

Zimmer Australia Holding Pty Ltd

Zimmer Biomet Pty Ltd

Modern Slavery Statement for Financial Year Ended 31 December 2023

Company Statement

Zimmer Biomet strives to achieve and maintain the highest possible standards of corporate integrity and ethical behaviour consistent with its Code of Business Conduct and Ethics, its Mission and its Guiding Principles. This includes dealing fairly in business, behaving ethically, upholding human rights, maintaining a safe and healthy workplace, acting in an environmentally responsible way in our business activities, and complying with all applicable laws. We are opposed to any form of modern slavery or human trafficking in our operations or supply chain, and we are committed to ensuring that our suppliers and business partners share our commitment to acting ethically and conducting their business in ways that are consistent with Zimmer Biomet's applicable policies and practices.

Reporting entities

This Modern Slavery Statement is made in accordance with the Modern Slavery Act 2018 (*Cth*) jointly by Zimmer Biomet Pty Ltd ACN 096 480 992 and its sole shareholder Zimmer Australia Holding Pty Ltd ACN 107 449 534, of Level 4, 12 Narabang Way, Belrose, NSW, 2085, in respect of the financial year ending **31 December 2023** (together referred to as **Zimmer Biomet Australia or we** in this statement). Where this statement refers to the broader Zimmer Biomet Group of Companies, it is referred to as **Zimmer Biomet**.

Our structure, operations and supply chains

Our structure and operations

Zimmer Biomet Pty Ltd is the operating entity of Zimmer Biomet Australia and earned revenue in excess of AU\$100 million/annum for the relevant reporting year ending 31 December 2023, however this income is *reported* for tax purposes by its sole shareholder and controller, Zimmer Australia Holding Pty Ltd pursuant to approved consolidated tax group arrangements. Zimmer Australia Holding Pty Ltd has no separate operations, business, assets or revenue.

Zimmer Biomet Australia is primarily a distributor and re-seller of orthopaedic reconstructive products, sports medicine, biologics, extremities and trauma products, craniomaxillofacial and thoracic products, and related surgical products, services and technologies in Australia. It is organised as an Australian private company, and is ultimately owned by Zimmer Biomet Holdings, Inc. (listed on the New York Stock Exchange). Zimmer Biomet Australia employs more than 300 staff in Australia, who primarily perform sales, marketing and operations functions. The head office for its Australian and New Zealand business is located in Sydney

Australia, and the company has regional business centres in Melbourne, Brisbane, Adelaide, and Perth. The company markets and sells its products to customers both directly and also via local distributors and agents. Zimmer Biomet Australia does not have any manufacturing operations in Australia.

Supply chain

The products, services and technologies marketed and distributed by Zimmer Biomet Australia in the Australian market are sourced from the global group's manufacturing sites around the world, mainly in the USA, European Union, South Korea, India and Japan and are complemented by products sourced from global and regional third party suppliers.

Zimmer Biomet Australia also procures or uses a number of goods and services that are not re-supplied to customers, but which are required to support its effective business operations. These are procured mainly from Australian companies, or Australian subsidiaries of global companies, to support the company's IT, marketing, legal, finance, logistics, travel management, human resources, and maintenance, repair and operations functions.

Risks of Modern Slavery practices in Zimmer Biomet's operations and supply chain and actions to assess and address those risks including due diligence and remediation

Operations

Based on the workforce profile of Zimmer Biomet Australia, its operations being limited to Australia and our industry (sales and marketing of medical devices), combined with our compliance with all applicable industrial relations laws and workplace policies, there is a low risk of modern slavery in our operations. All of Zimmer Biomet Australia's staff are paid at least minimum wage and have the benefit of our policies and procedures in relation to conditions of work. Only recruitment agencies with the requisite licences and industry standing are used to assist us to fill our open roles.

Supply chain

Zimmer Biomet's supply chain

Zimmer Biomet has identified an elevated risk of forced labour or child labour associated with the locations of some of its activities, operations or factories, in particular those situated in China. Additionally, the orthopaedic implants that Zimmer Biomet manufacturers comprise raw materials that are sourced from mining and mineral extraction activities, introducing an elevated risk of the use of forced labour or child labour. It has therefore introduced an annual conflict minerals supplier survey to help identify where elevated risks of child labour or forced labour may exist due to the nature of conflict minerals and their extraction.

Zimmer Biomet Australia's supply chain

As a procurer of goods and services not for resale, Zimmer Biomet Australia may be linked to modern slavery via the supply chain of our direct suppliers, particularly those with elevated risks by virtue of their inherent industry risk of country of operations. In order to better understand Zimmer Biomet Australia's connection to the risks of modern slavery in our supply chain, we have considered the drivers of risk, including jurisdiction, inherent industry, product risk and workforce attributes. We have identified the following risks:

Supply Chain	Potential Modern Slavery Risks
Warehousing services Cleaning services Catering Delivery/couriers	Sectors dominated by a workforce with low barriers to entry and workers on temporary visas may be prone to labour exploitation that can be linked to debt bondage, forced labour and human trafficking.
ICT Manufacturing Packaging	ICT hardware and technology products containing batteries and electronics contains critical minerals extracted and processed in high risk countries and in complex supply chains often involving the worst forms of child labour, human trafficking, debt bondage and forced labour. Many of these products are manufactured in locations that have been assessed as higher risk for modern slavery by the Global Slavery Index, including in Asia Pacific.
Shipping	There are known risks of forced labour and debt bondage associated with the exploitation of crew on board vessels. Seafarers work in dangerous and remote locations with limited recourse to remedy when at sea.

Actions taken to assess and address risks

In order to address its potential modern slavery risks, including those in countries with known human rights issues, Zimmer Biomet has Responsible Supply Management program in place to ensure that high risk product suppliers are identified by evaluating and addressing risks of human trafficking and slavery, through the following actions:

- *Verifying* certain suppliers of products and services by evaluating and addressing risks of human trafficking and slavery through the following mechanisms:
 - our Corporate Supplier Quality Handbook and Code of Supplier Conduct (last updated in 2022) that prescribes important legal, ethical, behavioral and other requirements for Zimmer Biomet suppliers including that they must not support, promote or engage in slavery or human trafficking, and must otherwise comply with the applicable slavery and human trafficking laws of the country or countries in which they do business;
 - Carrying out Supplier due diligence for new proposed suppliers by the Zimmer Biomet Finance teams to make sure the third party is not on a blocked person

list, a specially designated national watchlist or otherwise a prohibited party. This due diligence review, which is conducted for global procurements, starts at the front end of the request process. Ongoing due diligence is conducted periodically for existing suppliers;

- Undertaking audits of selected suppliers' compliance with the Code of Supplier Conduct periodically, including implementation of a risk-based approach in conducting supplier audits to investigate child labor; forced labor and human trafficking; disciplinary practices; working hours and compensation; environmental protection; health and safety; and management practices. Zimmer Biomet conducts Social Responsibility audits with all new suppliers in high risk regions and on existing suppliers every three years. The audit investigates child labor; forced labor and human trafficking; disciplinary practices; working hours and compensation; environmental protection; health and safety; and management practices. Thirty suppliers were audited in 2022 with two major findings which are now remediated. The audit cycle is 3 years; and
 - Implementing Zimmer Biomet's Global Sourcing Program to monitor and verify certain suppliers' compliance with Zimmer Biomet's policies and requirements (including through questionnaires and through desk-top and on-site quality audits).
- Requiring global supply chain suppliers to *certify* that they comply with the laws regarding slavery and human trafficking of the country or countries in which they are doing business through, for example:
 - Incorporating social responsibility and environmental criteria in Zimmer Biomet's supplier sourcing and management processes. The terms of the Code of Supplier Conduct, for instance, have been included in purchase order terms and conditions as well as in certain supplier agreements; and
 - Requiring certain suppliers to adhere to all applicable laws relating to labor, environmental, health/safety and ethics, and by way of example and without limitation, Zimmer Biomet's Code of Business Conduct and Ethics, Corporate Supplier Quality Handbook, and the Code of Supplier Conduct.
- *Maintaining internal accountability standards* and procedures for all Zimmer Biomet personnel including officers, directors, employees and contractors, through for example:
 - Under Zimmer Biomet's global Code of Business Conduct and Ethics, requiring all Zimmer Biomet personnel to adhere to all applicable laws relating to labor, including forced and child labor, the environment, health and safety, and ethics; and
 - Providing avenues through which Zimmer Biomet personnel may seek guidance on a legal or ethical question, or through which they can report knowledge of an illegal or unethical activity (e.g., via the SpeakUp Hotline or under Zimmer Biomet's Whistleblowing Policy (ANZ)) for reporting and ethics, and by way of example and without limitation, Zimmer Biomet's Code of Business Conduct

and Ethics and the Code of Supplier Conduct. Zimmer Biomet's Code of Business Conduct and Ethics specifically calls out forced and child labour, slavery and human trafficking and explains that if a team member needs guidance on a legal or ethical question or has witnessed or has knowledge of an illegal or unethical activity, he or she should consult with or report the matter to his or her manager, supervisor or the Compliance Office or via the SpeakUp Hotline which is available 24 hours per day, seven days per week, and 365 days a year. All reports of alleged violations (which can be made anonymously) will be investigated by Zimmer Biomet. Disregard or deliberate ignorance of the law, failure to report known or potential violations and/or failure to cooperate in an investigation will not be tolerated and may lead to disciplinary action, including termination of employment.

- Requiring *training* for all Zimmer Biomet personnel, with an additional level of training required for personnel with direct responsibilities for supplier sourcing and management. This training includes, for example:
 - Annual training in the Code of Business Conduct and Ethics, including its topics relating to slavery, human trafficking, and other potential human rights and labor standards issues;
 - Dedicated bi-annual training on Modern Slavery with focus on slavery, human trafficking, and other potential human rights and labor standards issues
 - Training on the Global Sourcing Policy and supplier compliance requirements including the Code of Supplier Conduct, Supplier sourcing and management best practices.

Assessing effectiveness of actions taken to assess and address risks

In 2022, Zimmer Biomet established a function responsible for building and executing a comprehensive strategy around ESG initiatives under the Communications & Administration team. That team continues to oversee all ESG activity and the ESG Working Group, including modern slavery. The ESG leadership team, along with the full ESG Working Group, meets monthly to discuss Zimmer Biomet's ESG initiatives and to identify ways to enhance our ESG program. The ESG Working Group is a global, cross-functional team representing 12 Zimmer Biomet functions critical to executing on our ESG goals. Our Chief Executive Officer and Chief Financial Officer receive monthly ESG progress updates.

Globally, the Zimmer Biomet group of companies is monitoring the effectiveness of our processes and procedures to address the modern slavery risks that our business causes, contributes to, or is directly linked to, in line with the UN Guiding Principles. Zimmer Biomet will assess the effectiveness of its actions in identifying and managing modern slavery risks by: tracking actions and outcomes, partnering with compliant suppliers and other external partners, and undertaking regular internal governance and external assurance processes. Based on the results of these processes it will adapt and strengthen its actions to continually improve its response to modern slavery.

Consultation

Zimmer Australia Holding Pty Ltd is the sole owner of Zimmer Biomet Pty Ltd and has actively engaged and consulted with this entity in the preparation of this Modern Slavery Statement including by discussing the Modern Slavery Act 2018's reporting requirements, obtaining information regarding the actions to be taken to address these requirements and by providing it with relevant materials and updates. This statement was also prepared in consultation with relevant teams of Zimmer Biomet globally. Zimmer Australia Holding Pty Ltd does not own or control any other entities. Zimmer Biomet Pty Ltd does not own or control any entities.

Approval

This Modern Slavery Statement has been approved on 26 June 2024 by the Board of Directors of Zimmer Australia Holding Pty Ltd, for both itself and its wholly owned subsidiary, Zimmer Biomet Pty Ltd.

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Warren Ballinger
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Signed:

27-Jun-2024

Warren Ballinger

President, Zimmer Biomet ANZ

Mandatory reporting requirements	
Identify the reporting entity and describe its structure, operations and supply chains.	1
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	2
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls to assess and address those risks, including due diligence and remediation processes.	3
Describe how the reporting entity assesses the effectiveness of these actions being taken to assess and address modern slavery risks.	5
Describe the process of consultation with any entities the reporting entity owns or controls.	6