

Reporting Year 2021/2022

Snapshot date 05th April 2021

2021 Gender Pay Gap Report

Under legislation all entities in England, Wales, and Scotland 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 2021, and bonuses paid in the 12 months to the snapshot date.

When comparing this data to when reporting was first launched in 2017 you can see that we have made a vast improvement in closing the pay gap. The bonus gap remains level from 2021 but still shows an improvement from 2017. This can be attributed to the fact that there are significantly more women in sales roles attributing a bonus in 2021 compared to 2017 and we continue to look towards increasing that number.

| | 2021 | | 2020 | | 2017 | |
|-------------------------|--------|------|--------|------|--------|------|
| | Median | Mean | Median | Mean | Median | Mean |
| Gender Pay Gap | 6% | 9% | 9% | 11% | 23% | 21% |
| Gender Bonus Gap | 27% | 38% | 26% | 38% | 53% | 38% |

Bonus Pay

Proportion of females and males who received bonus payments:

This has improved from 5th April 2020 pay period. In 2020, 90% of females received a bonus in comparison to 94% in 2021.



Gender pay gap quartile figures

Proportion of females and males in each quartile band:

| | 2021 | | 2020 | | 2017 | |
|--------------|------|-----|------|-----|------|-----|
| | | | | | | |
| Upper | 33% | 67% | 30% | 70% | 24% | 76% |
| Upper Middle | 40% | 60% | 44% | 56% | 40% | 60% |
| Lower Middle | 42% | 58% | 45% | 55% | 44% | 56% |
| Lower | 42% | 58% | 42% | 58% | 43% | 57% |

Understanding the gap

It is important to remember that the reality is that pay gaps are not influenced by gender alone: it is also affected by experience, part-time work and how long employees have been in their roles. 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 2021, whilst improving from 2020, 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, in 2021 while women make up 40% of our overall workforce, 31% of the female population hold a senior level management position. Whilst this is still a significant increase from 10% in 2017 and 20% in 2020. We continue to make positive strides in this area.

Over the year we have undertaken an equity process for our grades and roles into address any “in role” gender inequity. 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 2% - 17%. 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 focus on increasing the number of women in senior positions and in sales, within our culture, we also strive to have the most talented people in roles regardless of gender.

Gender breakdown by grade type

| | Female | Male |
|--------------------|--------|------|
| Grade 15 and above | 31% | 69% |
| Grade 13 and 14 | 32% | 68% |
| Grade 12 and below | 42% | 58% |

Aims and Action plan

We take seriously our commitment to making Stryker a place where women want to work and are valued. This is highlighted by our achievement of 10th Place in the UK’s Great Place to Work rankings for 2020 and 6th Place for 2021. 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**.




We value and support **diversity equity & inclusion**

Because we have a decentralised 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 has always been committed to building an inclusive and engaging work environment. To continue our journey, we've formalized our company commitments for Diversity, Equity and Inclusion.

Our DE&I commitments stryker

| | | |
|--|--|--|
|  <p>Strengthen the diversity of our workforce</p> <p>Attract, develop and advance talent that reflects the diversity of our customers, patients, communities and stakeholders.</p> |  <p>Advance a culture of inclusion, engagement and belonging</p> <p>Create an equitable culture that removes barriers, engages all talent and inspires every employee to achieve their full potential.</p> |  <p>Maximize the power of inclusion to drive innovation and growth</p> <p>Optimize the power of diverse backgrounds, talents and perspectives to make healthcare better.</p> |
|--|--|--|

We grow talent

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

Established in, 2008, Stryker Women's Network (SWN) has gained tremendous momentum with the purpose of building a more inclusive culture and work environment, with particular emphasis on advancing gender diversity. SWN improves Stryker's results by fostering an open and inclusive culture, with a focus on attracting, developing and retaining talented women, and driving engagement for all employees. SWN's strategy focuses on advocating for accelerated growth of women at Stryker, by influencing cultural and organisational change to support women, educating employees, recruiting talented women and supporting their development.

By being part of SWN, employees can expect:

- Access to resources to help manage career progression
- Networking opportunities
- Opportunities to lead or join local SWN committees or activities
- Exposure to leaders across Stryker
- Access to meaningful programs to aid personal and professional development programmes

During 2020, we invested heavily in expanding SWN in the UK through the creation of specific SWN chapters at each of our UK sites, each driven by a Site Lead partnership with supporting committees. This structure has provided new opportunities for more than 20 employees to take active roles in developing and executing strategies specific to that site to advance the SWN

mission. In addition to the growth opportunity this offers those individuals, the new structure enables those teams to develop impactful programmes to engage the UK workforce and ingrain the principles of SWN more deeply in Stryker's culture.

To understand what would bring most value to our community, SWN issued a UK wide survey and built a tailored strategy in response. A regular vlog series, The Truth, was launched, interviewing various figures across the business, often in leadership positions, to break down barriers and promote a feeling of inclusivity, as well as to educate and inspire our teams. The vlog series has been viewed by more than one third of the UK employee population and given the current climate provides an accessible connection for all.

SWN are also heavily involved in strategic initiatives aimed to advance gender diversity and are partnering closely with our HR and Talent Management teams to roll out our 'Think Twice' Unconscious Bias training to all employees as well as educating managers on the importance of diverse slates and panels in their hiring decisions.

Together with the chapters across Europe, SWN are leading a 'Returnity' initiative which intends to educate, empower and support individuals, teams and managers as employees plan their transition out and back into work due to parental leave, improving the experience for each of the stakeholders and providing stability and reinforcement for the business.

The team presented their strategy and the associated initiatives planned to the UK Leadership Team, which garnered such great support for their work that since, SWN have been invited to present at more than 10 meetings, from small, weekly team catchups, to the UK Town Hall series, broadcast to the entire business. This increased visibility is turning diversity, equality and inclusion into a common topic of conversation throughout our workforce, opening up the dialogue and making women feel like their opinions matter here at Stryker.

Stryker's Women's Network is open to **all employees**, both men and women





- Many issues that affect women in the workplace also affect men, such as balancing work and family life, obtaining development opportunities, and finding ways to stay connected to their communities and help those in need.
- By engaging both male and female employees at Stryker on these issues, SWN hopes to make a difference for all employees at Stryker.
- Statistically, there are more women entering the work force every year, and we need to build a culture and develop our programs to attract them and make Stryker a place where they can learn and grow. If you believe in talent, you believe in SWN.

Advancing women together

SWN improves Stryker's results by fostering an open and inclusive culture, with a focus on attracting, developing and retaining talented women, and driving engagement for all employees.

SWN strategy
Advocate for the accelerated growth of women at Stryker

SWN engagement
 development
 inclusion
Advancing women together

| |  |  |  |  |
|-----------------------------|---|---|--|--|
| Areas of Focus | <p>Influence change</p> <p>Influence and inform leaders to drive cultural and organisational change to support women</p> | <p>Educate employees</p> <p>Provide education to reduce barriers that may limit participation/opportunities for women</p> | <p>Recruit women</p> <p>Support recruiting efforts to attract talented women</p> | <p>Develop women</p> <p>Identify impactful areas of growth for development and retention of women</p> |
| Global SteerCo Focus | <ul style="list-style-type: none"> Identify and prioritise global areas of opportunity Promote meaningful policy change | <ul style="list-style-type: none"> Identify barriers and prioritise education needs Develop and share diverse stories | <ul style="list-style-type: none"> Provide input on EVP messaging externally Influence recruiting practices and policies | <ul style="list-style-type: none"> Promote programs on coaching, mentoring and networking for women Promote appropriate sponsorship guidelines for women |
| Site Focus | <ul style="list-style-type: none"> Provide voice of membership to SWN SteerCo Change agents for key policies and programs | <ul style="list-style-type: none"> Leverage research, trainings and tools to bring increased awareness to employees | <ul style="list-style-type: none"> Utilise tools, resources and recommendations to improve recruiting of women | <ul style="list-style-type: none"> Execute and drive at a local level programs that support coaching, mentoring, networking and sponsorship |

Disclosure

This statement confirms that the published information is accurate as at the time of publishing and is approved by:

Lourda Tully

HR Senior Director UK & Nordics