

Zimmer Australia Holding Pty Ltd
Zimmer Biomet Pty Ltd
Modern Slavery Statement for Financial Year Ended 31 December 2022

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 entity

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 3, 12 Narabang Way, Belrose, NSW, 2085, in respect of the financial year ending **31 December 2022**.

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. Zimmer Biomet Pty Ltd does not own or control any other entities.

Zimmer Biomet Pty Ltd is the operating entity of Zimmer Biomet in Australia and earned revenue in excess of AU\$100 million/annum for the relevant reporting year ending 31 December 2021, 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. This Modern Slavery Statement has been approved on 12 July 2023 by the Board of Directors of Zimmer Australia Holding Pty Ltd, for both itself and Zimmer Biomet Pty Ltd (together referred to as **Zimmer Biomet** in this statement).

Our structure and operations

Zimmer Biomet 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 employs more than 300 staff in Australia. 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 does not have any manufacturing operations in Australia.

Supply chain

The products, services and technologies marketed and distributed by Zimmer Biomet in the Australian market are sourced from around 25 of the global group's manufacturing sites around the world, mainly in the USA and European Union, and are complemented by products sourced from around 80 global and regional third party suppliers.

Zimmer Biomet 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 local companies to support the company's IT, marketing, 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

In order to address any potential modern slavery risks, including those in countries with known human rights issues, Zimmer Biomet globally 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:
 - Publishing and implementing the Corporate Supplier Quality Handbook and the Code of Supplier Conduct (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 all 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 global due diligence review starts at the front end of the request process. Ongoing due diligence is conducted periodically for existing suppliers;
 - Auditing supplier 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; 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 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

During the reporting period we focused on assessing the effectiveness of our actions taken to address modern slavery risks in the direct and indirect procurement supply chains. Following a risk based assessment process implemented by the company's Sourcing division, we identified opportunities to lower risks in our indirect supply chain by continuing to reduce the number of suppliers for certain goods and services (eg. by reducing the number of freight services providers via a strict tender process), by strengthening our modern slavery contractual clauses in certain existing and future agreements and inclusion of audit and key performance measures requirements wherever possible.

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. We will continually assess the effectiveness of our actions in identifying and managing modern slavery risks by: tracking our 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 we will adapt and strengthen our actions to continually improve our response to modern slavery.

Signed:



Warren Ballinger
President, Zimmer Biomet ANZ