, procedures, including our Position on Human Rights, and all applicable laws and regulations, including those which relate to human rights, and investigate and respond to any relevant reports made through our Ethics Hotline.

Our supply chain

Our suppliers

Our supply chain comprises several tens of thousands of suppliers globally serving operations across our specialty business segments around the globe. Stryker's supplier network is a critical component of our value chain and is centered on engagement with suppliers who share in Stryker's mission and values. We seek and support strong relationships with a diverse group of suppliers who operate ethically and lawfully with an emphasis on accountability for their people and performance.

Our supply chain consists of direct and indirect suppliers. Direct suppliers are those which provide anything which directly relates to the manufacture of Stryker products. Our direct supply base consists of suppliers located primarily within North America and Europe. Indirect suppliers are those that are used outside of the product manufacturing process. The majority of Stryker's sites, and the suppliers that support them, are located in countries which are not considered high risk for adverse human rights impact based on data available from governments and NGOs.

Stryker Canada procures goods and services from indirect suppliers, such as leasing and office space related goods and services, professional services, transportation and freight, and travel and accommodations.

Supply chain standards

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

Our Position on Human Rights and [Supplier Code of Conduct](#) outline our expectations for our suppliers. Violations of applicable laws, including the use of child and compulsory labor, forced labor and human trafficking, and unsafe or hazardous working conditions are strictly forbidden. Strict adherence to the Supplier Code of Conduct is required for any supplier doing business with us and Stryker enforces that adherence through contractual arrangements with our suppliers.

Stryker requires that our suppliers maintain a management system designed to ensure compliance with the Supplier Code of Conduct, provide a complaint mechanism for their employees to report workplace grievances or violations of our Supplier Code of Conduct free from threats of reprisal, intimidation, or harassment, and that they investigate and take corrective action on any complaints.

Assessing and addressing our risk

Human rights risks

Based on publicly available research, such as the Global Slavery Index and the US Department of Labor's List of Goods Produced by Child Labor or Forced Labor, Stryker is aware that manufacturing is generally considered at a higher risk of adverse human rights impacts. Working conditions in factories and manufacturing sites and the procurement of certain raw materials can elevate the level of risk in the supply chain.

The primary raw materials and components used in Stryker's manufacturing of products are plastics, metals, electronics, packaging and other specialty materials, including textiles. According to publicly available reports, some of these industries are known to be at higher risk based on where the work occurs, or to incorporate higher risk materials within their extended supply chains.

As members of the Responsible Minerals Initiative and in line with regulatory requirements, Stryker maintains a Conflict Minerals Policy, conducts reasonable country of origin diligence, and requires its direct suppliers to conduct supporting due diligence within their supply chains specific to the

responsible sourcing of tin, tungsten, tantalum and gold. Stryker files an annual form SD and Conflict Minerals Report with the U.S. Securities and Exchange Commission which further details these efforts and can be found [here](#).

Based on publicly available research by organisations such as Statistics Canada, we recognize there is an elevated risk of forced labor and human trafficking within low wage environments. However, based on our assessment of our supply chain, we consider this risk to be very low.

Due diligence in our business and supply operations

We perform evaluations to identify suppliers that may inherently be at higher risk for Environmental, Social and Governance (ESG) related issues based on their industry and/or region where they operate, which include human rights. The results of these activities drive our engagement with suppliers on ESG performance assessments.

We engage the identified in-scope direct suppliers in ESG performance assessments through recognized third-party platforms that focus on policies, governance, key performance indicators and other evidence of integrated processes addressing human rights and labor, environmental, ethics and sustainable procurement risks. In 2021, we set a goal to engage 85 percent of our direct suppliers (by spend) on ESG performance assessments by 2027. As of December 31, 2023, we assessed suppliers covering 59% of our 2023 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 immediate intervention.

The assessment results are integrated into supplier risk scores which are considered in risk identification and mitigation activities, procurement decisions and supplier business reviews. In 2023, procurement team members who manage in-scope suppliers received training on engaging with suppliers on ESG topics.

In addition to third-party assessments, we use technology to continuously monitor news and other open data sources for our direct suppliers, helping us to quickly identify potential risks or events, including those relating to human rights, forced labor and human trafficking.

Training and education

Throughout the year, we focused on awareness and integration of the Code of Conduct, which included employee training and targeted communication campaigns. Stryker requires employees to review and certify their compliance with the Code of Conduct on an annual basis. In 2023, 94 percent of employees completed training on the Code of Conduct. We also used companywide communications and team meetings to reinforce key messages, such as human rights, and incorporated supplemental learning resources into existing training programs and leadership resources. These resources included discussion guides to encourage conversations on Code topics that best align to employees' work situations, among other job aids.

Stryker's direct procurement employees also complete annual training focused on understanding the covered topics in the Supplier Code of Conduct and assisting suppliers in meeting their obligations under the Supplier Code. In 2023, 99 percent of these employees completed this training.

In addition to the Code of Conduct certification and Supplier Code training, our direct procurement and supplier quality employees are required to complete annual training focused on the prevention of human rights abuses in our supply chain. This training focuses on the forms of human rights abuse, prevalence, risk factors, identification, and reporting mechanisms with the expectation that

procurement personnel monitor Stryker’s suppliers and are vigilant during any visits to a supplier facility. In 2023, 98 percent of these employees completed the training.

Reporting

In addition to normal reporting lines and methods, Stryker has a global Ethics Hotline which allows anyone including employees and non-employees, suppliers and their employees, to report suspected improper, unethical or illegal conduct, misconduct and other concerns, including any violations of human rights, via telephone, email or internet submission. Reports can be made anonymously, and the identity of individuals making or involved in a report will be protected, in accordance with local law. All submitted reports are analyzed and routed to the appropriate persons within Stryker for review, assessment and, if appropriate, investigation as part of our formal grievance process. This hotline is communicated and available to Stryker employees through internal training, to our suppliers through our Supplier Code of Conduct, and is accessible publicly on Stryker’s website. Stryker’s Ethics Hotline can be found at www.ethicshotline.stryker.com.

Stryker does not tolerate any form of retaliation against any individual who reports or participates in the investigation of any suspected unlawful conduct, including conduct that violates our position on human rights. Our suppliers are required to provide a complaint mechanism, free of threat of reprisal, intimidation or harassment, for workers to report workplace grievances and violations.

Effectiveness

Stryker continually evaluates the effectiveness of its human rights risks assessment and management processes to identify new factors and methods that can be applied. Management periodically reviews the actions being taken to assess the risk of human rights abuse in our supply chain. We listen and respond to concerns raised by our customers and stakeholders on a wide range of issues, including those concerning human rights.

We provide human rights training for key individuals, record the completion rates of this training and assess employees on their comprehension as part of that training. We are engaging with our supply chain policies and practices and enhancing and evolving them as needs arise. Lastly, we are working with our suppliers to drive progress on improvement opportunities identified through our assessments.

Attestation

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for the entity listed above, being Stryker Canada ULC. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the Reporting Period.

Name: **Lindsay Williams**
Title: Vice President & Managing Director and Board Director
Date: May 30, 2024
Signed: “Lindsay Williams”
I have the authority to bind Stryker Canada ULC

Last updated: May 2024. This statement was approved by the Stryker Canada Board of Directors.