

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2022

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

Commission file number: 001-13149

stryker

STRYKER CORPORATION
(Exact name of registrant as specified in its charter)

Michigan

(State of incorporation)

2825 Airview Boulevard, Kalamazoo, Michigan

(Address of principal executive offices)

(269) 385-2600

(Registrant's telephone number, including area code)

38-1239739

(I.R.S. Employer Identification No.)

49002

(Zip Code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$.10 Par Value	SYK	New York Stock Exchange
1.125% Notes due 2023	SYK23	New York Stock Exchange
0.250% Notes due 2024	SYK24A	New York Stock Exchange
2.125% Notes due 2027	SYK27	New York Stock Exchange
0.750% Notes due 2029	SYK29	New York Stock Exchange
2.625% Notes due 2030	SYK30	New York Stock Exchange
1.000% Notes due 2031	SYK31	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Act. Yes No

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities and Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Emerging growth company

Non-accelerated filer

Small reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). Yes No

The aggregate market value of the voting stock held by non-affiliates of the registrant was approximately \$70,965,162,853 at June 30, 2022. There were 378,831,249 shares outstanding of the registrant's common stock, \$0.10 par value, on January 31, 2023.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the proxy statement to be filed with the U.S. Securities and Exchange Commission relating to the 2023 Annual Meeting of Shareholders (the 2023 proxy statement) are incorporated by reference into Part III.

TABLE OF CONTENTS

PART I

Item 1.	Business	1
Item 1A.	Risk Factors	4
Item 1B.	Unresolved Staff Comments	9
Item 2.	Properties	9
Item 3.	Legal Proceedings	10
Item 4.	Mine Safety Disclosures	10

PART II

Item 5.	Market for the Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities	10
Item 6.	Selected Financial Data	11
Item 7.	Management's Discussion and Analysis of Financial Condition and Results of Operations	12
Item 7A.	Quantitative and Qualitative Disclosures About Market Risk	19
Item 8.	Financial Statements and Supplementary Data	21
	Report of Independent Registered Public Accounting Firm (PCAOB ID: 42)	21
	Consolidated Statements of Earnings	23
	Consolidated Statements of Comprehensive Income	23
	Consolidated Balance Sheets	24
	Consolidated Statements of Shareholders' Equity	25
	Consolidated Statements of Cash Flows	26
	Notes to Consolidated Financial Statements	27
Item 9.	Changes in and Disagreements With Accountants on Accounting and Financial Disclosure	39
Item 9A.	Controls and Procedures	39
Item 9B.	Other Information	40
Item 9C.	Disclosure Regarding Foreign Jurisdictions That Prevent Inspections	40

PART III

Item 10.	Directors, Executive Officers and Corporate Governance	40
Item 11.	Executive Compensation	40
Item 12.	Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters	40
Item 13.	Certain Relationships and Related Transactions, and Director Independence	41
Item 14.	Principal Accountant Fees and Services	41

PART IV

Item 15.	Exhibits, Financial Statement Schedules	42
Item 16.	Form 10-K Summary	45

PART I

ITEM 1. BUSINESS.

Stryker Corporation (Stryker or the Company) is one of the world's leading medical technology companies and, together with our customers, we are driven to make healthcare better. We offer innovative products and services in Medical and Surgical, Neurotechnology, Orthopaedics and Spine that help improve patient and healthcare outcomes. Alongside our customers around the world, Stryker impacts more than 130 million patients annually.

Our core values guide our behaviors and actions and are fundamental to how we execute our mission.

Mission

Together with our customers,
we are driven
to make healthcare better.

Values



Stryker was incorporated in Michigan in 1946 as the successor company to a business founded in 1941 by Dr. Homer H. Stryker, a prominent orthopaedic surgeon and inventor of several medical products. Our products are sold in over 75 countries through company-owned subsidiaries and branches as well as third-party dealers and distributors, and include surgical equipment and surgical navigation systems; endoscopic and communications systems; patient handling, emergency medical equipment and intensive care disposable products; clinical communication and workflow solutions; neurosurgical and neurovascular devices; implants used in joint replacement and trauma surgeries; Mako Robotic-Arm Assisted technology; spinal devices; as well as other products used in a variety of medical specialties. Most of our products are marketed directly to doctors, hospitals and other healthcare facilities.

As used herein, and except where the context otherwise requires, "Stryker," "we," "us," and "our" refer to Stryker Corporation and its consolidated subsidiaries.

Business Segments and Geographic Information

We segregate our operations into two reportable business segments: (i) MedSurg and Neurotechnology and (ii) Orthopaedics and Spine. Financial information regarding our reportable business segments and certain geographic information is included under "Consolidated Results of Operations" in Item 7 of this report and Note 14 to our Consolidated Financial Statements.

Net Sales by Reportable Segment

	2022		2021		2020	
MedSurg and Neurotechnology	\$ 10,611	58 %	\$ 9,538	56 %	\$ 8,345	58 %
Orthopaedics and Spine	7,838	42	7,570	44	6,006	42
Total	\$ 18,449	100 %	\$ 17,108	100 %	\$ 14,351	100 %

MedSurg and Neurotechnology

MedSurg products include surgical equipment, patient and caregiver safety technologies, and navigation systems (Instruments), endoscopic and communications systems (Endoscopy), patient handling, emergency medical equipment, intensive care disposable products and clinical communication and workflow solutions (Medical), reprocessed and remanufactured medical devices, and other medical device products used in a variety of medical specialties. Neurotechnology includes neurosurgical, neurovascular and craniomaxillofacial implant products. Our neurotechnology offering includes products used for minimally invasive endovascular procedures; a comprehensive line of products for traditional brain and open skull based surgical procedures; orthobiologic and biosurgery products, including synthetic bone grafts and vertebral augmentation products (Neuro Cranial); and minimally invasive products for the treatment of acute ischemic and hemorrhagic stroke (Neurovascular). The craniomaxillofacial implant offering includes cranial, maxillofacial and chest wall devices as well as dural substitutes and sealants.

We are one of five leading global competitors in Instruments; the other four being Zimmer Biomet Holdings, Inc. (Zimmer), Medtronic plc., Johnson & Johnson and ConMed Linvatec, Inc. (a subsidiary of CONMED Corporation). In Endoscopy we compete with Karl Storz GmbH & Co., Olympus Optical Co. Ltd., Smith & Nephew plc (Smith & Nephew), ConMed Linvatec, Arthrex, Inc. and STERIS plc. In Medical our primary competitors are Baxter/Hill-Rom, Inc., Zoll Medical Corporation, Medline Industries and Ferno-Washington, Inc. Stryker is also one of five leading global competitors in Neurotechnology; the other four being Medtronic, Johnson & Johnson, Terumo Corporation and Penumbra, Inc.

Composition of MedSurg and Neurotechnology Net Sales

	2022		2021		2020	
Instruments	\$ 2,279	21 %	\$ 2,111	22 %	\$ 1,863	22 %
Endoscopy	2,423	23	2,141	22	1,763	21
Medical	3,031	29	2,607	27	2,524	30
Neurovascular	1,200	11	1,188	13	973	12
Neuro Cranial	1,376	13	1,214	13	972	12
Other	302	3	277	3	250	3
Total	\$ 10,611	100 %	\$ 9,538	100 %	\$ 8,345	100 %

In 2022 Instruments launched the next generation of the System 9 total joint power tool and the CD NXT power tool with automatic depth measurement allowing for fast, accurate and consistent digital depth measurement across a variety of procedures. Endoscopy expanded its product offering for the Ambulatory Surgery Center (ASC) market with the launch of a new 4K 1688 Autoclavable Camera and SDC4K image capture device. Endoscopy also launched a new line of fluorescent capable laparoscopes to improve image quality in laparoscopic procedures.

Medical completed the acquisition of Vocera Communications, Inc. (Vocera), a leader in digital care coordination and communication. Vocera brings a highly complementary and innovative portfolio to Medical that is expected to enhance our Advanced Digital Healthcare offerings and further advance our focus on preventing adverse events throughout the continuum of care. In addition, Medical launched the Power Pro 2 cot, the industry's first connected ambulance cot.

In 2022 Neurovascular launched the Vecta 71/74 aspiration system in Japan, Korea, Australia and New Zealand as well as the Cat 7 distal access catheter in China. We also continued the launch of the next generation of the market leading Synchro guidewire in Asia Pacific.

Dollar amounts in millions except per share amounts or as otherwise specified.

Orthopaedics and Spine

Orthopaedics products consist primarily of implants used in total joint replacements, such as hip, knee and shoulder, and trauma and extremities surgeries. We bring patients and physicians advanced implant designs and specialized instrumentation that make orthopaedic surgery and recovery simpler, faster and more effective. We support surgeons with the technology and services they need as they develop new surgical techniques. The Mako Robotic-Arm Assisted Surgical System was designed to help surgeons provide patients with a personalized surgical experience based on their specific diagnosis and anatomy. The Mako System currently offers three applications supporting Partial Knee, Total Hip and Total Knee procedures. Mako is the only robotic-arm assisted technology enabled by 3D CT-based pre-operative planning and, with AccuStop™ haptic technology, Mako provides surgeons the ability to know more about their patients' anatomy so they can cut less in bone preparation and implant placement with intra-operative haptic guidance.

Our spinal implant offering includes cervical and thoracolumbar systems that include fixation, minimally invasive and interbody systems used in spinal injury, complex spine and degenerative therapies. Our spine enabling technologies portfolio includes best in class imaging solutions, image-guided surgical technology, patient specific implants and digital health solutions supporting surgeons and their patients throughout the continuum of care.

We are one of four leading global competitors for joint replacement and trauma and extremities products and robotics; the other three being Zimmer, DePuy Synthes (a Johnson & Johnson company) and Smith & Nephew. We are one of five leading global competitors in Spine; the other four being Medtronic Sofamor Danek, Inc. (a subsidiary of Medtronic), DePuy Synthes, Nuvasive, Inc. and Globus Medical, Inc.

Composition of Orthopaedics and Spine Net Sales

	2022		2021		2020	
Knees	\$ 1,997	25 %	\$ 1,848	25 %	\$ 1,567	26 %
Hips	1,413	18	1,342	18	1,206	20
Trauma and Extremities	2,807	36	2,664	35	1,722	29
Spine	1,146	15	1,167	15	1,047	17
Other	475	6	549	7	464	8
Total	\$ 7,838	100 %	\$ 7,570	100 %	\$ 6,006	100 %

In 2022 we moved to a full commercial launch of Insignia hip stem in the United States after first clinical use in December 2021. United States Food and Drug Administration (FDA) approval was received in 2021, Health Canada approval was received in the fourth quarter of 2022 and Japan's Pharmaceuticals and Medical Devices Agency (PMDA) approval is anticipated in the second half of 2023.

Raw Materials and Inventory

Raw materials essential to our business are generally readily available from multiple sources; however, certain of our raw materials are currently sourced from single suppliers. Substantially all products we manufacture are stocked in inventory, while certain MedSurg products are assembled to order. Where some electronic components have had limited availability due to recent global shortages, we have worked closely with suppliers to ensure this temporary supply constraint did not have a material adverse effect on continuity of supply.

Patents and Trademarks

Patents and trademarks are significant to our business to the extent that a product or an attribute of a product represents a unique design or process. Patent protection of such products restricts competitors from duplicating these unique designs and features. We seek to obtain patent protection on our products

whenever appropriate for protecting our competitive advantage. On December 31, 2022 we owned approximately 4,800 United States patents and approximately 7,300 patents in other countries.

Seasonality

Our business is generally not seasonal in nature; however, the number of orthopaedic implant surgeries is typically lower in the summer months, and sales of capital equipment are generally higher in the fourth quarter.

Competition

In each of our product lines we compete with local and global companies. The development of new and innovative products is important to our success in all areas of our business. Competition in research involving the development and improvement of new and existing products and processes is particularly significant. The competitive environment requires substantial investments in continuing research and maintaining sales forces.

We believe our commitment to innovation, quality and service and our reputation differentiates us in the highly competitive product categories in which we operate and enables us to compete effectively. We believe that our competitive position in the future will depend to a large degree on our ability to develop new products and make improvements to existing products.

Regulation

Our businesses are subject to varying degrees of governmental regulation in the countries in which we operate, and the general trend is toward increasingly stringent regulation. We are required to comply with the unique regulatory requirements of each country within which we market and sell our products.

In the United States the Medical Device Amendments of 1976 to the Federal Food, Drug and Cosmetic Act and its subsequent amendments and the regulations issued and proposed thereunder provide for federal regulation by the FDA of the design, manufacture and marketing of medical devices, including most of our products. In addition, state licensing requirements often apply to certain of our business operations and products. On the federal level, many of our new products fall into FDA classifications that require notification submitted as a 510(k) and review by the FDA before we begin marketing them. Certain of our products require extensive clinical testing, consisting of safety and efficacy studies, followed by pre-market approval (PMA) applications for specific surgical indications. Certain of our products also fall under other FDA classifications, such as drugs and Human Cells, Tissues, and Cellular and Tissue-Based Products.

The FDA's Quality System regulations set forth standards for our product design and manufacturing processes, require the maintenance of certain records and provide for inspections of our facilities by the FDA. There are also certain requirements of state, local and foreign governments that must be complied with in the manufacture and marketing of our products.

The European Union enacted the European Union Medical Device Regulation in May 2017 with an original effective date of May 2021 (the transition timeline is currently being reevaluated by the European Parliament), which imposes stricter requirements for the marketing and sale of medical devices, including in the areas of clinical evaluation requirements, quality systems, labeling and post-market surveillance. Additionally, as a result of the exit of the United Kingdom from the European Union (Brexit), new medical device regulations were released by the United Kingdom, which became effective January 1, 2021. A gap analysis against the prior Medical Device Directive (MDD) has

been completed and a plan is being executed for both the European Union and United Kingdom regulations to ensure compliance and minimize business disruption.

Initiatives to limit the growth of general healthcare expenses and hospital costs are ongoing in the markets in which we do business. These initiatives are sponsored by government agencies, legislative bodies and the private sector and include price regulation and competitive pricing. It is not possible to predict at this time the long-term impact of such cost containment measures on our future business. In addition, business practices in the healthcare industry are scrutinized, particularly in the United States, by federal and state government agencies. The resulting investigations and prosecutions carry the risk of significant civil and criminal penalties.

Environment

We are subject to various rules and regulation in the United States and internationally related to the protection of human health and the environment. Our operations involve the use of substances regulated under environmental laws, primarily in manufacturing and sterilization processes. We believe our policies, practices and procedures are properly designed to comply, in all material respects, with applicable environmental laws and regulations. We do not expect compliance with these requirements to have a material effect on purchases of property, plant and equipment, cash flows, net earnings or competitive position.

Employees

On December 31, 2022 we had approximately 51,000 employees globally, with approximately 27,000 employees in the United States. Our talented employees are an integral reason for our standing as one of the world's leading medical technology companies where, together with our customers, we are driven to make healthcare better. Our company values of integrity, accountability, people and performance are a key component of that mission. Our people, as one of our core values, continue to be a key focus.

Our success is dependent on our ability to attract the best talent that reflects our diverse communities. To do so, we continue to focus on creating and maintaining a great workplace. We believe in attracting the right people, maintaining and building employee engagement and developing our employees. We believe when people are able to do what they do best, they will look forward to coming to work and, in turn, will deliver great business results.

Our leadership team and Board of Directors receive regular updates on our people and culture strategy and provide feedback on our strategy and goals, including alignment to our mission and values, peer benchmarking and stakeholder feedback.

Employee Development

Our employee development is extensive and exists at all levels of the organization, including company-wide training on our Code of Conduct, job-related technical training and management and leadership training. Our development programs include on-the-job learning, coaching and mentoring, management and leadership development courses, team building and collaboration training and immersive experiences with expert partners.

We encourage all employees to establish individual development plans, in partnership with their manager, to help employees gain the needed development experience to grow their careers.

Employee Engagement

An engaged workplace culture that drives performance and business outcomes is central to our mission. Listening to and

learning from our employees forms the foundation of an engaging culture. More than 90% of our global employees participate in our annual engagement survey, which provides a valued platform for listening and allows us to take action based on the feedback collected.

We supplement our annual engagement survey with targeted pulse surveys to gather feedback on topics relevant to the current climate. Additionally, we establish forums for collecting qualitative feedback to gain insights and identify actions we can take to ensure all employees feel included, engaged and able to achieve their full potential.

We also provide tools and resources that enable managers and teams to act on the insights we gain from our surveys and to drive employee engagement and strong business outcomes.

Diversity, Equity and Inclusion (DE&I)

An essential part of our culture is respecting each individual's strengths and values. Building on this foundation, we are focused on maintaining an inclusive, engaging work environment and prioritizing DE&I in keeping with our values of integrity and people. Our DE&I strategy is centered around these three commitments:

- Strengthen the diversity of our workforce
- Advance a culture of inclusion, engagement and belonging
- Maximize the power of inclusion to drive innovation and growth

We are advancing our commitments through the following actions, among others:

- Holding leadership accountable through transparent data, performance objectives and inclusion in our business review process
- Engaging and inspiring all talent and empowering every employee to take action
- Developing our people and processes by removing barriers and optimizing the power of diverse backgrounds, talents and perspectives
- Attracting a diverse talent pool through focused outreach and ensuring an objective hiring process
- Advancing our employee resource groups (ERGs) to expand reach through executive leadership, global presence, funding and aligned strategies
- Positively impacting our customers and communities through building and strengthening external partnerships

As of December 31, 2022 approximately 37.5% of our global employees were women and 27.5% of our employees in the United States identified as racially or ethnically diverse.

Attracting and Hiring

We understand that every employee drives our success. We focus on attracting, identifying and selecting strong candidates who will be successful at Stryker and ensuring that each person we hire brings the talent, expertise and passion we need to continue to be successful.

Health and Safety

Ensuring our employees' safety is a top priority. It is a responsibility that we share throughout the company and one that has evolved to meet the needs of our workforce. Employees' safety risks vary depending on the roles they perform, so we tailor our safety efforts accordingly.

Competitive Pay and Benefits

Our compensation and benefits programs are designed to attract and retain top talent and to incentivize performance and alignment to our mission and values.

We offer market-competitive base pay and benefits to our employees in countries around the world. We regularly evaluate our compensation and benefit offerings and levels, using recognized outside consulting firms to ensure fairness and competitiveness in our offerings.

Most of our employees also have variable components to their compensation packages that reward employees based on individual, business unit and/or company-wide performance.

Our proxy statement provides more detail on the competitive compensation programs we offer.

Information about our Executive Officers

As of January 31, 2023

Name	Age	Title	First Became an Executive Officer
Kevin A. Lobo	57	Chair, Chief Executive Officer and President	2011
Yin C. Becker	59	Vice President, Communications, Public Affairs and Corporate Marketing	2016
William E. Berry Jr.	57	Vice President, Chief Accounting Officer	2014
Glenn S. Boehnlein	61	Vice President, Chief Financial Officer	2016
M. Kathryn Fink	53	Vice President, Chief Human Resources Officer	2016
Robert S. Fletcher	52	Vice President, Chief Legal Officer	2019
Viju S. Menon	55	Group President, Global Quality and Operations	2018
J. Andrew Pierce	49	Group President, MedSurg and Neurotechnology	2021
Spencer S. Stiles	46	Group President, Orthopaedics and Spine	2021

Each of our executive officers was elected by our Board of Directors to serve in the office indicated until the first meeting of the Board of Directors following the annual meeting of shareholders in 2023 or until a successor is chosen and qualified or until his or her resignation or removal. Each of our executive officers held the position above or served Stryker in various executive or administrative capacities for at least five years, except for Mr. Fletcher and Mr. Menon. Prior to joining Stryker in April 2019, Mr. Fletcher held various legal leadership roles with Johnson & Johnson for the previous 14 years, most recently as the Worldwide Vice President, Litigation. Prior to joining Stryker in April 2018, Mr. Menon held various senior supply chain leadership roles with Verizon Communications Inc. during the previous eight years, most recently as the Chief Supply Chain Officer.

Available Information

Our main corporate website address is www.stryker.com. Copies of our filings with the United States Securities and Exchange Commission (SEC) are available free of charge on our website within the "Investors Relations" section as soon as reasonably practicable after having been electronically filed or furnished to the SEC. All SEC filings are also available at the SEC's website at www.sec.gov.

ITEM 1A. RISK FACTORS.

This report contains statements that are not historical facts and are considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on current projections about operations, industry conditions, financial condition and liquidity. Words that

identify forward-looking statements include, without limitation, words such as "may," "could," "will," "should," "possible," "plan," "predict," "forecast," "potential," "anticipate," "estimate," "expect," "project," "intend," "believe," "may impact," "on track," "goal," "strategy" and words and terms of similar substance used in connection with any discussion of future operating or financial performance, an acquisition or our businesses. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Those statements are not guarantees and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, actual results could differ materially and adversely from these forward-looking statements, historical experience or our present expectations. Some important factors that could cause our actual results to differ from our expectations in any forward-looking statements include the risks discussed below.

Our operations and financial results are subject to various risks and uncertainties discussed below that could materially and adversely affect our business, cash flows, financial condition and results of operations. Additional risks and uncertainties not currently known to us or that we currently deem not to be material or that could apply to any company may also materially and adversely affect our business, cash flows, financial condition or results of operations.

We disclaim any intention or obligation to publicly update or revise any forward-looking statement to reflect any change in our expectations or in events, conditions or circumstances on which those expectations may be based, or that affect the likelihood that actual results will differ from those contained in the forward-looking statements.

BUSINESS AND OPERATIONAL RISKS

We use a variety of raw materials, components, devices and third-party services in our global supply chains, production and distribution processes; significant shortages, price increases or unavailability of third-party services could increase our operating costs, require significant capital expenditures, or adversely impact the competitive position of our products: Our reliance on certain suppliers to secure raw materials, components and finished devices, and on certain third-party service providers, such as sterilization service providers, exposes us to product shortages and unanticipated increases in prices, whether due to inflationary pressure, regulatory changes, litigation exposure or otherwise. For example, certain of our products contain electronic components and we have experienced, and could continue to experience, limited product availability due to the electronic components shortage in certain product lines. If the shortage persists, we may not be able to obtain electronic components from our suppliers on a timely basis, or at all, or identify any alternative suppliers to provide the electronic components we need to produce our products. In addition, several raw materials, components, finished devices and services are procured from a sole source due to the quality considerations, unique intellectual property considerations or constraints associated with regulatory requirements. If sole-source suppliers or service providers are acquired or were unable or unwilling to deliver these materials or services, we may not be able to manufacture or have available one or more products during such period of unavailability and our business could suffer. In certain cases, we may not be able to establish additional or replacement suppliers for such materials or service providers for such services in a timely or cost-effective manner, largely as a result of FDA and other regulations that require, among other things, validation of materials, components and services prior to

their use in or with our products. In addition, during 2022 the market experienced increasing inflationary pressures in part due to global supply chain disruptions, labor shortages and other impacts following the COVID-19 pandemic. We expect these inflationary pressures will continue. Inflation in the United States and in many of the countries where we conduct business has resulted in, and may continue to result in, higher interest rates and increased capital, shipping and labor costs, weakening exchange rates against the United States Dollar and other similar effects. We have experienced, and may continue to experience, inflationary increases in manufacturing costs and operating expenses, as well as negative impacts from weakening exchange rates against the United States Dollar, and we may not be able to pass these cost increases on to our customers in a timely manner, which could have a material adverse impact on our profitability and results of operations. Inflation may also cause our customers to reduce or delay orders for our products and services, which could have a material adverse impact on our sales and results of operations.

We are subject to cost containment measures in the United States and other countries resulting in pricing pressures: Initiatives to limit the growth of general healthcare expenses and hospital costs are ongoing in the markets in which we do business. These initiatives are sponsored by government agencies, legislative bodies and the private sector and include price regulation and competitive pricing. For example, China has implemented a volume-based procurement process designed to decrease prices for medical devices and other products. This has already impacted our joint replacement and spine businesses on a national level, and our trauma and certain neurovascular products on a provincial level, and we expect further adoption of volume-based procurement provincially or nationally in China in 2023. Pricing pressure has also increased due to continued consolidation among healthcare providers, trends toward managed care, the shift toward governments becoming the primary payers of healthcare expenses, reduction in reimbursement levels and medical procedure volumes and government laws and regulations relating to sales and promotion, reimbursement and pricing generally.

We operate in a highly competitive industry in which competition in the development and improvement of new and existing products is significant: The markets in which we compete are highly competitive. New business models, products and surgical procedures are introduced on an ongoing basis and our present or future products could be rendered obsolete or uneconomical by technological advances by us, as we continue to innovate to address physician and patient needs, or by our existing competitors and new market entrants. Our existing competitors and new market entrants may respond more quickly to new or emerging technologies, undertake more extensive marketing campaigns, have greater access to clinical information to support ongoing product position in the market, have greater financial, marketing and other resources or be more successful in attracting potential customers, employees and strategic partners.

We may be unable to maintain adequate working relationships with healthcare professionals: We seek to maintain close working relationships with respected physicians and medical personnel in healthcare organizations, such as hospitals and universities, who assist in product research and development. We rely on these professionals to assist us in the development and improvement of proprietary products. If we are unable to maintain these relationships due to regulatory restrictions, hospital access restrictions for non-patients or for

other reasons, our ability to develop, market and sell new and improved products could be adversely affected.

We rely on indirect distribution channels and major distributors that are independent of Stryker: In many markets we rely on indirect distribution channels to market, distribute and sell our products. These indirect channels often are the main point of contact for the healthcare professionals and healthcare organization customers who buy and use our products. Our ability to continue to market, distribute and sell our products may be at risk if the indirect channels become insolvent, choose to sell competitive products, choose to stop selling medical technology or are subject to new or additional government regulation.

We are subject to risks associated with our extensive global operations: We develop, manufacture and distribute our products globally. Our global operations are subject to risks and potential costs, including changes in reimbursement, changes in regulatory requirements (such as the implementation timeline for the European Union Medical Device Regulation (MDR) enacted by the European Union in May 2017 and originally effective in May 2021), differing local product preferences and product requirements, diminished protection of intellectual property in some countries, tariffs and other trade protection measures, international trade disputes and import or export requirements, difficulty in staffing and managing foreign operations, introduction of new internal business structures and programs, political and economic instability, such as the United Kingdom's exit from the European Union (Brexit), and disruptions of transportation due to military conflicts, a global pandemic of contagious diseases like COVID-19 or otherwise, such as reduced availability of transportation, port closures, increased border controls or closures, increased transportation costs and increased security threats to our supply chain. Our business could be adversely impacted if we are unable to successfully manage these and other risks of global operations in an increasingly volatile environment.

The ongoing war between Russia and Ukraine, and the global response to it, may adversely affect our business and results of operations: The war between Russia and Ukraine has resulted in the implementation of sanctions by the United States and other governments against Russia and has caused significant volatility and disruptions to the global markets. It is not possible to predict the short- and long-term implications of this war, which could include but are not limited to further sanctions, economic and political instability, increases in inflation rate and energy prices, supply chain challenges and adverse effects on currency exchange rates and financial markets. In addition, the United States government reported that United States sanctions against Russia in response to the conflict could lead to an increased threat of cyberattacks against United States companies. These increased threats could pose risks to the security of our information technology systems, networks and product offerings, as well as the confidentiality, availability and integrity of our data. Further, if the war expands beyond Ukraine or further intensifies, it could have an adverse impact on our operations in Poland or other areas. We are continuing to monitor the situation in Ukraine and globally as well as assess its potential impact on our business. Although Russia does not constitute a material portion of our business, and we do not rely significantly on Russian or Ukrainian sources of supply, a significant escalation or further expansion of the war or related disruptions to the global markets could have a material adverse effect on our results of operations.

We may be unable to capitalize on previous or future acquisitions: In addition to internally developed products, we invest in new products and technologies through acquisitions, including our acquisition of Vocera. Such investments are inherently risky, and we cannot guarantee that any acquisition will be successful or will not have a material unfavorable impact on us. The risks include the activities required and resources allocated to integrate new businesses, diversion of management time that could adversely affect management's ability to focus on other projects, the inability to realize the expected benefits, savings or synergies from the acquisition, the loss of key personnel, litigation resulting from the acquisition and exposure to unexpected liabilities of acquired companies. In addition, we cannot be certain that the businesses we acquire will become or remain profitable.

We could experience a failure of a key information technology system, process or site or a breach of information security, including a cybersecurity breach or failure of one or more key information technology systems, networks, processes, associated sites or service providers: We rely extensively on information technology (IT) systems to conduct business. In addition, we rely on networks and services, including internet sites, cloud and software-as-a-service solutions, data hosting and processing facilities and tools and other hardware, software (including open-source software) and technical applications and platforms, some of which are managed, hosted, provided and/or used by third parties or their vendors, to assist in conducting our business. Numerous and evolving cybersecurity threats have posed, and will continue to pose, risks to the security of our IT systems, networks and product offerings, as well as the confidentiality, availability and integrity of our data. Some of our products and services, and information technology systems, contain or use open-source software, which poses particular risks, including potential security vulnerabilities, licensing compliance issues and quality issues. A security breach, whether of our products, of our customers' network security and systems or of third-party hosting services, could impact the use of such products and the security of information stored therein. Although we have made investments seeking to address these threats, including monitoring of networks and systems, hiring of experts, employee training and security policies for employees and third-party providers, the techniques used in these attacks change frequently and may be difficult to detect for periods of time and we may face difficulties in anticipating and implementing adequate preventative measures. When cybersecurity incidents occur, we follow our incident response protocols and address them in accordance with applicable governmental regulations and other legal requirements. Our response to these incidents and our investments to protect our information technology infrastructure and data may not shield us from significant losses and potential liability or prevent any future interruption or breach of our systems. In addition, a greater number of our employees working remotely has exposed us, and may continue to expose us, to greater risks related to cybersecurity and cyber-liability. If our IT systems are damaged or cease to function properly, the networks or service providers we rely upon fail to function properly, or we or one of our third-party providers suffer a loss or disclosure of our business or stakeholder information due to any number of causes ranging from catastrophic events or power outages to improper data handling or security breaches and our business continuity plans do not effectively address these failures on a timely basis, we may be exposed to reputational, competitive and business harm as well as litigation and regulatory action.

An inability to successfully manage the implementation of our new commercial global enterprise resource planning (ERP) system could adversely affect our operations and operating results: We are in the process of implementing a new commercial global ERP system. This system will replace many of our existing operating and financial systems. The implementation is a major undertaking, both financially and from a management and personnel perspective. Any disruptions, delays or deficiencies in the design and implementation of our new ERP system could adversely affect our ability to process orders, ship products, provide services and customer support, send invoices and track payments, fulfill contractual obligations or otherwise operate our business.

We may be unable to attract and retain key employees: Our sales, technical and other key personnel play an integral role in the development, marketing and selling of new and existing products. If we are unable to recruit, hire, develop and retain a talented, competitive work force in our highly competitive industry, or if we are unable to plan effective succession for the future, we may not be able to meet our strategic business objectives. Ongoing inflationary pressures and other macroeconomic factors could also increase the cost of labor and harm our ability to recruit, hire and retain talented employees. In addition, if we are unable to maintain an inclusive culture that aligns our diverse workforce with our mission and values, this could adversely impact our ability to recruit, hire, develop and retain key talent. Further, the remote or hybrid work environment that has become commonplace as a result of the COVID-19 pandemic could harm our culture and/or decrease employee engagement, which could adversely impact our ability to recruit, hire, develop and retain a talented, competitive workforce.

Interruption of manufacturing operations could adversely affect our business: We and our suppliers have manufacturing and supply sites all over the world. However, the manufacturing of certain of our product lines is concentrated in one or more plants or geographic regions. We have principal manufacturing and distribution facilities in the United States in Arizona, California, Florida, Illinois, Indiana, Michigan, Minnesota, New Jersey, Puerto Rico, Tennessee, Texas, Utah, Virginia and Washington, and outside the United States in China, France, Germany, Ireland, Mexico, the Netherlands, Switzerland and Turkey. Damage to our facilities, to our suppliers' or service providers' facilities, or to our central distribution centers as a result of natural disasters, fires, explosions or otherwise, as well as issues in our manufacturing arising from a failure to follow specific internal protocols and procedures, compliance concerns relating to the quality systems regulation, equipment breakdown or malfunction, IT system failures or cybersecurity incidents, environmental hazard incidents or changes to environmental regulations or other factors, could adversely affect the availability of our products. In the event of an interruption in manufacturing, we may be unable to move quickly to alternate means of producing affected products to meet customer demand. In the event of a significant interruption, we may experience lengthy delays in resuming production of affected products due to the need for regulatory approvals, and we may experience loss of market share, additional expense and harm to our reputation.

Our insurance program may not be adequate to cover future losses: We maintain third-party insurance to cover our exposure to certain property and casualty losses and are self-insured for claims and expenses related to other property and casualty losses, including product liability, intellectual property infringement and enforcement, environmental, and cybersecurity and data privacy losses. We manage a portion of our exposure to

self-insured losses through a wholly-owned captive insurance company. Insurance coverage limits provided by third-party insurers and/or our captive insurance company may not be sufficient to fully cover unanticipated losses.

The COVID-19 pandemic has materially adversely affected, and could continue to materially adversely affect, our operations, supply chain, manufacturing, product distribution, customers and other business activities: The global COVID-19 pandemic led to severe disruptions in the market in the United States and international economies that may continue for a prolonged duration and trigger a recession or a period of economic slowdown. In response, various governmental authorities and private enterprises implemented, and may continue to implement or reimplement, numerous measures, such as travel bans and restrictions, quarantines, shelter-in-place orders and shutdowns. A significant number of our customers, global suppliers, distributors and manufacturing facilities are located in regions that were affected by the pandemic and those operations have been, and could continue to be, materially affected by restrictive measures implemented in response to the pandemic. As a result, some of our customers, distributors and indirect sales channels have at times been unable to retain employees, distribute or use our products or provide required services. We have experienced, and could continue to experience, delays and shortages in the supply of components or materials and delays in delivering our products that may result in our inability to satisfy consumer demand for our products in a timely manner or at all, which could harm our reputation, future sales and profitability.

In addition, the pandemic adversely impacted the ability of certain third-party suppliers, manufacturers, distributors and customers to retain key employees and ensure the continued service and availability of skilled personnel necessary to run their complex operations. To the extent management or other personnel of our third-party suppliers, manufacturers, distributors and customers are impacted again in significant numbers and are not available to perform their job duties, we could experience delays in, or the suspension of, our manufacturing operations, sales activities, research and product development activities, regulatory work streams, clinical development programs and other important commercial and corporate functions.

Moreover, we have observed an overall tightening and increasingly competitive labor market due to labor shortages caused in part by the COVID-19 pandemic and responsive measures, which has included increased wages offered by other employers and voluntary attrition of our employees and the employees of our third-party suppliers, manufacturers, distributors and customers.

The extent of the pandemic's continuing effect on our business and industry will depend on future developments, including future resurgences and/or the spread of variants, and the successful development, distribution and acceptance of vaccines for those variants, all of which are uncertain and difficult to predict. We are not able at this time to estimate with certainty the effect of these and other unforeseen factors on our business, but the adverse impact on our business, cash flows, financial condition and results of operations has been, and could in the future be, material. A prolonged or reemerging impact of COVID-19 (or other pandemics in the future) also could heighten many of the other risks described in this report.

We have experienced, and may continue to experience, a significant and unpredictable need to adjust our operations as market demand for certain of our products has shifted

and continues to shift or as may be mandated by governmental authorities: Some of our products are particularly sensitive to reductions in elective medical procedures. Elective medical procedures were suspended or reduced at various times since the beginning of the COVID-19 pandemic in many of the markets where our products are marketed and sold, which negatively affected our business, cash flows, financial condition and results of operations. It is not possible to predict whether elective medical procedures will again be suspended or reduced in the future and, to the extent individuals and customers are required to delay or cancel elective procedures as a result of a resurgence of the COVID-19 pandemic or otherwise, our business, cash flows, financial condition and results of operations could be negatively affected.

In addition, our products in certain divisions, such as Medical, have experienced, and could continue to experience, higher demand as our customers have focused on treating COVID-19 patients and preparing for future public health emergencies. Unpredictable increases in demand for certain of our products have exceeded in the past, and could exceed in the future, our capacity to meet such demand timely, which could adversely affect our customer relationships and result in negative publicity. In this regard, the accelerated development and production of products and services to address medical and other requirements could increase the risk of regulatory enforcement actions, product defects or related claims.

LEGAL AND REGULATORY RISKS

Current economic and political conditions make tax rules in jurisdictions subject to significant change: Our future results of operations could be affected by changes in the effective tax rate as a result of changes in tax laws, regulations and judicial rulings. We are continuing to evaluate the impact of tax reform in the countries in which we operate as new guidance and regulations are published. In addition, further changes in the tax laws could arise, including as a result of the base erosion and profit shifting (BEPS) project undertaken by the Organisation for Economic Cooperation and Development (OECD). The OECD, which represents a coalition of member countries, has issued recommendations that, in some cases, would make substantial changes to numerous long-standing tax positions and principles. These contemplated changes, to the extent adopted by OECD members and/or other countries, could increase tax uncertainty and may adversely affect our provision for income taxes.

We could be negatively impacted by future changes in the allocation of income to each of the income tax jurisdictions in which we operate: We operate in multiple income tax jurisdictions both in the United States and internationally. Accordingly, our management must determine the appropriate allocation of income to each jurisdiction based on current interpretations of complex income tax regulations. Income tax authorities regularly perform audits of our income tax filings. Income tax audits associated with the allocation of income and other complex issues, including inventory transfer pricing and cost sharing, product royalty and foreign branch arrangements, may require an extended period to resolve and may result in significant income tax adjustments.

The impact of United States healthcare reform legislation on our business remains uncertain: In 2010 the Patient Protection and Affordable Care Act (ACA) was enacted. While the provisions of the ACA are intended to expand access to health insurance coverage and improve the quality of healthcare over time, other provisions of the legislation, including Medicare provisions aimed at decreasing costs, comparative effectiveness research, an

independent payment advisory board and pilot programs to evaluate alternative payment methodologies, are having a meaningful effect on the way healthcare is developed and delivered and could have a significant effect on our business. There have been ongoing litigation and congressional efforts to modify or repeal all or certain provisions of the ACA. We face uncertainties that might result from modification or repeal of any of the provisions of the ACA, including as a result of current and future executive orders and legislative actions. We cannot predict what other healthcare programs and regulations will ultimately be implemented at the federal or state level or the effect that any future legislation or regulation in the United States may have on our business.

We are subject to extensive governmental regulation relating to the classification, manufacturing, sterilization, licensing, labeling, marketing and sale of our products: The classification, manufacturing, sterilization, licensing, labeling, marketing and sale of our products are subject to extensive and evolving regulations and rigorous regulatory enforcement by the FDA, state governments, European Union and other governmental authorities in the United States and internationally. The process of obtaining licenses, regulatory clearances and/or approvals to market and sell our products can be costly and time consuming and the clearances and/or approvals might not be granted timely. We have ongoing responsibilities under the laws and regulations applicable to the manufacturing of products within our facilities and those contracted by third parties that are subject to periodic inspections by the FDA, state Boards of Pharmacy and other governmental authorities to determine compliance with the quality system, medical device reporting regulations and other requirements. We incur significant costs to comply with regulations, including the MDR, the free trade agreement between the United Kingdom and the European Union that became effective January 1, 2021, and the regulatory laws established by the National Medical Products Administration in China. If we fail to comply with applicable regulatory requirements, we may be subject to a range of sanctions, including substantial fines, warning letters that require corrective action, product seizures, recalls, the suspension of product manufacturing, revocation of approvals, exclusion from future participation in government healthcare programs, substantial fines and criminal prosecution.

We are subject to federal, state and foreign healthcare regulations, including anti-bribery, anti-corruption, anti-kickback and false claims laws, globally and could face substantial penalties if we fail to comply with such regulations and laws: The relationships that we, and third parties that market and/or sell our products, have with healthcare professionals, such as physicians, hospitals, healthcare organizations and others, are subject to scrutiny under various state and federal laws often referred to collectively as healthcare fraud and abuse laws. In addition, the United States and foreign government regulators have increased the enforcement of the Foreign Corrupt Practices Act (FCPA) and other anti-bribery and anti-kickback laws. We also must comply with a variety of other laws that impose extensive tracking and reporting related to all transfers of value provided to certain healthcare professionals and others. These laws and regulations are broad in scope and are subject to evolving interpretation and we have in the past been, and in the future could be, required to incur substantial costs to investigate, audit and monitor compliance or to alter our practices. Violations or alleged violations of these laws could result in litigation and we may be subject to criminal or civil penalties and sanctions, including substantial fines, imprisonment of current or former employees and exclusion from participation in governmental healthcare programs. In 2013 and 2018 we

settled claims brought by the United States Securities and Exchange Commission (SEC) related to the FCPA. Pursuant to these settlements, we paid fines and penalties and retained an independent compliance consultant. We continue to implement recommendations that resulted from the independent compliance consultant's review of our commercial practices to enhance our commercial business practices.

We are subject to privacy, data protection and data security regulations and laws globally, and could face substantial penalties if we fail to comply with such regulations and laws: We are subject to a variety of laws and regulations globally regarding privacy, data protection, and data security, including those related to the collection, storage, handling, use, disclosure, transfer and security of personally identifiable healthcare information. For example, in the United States, privacy and security regulations under the Health Insurance Portability and Accountability Act of 1996, including the expanded requirements under the Health Information Technology for Economic and Clinical Health Act of 2009, establish comprehensive standards with respect to the use and disclosure of protected health information (PHI), by covered entities, in addition to setting standards to protect the confidentiality, integrity and security of PHI. Regulators are also imposing new data privacy and security requirements, including new and greater monetary fines for privacy violations. For example, the European Union's General Data Protection Regulation (GDPR) established rules regarding the handling of personal data. Non-compliance with the GDPR may result in monetary penalties of up to 4% of total company revenue. Other governmental authorities around the world are imposing similar types of laws and regulations, data breach reporting and penalties for non-compliance and increasing security requirements. These laws and regulations are broad in scope and are subject to evolving interpretation and we have in the past been, and in the future could be, required to incur substantial costs to monitor compliance or to alter our practices.

We may be adversely affected by product liability claims, unfavorable court decisions or legal settlements: We are exposed to potential product liability risks inherent in the design, manufacture and marketing of medical devices, many of which are implanted in the human body for long periods of time or indefinitely. We may be exposed to additional potential product liability risks related to products designed, manufactured and marketed in response to the COVID-19 pandemic, including discretionary products and products permitted under the Emergency Use Authorization granted by the FDA. We are currently defendants in a number of product liability matters, including those relating to our Rejuvenate and ABGII Modular-Neck hip stems, LFIT Anatomic CoCr V40 Femoral Heads and the product liability lawsuits and claims relating to Wright Medical Group N.V. (Wright) legacy hip products discussed in Note 7 to our Consolidated Financial Statements. These matters are subject to many uncertainties and outcomes are not predictable. Further, in November 2020 the European Parliament voted in favor of the European Representative Actions Directive (the Collective Redress Directive), which mandates a class action regime in each member state to facilitate domestic and cross-border class actions in a wide range of areas, including product liability claims with medical devices. The Collective Redress Directive will take effect in 2023 after a 24-month implementation period. The Collective Redress Directive, when implemented, could result in additional litigation risks and significant legal expenses for us. In addition, we may incur significant legal expenses for product liability claims regardless of whether we are found to be liable.

Intellectual property litigation and infringement claims could cause us to incur significant expenses or prevent us from selling certain of our products: The medical device industry is characterized by extensive intellectual property litigation and, from time to time, we are the subject of claims of infringement or misappropriation. Regardless of outcome, such claims are expensive to defend and divert management and operating personnel from other business issues. A successful claim or claims of patent or other intellectual property infringement against us could result in payment of significant monetary damages and/or royalty payments or negatively impact our ability to sell current or future products in the affected category.

Dependence on patent and other proprietary rights and failing to protect such rights or to be successful in litigation related to such rights may impact offerings in our product portfolios: Our long-term success largely depends on our ability to market technologically competitive products. If we fail to obtain or maintain adequate intellectual property protection, it could allow others to sell products that directly compete with proprietary features in our product portfolio. Also, our issued patents may be subject to claims challenging their validity and scope and raising other issues. In addition, currently pending or future patent applications may not result in issued patents.

MARKET RISKS

We have exposure to exchange rate fluctuations on cross border transactions and translation of local currency results into United States Dollars: We report our financial results in United States Dollars and approximately 30% of our net sales are denominated in foreign currencies, including the Australian Dollar, British Pound, Canadian Dollar, Chinese Yuan, Euro and Japanese Yen. Cross border transactions with external parties and intercompany relationships result in increased exposure to foreign currency exchange effects. While we use derivative instruments to manage the impact of currency exchange, our hedging strategies may not be successful, and our unhedged exposures continue to be subject to currency fluctuations. In addition, the weakening or strengthening of the United States Dollar results in favorable or unfavorable translation effects when the results of our foreign locations are translated into United States Dollars.

Additional capital that we may require in the future may not be available to us or may only be available to us on unfavorable terms, which could negatively affect our liquidity: Our future capital requirements will depend on many factors, including operating requirements, current and future acquisitions and the need to refinance existing debt. Our ability to issue additional debt or enter into other financing arrangements on acceptable terms could be adversely affected by our debt levels, unfavorable changes in economic conditions or uncertainties that affect the capital markets. Changes in credit ratings issued by nationally recognized credit rating agencies could also adversely affect our access to and cost of financing. Higher borrowing costs or the inability to access capital markets could adversely affect our ability to support future growth and operating requirements. In addition, we have experienced, and could continue to experience, loss of sales and profits due to delayed payments or insolvency of healthcare professionals, hospitals and other customers and suppliers facing liquidity issues due to the current macroeconomic environment, type and number of conditions being treated or for other reasons. As a result, we may be compelled to take additional measures to preserve our cash flow, including through the reduction of operating expenses or suspension of dividend payments.

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG) RISKS

We could be negatively impacted by ESG and sustainability-related matters: Governments, investors, customers, employees and other stakeholders are increasingly focusing on corporate ESG practices and disclosures, and expectations in this area are rapidly evolving. On occasion, we announce new initiatives, including goals, under our Corporate Responsibility framework. This framework is aligned with our areas of interest, which include environment and sustainability, social impact, diversity, equity and inclusion and supply chain management, among others. The criteria by which our ESG practices are assessed may change due to the quickly evolving landscape, which could result in greater regulatory requirements or expectations of us and cause us to undertake costly initiatives to satisfy such new criteria. Moreover, the increasing attention to corporate ESG initiatives could also result in reduced demand for our products, reduced profits and increased investigations and litigation. If we are unable to satisfy evolving criteria, investors may conclude that our policies and/or actions with respect to ESG matters are inadequate. If we fail or are perceived to have failed to achieve previously announced initiatives or goals or to accurately disclose our progress, our reputation, business, financial condition and results of operations could be adversely impacted.

Physical effects of climate change or legal, regulatory or market measures intended to address climate change could adversely affect our operations and operating results: Risks associated with climate change are subject to increasing societal, regulatory and political focus in the United States and globally. Shifts in weather patterns caused by climate change are expected to increase the frequency, severity or duration of certain adverse weather conditions and natural disasters, such as hurricanes, tornadoes, earthquakes, wildfires, droughts, extreme temperatures or flooding, which could cause more significant business and supply chain interruptions, damage to our products and facilities as well as the infrastructure of hospitals, medical care facilities and other customers, reduced workforce availability, increased costs of raw materials and components, increased liabilities and decreased revenues than what we have experienced in the past from such events. In addition, increased public concern over climate change could result in new legal or regulatory requirements designed to mitigate the effects of climate change, which could include the adoption of more stringent environmental laws and regulations or stricter enforcement of existing laws and regulations. Such developments could result in increased compliance costs and adverse impacts on raw material sourcing, manufacturing operations and the distribution of our products, which could adversely affect our operations and operating results.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 2. PROPERTIES.

We have approximately 27 company-owned and 322 leased locations worldwide including 48 manufacturing locations. We believe that our properties are in good operating condition and adequate for the manufacture and distribution of our products. We do not anticipate difficulty in renewing existing leases as they expire or in finding alternative facilities.

ITEM 3. LEGAL PROCEEDINGS.

We are involved in various proceedings, legal actions and claims arising in the normal course of business, including proceedings related to product, labor and intellectual property, and the matters described in more detail in Note 7 to our Consolidated Financial Statements.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

PART II

ITEM 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES.

Our common stock is traded on the New York Stock Exchange under the symbol SYK.

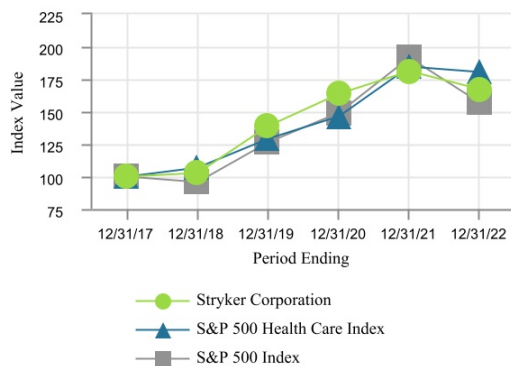
Our Board of Directors considers payment of cash dividends at its quarterly meetings. On January 31, 2023 there were 2,523 shareholders of record of our common stock.

We did not repurchase any shares in the three months ended December 31, 2022 and the total dollar value of shares that could be acquired under our authorized repurchase program at December 31, 2022 was \$1,033.

In the fourth quarter 2022 we issued 48 shares of our common stock as performance incentive awards to employees. These shares were not registered under the Securities Act of 1933 based on the conclusion that the awards were not events of sale within the meaning of Section 2(a)(3) of the Act.

The following graph compares our total returns (including reinvestment of dividends) against the Standard & Poor's (S&P) 500 Index and the S&P 500 Health Care Index. The graph assumes \$100 (not in millions) invested on December 31, 2017 in our common stock and each of the indices.

COMPARISON OF CUMULATIVE FIVE YEAR TOTAL RETURN



Company / Index	2017	2018	2019	2020	2021	2022
Stryker Corporation	\$ 100.00	\$ 102.43	\$ 138.62	\$ 163.81	\$ 180.56	\$ 167.16
S&P 500 Index	\$ 100.00	\$ 95.62	\$ 125.72	\$ 148.85	\$ 191.58	\$ 156.88
S&P 500 Health Care Index	\$ 100.00	\$ 106.47	\$ 128.64	\$ 145.93	\$ 184.07	\$ 180.47

Dollar amounts in millions except per share amounts or as otherwise specified.

ITEM 6. SELECTED FINANCIAL DATA.

Statement of Earnings Data	2022	2021	2020	2019	2018
Net sales	\$ 18,449	\$ 17,108	\$ 14,351	\$ 14,884	\$ 13,601
Cost of sales	6,871	6,140	5,294	5,188	4,663
Gross profit	\$ 11,578	\$ 10,968	\$ 9,057	\$ 9,696	\$ 8,938
Research, development and engineering expenses	1,454	1,235	984	971	862
Selling, general and administrative expenses	6,455	6,427	5,361	5,356	5,099
Recall charges, net	(15)	103	17	192	23
Amortization of intangible assets	627	619	472	464	417
Goodwill impairment	216	—	—	—	—
Total operating expenses	<u>\$ 8,737</u>	<u>\$ 8,384</u>	<u>\$ 6,834</u>	<u>\$ 6,983</u>	<u>\$ 6,401</u>
Operating income	\$ 2,841	\$ 2,584	\$ 2,223	\$ 2,713	\$ 2,537
Other income (expense), net	(158)	(303)	(269)	(151)	(181)
Earnings before income taxes	\$ 2,683	\$ 2,281	\$ 1,954	\$ 2,562	\$ 2,356
Income taxes	325	287	355	479	(1,197)
Net earnings	\$ 2,358	\$ 1,994	\$ 1,599	\$ 2,083	\$ 3,553
Net earnings per share of common stock:					
Basic	\$ 6.23	\$ 5.29	\$ 4.26	\$ 5.57	\$ 9.50
Diluted	\$ 6.17	\$ 5.21	\$ 4.20	\$ 5.48	\$ 9.34
Dividends declared per share of common stock	\$ 2.835	\$ 2.585	\$ 2.355	\$ 2.135	\$ 1.930
Balance Sheet Data					
Cash, cash equivalents and current marketable securities	\$ 1,928	\$ 3,019	\$ 3,024	\$ 4,425	\$ 3,699
Accounts receivable, net	3,565	3,022	2,701	2,893	2,332
Inventories	3,995	3,314	3,494	2,980	2,955
Property, plant and equipment, net	2,970	2,833	2,752	2,567	2,291
Total assets	\$ 36,884	\$ 34,631	\$ 34,330	\$ 30,167	\$ 27,229
Accounts payable	1,413	1,129	810	675	646
Total debt	13,048	12,479	13,991	11,090	9,859
Shareholders' equity	\$ 16,616	\$ 14,877	\$ 13,084	\$ 12,807	\$ 11,730
Cash Flow Data					
Net cash provided by operating activities	\$ 2,624	\$ 3,263	\$ 3,277	\$ 2,191	\$ 2,610
Purchases of property, plant and equipment	588	525	487	649	572
Depreciation	371	371	340	314	306
Acquisitions, net of cash acquired	2,563	339	4,222	802	2,451
Amortization of intangible assets	627	619	472	464	417
Payments of dividends	1,051	950	863	778	703
Repurchase of common stock	—	—	—	307	300
Other Data					
Number of shareholders of record	2,533	2,551	2,597	2,636	2,732
Approximate number of employees	51,000	46,000	43,000	40,000	36,000

Dollar amounts in millions except per share amounts or as otherwise specified.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.**About Stryker**

Stryker is one of the world's leading medical technology companies and, together with our customers, we are driven to make healthcare better. We offer innovative products and services in Medical and Surgical, Neurotechnology, Orthopaedics and Spine that help improve patient and healthcare outcomes. Alongside our customers around the world, Stryker impacts more than 130 million patients annually. Our goal is to achieve sales growth at the high-end of the medical technology (MedTech) industry and maintain our long-term capital allocation strategy that prioritizes: (1) Acquisitions, (2) Dividends and (3) Share repurchases.

Macroeconomic Environment

The global economy is experiencing increased inflationary pressures in part due to global supply chain disruptions, labor shortages and other impacts of the COVID-19 pandemic and current macroeconomic environment which we anticipate will continue. Higher interest rates and capital costs, higher shipping costs, increased costs of labor and weakening foreign currency exchange rates are creating additional economic challenges. These conditions may cause our customers to decrease or delay orders for our products and services, and we expect the higher interest rates to impact demand for our capital products.

Our operations have been adversely impacted by the inflationary pressures primarily related to labor, steel and transportation costs as well as the impact of purchasing electronic components at premium prices on the spot market. Sales growth in certain products has been constrained by the continuing supply chain challenges and electronic component shortages, especially impacting the capital products in our MedSurg businesses, although the supply chain constraints eased somewhat in the fourth quarter.

Russia and Ukraine Conflict

The military conflict in Russia and Ukraine and the sanctions imposed by the United States government and other nations in response to this conflict have caused significant volatility and disruptions to the global markets. Given that we provide life-saving and life-enhancing products, we plan to continue operating in Russia provided we can safely do so. In 2022 net sales in Russia were approximately 0.3% of our revenues. Although Russia does not constitute a material portion of our business, there is uncertainty around the impact it will have on the global economy, supply chains and fuel and energy prices generally, and therefore our business.

China Volume-Based Procurement and Import Purchase Evaluation

The government in China has launched regional and national programs for volume-based procurement (VBP) of high-value medical consumables to reduce healthcare costs. Each VBP program has specific requirements to award contracts to the lowest bidders who are able to satisfy the quality and quantity requirements. The successful bidders may be guaranteed sales volume for certain products, while unsuccessful bidders may lose unit sales volume. We have been a winning bidder in certain national and regional VBP programs, including those for joint

replacement and trauma products in 2021 and certain neurovascular products in the fourth quarter of 2022. The prices required for a successful bid have negatively impacted the commercial operations of joint replacement, trauma and certain neurovascular products in China.

We were unsuccessful in our bids in the VBP program for spine products that took place in the third quarter of 2022 and as a result we are exiting the spine business in China. To date our other businesses have not been significantly impacted, but may be in the future as a result of additional VBP programs. China has also issued national guiding standards for Import Purchase Evaluation (IPE) which has increased the purchase of locally sourced equipment in China's public hospitals and is impacting our MedSurg business in China. Our business in China represented approximately 2.4% our revenues in 2022.

Overview of 2022

In 2022 we achieved reported net sales growth of 7.8%. Excluding the impact of acquisitions and divestitures, sales grew 9.7% in constant currency. We reported net earnings of \$2,358 and net earnings per diluted share of \$6.17. Excluding the impact of certain items, we achieved adjusted net earnings⁽¹⁾ of \$3,571 and adjusted net earnings per diluted share⁽¹⁾ of \$9.34 representing growth of 2.8%.

We continued our capital allocation strategy by investing \$2,563 in acquisitions and paying \$1,051 in dividends to our shareholders.

In February 2022 we entered into a \$1.5 billion term loan agreement that matures on February 22, 2025 and bears interest at a base rate based on the Term Secured Overnight Financing Rate (SOFR) plus 0.725%. In 2022 we repaid \$650 of this term loan. Refer to Note 10 to our Consolidated Financial Statements for further information.

In February 2022 we completed the acquisition of Vocera for \$79.25 per share, or an aggregate purchase price of \$2.6 billion, net of cash acquired (\$3.0 billion including convertible notes). Vocera is a leader in the digital care coordination and communication category. Vocera is part of our Medical business within MedSurg and Neurotechnology. Goodwill attributable to the acquisition reflects the strategic benefits of expanding our presence in adjacent markets, diversifying our product portfolio, advancing innovations, and accelerating our digital aspirations. Refer to Note 6 to our Consolidated Financial Statements for further information.

In 2022 we recorded a goodwill impairment charge of \$216 related to our Spine business. Refer to Note 8 to our Consolidated Financial Statements for further information.

On August 16, 2022 the Inflation Reduction Act (IRA) was enacted into law. The IRA includes a 15% corporate alternative minimum tax effective in 2023 and a 1% tax on share repurchases after December 31, 2022. We do not expect the tax-related provisions of the IRA to have a material impact on our Consolidated Financial Statements. The impact of the excise tax on share repurchases will be dependent on the extent of share repurchases made in future periods.

⁽¹⁾ Refer to "Non-GAAP Financial Measures" for a discussion of non-GAAP financial measures used in this report and a reconciliation to the most directly comparable GAAP financial measure.

CONSOLIDATED RESULTS OF OPERATIONS

				Percent Net Sales			Percentage Change	
	2022	2021	2020	2022	2021	2020	2022 vs. 2021	2021 vs. 2020
Net sales	\$ 18,449	\$ 17,108	\$ 14,351	100.0 %	100.0 %	100.0 %	7.8 %	19.2 %
Gross profit	11,578	10,968	9,057	62.8	64.1	63.1	5.6	21.1
Research, development and engineering expenses	1,454	1,235	984	7.9	7.2	6.9	17.7	25.5
Selling, general and administrative expenses	6,455	6,427	5,361	35.0	37.6	37.4	0.4	19.9
Recall charges, net	(15)	103	17	(0.1)	0.6	0.1	nm	nm
Amortization of intangible assets	627	619	472	3.4	3.6	3.3	1.3	31.1
Goodwill impairment	216	—	—	1.2	—	—	nm	nm
Other income (expense), net	(158)	(303)	(269)	(0.9)	(1.8)	(1.9)	(47.9)	12.6
Income taxes	325	287	355	nm	nm	nm	13.2	(19.2)
Net earnings	\$ 2,358	\$ 1,994	\$ 1,599	12.8 %	11.7 %	11.1 %	18.3 %	24.7 %
Net earnings per diluted share	\$ 6.17	\$ 5.21	\$ 4.20				18.4 %	24.0 %
Adjusted net earnings per diluted share⁽¹⁾	\$ 9.34	\$ 9.09	\$ 7.43				2.8 %	22.3 %

				Percentage Change			
	2022	2021	2020	2022 vs. 2021		2021 vs. 2020	
				As Reported	Constant Currency	As Reported	Constant Currency
Geographic:							
United States	\$ 13,638	\$ 12,321	\$ 10,455	10.7 %	10.7 %	17.9 %	17.9 %
International	4,811	4,787	3,896	0.5	11.7	22.8	18.8
Total	\$ 18,449	\$ 17,108	\$ 14,351	7.8 %	11.0 %	19.2 %	18.1 %
Segment:							
MedSurg and Neurotechnology	\$ 10,611	\$ 9,538	\$ 8,345	11.2 %	14.1 %	14.3 %	13.3 %
Orthopaedics and Spine	7,838	7,570	6,006	3.5	7.0	26.0	24.8
Total	\$ 18,449	\$ 17,108	\$ 14,351	7.8 %	11.0 %	19.2 %	18.1 %

Supplemental Net Sales Growth Information

				Percentage Change										
				2022 vs. 2021						2021 vs. 2020				
	2022	2021	2020	United States		International				United States		International		
			As Reported	Constant Currency	As Reported	As Reported	Constant Currency	As Reported	Constant Currency	As Reported	As Reported	Constant Currency		
MedSurg and Neurotechnology:														
Instruments	\$ 2,279	\$ 2,111	\$ 1,863	8.0 %	10.4 %	10.6 %	(0.9)%	10.0 %	13.4 %	12.5 %	11.3 %	20.9 %	16.6 %	
Endoscopy	2,423	2,141	1,763	13.2	15.9	14.6	8.2	20.8	21.5	20.8	18.6	32.7	29.4	
Medical	3,031	2,607	2,524	16.2	18.6	20.6	1.5	11.7	3.3	2.2	5.1	(2.4)	(6.6)	
Neurovascular	1,200	1,188	973	1.1	7.2	(0.9)	2.3	12.2	22.0	19.5	18.3	24.4	20.3	
Neuro Cranial	1,376	1,214	972	13.3	15.4	14.9	6.1	17.5	24.9	24.3	23.4	32.4	28.6	
Other	302	277	250	9.2	9.3	8.9	25.3	29.9	10.4	10.3	10.0	48.9	40.8	
	\$ 10,611	\$ 9,538	\$ 8,345	11.2 %	14.1 %	14.2 %	3.0 %	13.8 %	14.3 %	13.3 %	13.0 %	18.1 %	14.0 %	
Orthopaedics and Spine:														
Knees	\$ 1,997	\$ 1,848	\$ 1,567	8.0 %	11.2 %	10.6 %	1.0 %	12.9 %	18.0 %	16.9 %	15.4 %	25.5 %	21.3 %	
Hips	1,413	1,342	1,206	5.3	10.1	9.1	(0.6)	11.5	11.2	9.9	5.8	21.1	17.2	
Trauma and Extremities	2,807	2,664	1,722	5.4	8.7	9.0	(3.2)	8.0	54.6	53.0	63.8	36.8	32.3	
Spine	1,146	1,167	1,047	(1.8)	1.1	0.6	(7.7)	2.4	11.5	10.5	8.7	19.1	15.2	
Other	475	549	464	(13.3)	(10.3)	(16.9)	(0.9)	12.8	18.2	18.0	10.1	58.8	57.4	
	\$ 7,838	\$ 7,570	\$ 6,006	3.5 %	7.0 %	6.0 %	(2.2)%	9.3 %	26.0 %	24.8 %	25.0 %	28.6 %	24.5 %	
Total	\$ 18,449	\$ 17,108	\$ 14,351	7.8 %	11.0 %	10.7 %	0.5 %	11.7 %	19.2 %	18.1 %	17.9 %	22.8 %	18.8 %	

nm - not meaningful

Consolidated Net Sales

Consolidated net sales increased 7.8% as reported and 11.0% in constant currency, as foreign currency exchange rates negatively impacted net sales by 3.2%. Excluding the 1.3% impact of acquisitions and divestitures, net sales in constant currency increased by 10.6% from increased unit volume partially offset by 0.9% due to lower prices. The unit volume increase was primarily due to higher shipments across all MedSurg and Neurotechnology products and most Orthopaedics and Spine products.

Consolidated net sales in 2021 increased 19.2% as reported and 18.1% in constant currency. Excluding the 5.5% impact of acquisitions and divestitures, net sales in constant currency increased by 13.4% from increased unit volume partially offset by 0.8% due to lower prices. The unit volume increase was primarily due to higher shipments across all product lines.

MedSurg and Neurotechnology Net Sales

MedSurg and Neurotechnology net sales in 2022 increased 11.2% as reported and 14.1% in constant currency, as foreign currency exchange rates negatively impacted net sales by 2.9%.

STRYKER CORPORATION 2022 FORM 10-K

Excluding the 2.3% impact of acquisitions and divestitures, net sales in constant currency increased by 11.2% from increased unit volume and 0.6% due to higher prices. The unit volume increase was due to higher shipments across all MedSurg and Neurotechnology products.

MedSurg and Neurotechnology net sales in 2021 increased 14.3% as reported and 13.3% in constant currency, as foreign currency exchange rates positively impacted net sales by 1.0%. Excluding the 0.2% impact of acquisitions and divestitures, net sales in constant currency increased by 13.6% from increased unit volume partially offset by 0.5% due to lower prices. The unit volume increase was due to higher shipments across all MedSurg and Neurotechnology products.

Orthopaedics and Spine Net Sales

Orthopaedics and Spine net sales in 2022 increased 3.5% as reported and 7.0% in constant currency, as foreign currency exchange rates negatively impacted net sales by 3.5%. Net sales in constant currency increased by 9.9% from increased unit volume partially offset by 2.9% due to lower prices. The unit volume increase was primarily due to higher shipments across most Orthopaedics and Spine products.

Orthopaedics and Spine net sales in 2021 increased 26.0% as reported and 24.8% in constant currency, as foreign currency exchange rates positively impacted net sales by 1.2%. Excluding the 12.8% impact of acquisitions and divestitures, net sales in constant currency increased by 13.2% from increased unit volume partially offset by 1.2% due to lower prices. The unit volume increase was due to higher shipments across all Orthopaedics and Spine products.

Gross Profit

Gross profit as a percentage of net sales decreased to 62.8% in 2022 from 64.1% in 2021. Excluding the impact of the items noted below, gross profit decreased to 63.1% from 65.9% in 2021 primarily due to increased costs from purchases of electronic components at premium prices on the spot market and other inflationary pressures, primarily related to labor, steel and transportation, as well as inefficiencies from supply chain disruptions and unfavorable product mix.

Gross profit as a percentage of net sales increased to 64.1% in 2021 from 63.1% in 2020. Excluding the impact of the items noted below, gross profit increased to 65.9% from 63.8% in 2020 primarily due to leverage from higher sales volumes and favorable product mix, partially offset by lower selling prices.

				Percent Net Sales		
	2022	2021	2020	2022	2021	2020
Reported	\$ 11,578	\$ 10,968	\$ 9,057	62.8 %	64.1 %	63.1 %
Inventory stepped up to fair value	12	266	48	—	1.6	0.3
Restructuring-related and other charges	56	28	53	0.3	0.2	0.4
Medical device regulations	3	5	2	—	—	—
Adjusted	\$ 11,649	\$ 11,267	\$ 9,160	63.1 %	65.9 %	63.8 %

Research, Development and Engineering Expenses

Research, development and engineering expenses as a percentage of net sales increased to 7.9% in 2022 from 7.2% in 2021 and 6.9% in 2020. Expenses in 2022 included the write-off of certain intangible assets. Excluding the impact of the items noted below, expenses increased to 6.7% in 2022 from 6.6% in 2021 and 6.3% in 2020. The increases reflect our continued investment in innovation and integration of recent acquisitions.

				Percent Net Sales		
	2022	2021	2020	2022	2021	2020
Reported	\$ 1,454	\$ 1,235	\$ 984	7.9 %	7.2 %	6.9 %
Restructuring-related and other charges	(87)	—	—	(0.5)	—	—
Medical device regulations	(137)	(102)	(79)	(0.7)	(0.6)	(0.6)
Adjusted	\$ 1,230	\$ 1,133	\$ 905	6.7 %	6.6 %	6.3 %

Selling, General and Administrative Expenses

Selling, general and administrative expenses as a percentage of net sales in 2022 decreased to 35.0% from 37.6% in 2021 and 37.4% in 2020. Both 2022 and 2021 included charges related to certain asset impairments. Refer to Note 15 to our Consolidated Financial Statements for further information. In 2022 we determined that certain commercial and regulatory milestones related to technology acquired in the purchase of Mobius Imaging and Cardan Robotics were no longer probable of being achieved and recorded \$110 to reduce the fair value of contingent consideration. In addition, share-based awards for Vocera employees vested upon our acquisition in 2022 and a charge of \$132 was recorded.

Excluding the impact of the items noted below, expenses decreased to 32.7% in 2022 from 33.6% in 2021 and 33.1% in 2020 which reflects our increased focus on discretionary cost control and headcount discipline to offset inflationary pressures.

				Percent Net Sales		
	2022	2021	2020	2022	2021	2020
Reported	\$ 6,455	\$ 6,427	\$ 5,361	35.0 %	37.6 %	37.4 %
Other acquisition and integration-related	(138)	(319)	(194)	(0.8)	(1.9)	(1.4)
Restructuring-related and other charges	(206)	(358)	(406)	(1.1)	(2.1)	(2.9)
Regulatory and legal matters	(76)	2	(6)	(0.4)	—	—
Adjusted	\$ 6,035	\$ 5,752	\$ 4,755	32.7 %	33.6 %	33.1 %

Recall Charges, Net

Recall charges, net were (\$15), \$103 and \$17 in 2022, 2021 and 2020. In 2022 we recorded a net benefit for recall matters related to adjusting existing reserves to reflect our best estimate of our remaining obligation for LFIT Anatomic CoCr V40 Femoral Heads voluntary recalls partially offset by charges primarily related to Wright hip products.

In 2021 charges were primarily due to the previously disclosed Rejuvenate and ABGII Modular-Neck hip stems and LFIT Anatomic CoCr V40 Femoral Heads voluntary recalls.

Refer to Note 7 to our Consolidated Financial Statements for further information.

Amortization of Intangible Assets

Amortization of intangible assets was \$627, \$619 and \$472 in 2022, 2021 and 2020. Compared to 2020, the increases in 2022 and 2021 were due to the first quarter 2022 and fourth quarter 2020 acquisitions of Vocera and Wright. Refer to Notes 6 and 8 to our Consolidated Financial Statements for further information.

Goodwill Impairment

In 2022 we recorded a goodwill impairment charge of \$216 related to our Spine business. Refer to Note 8 to our Consolidated Financial Statements for further information.

Operating Income

Operating income increased as a percentage of sales to 15.4% in 2022 from 15.1% in 2021. Excluding the impact of the items

STRYKER CORPORATION 2022 FORM 10-K

noted below, operating income decreased to 23.8% of sales in 2022 from 25.6% in 2021, primarily due to inflationary pressures and unfavorable foreign exchange partially offset by cost discipline.

Operating income as a percentage of sales in 2021 decreased to 15.1% from 15.5% in 2020. Excluding the impact of the items noted below, operating income increased to 25.6% in 2021 from 24.4% in 2020 primarily due to leverage from higher sales volumes partially offset by disciplined spending.

	Percent Net Sales					
	2022	2021	2020	2022	2021	2020
Reported	\$ 2,841	\$ 2,584	\$ 2,223	15.4 %	15.1 %	15.5 %
Inventory stepped up to fair value	12	266	48	—	1.6	0.3
Other acquisition and integration-related	138	319	194	0.8	1.9	1.4
Amortization of intangible assets	627	619	472	3.4	3.5	3.3
Restructuring-related and other charges	349	386	458	1.9	2.3	3.2
Goodwill impairment	216	—	—	1.3	—	—
Medical device regulations	140	107	81	0.7	0.6	0.6
Recall-related matters	(15)	103	17	(0.1)	0.6	0.1
Regulatory and legal matters	76	(2)	6	0.4	—	—
Adjusted	\$ 4,384	\$ 4,382	\$ 3,499	23.8 %	25.6 %	24.4 %

Other Income (Expense), Net

Other income (expense), net was (\$158), (\$303) and (\$269) in 2022, 2021 and 2020. The decrease in net expense in 2022 was primarily due to favorable investment returns and the reversal of accrued interest of \$50 related to the effective settlement of the United States federal income tax audit for years 2014 through 2018. Refer to Note 11 to our Consolidated Financial Statements for further information. The increase in net expense in 2021 compared to 2020 was primarily due to increased interest expense driven by the additional debt from the bond offerings completed in June 2020 and November 2020 related to the Wright acquisition.

Income Taxes

Our effective tax rate was 12.1%, 12.6% and 18.2% for 2022, 2021 and 2020. The effective income tax rate for 2022 decreased due to the effective settlement of the United States federal income tax audit for years 2014 through 2018 of \$162 and the reversal of deferred income tax on undistributed earnings of foreign subsidiaries. In addition, the effective income tax rates for 2022, 2021 and 2020 reflect the continued lower effective income tax rates as a result of our European operations, the tax effect related to the transfers of intellectual property between tax jurisdictions, the tax effect of future remittances of the undistributed earnings of foreign subsidiaries and certain discrete tax items.

Net Earnings

Net earnings increased to \$2,358 or \$6.17 per diluted share from \$1,994 or \$5.21 per diluted share in 2021 and \$1,599 or \$4.20 per diluted share in 2020. Adjusted net earnings per diluted share⁽¹⁾ was \$9.34 in 2022 compared to \$9.09 in 2021 and \$7.43 in 2020.

				Percent Net Sales		
	2022	2021	2020	2022	2021	2020
Reported	\$ 2,358	\$ 1,994	\$ 1,599	12.8 %	11.7 %	11.1 %
Inventory stepped up to fair value	9	203	36	—	1.2	0.3
Other acquisition and integration-related	104	244	157	0.6	1.4	1.1
Amortization of intangible assets	495	489	381	2.7	2.9	2.6
Restructuring-related and other charges	283	345	397	1.5	2.0	2.8
Goodwill impairment	216	—	—	1.3	—	—
Medical device regulations	115	90	63	0.6	0.5	0.4
Recall-related matters	(12)	89	13	(0.1)	0.5	0.1
Regulatory and legal matters	69	(12)	8	0.4	(0.1)	0.1
Tax matters	(66)	32	173	(0.4)	0.2	1.2
Adjusted	\$ 3,571	\$ 3,474	\$ 2,827	19.4 %	20.3 %	19.7 %

Non-GAAP Financial Measures

We supplement the reporting of our financial information determined under accounting principles generally accepted in the United States (GAAP) with certain non-GAAP financial measures, including percentage sales growth in constant currency; percentage organic sales growth; adjusted gross profit; adjusted selling, general and administrative expenses; adjusted research, development and engineering expenses; adjusted operating income; adjusted other income (expense), net; adjusted effective income tax rate; adjusted net earnings; adjusted net earnings per diluted share (Diluted EPS); free cash flow; and free cash flow conversion. We believe these non-GAAP financial measures provide meaningful information to assist investors and shareholders in understanding our financial results and assessing our prospects for future performance. Management believes percentage sales growth in constant currency and the other adjusted measures described above are important indicators of our operations because they exclude items that may not be indicative of or are unrelated to our core operating results and provide a baseline for analyzing trends in our underlying businesses. Management uses these non-GAAP financial measures for reviewing the operating results of reportable business segments and analyzing potential future business trends in connection with our budget process and bases certain management incentive compensation on these non-GAAP financial measures. To measure percentage sales growth in constant currency, we remove the impact of changes in foreign currency exchange rates that affect the comparability and trend of sales. Percentage sales growth in constant currency is calculated by translating current and prior year results at the same foreign currency exchange rate. To measure percentage organic sales growth, we remove the impact of changes in foreign currency exchange rates, acquisitions and divestitures, which affect the comparability and trend of sales. Percentage organic sales growth is calculated by translating current year and prior year results at the same foreign currency exchange rates excluding the impact of acquisitions and divestitures. To measure earnings performance on a consistent and comparable basis, we exclude certain items that affect the comparability of operating results and the trend of earnings. To measure free cash flow, we adjust cash provided by operating activities by the amount of purchases of property, plant and equipment and proceeds from long-lived asset disposals and remove the impact of certain legal settlements and recall payments. To measure free cash flow

Dollar amounts in millions except per share amounts or as otherwise specified.

conversion we divide free cash flow by adjusted net earnings. These adjustments are irregular in timing and may not be indicative of our past and future performance. The following are examples of the types of adjustments that may be included in a period:

1. *Acquisition and integration-related costs.* Costs related to integrating recently acquired businesses (e.g., costs associated with the termination of sales relationships, workforce reductions and other integration-related activities), changes in the fair value of contingent consideration and specific costs (e.g., inventory step-up and deal costs) related to the consummation of the acquisition process.
2. *Amortization of purchased intangible assets.* Periodic amortization expense related to purchased intangible assets.
3. *Restructuring-related and other charges.* Costs associated with the termination of sales relationships in certain countries, workforce reductions, elimination of product lines, certain long-lived and intangible asset write-offs and impairments and associated costs and other restructuring-related activities.
4. *Goodwill impairment.* Charges to impair the carrying value of goodwill.
5. *Medical device regulations.* Costs specific to updating our quality system, product labeling, asset write-offs and product remanufacturing to comply with the new medical device reporting regulations and other requirements of the European Union.
6. *Recall-related matters.* Our best estimate of the minimum of the range of probable loss to resolve the Rejuvenate, LFIT

V40, Wright legacy hip products and other product recalls.

7. *Regulatory and legal matters.* Our best estimate of the minimum of the range of probable loss to resolve certain regulatory matters and other legal settlements.
8. *Tax matters.* Charges represent the impact of accounting for certain significant and discrete tax items.

Because non-GAAP financial measures are not standardized, it may not be possible to compare these financial measures with other companies' non-GAAP financial measures having the same or similar names. These adjusted financial measures should not be considered in isolation or as a substitute for reported sales growth, gross profit, selling, general and administrative expenses, research, development and engineering expenses, operating income, other income (expense), net, effective income tax rate, net earnings and net earnings per diluted share, the most directly comparable GAAP financial measures. These non-GAAP financial measures are an additional way of viewing aspects of our operations when viewed with our GAAP results and the reconciliations to corresponding GAAP financial measures at the end of the discussion of Consolidated Results of Operations below. We strongly encourage investors and shareholders to review our financial statements and publicly-filed reports in their entirety and not to rely on any single financial measure.

The weighted-average diluted shares outstanding used in the calculation of non-GAAP net earnings per diluted share are the same as those used in the calculation of reported net earnings per diluted share for the respective period.

Reconciliation of the Most Directly Comparable GAAP Financial Measure to Non-GAAP Financial Measure

2022	Gross Profit	Selling, General & Administrative Expenses	Research, Development & Engineering Expenses	Operating Income	Other Income (Expense), Net	Net Earnings	Effective Tax Rate	Diluted EPS
Reported	\$ 11,578	\$ 6,455	\$ 1,454	\$ 2,841	\$ (158)	\$ 2,358	12.1 %	\$ 6.17
Acquisition and integration-related costs:								
Inventory stepped-up to fair value	12	—	—	12	—	9	—	0.02
Other acquisition and integration-related	—	(138)	—	138	—	104	0.5	0.27
Amortization of purchased intangible assets	—	—	—	627	—	495	1.7	1.30
Restructuring-related and other charges	56	(206)	(87)	349	—	283	0.7	0.74
Goodwill impairment	—	—	—	216	—	216	(1.1)	0.57
Medical device regulations	3	—	(137)	140	—	115	0.2	0.30
Recall-related matters	—	—	—	(15)	—	(12)	—	(0.03)
Regulatory and legal matters	—	(76)	—	76	—	69	(0.2)	0.18
Tax matters	—	—	—	—	(75)	(66)	0.1	(0.18)
Adjusted	\$ 11,649	\$ 6,035	\$ 1,230	\$ 4,384	\$ (233)	\$ 3,571	14.0 %	\$ 9.34
2021	Gross Profit	Selling, General & Administrative Expenses	Research, Development & Engineering Expenses	Operating Income	Other Income (Expense), Net	Net Earnings	Effective Tax Rate	Diluted EPS
Reported	\$ 10,968	\$ 6,427	\$ 1,235	\$ 2,584	\$ (303)	\$ 1,994	12.6 %	\$ 5.21
Acquisition and integration-related costs:								
Inventory stepped-up to fair value	266	—	—	266	—	203	1.0	0.53
Other acquisition and integration-related	—	(319)	—	319	—	244	1.2	0.64
Amortization of purchased intangible assets	—	—	—	619	—	489	1.6	1.28
Restructuring-related and other charges	28	(358)	—	386	11	345	(0.3)	0.90
Goodwill impairment	—	—	—	—	—	—	—	—
Medical device regulations	5	—	(102)	107	—	90	—	0.24
Recall-related matters	—	—	—	103	—	89	—	0.23
Regulatory and legal matters	—	2	—	(2)	(7)	(12)	0.2	(0.02)
Tax matters	—	—	—	—	—	32	(1.4)	0.08
Adjusted	\$ 11,267	\$ 5,752	\$ 1,133	\$ 4,382	\$ (299)	\$ 3,474	14.9 %	\$ 9.09

Dollar amounts in millions except per share amounts or as otherwise specified.

STRYKER CORPORATION 2022 FORM 10-K

2020	Gross Profit	Selling, General & Administrative Expenses	Research, Development & Engineering Expenses	Operating Income	Other Income (Expense), Net	Net Earnings	Effective Tax Rate	Diluted EPS
Reported	\$ 9,057	\$ 5,361	\$ 984	\$ 2,223	\$ (269)	\$ 1,599	18.2 %	\$ 4.20
Acquisition and integration-related costs:								
Inventory stepped-up to fair value	48	—	—	48	—	36	0.3	0.10
Other acquisition and integration-related	—	(194)	—	194	—	157	0.7	0.41
Amortization of purchased intangible assets	—	—	—	472	—	381	1.6	1.00
Restructuring-related and other charges	53	(406)	—	458	—	397	0.2	1.04
Goodwill impairment	—	—	—	—	—	—	—	—
Medical device regulations	2	—	(79)	81	—	63	0.4	0.17
Recall-related matters	—	—	—	17	—	13	0.1	0.03
Regulatory and legal matters	—	(6)	—	6	—	8	(0.1)	0.02
Tax matters	—	—	—	—	4	173	(8.8)	0.46
Adjusted	\$ 9,160	\$ 4,755	\$ 905	\$ 3,499	\$ (265)	\$ 2,827	12.6 %	\$ 7.43

FINANCIAL CONDITION AND LIQUIDITY

Net cash provided by (used in):	2022	2021	2020
Operating activities	\$ 2,624	\$ 3,263	\$ 3,277
Investing activities	(2,924)	(859)	(4,701)
Financing activities	(749)	(2,365)	(11)
Effect of exchange rate changes	(51)	(38)	41
Change in cash and cash equivalents	\$ (1,100)	\$ 1	\$ (1,394)

We believe our financial condition continues to be of high quality, as evidenced by our ability to generate substantial cash from operations and to readily access capital markets at competitive rates despite the current macroeconomic environment. Operating cash flow provides the primary source of cash to fund operating needs and capital expenditures. Excess operating cash is used first to fund acquisitions to complement our portfolio of businesses. Other discretionary uses include dividends and share repurchases. We supplement operating cash flow with debt to fund our activities as necessary. Our overall cash position reflects our business results and a global cash management strategy that takes into account liquidity management, economic factors and tax considerations.

Operating Activities

Cash provided by operating activities was \$2,624, \$3,263 and \$3,277 in 2022, 2021 and 2020. The decrease from 2021 was primarily due to higher costs for certain electronic components and pre-buying of critical raw materials to manage supply chain delays as well as higher accounts receivable as a result of sales occurring near the end of the year, partially offset by increased net earnings.

Investing Activities

Cash used in investing activities was \$2,924, \$859 and \$4,701 in 2022, 2021 and 2020. The increase in cash used in 2022 was primarily due to the acquisition of Vocera and investments in capital projects, partially offset by settlements of certain foreign currency forward contracts designated as net investment hedges.

Financing Activities

Cash provided by (used in) financing activities was (\$749), (\$2,365) and (\$11) in 2022, 2021 and 2020. Cash used in 2022 was primarily driven by dividend payments of \$1,051 and repayments of debt, including \$650 of payments on the \$1,500 term loan used to fund the acquisition of Vocera. In 2021 we made payments of \$1,151 on long-term debt and dividend payments of \$950. In 2020 we secured a \$400 term loan in November, and issued \$600 of notes in November and \$2,300 of notes in June, which was offset by total debt repayments of \$2,297 and dividend payments of \$863. There were no share repurchases in 2022, 2021 or 2020.

We maintain debt levels that we consider appropriate after evaluating a number of factors including cash requirements for ongoing operations, investment and financing plans (including acquisitions and share repurchase activities) and overall cost of capital. Refer to Note 10 to our Consolidated Financial Statements for further information.

	2022	2021	2020
Dividends paid per common share	\$ 2.78	\$ 2.52	\$ 2.30
Total dividends paid to common shareholders	\$ 1,051	\$ 950	\$ 863

Liquidity

Cash, cash equivalents and marketable securities were \$1,928 and \$3,019, and our current assets exceeded current liabilities by \$3,972 and \$5,468 on December 31, 2022 and 2021. We anticipate being able to support our short-term liquidity and operating needs from a variety of sources including cash from operations, commercial paper and existing credit lines. In October 2021 we entered into a new revolving credit agreement that replaces our previous agreement dated August 19, 2016. The primary changes were to increase the aggregate principal amount of the facility by \$750 to \$2,250, extend the maturity date to October 26, 2026, increase the leverage ratio to 3.75 and provide LIBOR replacement language.

We raised funds in the capital markets in the past and may continue to do so from time-to-time. We continue to have strong investment-grade short-term and long-term debt ratings that we believe should enable us to refinance our debt as needed.

Our cash, cash equivalents and marketable securities held in locations outside the United States was approximately 36% and 26% on December 31, 2022 and 2021.

Guarantees and Other Off-Balance Sheet Arrangements

We do not have guarantees or other off-balance sheet financing arrangements, including variable interest entities, of a magnitude that we believe could have a material impact on our financial condition or liquidity.

CONTRACTUAL OBLIGATIONS AND FORWARD-LOOKING CASH REQUIREMENTS

In 2022 we recorded a net benefit for recall matters related to adjusting existing reserves to reflect our best estimate of our remaining obligation for LFIT Anatomic CoCr V40 Femoral Heads recall matters partially offset by charges primarily related to Wright hip products recall matters. As further described in Note 7 to our Consolidated Financial Statements, our recorded product liabilities include Wright hip products, Rejuvenate and ABG II and LFIT Anatomic CoCr V40 Femoral Heads recall matters. Recorded reserves represent the minimum of the range of probable cost remaining to resolve these matters. The final outcome of these matters is dependent on many variables that

are difficult to predict. The ultimate cost to entirely resolve these matters may be materially different from the amount of the current estimates and could have a material adverse effect on our financial position, results of operations and cash flows. We are not able to reasonably estimate the future periods in which payments will be made.

As further described in Note 11 to our Consolidated Financial Statements, on December 31, 2022 we had a reserve for uncertain income tax positions of \$286. Due to uncertainties regarding the ultimate resolution of income tax audits, we are not able to reasonably estimate the future periods in which any income tax payments to settle these uncertain income tax positions will be made.

As further described in Note 12 to our Consolidated Financial Statements, on December 31, 2022 our defined benefit pension plans were underfunded by \$253, of which approximately \$250 related to plans outside the United States. Due to the rules affecting tax-deductible contributions in the jurisdictions in which the plans are offered and the impact of future plan asset performance, changes in interest rates and potential changes in legislation in the United States and other foreign jurisdictions, we are not able to reasonably estimate the amounts that may be required to fund defined benefit pension plans.

Contractual Obligations	Total	2023	2024 - 2025	2026 - 2027	After 2027
Total debt	\$ 12,958	\$ 1,208	\$ 3,700	\$ 1,750	\$ 6,300
Interest payments	3,193	290	524	397	1,982
Unconditional purchase obligations	1,845	1,595	121	115	14
Operating leases	466	126	169	95	76
United States Tax Cuts and Jobs Act Transition Tax	463	109	354	—	—
Other	175	12	16	12	135
Total	\$ 19,100	\$ 3,340	\$ 4,884	\$ 2,369	\$ 8,507

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

In preparing our financial statements in accordance with generally accepted accounting principles, there are certain accounting policies, which may require substantial judgment or estimation in their application. We believe these accounting policies and the others set forth in Note 1 to our Consolidated Financial Statements are critical to understanding our results of operations and financial condition. Actual results could differ from our estimates and assumptions, and any such differences could be material to our results of operations and financial condition.

Inventory Reserves

We maintain reserves for excess and obsolete inventory resulting from the potential inability to sell certain products at prices in excess of current carrying costs. We make estimates regarding the future recoverability of the costs of these products and record provisions based on historical experience, expiration of sterilization dates and expected future trends. If actual product life cycles, product demand or acceptance of new product introductions are less favorable than projected by management, additional inventory write downs may be required, which could unfavorably affect future operating results.

Income Taxes

Our annual tax rate is determined based on our income, statutory tax rates and the tax impacts of items treated differently for tax purposes than for financial reporting purposes. Tax law requires certain items be included in the tax return at different times than the items are reflected in the financial statements. Some of these differences are permanent, such as expenses that are not deductible in our tax return, and some differences are temporary

and reverse over time, such as depreciation expense. These temporary differences create deferred tax assets and liabilities.

Deferred tax assets generally represent the tax effect of items that can be used as a tax deduction or credit in future years for which we have already recorded the tax benefit in our income statement. Deferred tax liabilities generally represent tax expense recognized in our financial statements for which payment was deferred, the tax effect of expenditures for which a deduction was taken in our tax return but has not yet been recognized in our financial statements or assets recorded at fair value in business combinations for which there was no corresponding tax basis adjustment.

Inherent in determining our annual tax rate are judgments regarding business plans, tax planning opportunities and expectations about future outcomes. Realization of certain deferred tax assets is dependent upon generating sufficient taxable income in the appropriate jurisdiction prior to the expiration of the carryforward periods. Although realization is not assured, management believes it is more likely than not that our deferred tax assets, net of valuation allowances, will be realized.

We operate in multiple jurisdictions with complex tax policy and regulatory environments. In certain of these jurisdictions, we may take tax positions that management believes are supportable but are potentially subject to successful challenge by the applicable taxing authority. These differences of interpretation with the respective governmental taxing authorities can be impacted by the local economic and fiscal environment. We evaluate our tax positions and establish liabilities in accordance with the applicable accounting guidance on uncertainty in income taxes. We review these tax uncertainties in light of changing facts and circumstances, such as the progress of tax audits, and adjust them accordingly. We have a number of audits in process in various jurisdictions. Although the resolution of these tax positions is uncertain, based on currently available information, we believe that it is more likely than not that the ultimate outcomes will not have a material adverse effect on our financial position, results of operations or cash flows.

Due to the number of estimates and assumptions inherent in calculating the various components of our tax provision, certain changes or future events, such as changes in tax legislation, geographic mix of earnings, completion of tax audits or earnings repatriation plans, could have an impact on those estimates and our effective tax rate.

Acquisitions, Goodwill and Intangibles, and Long-Lived Assets

Our financial statements include the operations of an acquired business starting from the completion of the acquisition. In addition, the assets acquired and liabilities assumed are recorded on the date of acquisition at their respective estimated fair values, with any excess of the purchase price over the estimated fair values of the net assets acquired recorded as goodwill.

Significant judgment is required in estimating the fair value of intangible assets and in assigning their respective useful lives. Accordingly, we typically obtain the assistance of third-party valuation specialists for significant items. The fair value estimates are based on available historical information and on future expectations and assumptions deemed reasonable by management but are inherently uncertain. We typically use an income method to estimate the fair value of intangible assets, which is based on forecasts of the expected future cash flows attributable to the respective assets. Significant estimates and assumptions inherent in the valuations reflect a consideration of other marketplace participants and include the amount and timing

of future cash flows (including expected growth rates and profitability), the underlying product or technology life cycles, the economic barriers to entry and the discount rate applied to the cash flows. Unanticipated market or macroeconomic events and circumstances may occur that could affect the accuracy or validity of the estimates and assumptions.

Determining the useful life of an intangible asset also requires judgment. With the exception of certain trade names, the majority of our acquired intangible assets (e.g., certain trademarks or brands, customer and distributor relationships, patents and technologies) are expected to have determinable useful lives. Our assessment as to the useful lives of these intangible assets is based on a number of factors including competitive environment, market share, trademark, brand history, underlying product life cycles, operating plans and the macroeconomic environment of the countries in which the trademarked or branded products are sold. Our estimates of the useful lives of determinable-lived intangibles are primarily based on these same factors. Determinable-lived intangible assets are amortized to expense over their estimated useful life.

In some of our acquisitions, we acquire in-process research and development (IPRD) intangible assets. For acquisitions accounted for as business combinations, IPRD is considered to be an indefinite-lived intangible asset until the research is completed (then it becomes a determinable-lived intangible asset) or determined to have no future use (then it is impaired). For asset acquisitions, IPRD is expensed immediately unless there is an alternative future use.

Indefinite-lived intangible assets and goodwill are not amortized but are tested annually for impairment or whenever events or circumstances indicate such assets may be impaired. We perform our annual impairment test for goodwill as of October 31 each year. For indefinite-lived intangible assets and goodwill, we perform a qualitative assessment when it is unlikely that an asset or reporting unit is impaired. For our goodwill impairment test, we periodically corroborate our qualitative assessment with quantitative information. When necessary, we determine the fair value of our indefinite-lived intangible assets and reporting units using an income approach. The income approach calculates the present value of estimated future cash flows and requires certain assumptions and estimates be made regarding market conditions and our future profitability. Considerable management judgment is necessary to evaluate the impact of operating and macroeconomic changes and to estimate future cash flows used to measure fair value. Assumptions used in our impairment evaluations, such as forecasted growth rates and cost of capital, are consistent with internal business plans. We believe such assumptions and estimates are also comparable to those that would be used by other marketplace participants.

In the fourth quarter of 2022 we determined that our Spine reporting unit's carrying value was in excess of its estimated fair value and recognized an impairment charge of \$216. The fair value of the Spine reporting unit was determined using a discounted cash flow analysis, which is a form of the income approach. Significant inputs to the analysis included assumptions for future revenue growth, operating margin and the weighted average cost of capital. A hypothetical 1% increase in our estimate of the rate used to discount the estimated future cash flows to their present value would result in an additional impairment charge of \$220. Refer to Note 8 to our Consolidated Financial Statements for further discussion and the factors that contributed to these impairment charges.

For our other reporting units, we considered qualitative indicators of impairment as it was considered more likely than not that the fair values of those reporting units exceeded their respective carrying values. No impairment was identified for those reporting units in 2022. Future changes in the judgments, assumptions and estimates that are used in our impairment testing for goodwill and indefinite-lived intangible assets, including discount and tax rates and future cash flow projections, could result in significantly different estimates of the fair values. A significant reduction in the estimated fair values could result in impairment charges that could materially affect our results of operations.

We review our other long-lived assets for indicators of impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The evaluation is performed at the lowest level of identifiable cash flows, which is at the individual asset level or the asset group level. The undiscounted cash flows expected to be generated by the related assets are estimated over their useful life based on updated projections. If the evaluation indicates that the carrying amount of the assets may not be recoverable, any potential impairment is measured based upon the fair value of the related assets or asset group as determined by an appropriate market appraisal or other valuation technique. Assets classified as held for sale, if any, are recorded at the lower of carrying amount or fair value less costs to sell.

Legal and Other Contingencies

We are involved in various ongoing proceedings, legal actions and claims arising in the normal course of business, including proceedings related to product, labor and intellectual property, and other matters that are more fully described in Note 7 to our Consolidated Financial Statements. The outcomes of these matters will generally not be known for prolonged periods of time. In certain of the legal proceedings, the claimants seek damages, as well as other compensatory and equitable relief, that could result in the payment of significant claims and settlements and/or the imposition of injunctions or other equitable relief. For legal matters for which management had sufficient information to reasonably estimate our future obligations, a liability representing management's best estimate of the probable loss, or the minimum of the range of probable losses when a best estimate within the range is not known, for the resolution of these legal matters is recorded. The estimates are based on consultation with legal counsel, previous settlement experience and settlement strategies. If actual outcomes are less favorable than those projected by management, additional expense may be incurred, which could unfavorably affect future operating results. We are currently self-insured for certain claims and expenses. The ultimate cost to us with respect to product liability claims could be materially different than the amount of the current estimates and accruals and could have a material adverse effect on our financial position, results of operations and cash flows.

NEW ACCOUNTING PRONOUNCEMENTS

Refer to Note 1 to our Consolidated Financial Statements for further information.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

We sell our products globally and, as a result, our operations and financial results could be significantly affected by market risk exposure from exchange rate risk. Our operating results are primarily exposed to changes in exchange rates among the United States Dollar, Australian Dollar, British Pound, Canadian Dollar, Chinese Yuan, Euro and Japanese Yen. We develop and manufacture products in the United States, Canada, China,

STRYKER CORPORATION 2022 FORM 10-K

Costa Rica, France, Germany, India, Ireland, Mexico, Switzerland, Turkey and United Kingdom and incur costs in the applicable local currencies. This global deployment of facilities serves to partially mitigate the impact of currency exchange rate changes on our cost of sales. Refer to Notes 1, 4 and 5 to our Consolidated Financial Statements for information regarding our use of derivative instruments to mitigate these risks. A hypothetical 10% change in foreign currencies relative to the United States Dollar would change the December 31, 2022 fair value of these instruments by approximately \$388.

Dollar amounts in millions except per share amounts or as otherwise specified.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Stryker Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Stryker Corporation and subsidiaries (the Company) as of December 31, 2022 and 2021, the related consolidated statements of earnings and comprehensive income, shareholders' equity, and cash flows, for each of the three years in the period ended December 31, 2022, and the related notes and the financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Company at December 31, 2022 and 2021, and the consolidated results of its operations and its cash flows for each of the three years in the period ended December 31, 2022, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control-Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) and our report dated February 10, 2023 expressed an unqualified opinion thereon.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Uncertain Tax Positions

Description of the Matter As described in Note 11 to the consolidated financial statements, the Company operates in multiple jurisdictions with complex tax policy and regulatory environments and establishes reserves for uncertain tax positions in accordance with the accounting guidance governing uncertainty in income taxes. Assessing tax positions involves judgment including interpreting tax laws of multiple jurisdictions and assumptions relevant to the measurement of an unrecognized tax benefit, including the estimated amount of tax liability that may be incurred should the tax position not be sustained upon inspection by a tax authority. These judgments and assumptions can significantly affect the reserve for uncertain tax positions. At December 31, 2022, the Company had accrued liabilities of \$286 million relating to uncertain tax positions.

How We Addressed the Matter in Our Audit We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's accounting process for uncertain tax positions. For example, we tested controls over management's identification of uncertain tax positions and its application of the recognition and measurement principles, including management's review of the inputs and calculations of unrecognized income tax benefits when recorded.

Our audit procedures to test the Company's uncertain tax positions included, among others, involvement of our tax professionals, including transfer pricing professionals. This included evaluating third-party transfer pricing studies obtained by the Company and assessing the Company's correspondence with the relevant tax authorities. We analyzed the Company's assumptions and data used to determine the amount of tax benefit to recognize and tested the accuracy of the calculations. Our testing also included the evaluation of the ongoing positions and consideration of changes, the recording of penalties and interest and the ultimate settlement and payment of certain tax matters. We also evaluated the adequacy of the Company's disclosures included in Note 11 related to these tax matters.

Valuation of Goodwill for the Spine Reporting Unit

Description of the Matter At December 31, 2022, the Company's goodwill was \$14,880 million. As discussed in Note 1 of the consolidated financial statements, goodwill is not amortized but rather is tested for impairment at least annually at the reporting unit level. The Company's goodwill is initially assigned to its reporting units as of the acquisition date in connection with business combinations. In connection with the Company's annual impairment analysis, the Company recorded a goodwill impairment charge of \$216 million for the year ended December 31, 2022 in the Spine reporting unit.

Auditing management's quantitative goodwill impairment test is complex and highly judgmental due to the significant measurement uncertainty in determining the fair value of a reporting unit. In particular, the fair value estimate for the Spine reporting unit was sensitive to significant assumptions such as revenue growth, operating margins, and discount rate, which are affected by expected future market and economic conditions.

How We Addressed the Matter in Our Audit We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's goodwill impairment assessment process. For example, we tested controls over the Company's forecast process as well as controls over management's review of the significant assumptions discussed above in estimating the fair value of the Spine reporting unit.

To test the fair value of the Company's Spine reporting unit, our audit procedures included, among others, assessing methodologies used and testing the significant assumptions discussed above as well as the completeness and accuracy of the underlying data used by the Company. For example, we compared the significant assumptions used by management to current industry and economic trends, changes in the Company's business model, and other relevant factors. We performed sensitivity analyses of the significant assumptions to evaluate the change in the fair value of the reporting unit resulting from changes in the assumptions. We also reviewed the reconciliation of the fair value of the reporting units to the market capitalization of the Company and evaluated the implied control premium. The evaluation of the Company's methodology and significant assumptions was performed with the assistance of our valuation specialists. We also evaluated the adequacy of the Company's disclosures included in Note 8 related to the impairment.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1974
Grand Rapids, Michigan
February 10, 2023

Stryker Corporation and Subsidiaries
CONSOLIDATED STATEMENTS OF EARNINGS

	2022	2021	2020
Net sales	\$ 18,449	\$ 17,108	\$ 14,351
Cost of sales	6,871	6,140	5,294
Gross profit	\$ 11,578	\$ 10,968	\$ 9,057
Research, development and engineering expenses	1,454	1,235	984
Selling, general and administrative expenses	6,455	6,427	5,361
Recall charges, net	(15)	103	17
Amortization of intangible assets	627	619	472
Goodwill impairment	216	—	—
Total operating expenses	<u>\$ 8,737</u>	<u>\$ 8,384</u>	<u>\$ 6,834</u>
Operating income	\$ 2,841	\$ 2,584	\$ 2,223
Other income (expense), net	(158)	(303)	(269)
Earnings before income taxes	\$ 2,683	\$ 2,281	\$ 1,954
Income taxes	325	287	355
Net earnings	\$ 2,358	\$ 1,994	\$ 1,599
Net earnings per share of common stock:			
Basic	\$ 6.23	\$ 5.29	\$ 4.26
Diluted	\$ 6.17	\$ 5.21	\$ 4.20
Weighted-average shares outstanding (in millions):			
Basic	378.2	377.0	375.5
Effect of dilutive employee stock compensation	4.0	5.3	4.8
Diluted	382.2	382.3	380.3

Anti-dilutive shares excluded from the calculation of dilutive employee stock options were 4.3 in 2022 and de minimis in all other periods.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	2022	2021	2020
Net earnings	\$ 2,358	\$ 1,994	\$ 1,599
Other comprehensive income (loss), net of tax			
Marketable securities	(1)	3	—
Pension plans	186	104	(80)
Unrealized gains (losses) on designated hedges	12	50	(57)
Financial statement translation	113	469	(414)
Total other comprehensive income (loss), net of tax	\$ 310	\$ 626	\$ (551)
Comprehensive income	\$ 2,668	\$ 2,620	\$ 1,048

See accompanying notes to Consolidated Financial Statements.

Stryker Corporation and Subsidiaries
CONSOLIDATED BALANCE SHEETS

	<u>2022</u>	<u>2021</u>
Assets		
Current assets		
Cash and cash equivalents	\$ 1,844	\$ 2,944
Marketable securities	84	75
Accounts receivable, less allowance of \$154 (\$167 in 2021)	3,565	3,022
Inventories:		
Materials and supplies	1,006	691
Work in process	348	264
Finished goods	2,641	2,359
Total inventories	\$ 3,995	\$ 3,314
Prepaid expenses and other current assets	787	662
Total current assets	\$ 10,275	\$ 10,017
Property, plant and equipment:		
Land, buildings and improvements	1,739	1,656
Machinery and equipment	4,066	3,842
Total property, plant and equipment	5,805	5,498
Less allowance for depreciation	2,835	2,665
Property, plant and equipment, net	\$ 2,970	\$ 2,833
Goodwill	14,880	12,918
Other intangibles, net	4,885	4,840
Noncurrent deferred income tax assets	1,410	1,760
Other noncurrent assets	2,464	2,263
Total assets	\$ 36,884	\$ 34,631
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable	\$ 1,413	\$ 1,129
Accrued compensation	1,149	1,092
Income taxes	292	192
Dividend payable	284	263
Accrued product liabilities	230	401
Accrued expenses and other liabilities	1,744	1,465
Current maturities of debt	1,191	7
Total current liabilities	\$ 6,303	\$ 4,549
Long-term debt, excluding current maturities	11,857	12,472
Income taxes	641	913
Other noncurrent liabilities	1,467	1,820
Total liabilities	\$ 20,268	\$ 19,754
Shareholders' equity		
Common stock, \$0.10 par value	38	38
Additional paid-in capital	2,034	1,890
Retained earnings	14,765	13,480
Accumulated other comprehensive loss	(221)	(531)
Total shareholders' equity	\$ 16,616	\$ 14,877
Total liabilities & shareholders' equity	\$ 36,884	\$ 34,631

See accompanying notes to Consolidated Financial Statements.

Stryker Corporation and Subsidiaries
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	2022		2021		2020	
	Shares	Amount	Shares	Amount	Shares	Amount
Common stock						
Beginning	377.5	\$ 38	376.1	\$ 38	374.5	\$ 37
Issuance of common stock under stock compensation and benefit plans	1.2	—	1.4	—	1.6	1
Ending	378.7	\$ 38	377.5	\$ 38	376.1	\$ 38
Additional paid-in capital						
Beginning		\$ 1,890		\$ 1,741		\$ 1,628
Issuance of common stock under stock compensation and benefit plans		(24)		(22)		(29)
Share-based compensation		168		171		142
Ending		\$ 2,034		\$ 1,890		\$ 1,741
Retained earnings						
Beginning		\$ 13,480		\$ 12,462		\$ 11,748
Net earnings		2,358		1,994		1,599
Cash dividends declared		(1,073)		(976)		(885)
Ending		\$ 14,765		\$ 13,480		\$ 12,462
Accumulated other comprehensive (loss) income						
Beginning		\$ (531)		\$ (1,157)		\$ (606)
Other comprehensive income (loss)		310		626		(551)
Ending		\$ (221)		\$ (531)		\$ (1,157)
Total shareholders' equity		\$ 16,616		\$ 14,877		\$ 13,084

See accompanying notes to Consolidated Financial Statements.

Dollar amounts in millions except per share amounts or as otherwise specified.

25

Stryker Corporation and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS

	<u>2022</u>	<u>2021</u>	<u>2020</u>
Operating activities			
Net earnings	\$ 2,358	\$ 1,994	\$ 1,599
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation	371	371	340
Amortization of intangible assets	627	619	472
Goodwill impairment	216	—	—
Asset impairments	54	264	215
Share-based compensation	168	171	142
Recall charges, net	(15)	103	17
Sale of inventory stepped up to fair value at acquisition	12	266	48
Deferred income tax (benefit) expense	58	(237)	48
Changes in operating assets and liabilities:			
Accounts receivable	(579)	(377)	354
Inventories	(762)	(189)	27
Accounts payable	290	329	100
Accrued expenses and other liabilities	328	315	(54)
Recall-related payments	(157)	(221)	(17)
Income taxes	(238)	(98)	(16)
Other, net	(107)	(47)	2
Net cash provided by operating activities	\$ 2,624	\$ 3,263	\$ 3,277
Investing activities			
Acquisitions, net of cash acquired	(2,563)	(339)	(4,222)
Purchases of marketable securities	(52)	(49)	(54)
Proceeds from sales of marketable securities	43	55	61
Purchases of property, plant and equipment	(588)	(525)	(487)
Proceeds from settlement of net investment hedges	197	—	—
Other investing, net	39	(1)	1
Net cash used in investing activities	\$ (2,924)	\$ (859)	\$ (4,701)
Financing activities			
Proceeds and payments on short-term borrowings, net	(375)	(7)	(6)
Proceeds from issuance of long-term debt	1,500	5	3,292
Payments on long-term debt	(653)	(1,151)	(2,297)
Payments of dividends	(1,051)	(950)	(863)
Cash paid for taxes from withheld shares	(122)	(114)	(110)
Other financing, net	(48)	(148)	(27)
Net cash provided by (used in) financing activities	\$ (749)	\$ (2,365)	\$ (11)
Effect of exchange rate changes on cash and cash equivalents	(51)	(38)	41
Change in cash and cash equivalents	\$ (1,100)	\$ 1	\$ (1,394)
Cash and cash equivalents at beginning of year	2,944	2,943	4,337
Cash and cash equivalents at end of year	\$ 1,844	\$ 2,944	\$ 2,943
Supplemental cash flow disclosure:			
Cash paid for income taxes, net of refunds	\$ 505	\$ 622	\$ 323
Cash paid for interest on debt	\$ 324	\$ 325	\$ 304

See accompanying notes to Consolidated Financial Statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES**

Nature of Operations: Stryker (the "Company," "we," "us," or "our") is one of the world's leading medical technology companies and, together with its customers, is driven to make healthcare better. The Company offers innovative products and services in Medical and Surgical, Neurotechnology, Orthopaedics and Spine that help improve patient and healthcare outcomes. Our products include surgical equipment and surgical navigation systems; endoscopic and communications systems; patient handling, emergency medical equipment and intensive care disposable products; clinical communication and workflow solutions; neurosurgical and neurovascular devices; implants used in joint replacement and trauma surgeries; Mako Robotic-Arm Assisted technology; spinal devices; as well as other products used in a variety of medical specialties.

Basis of Presentation and Consolidation: The Consolidated Financial Statements include the Company and its subsidiaries. All significant intercompany accounts and transactions are eliminated in consolidation. We have no material interests in variable interest entities and none that require consolidation.

Use of Estimates: The preparation of financial statements in conformity with accounting principles generally accepted in the United States (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities on the date of the financial statements and the reported amounts of net sales and expenses in the reporting period. Actual results could differ from those estimates.

Revenue Recognition: Sales are recognized as the performance obligations to deliver products or services are satisfied and are recorded based on the amount of consideration we expect to receive in exchange for satisfying the performance obligations. Our sales are recognized primarily when we transfer control to the customer, which can be on the date of shipment, the date of receipt by the customer or, for most Orthopaedics products, when we have received a purchase order and appropriate notification the product has been used or implanted. Products and services are primarily transferred to customers at a point in time, with some transfers of services taking place over time.

Sales represent the amount of consideration we expect to receive from customers in exchange for transferring products and services. Net sales exclude sales, value added and other taxes we collect from customers. Other costs to obtain and fulfill contracts are generally expensed as incurred due to the short-term nature of most of our sales. We extend terms of payment to our customers based on commercially reasonable terms for the markets of our customers, while also considering their credit quality.

A provision for estimated sales returns, discounts and rebates is recognized as a reduction of sales in the same period that the sales are recognized. Our estimate of the provision for sales returns has been established based on contract terms with our customers and historical business practices and current trends. Shipping and handling costs charged to customers are included in net sales.

Cost of Sales: Cost of sales is primarily comprised of direct materials and supplies consumed in the manufacture of product, as well as manufacturing labor, depreciation expense and direct overhead expense necessary to acquire and convert the purchased materials and supplies into finished product. Cost of

sales also includes the cost to distribute products to customers, inbound freight costs, warehousing costs and other shipping and handling activity.

Research, Development and Engineering Expenses: Research, development and engineering costs are charged to expense as incurred. Costs include research, development and engineering activities relating to the development of new products, improvement of existing products, technical support of products and compliance with governmental regulations for the protection of customers and patients. Costs primarily consist of salaries, wages, consulting and depreciation and maintenance of research facilities and equipment.

Selling, General and Administrative Expenses: Selling, general and administrative expense is primarily comprised of selling expenses, marketing expenses, administrative and other indirect overhead costs, amortization of loaner instrumentation, depreciation and amortization expense of non-manufacturing assets and other miscellaneous operating items.

Currency Translation: Financial statements of subsidiaries outside the United States generally are measured using the local currency as the functional currency. Adjustments to translate those statements into United States Dollars are recorded in other comprehensive income (OCI). Transactional exchange gains and losses are included in other income (expense), net.

Cash Equivalents: Highly liquid investments with remaining stated maturities of three months or less when purchased or other money market instruments that are redeemable upon demand are considered cash equivalents and recorded at cost.

Marketable Securities: Marketable securities consist of marketable debt securities, certificates of deposit and mutual funds. Mutual funds are acquired to offset changes in certain liabilities related to deferred compensation arrangements and are expected to be used to settle these liabilities and are recognized in other noncurrent assets. Pursuant to our investment policy, all individual marketable security investments must have a minimum credit quality of single A (Standard & Poor's and Fitch) and A2 (Moody's Corporation) at the time of acquisition, while the overall portfolio of marketable securities must maintain a minimum average credit quality of double A (Standard & Poor's and Fitch) or Aa (Moody's Corporation). In the event of a rating downgrade below the minimum credit quality subsequent to purchase, the marketable security investment is evaluated to determine the appropriate action to take to minimize the overall risk to our marketable security investment portfolio. Our marketable securities are classified as available-for-sale and trading securities. Investments in trading securities represent participant-directed investments of deferred employee compensation.

Accounts Receivable: Accounts receivable consists of trade and other miscellaneous receivables. An allowance is maintained for doubtful accounts for estimated losses in the collection of accounts receivable. Estimates are made regarding the ability of customers to make required payments based on historical credit experience, current market conditions and expected credit losses. Accounts receivable are written off when all reasonable collection efforts are exhausted.

Inventories: Inventories are stated at the lower of cost or net realizable value, with cost generally determined using the first-in, first-out (FIFO) cost method. For excess and obsolete inventory resulting from the potential inability to sell specific products at prices in excess of current carrying costs, reserves are maintained to reduce current carrying cost to net realizable value.

Financial Instruments: Our financial instruments consist of cash, cash equivalents, marketable securities, accounts receivable, other investments, accounts payable, debt and foreign currency exchange contracts. The carrying value of our financial instruments, with the exception of our senior unsecured notes, approximates fair value on December 31, 2022 and 2021. Refer to Notes 3 and 10 for further details.

All marketable securities are recognized at fair value. Adjustments to the fair value of marketable securities that are classified as available-for-sale are recognized as increases or decreases, net of income taxes, within accumulated other comprehensive income (AOCI) in shareholders' equity and adjustments to the fair value of marketable securities that are classified as trading are recognized in earnings. The amortized cost of marketable debt securities is adjusted for amortization of premiums and discounts to maturity computed under the effective interest method. Such amortization and interest and realized gains and losses are included in other income (expense), net. The cost of securities sold is determined by the specific identification method.

We review declines in the fair value of our investments classified as available-for-sale to determine whether the decline in fair value is a result of credit loss or other factors. Impairments of available-for-sale marketable debt securities related to credit loss are included in earnings and impairments related to other factors are recognized within AOCI.

Derivatives: All derivatives are recognized at fair value and reported on a gross basis. We enter into forward currency exchange contracts to mitigate the impact of currency fluctuations on transactions denominated in nonfunctional currencies, thereby limiting our risk that would otherwise result from changes in exchange rates. The periods of the forward currency exchange contracts correspond to the periods of the exposed transactions, with realized gains and losses included in the measurement and recording of transactions denominated in the nonfunctional currencies. All forward currency exchange contracts are recorded at their fair value each period.

Forward currency exchange contracts designated as cash flow hedges are designed to hedge the variability of cash flows associated with forecasted transactions denominated in a foreign currency that will take place in the future. These nonfunctional currency exposures principally relate to forecasted intercompany sales and purchases of manufactured products and generally have maturities up to eighteen months. Changes in value of derivatives designated as cash flow hedges are recorded in AOCI on the Consolidated Balance Sheets until earnings are affected by the variability of the underlying cash flows. At that time, the applicable amount of gain or loss from the derivative instrument that is deferred in shareholders' equity is reclassified into earnings and is included in cost of goods sold in the Consolidated Statements of Earnings. Cash flows associated with these hedges are included in cash from operations in the same category as the cash flows from the items being hedged.

Forward currency exchange contracts are used to offset our exposure to the change in value of specific foreign currency denominated assets and liabilities, primarily intercompany payables and receivables. These derivatives are not designated as hedges and, therefore, changes in the value of these forward contracts are recognized in earnings, thereby offsetting the current earnings effect of the related changes in value of foreign currency denominated assets and liabilities. The estimated fair value of our forward currency exchange contracts represents the

measurement of the contracts at month-end spot rates as adjusted by current forward points.

From time to time, we designate derivative and non-derivative financial instruments as net investment hedges of our investments in certain international subsidiaries. For derivative instruments that are designated and qualify as a net investment hedge, the effective portion of the derivative's gain or loss is recognized in OCI and reported as a component of AOCI. We have elected to use the spot method to assess effectiveness for our derivatives designated as net investment hedges. Accordingly, the change in fair value attributable to changes in the spot rate is recorded in AOCI. We exclude the spot-forward difference from the assessment of hedge effectiveness and amortize this amount separately on a straight-line basis over the term of the forward contracts. This amortization is recognized in other income (expense), net.

From time to time, we designate forward starting interest rate derivative instruments as cash flow hedges to manage the exposure to interest rate volatility with regard to future issuance and refinancing of debt. Changes in value of derivatives designated as cash flow hedges are recorded in AOCI on the Consolidated Balance Sheets until earnings are affected by the variability of the underlying cash flows. At that time, the applicable amount of gain or loss from the derivative instrument that is deferred in shareholders' equity is reclassified into earnings and is included in interest expense within other income (expense), net in the Consolidated Statements of Earnings.

Interest rate derivative instruments designated as fair value hedges have been used in the past to manage the exposure to interest rate movements and to reduce borrowing costs by converting fixed-rate debt into floating-rate debt. Under these agreements, we agree to exchange, at specified intervals, the difference between fixed and floating interest amounts calculated by reference to an agreed-upon notional principal amount.

Property, Plant and Equipment: Property, plant and equipment is stated at cost. Depreciation is generally computed by the straight-line method over the estimated useful lives of three to 30 years for buildings and improvements and three to 15 years for machinery and equipment.

Goodwill and Other Intangible Assets: Goodwill represents the excess of purchase price over fair value of tangible net assets of acquired businesses at the acquisition date, after amounts allocated to other identifiable intangible assets. Factors that contribute to the recognition of goodwill include synergies that are specific to our business and not available to other market participants and are expected to increase net sales and profits; acquisition of a talented workforce; cost savings opportunities; the strategic benefit of expanding our presence in core and adjacent markets; and diversifying our product portfolio.

The fair values of other identifiable intangible assets acquired in a business combination are primarily determined using the income approach. Other intangible assets include, but are not limited to, developed technology, customer and distributor relationships (which reflect expected continued customer or distributor patronage) and trademarks and patents. Intangible assets with determinable useful lives are amortized on a straight-line basis over their estimated useful lives of four to 40 years. Certain acquired trade names are considered to have indefinite lives and are not amortized, but are assessed annually for potential impairment as described below.

In some of our acquisitions, we acquire in-process research and development (IPRD) intangible assets. For acquisitions accounted for as business combinations IPRD is considered to

be an indefinite-lived intangible asset until the research is completed (then it becomes a determinable-lived intangible asset) or determined to have no future use (then it is impaired). For asset acquisitions IPRD is expensed immediately unless there is an alternative future use.

Goodwill, Intangibles and Long-Lived Asset Impairment Tests: We perform our annual impairment test for goodwill as of October 31 each year. We consider qualitative indicators of the fair value of a reporting unit when it is unlikely that a reporting unit has impaired goodwill and periodically corroborate that assessment with quantitative information. In certain circumstances, we may also utilize a discounted cash flow analysis that requires certain assumptions and estimates be made regarding market conditions and our future profitability. Indefinite-lived intangible assets are also tested at least annually for impairment by comparing the individual carrying values to the fair value.

We review long-lived assets for indicators of impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The evaluation is performed at the lowest level of identifiable cash flows. Undiscounted cash flows expected to be generated by the related assets are estimated over the asset's useful life based on updated projections. If the evaluation indicates that the carrying amount of the asset may not be recoverable, any potential impairment is measured based upon the fair value of the related asset or asset group as determined by an appropriate market appraisal or other valuation technique. Assets classified as held for sale are recorded at the lower of carrying amount or fair value less costs to sell.

Share-Based Compensation: Share-based compensation is in the form of stock options, restricted stock units (RSUs) and performance stock units (PSUs). Stock options are granted under long-term incentive plans to certain key employees and non-employee directors at an exercise price not less than the fair market value of the underlying common stock, which is the quoted closing price of our common stock on the day prior to the date of grant. The options are granted for periods of up to 10 years and become exercisable in varying installments.

We grant RSUs to key employees and non-employee directors and PSUs to certain key employees under our long-term incentive plans. The fair value of RSUs is determined based on the number of shares granted and the quoted closing price of our common stock on the date of grant, adjusted for the fact that RSUs do not include anticipated dividends. RSUs generally vest in one-third increments over a three-year period and are settled in stock. PSUs are earned over a three-year performance cycle and vest in March of the year following the end of that performance cycle. The number of PSUs that will ultimately be earned is based on our performance relative to pre-established goals in that three-year performance cycle. The fair value of PSUs is determined based on the quoted closing price of our common stock on the day of grant.

Compensation expense is recognized in the Consolidated Statements of Earnings based on the estimated fair value of the awards on the grant date. Compensation expense recognized reflects an estimate of the number of awards expected to vest after taking into consideration an estimate of award forfeitures based on actual experience and is recognized on a straight-line basis over the requisite service period, which is generally the period required to obtain full vesting. Management expectations related to the achievement of performance goals associated with PSU grants is assessed regularly and that assessment is used to

determine whether PSU grants are expected to vest. If performance-based milestones related to PSU grants are not met or not expected to be met, any compensation expense recognized associated with such grants will be reversed.

Income Taxes: Deferred income tax assets and liabilities are determined based on differences between financial reporting and income tax bases of assets and liabilities and are measured using the enacted income tax rates in effect for the years in which the differences are expected to reverse. Deferred income tax benefits generally represent the change in net deferred income tax assets and liabilities in the year. Other amounts result from adjustments related to acquisitions and foreign currency as appropriate.

We operate in multiple income tax jurisdictions both within the United States and internationally. Accordingly, management must determine the appropriate allocation of income to each of these jurisdictions based on current interpretations of complex income tax regulations. Income tax authorities in these jurisdictions regularly perform audits of our income tax filings. Income tax audits associated with the allocation of this income and other complex issues, including inventory transfer pricing and cost sharing, product royalty and foreign branch arrangements, may require an extended period of time to resolve and may result in significant income tax adjustments if changes to the income allocation are required between jurisdictions with different income tax rates.

New Accounting Pronouncements Not Yet Adopted

In September 2022 the Financial Accounting Standards Board issued ASU 2022-04, *Liabilities - Supplier Finance Programs: Disclosure of Supplier Finance Program Obligations*, which requires entities that utilize supplier finance programs in connection with the purchase of goods and services to disclose information about the key terms of the programs, a rollforward of the obligations under the programs and where those obligations are presented in the balance sheet. The new disclosure requirements are effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years. Currently our obligations under these programs are not material.

Accounting Pronouncements Recently Adopted

On January 1, 2022 we adopted ASU 2021-08, *Business Combinations: Accounting for Contract Assets and Contract Liabilities from Contracts with Customers*. This update requires an entity to recognize and measure contract assets and contract liabilities acquired in a business combination in accordance with Accounting Standards Codification 606, *Revenue from Contracts with Customers*. The adoption of this update did not have a material impact on our Consolidated Financial Statements.

NOTE 2 - REVENUE RECOGNITION

We disaggregate our net sales by product line and geographic location for each of our segments as we believe it best depicts how the nature, amount, timing and certainty of our net sales and cash flows are affected by economic factors.

Products and services are primarily transferred to customers at a point in time, with some transfers of services taking place over time. In 2022 less than 10% of our sales were recognized as services transferred over time. Refer to Note 1 for further discussion on our revenue recognition policies.

Segment Net Sales

MedSurg and Neurotechnology:	2022	2021	2020
Instruments	\$ 2,279	\$ 2,111	\$ 1,863
Endoscopy	2,423	2,141	1,763
Medical	3,031	2,607	2,524
Neurovascular	1,200	1,188	973
Neuro Cranial	1,376	1,214	972
Other	302	277	250
	\$ 10,611	\$ 9,538	\$ 8,345
Orthopaedics and Spine:			
Knees	\$ 1,997	\$ 1,848	\$ 1,567
Hips	1,413	1,342	1,206
Trauma and Extremities	2,807	2,664	1,722
Spine	1,146	1,167	1,047
Other	475	549	464
	\$ 7,838	\$ 7,570	\$ 6,006
Total	\$ 18,449	\$ 17,108	\$ 14,351

United States Net Sales

MedSurg and Neurotechnology:	2022	2021	2020
Instruments	\$ 1,810	\$ 1,637	\$ 1,471
Endoscopy	1,914	1,670	1,408
Medical	2,422	2,007	1,910
Neurovascular	446	451	381
Neuro Cranial	1,135	988	801
Other	297	273	247
	\$ 8,024	\$ 7,026	\$ 6,218
Orthopaedics and Spine:			
Knees	\$ 1,493	\$ 1,351	\$ 1,170
Hips	896	822	777
Trauma and Extremities	2,035	1,866	1,139
Spine	836	831	764
Other	354	425	387
	\$ 5,614	\$ 5,295	\$ 4,237
Total	\$ 13,638	\$ 12,321	\$ 10,455

International Net Sales

MedSurg and Neurotechnology:	2022	2021	2020
Instruments	\$ 469	\$ 474	\$ 392
Endoscopy	509	471	355
Medical	609	600	614
Neurovascular	754	737	592
Neuro Cranial	241	226	171
Other	5	4	3
	\$ 2,587	\$ 2,512	\$ 2,127
Orthopaedics and Spine:			
Knees	\$ 504	\$ 497	\$ 397
Hips	517	520	429
Trauma and Extremities	772	798	583
Spine	310	336	283
Other	121	124	77
	\$ 2,224	\$ 2,275	\$ 1,769
Total	\$ 4,811	\$ 4,787	\$ 3,896

MedSurg and Neurotechnology

MedSurg and Neurotechnology products include surgical equipment and navigation systems (Instruments), endoscopic and communications systems (Endoscopy), patient handling, emergency medical equipment, intensive care disposable products and clinical communication and workflow solutions (Medical), minimally invasive products for the treatment of acute ischemic and hemorrhagic stroke (Neurovascular), a comprehensive line of products for traditional brain and open skull based surgical procedures; orthobiologic and biosurgery

products, including synthetic bone grafts and vertebral augmentation products (Neuro Cranial) and other medical device products used in a variety of medical specialties. Substantially all MedSurg and Neurotechnology sales are recognized when a purchase order has been received and control has transferred. For certain Endoscopy, Instruments and Medical services, we may recognize sales over time as we satisfy performance obligations that may include an obligation to complete installation, provide training and perform ongoing services, generally performed within one year.

Orthopaedics and Spine

Orthopaedics and Spine products consist primarily of implants used in hip and knee joint replacements and trauma and extremity surgeries, and cervical, thoracolumbar and interbody systems used in spinal injury, deformity and degenerative therapies. Substantially all Orthopaedics sales are recognized when we have received a purchase order and appropriate notification the product has been used or implanted. Substantially all Spine sales are recognized when a purchase order has been received and control has transferred. For certain Orthopaedic products in the "other" category, we recognize sales at a point in time, as well as over time for performance obligations that may include an obligation to complete installation and provide training and ongoing services. Performance obligations are generally satisfied within one year.

Contract Assets and Liabilities

The nature of our products and services do not generally give rise to contract assets as we typically do not incur costs to fulfill a contract before a product or service is provided to a customer. Our costs to obtain contracts are typically in the form of sales commissions paid to employees or third-party agents. Certain sales commissions paid to employees prior to recognition of sales are recorded as contract assets. We expense sales commissions associated with obtaining a contract at the time of the sale or as incurred as the amortization period is generally less than one year. These costs have been presented within selling, general and administrative expenses. On December 31, 2022 contract assets recorded in our Consolidated Balance Sheets were not significant.

Our contract liabilities arise as a result of consideration received from customers at inception of contracts for certain businesses or where the timing of billing for services precedes satisfaction of our performance obligations. We generally satisfy performance obligations within one year from the contract inception date. Our contract liabilities were \$741 and \$529 on December 31, 2022 and 2021. Changes in contract liabilities during the year were as follows:

	2022
Beginning contract liabilities	\$ 529
Revenue recognized from beginning of year contract liabilities	(329)
Contract liabilities acquired	80
Net advance consideration received during the period	461
Ending contract liabilities	\$ 741

NOTE 3 - FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Financial assets and liabilities carried at fair value are classified in their entirety based on the lowest level of input and disclosed in one of the following three categories:

STRYKER CORPORATION 2022 FORM 10-K

Level 1	Quoted market prices in active markets for identical assets or liabilities.
Level 2	Observable market-based inputs or unobservable inputs that are corroborated by market data.
Level 3	Unobservable inputs reflecting our assumptions or external inputs from active markets.

Use of observable market data, when available, is required in making fair value measurements. When inputs used fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement. We determine fair value for Level 1 instruments using exchange-traded prices for identical instruments. We determine fair value of Level 2 instruments using exchange-traded prices of similar instruments, where available, or utilizing other observable inputs that take into account our credit risk and that of our counterparties. Foreign currency exchange contracts and interest rate hedges, when outstanding, are included in Level 2 and are primarily valued using standard calculations and models that use readily observable market data as their basis. Our Level 3 liabilities are comprised of contingent consideration arising from recently completed acquisitions. We determine fair value of these Level 3 liabilities using a discounted cash flow technique. Significant unobservable inputs were used in our assessment of fair value, including assumptions regarding future business results, discount rates, discount periods and probability assessments based on the likelihood of reaching various targets. We remeasure the fair value of our assets and liabilities each reporting period. We record the changes in fair value within selling, general and administrative expense.

During the third quarter 2022 we determined that certain commercial and regulatory milestones related to technology acquired in the purchase of Mobius Imaging and Cardan Robotics were no longer probable of being achieved and recorded a \$110 reduction in the fair value of contingent consideration reflected in selling, general and administrative expenses.

Assets Measured at Fair Value

	2022	2021
Cash and cash equivalents	\$ 1,844	\$ 2,944
Trading marketable securities	166	193
Level 1 - Assets	\$ 2,010	\$ 3,137
Available-for-sale marketable securities:		
Corporate and asset-backed debt securities	\$ 42	\$ 48
Foreign government debt securities	1	2
United States agency debt securities	3	5
United States treasury debt securities	36	19
Certificates of deposit	2	1
Total available-for-sale marketable securities	\$ 84	\$ 75
Foreign currency exchange forward contracts	119	212
Level 2 - Assets	\$ 203	\$ 287
Total assets measured at fair value	\$ 2,213	\$ 3,424

Liabilities Measured at Fair Value

	2022	2021
Deferred compensation arrangements	\$ 166	\$ 193
Level 1 - Liabilities	\$ 166	\$ 193
Foreign currency exchange forward contracts	\$ 102	\$ 17
Level 2 - Liabilities	\$ 102	\$ 17
Contingent consideration:		
Beginning	\$ 306	\$ 393
Additions	1	62
Change in estimate	(137)	(1)
Settlements	(49)	(148)
Ending	\$ 121	\$ 306
Level 3 - Liabilities	\$ 121	\$ 306
Total liabilities measured at fair value	\$ 389	\$ 516

Fair Value of Available for Sale Securities by Maturity

	2022	2021
Due in one year or less	\$ 53	\$ 36
Due after one year through three years	\$ 31	\$ 39

On December 31, 2022 the aggregate difference between the cost and fair value of available-for-sale marketable securities was nominal. Interest and marketable securities income was \$94, \$68 and \$102 in 2022, 2021 and 2020, which was recorded in other income (expense), net.

Our investments in available-for-sale marketable securities had a minimum credit quality rating of A2 (Moody's), A (Standard & Poor's) and A (Fitch). We do not plan to sell the investments, and it is not more likely than not that we will be required to sell the investments before recovery of their amortized cost basis, which may be maturity.

NOTE 4 - DERIVATIVE INSTRUMENTS

We use operational and economic hedges, foreign currency exchange forward contracts, net investment hedges (both derivative and non-derivative financial instruments) and interest rate derivative instruments to manage the impact of currency exchange and interest rate fluctuations on earnings, cash flow and equity. We do not enter into derivative instruments for speculative purposes. We are exposed to potential credit loss in the event of nonperformance by counterparties on our outstanding derivative instruments but do not anticipate nonperformance by any of our counterparties. Should a counterparty default, our maximum loss exposure is the asset balance of the instrument.

Foreign Currency Hedges

2022	Cash Flow	Net Investment	Non-Designated	Total
Gross notional amount	\$ 1,053	\$ 1,598	\$ 3,417	\$ 6,068
Maximum term in years				3.9
Fair value:				
Other current assets	\$ 20	\$ —	\$ 9	\$ 29
Other noncurrent assets	1	89	—	90
Other current liabilities	(6)	—	(79)	(85)
Other noncurrent liabilities	(1)	(16)	—	(17)
Total fair value	\$ 14	\$ 73	\$ (70)	\$ 17
2021				
Gross notional amount	\$ 973	\$ 2,266	\$ 5,512	\$ 8,751
Maximum term in years				4.9
Fair value:				
Other current assets	\$ 15	\$ 39	\$ 92	\$ 146
Other noncurrent assets	1	65	—	66
Other current liabilities	(7)	—	(10)	(17)
Total fair value	\$ 9	\$ 104	\$ 82	\$ 195

We had €1.5 billion and €2.0 billion at December 31, 2022 and 2021 in certain forward currency contracts designated as net investment hedges to hedge a portion of our investments in certain of our entities with functional currencies denominated in Euros. In addition to these derivative financial instruments designated as net investment hedges, we had €4.4 billion at December 31, 2022 and 2021 of senior unsecured notes designated as net investment hedges to selectively hedge portions of our investment in certain international subsidiaries. The currency effects of our Euro-denominated senior unsecured notes are reflected in AOCI within shareholders' equity where they offset gains and losses recorded on our net investment in international subsidiaries.

In 2022 we settled certain foreign currency forward contracts designated as net investment hedges resulting in cash proceeds of \$197. The amounts in AOCI related to settled net investment

STRYKER CORPORATION 2022 FORM 10-K

hedges will remain in AOCI until the hedged investment is either sold or substantially liquidated.

The total after-tax gain (loss) recognized in OCI related to designated net investment hedges was \$321 in 2022.

Net Currency Exchange Rate Gains (Losses)

Derivative Instrument	Recorded in:	2022	2021	2020
Cash Flow	Cost of sales	\$ 23	\$ (12)	\$ 5
Net Investment	Other income (expense), net	39	35	28
Non-Designated	Other income (expense), net	1	(10)	(13)
Total		\$ 63	\$ 13	\$ 20

Pretax gains (losses) on derivatives designated as cash flow hedges of \$32 and net investment hedges of \$34 recorded in AOCI are expected to be reclassified to cost of sales and other income (expense), net in earnings within 12 months as of December 31, 2022. This cash flow hedge reclassification is primarily due to the sale of inventory that includes previously hedged purchases. A component of the AOCI amounts related to net investment hedges is reclassified over the life of the hedge instruments as we elected to exclude the initial value of the component related to the spot-forward difference from the effectiveness assessment.

Interest Rate Hedges

Pretax gains of \$5 recorded in AOCI related to other interest rate hedges closed in conjunction with debt issuances are expected to be reclassified to other income (expense), net in earnings within 12 months of December 31, 2022. The cash flow effect of interest rate hedges is recorded in cash flow from operations.

NOTE 5 - ACCUMULATED OTHER COMPREHENSIVE (LOSS) INCOME (AOCI)

	Marketable Securities	Pension Plans	Hedges	Financial Statement Translation	Total
2020	\$ (3)	\$ (259)	\$ (10)	\$ (885)	\$ (1,157)
OCI	4	123	46	551	724
Income taxes	—	(32)	(15)	(54)	(101)
Reclassifications to:					
Cost of sales	—	—	12	—	12
Other (income) expense, net	—	15	6	(35)	(14)
Income taxes	(1)	(2)	1	7	5
Net OCI	3	104	50	469	626
2021	\$ —	\$ (155)	\$ 40	\$ (416)	\$ (531)
OCI	(1)	244	43	253	539
Income taxes	—	(64)	1	(110)	(173)
Reclassifications to:					
Cost of sales	—	—	(23)	—	(23)
Other (income) expense, net	—	8	(5)	(39)	(36)
Income taxes	—	(2)	(4)	9	3
Net OCI	(1)	186	12	113	310
2022	\$ (1)	\$ 31	\$ 52	\$ (303)	\$ (221)

NOTE 6 - ACQUISITIONS

We acquire stock in companies and various assets that continue to support our capital deployment and product development strategies. The aggregate purchase price of our acquisitions, net of cash acquired was \$2,563 and \$393 in 2022 and 2021.

In February 2022 we completed the acquisition of Vocera for \$79.25 per share, or an aggregate purchase price of \$2.6 billion, net of cash acquired (\$3.0 billion including convertible notes). Vocera is a leader in the digital care coordination and communication category. Vocera is part of our Medical business within MedSurg and Neurotechnology. Goodwill attributable to the acquisition reflects the strategic benefits of expanding our

presence in adjacent markets, diversifying our product portfolio, advancing innovations and accelerating our digital aspirations. This goodwill is not deductible for tax purposes.

During 2022 note holders elected to redeem the 1.50% and 0.50% convertible notes assumed in the Vocera acquisition for \$101 and \$324. These repayments are classified as financing activities in the Consolidated Statements of Cash Flows.

Share-based awards for Vocera employees vested upon our acquisition and a charge of \$132 was recorded in selling, general and administrative expenses in 2022.

Purchase price allocations for our significant acquisitions are:

Purchase Price Allocation of Acquired Net Assets

2022	Vocera
Tangible assets acquired:	
Accounts receivable	\$ 33
Inventory	13
Deferred income tax assets	73
Other assets	92
Debt	(425)
Deferred income tax liabilities	(182)
Other liabilities	(115)
Intangible assets:	
Customer and distributor relationships	550
Developed technology	178
Trade name	18
Goodwill	2,328
Purchase price, net of cash acquired of \$281	\$ 2,563
Weighted average life of intangible assets	13

Our allocation of the Vocera purchase price to intangible assets and residual goodwill is preliminary. These amounts are subject to review and potential change during the measurement period, which will extend to February 2023. The subsequent adjustment of the preliminary amounts may be material.

In September 2021 we completed the acquisition of Gauss Surgical, Inc. (Gauss) for \$120 in cash and up to \$40 in future milestone payments. Gauss is a medical device company that has developed Triton, an artificial intelligence-enabled platform for real-time monitoring of blood loss during surgery. Gauss is part of our Instruments business within MedSurg and Neurotechnology. Goodwill attributable to the acquisition is not deductible for tax purposes. The purchase price allocations for Gauss and other 2021 acquisitions were finalized in 2022 without material adjustments.

NOTE 7 - CONTINGENCIES AND COMMITMENTS

We are involved in various ongoing proceedings, legal actions and claims arising in the normal course of business, including proceedings related to product, labor, intellectual property and other matters, the most significant of which are more fully described below. The outcomes of these matters will generally not be known for prolonged periods of time. In certain of the legal proceedings the claimants seek damages as well as other compensatory and equitable relief that could result in the payment of significant claims and settlements and/or the imposition of injunctions or other equitable relief. For legal matters for which management had sufficient information to reasonably estimate our future obligations, a liability representing management's best estimate of the probable loss, or the minimum of the range of probable losses when a best estimate within the range is not known, is recorded. The estimates are based on consultation with legal counsel, previous settlement experience and settlement strategies. If actual outcomes are less favorable than those estimated by management, additional expense may be incurred, which could unfavorably affect future

operating results. We are self-insured for certain claims and expenses. The ultimate cost to us with respect to product liability claims could be materially different than the amount of the current estimates and accruals and could have a material adverse effect on our financial position, results of operations and cash flows.

In April 2022 the United States District Court for the District of Delaware issued a judgment following a jury verdict in favor of PureWick Corporation (PureWick) for its 2019 complaint seeking patent infringement damages related to our PrimaFit and PrimoFit products. The court awarded damages and we recorded charges of \$28 in March 2022. In June 2022 PureWick filed a motion to seek enhancement of the judgment and if successful, the judgment could total approximately \$100 and include an injunction against future sales. We intend to appeal the outcome of this case. In 2022 PureWick filed additional patent infringement claims related to our PrimaFit products.

Recall Matters

In June 2012 we voluntarily recalled our Rejuvenate and ABG II Modular-Neck hip stems and terminated global distribution of these hip products. Product liability lawsuits relating to this voluntary recall have been filed against us. In November 2014 we entered into a settlement agreement to compensate eligible United States patients who had revision surgery prior to November 3, 2014 and in December 2016 the settlement program was extended to patients who had revision surgery prior to December 19, 2016. In September 2020 we entered into a second settlement agreement to compensate eligible United States patients who had revision surgery prior to September 9, 2020. There are remaining lawsuits that we will continue to defend against.

In August 2016 and May 2018 we voluntarily recalled certain lot-specific sizes and offsets of LFIT Anatomic CoCr V40 Femoral Heads. Product liability lawsuits and claims relating to this voluntary recall have been filed against us. In November 2018 we entered into a settlement agreement to resolve a significant number of claims and lawsuits related to the recalls. In April 2022 we executed a second agreement to resolve a significant number of claims and lawsuits related to the recalls. The specific terms of the settlement agreement, including the financial terms, are confidential.

With the acquisition of Wright Medical Group N.V. (Wright) in November 2020, we are responsible for certain product liability claims, primarily related to certain hip products sold by Wright prior to its 2014 divestiture of the OrthoRecon business. We will continue to evaluate each claim and the possible loss we may incur.

We have incurred, and expect to incur in the future, costs associated with the defense and settlement of these matters. In 2022 we made payments of \$157, primarily related to LFIT femoral heads and Wright hip products. Based on the information that has been received, we have estimated the remaining range of probable loss related to these recall matters to be approximately \$213 to \$347. We have recorded reserves representing the remaining minimum of the range of probable loss. The final outcomes of these matters are dependent on many factors that are difficult to predict. Accordingly, the ultimate cost related to these matters may be materially different than the amount of our current estimate and accruals and could have a material adverse effect on our results of operations and cash flows.

Leases

We lease various manufacturing, warehousing and distribution facilities, administrative and sales offices as well as equipment

under operating leases. We evaluate our contracts to identify leases, which is generally if there is an identified asset and we have the right to direct the use of and obtain substantially all of the economic benefit from the use of the identified asset. Certain of our lease agreements contain rent escalation clauses (including index-based escalations), rent holidays, capital improvement funding or other lease incentives. We recognize our minimum rental expense on a straight-line basis over the term of the lease beginning with the date of initial control of the asset. Right-of-use assets are recorded in Other noncurrent assets on our Consolidated Balance Sheets. Current and noncurrent lease liabilities are recorded in Accrued expenses and other liabilities and Other noncurrent liabilities, respectively.

We have made certain significant assumptions and judgments when recording leases. For all asset classes, we elected to not recognize a right-of-use asset and lease liability for short-term leases and not separate non-lease components from lease components to which they relate and have accounted for the combined lease and non-lease components as a single lease component. The determination of the discount rate used in a lease is our incremental borrowing rate which is based on what we would normally pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments.

	2022	2021
Right-of-use assets	\$ 473	\$ 419
Lease liabilities, current	\$ 121	\$ 112
Lease liabilities, noncurrent	\$ 357	\$ 310
Other information:		
Weighted-average remaining lease term (years)	5.5	5.4
Weighted-average discount rate	3.22 %	2.86 %

Operating lease expense totaled \$149, \$133, and \$130 in 2022, 2021 and 2020.

Future Obligations

We have purchase commitments for materials, supplies, services and property, plant and equipment as part of the normal course of business. In addition, we lease various manufacturing, warehousing and distribution facilities, administrative and sales offices as well as equipment under operating leases. Refer to Note 10 for more information on the debt obligations.

	2023	2024	2025	2026	2027	Thereafter
Debt repayments	\$ 1,208	\$ 1,450	\$ 2,250	\$ 1,000	\$ 750	\$ 6,300
Purchase obligations	\$ 1,595	\$ 68	\$ 53	\$ 56	\$ 59	\$ 14
Minimum lease payments	\$ 126	\$ 96	\$ 73	\$ 54	\$ 41	\$ 76

NOTE 8 - GOODWILL AND OTHER INTANGIBLE ASSETS

We performed our annual impairment test for goodwill as of October 31, 2022 and determined that the carrying value of the Spine reporting unit exceeded its fair value. As a result an impairment charge of \$216 was recognized in the Goodwill impairment line in the Consolidated Statements of Earnings in 2022. As of December 31, 2022 goodwill of the Spine reporting unit is \$1,002 after the impairment charge.

We estimated the fair value of the Spine reporting unit using a discounted cash flow analysis. Significant inputs to the analysis include assumptions for future revenue growth and operating margin. The analysis also included a rate to discount the estimated future cash flow projections to their present value, based on the reporting unit's estimated weighted average cost of capital. The impairment charge for the Spine reporting unit was primarily driven by the slower than anticipated recovery of surgery volumes as we emerge from the COVID-19 pandemic, the competitive pressures in the spine market and rising interest rates in the current macroeconomic environment.

STRYKER CORPORATION 2022 FORM 10-K

For our other reporting units, we considered qualitative indicators of impairment as it was considered more likely than not that the fair values of those reporting units exceeded their respective carrying values. No impairment was identified for those reporting units in 2022.

Future changes in the judgments, assumptions and estimates that are used in our impairment testing for goodwill, including discount and tax rates and future cash flow projections, could result in significantly different estimates of the fair values. A significant reduction in the estimated fair values could result in impairment charges that could materially affect our results of operations.

Changes in the Net Carrying Value of Goodwill by Segment

	MedSurg and Neurotechnology	Orthopaedics and Spine	Total
2020	\$ 5,459	\$ 7,319	\$ 12,778
Additions and adjustments	223	59	282
Foreign exchange	(13)	(129)	(142)
2021	\$ 5,669	\$ 7,249	\$ 12,918
Goodwill impairment	—	(216)	(216)
Additions and adjustments	2,320	—	2,320
Foreign exchange	(54)	(88)	(142)
2022	\$ 7,935	\$ 6,945	\$ 14,880

Summary of Other Intangible Assets

	Weighted Average Amortization Period (Years)	Gross Carrying Amount	Less Accumulated Amortization	Net Carrying Amount
Developed technologies				
2022	14	\$ 5,440	\$ 2,363	\$ 3,077
2021	13	5,326	1,956	3,370
Customer relationships				
2022	15	\$ 2,847	\$ 1,322	\$ 1,525
2021	15	2,324	1,174	1,150
Patents				
2022	11	\$ 343	\$ 297	\$ 46
2021	12	343	286	57
Trademarks				
2022	16	\$ 425	\$ 220	\$ 205
2021	16	415	199	216
In-process research and development				
2022	N/A	\$ 21	\$ —	\$ 21
2021	N/A	29	—	29
Other				
2022	6	\$ 105	\$ 94	\$ 11
2021	9	105	87	18
Total				
2022	14	\$ 9,181	\$ 4,296	\$ 4,885
2021	14	8,542	3,702	4,840

Estimated Amortization Expense

	2023	2024	2025	2026	2027
\$	620	\$ 588	\$ 568	\$ 510	\$ 490

NOTE 9 - CAPITAL STOCK

The aggregate number of shares of all classes of stock which we are authorized to issue is up to 1,000,500,000, divided into two classes consisting of 500,000 shares of \$1 par value preferred stock and 1,000,000,000 shares of common stock with a par value of \$0.10. No shares of preferred stock were outstanding on December 31, 2022.

We made no repurchases of shares in 2022. The manner, timing and amount of repurchases are determined by management based on an evaluation of market conditions, stock price and other factors and are subject to regulatory considerations. Purchases are made from time-to-time in the open market, in privately negotiated transactions or otherwise. On December 31,

2022 the total dollar value of shares that could be purchased under our authorized repurchase program was \$1,033.

Shares reserved for future compensation grants of our common stock were 23 million and 25 million on December 31, 2022 and 2021.

Stock Options

We measure the cost of employee stock options based on the grant-date fair value and recognize that cost using the straight-line method over the period in which a recipient is required to provide services in exchange for the options, typically the vesting period. The weighted-average fair value per share of options is estimated on the date of grant using the Black-Scholes option pricing model.

Option Value and Assumptions

	2022	2021	2020
Weighted-average fair value per share	\$ 68.08	\$ 53.35	\$ 39.34
Assumptions:			
Risk-free interest rate	1.8 %	0.8 %	1.4 %
Expected dividend yield	1.0 %	1.2 %	1.0 %
Expected stock price volatility	27.0 %	26.9 %	18.9 %
Expected option life (years)	5.9	5.9	5.8

The risk-free interest rate for periods within the expected life of options granted is based on the United States Treasury yield curve in effect at the time of grant. Expected stock price volatility is based on the historical volatility of our stock. The expected option life, representing the period of time that options granted are expected to be outstanding, is based on historical option exercise and employee termination data.

2022 Stock Option Activity

	Shares (in millions)	Weighted Average Exercise Price	Weighted- Average Remaining Term (in years)	Aggregate Intrinsic Value
Outstanding January 1	12.1	\$ 150.17		
Granted	1.9	248.36		
Exercised	(1.5)	102.85		
Canceled or forfeited	(0.4)	220.16		
Outstanding December 31	12.1	\$ 168.80	5.4	\$ 925.3
Exercisable December 31	7.2	\$ 131.38	3.1	\$ 819.2
Options expected to vest	4.4	\$ 222.62	7.7	\$ 102.5

The aggregate intrinsic value of options, which represents the cumulative difference between the fair market value of the underlying common stock and the option exercise prices, exercised was \$218, \$253, and \$258 in 2022, 2021 and 2020. Exercise prices for options outstanding ranged from \$64.01 to \$270.94 on December 31, 2022. On December 31, 2022 there was \$111 of unrecognized compensation cost related to nonvested stock options granted under the long-term incentive plans; that cost is expected to be recognized over the weighted-average period of approximately 1.6 years.

Restricted Stock Units (RSUs) and Performance Stock Units (PSUs) Activity

	Shares (in millions)		Weighted Average Grant Date Fair Value	
	RSUs	PSUs	RSUs	PSUs
Nonvested on January 1	0.7	0.2	\$ 213.16	\$ 210.73
Granted	0.4	0.1	239.76	237.17
Vested	(0.3)	(0.1)	204.62	179.35
Canceled or forfeited	(0.1)	—	225.83	179.35
Nonvested on December 31	0.7	0.2	\$ 232.02	\$ 234.70

Dollar amounts in millions except per share amounts or as otherwise specified.

STRYKER CORPORATION 2022 FORM 10-K

On December 31, 2022 there was \$72 of unrecognized compensation cost related to nonvested RSUs. That cost is expected to be recognized as expense over the weighted-average period of approximately one year. The weighted-average grant date fair value per share of RSUs granted was \$239.76 and \$230.61 in 2022 and 2021. The fair value of RSUs and PSUs vested in 2022 was \$75 and \$14. On December 31, 2022 there was \$18 of unrecognized compensation cost related to nonvested PSUs; the cost is expected to be recognized as expense over the weighted-average period of approximately one year.

Employee Stock Purchase Plans (ESPP)

Employees may participate in our ESPP provided they meet certain eligibility requirements. The purchase price for our common stock under the terms of the ESPP is defined as 95% of the closing stock price on the last trading day of a purchase period. We issued 221,387 and 183,964 shares under the ESPP in 2022 and 2021.

NOTE 10 - DEBT AND CREDIT FACILITIES

We have lines of credit issued by various financial institutions that are available to fund our day-to-day operating needs. Certain of our credit facilities require us to comply with financial and other covenants. We were in compliance with all covenants on December 31, 2022.

In February 2022 we entered into a \$1.5 billion term loan agreement that matures on February 22, 2025 and bears interest at a base rate based on the Term Secured Overnight Financing Rate (SOFR) plus 0.725%. In 2022 we repaid \$650 on the term loan.

In 2022 our Board of Directors approved an increase to the maximum amount of commercial paper that can be outstanding from \$1,500 to \$2,250.

On December 31, 2022 there were no borrowings outstanding under our credit facility or commercial paper program which allows for maturities up to 397 days from the date of issuance.

Summary of Total Debt

Rate	Due	2022	2021
Senior unsecured notes:			
1.125%	November 30, 2023	\$ 585	\$ 622
0.600%	December 1, 2023	599	598
3.375%	May 15, 2024	596	593
0.250%	December 3, 2024	903	958
1.150%	June 15, 2025	647	645
3.375%	November 1, 2025	748	748
3.500%	March 15, 2026	995	994
2.125%	November 30, 2027	795	845
3.650%	March 7, 2028	597	597
0.750%	March 1, 2029	848	901
1.950%	June 15, 2030	991	990
2.625%	November 30, 2030	684	727
1.000%	December 3, 2031	790	840
4.100%	April 1, 2043	392	392
4.375%	May 15, 2044	396	395
4.625%	March 15, 2046	983	982
2.900%	June 15, 2050	642	642
Term loan		850	—
Other		7	10
Total debt		\$ 13,048	\$ 12,479
Less current maturities		1,191	7
Total long-term debt		\$ 11,857	\$ 12,472
Unamortized debt issuance costs		\$ 52	\$ 62
Borrowing capacity on existing facilities		\$ 2,162	\$ 2,162
Fair value of senior unsecured notes		\$ 10,910	\$ 13,391

Dollar amounts in millions except per share amounts or as otherwise specified.

The fair value of the senior unsecured notes was estimated using quoted interest rates, maturities and amounts of borrowings based on quoted active market prices and yields that took into account the underlying terms of the debt instruments. Substantially all of our debt is classified within Level 2 of the fair value hierarchy.

Interest expense, including required fees incurred on outstanding debt and credit facilities that were included in other income (expense), net, totaled \$337, \$337, and \$315 in 2022, 2021 and 2020.

NOTE 11 - INCOME TAXES

Our effective tax rate was 12.1%, 12.6% and 18.2% for 2022, 2021 and 2020. The effective income tax rate for 2022 decreased due to the effective settlement of the United States federal income tax audit for years 2014 through 2018 and the reversal of deferred income tax on undistributed earnings of foreign subsidiaries. In addition, the effective income tax rates for 2022, 2021 and 2020 reflect the continued lower effective income tax rates as a result of our European operations, the tax effect related to the transfers of intellectual property between tax jurisdictions, the tax effect of future remittances of the undistributed earnings of foreign subsidiaries and certain discrete tax items.

Effective Income Tax Rate Reconciliation

	2022	2021	2020
United States federal statutory rate	21.0 %	21.0 %	21.0 %
United States state and local income taxes, less federal deduction	2.0	2.7	0.1
Foreign income tax at rates other than 21%	(4.1)	(6.9)	(3.3)
Tax related to repatriation of foreign earnings	(2.4)	1.4	3.0
Intellectual property transfers	0.1	(2.3)	(1.4)
United States federal audit settlement	(6.1)	—	—
Goodwill impairment	1.7	—	—
Other	(0.1)	(3.3)	(1.2)
Effective income tax rate	12.1 %	12.6 %	18.2 %

Earnings Before Income Taxes

	2022	2021	2020
United States	\$ 407	\$ 433	\$ 239
International	2,276	1,848	1,715
Total	\$ 2,683	\$ 2,281	\$ 1,954

Components of Income Tax Expense (Benefit)

	2022	2021	2020
Current income tax expense (benefit):			
United States federal	\$ (76)	\$ 155	\$ 80
United States state and local	64	97	20
International	279	272	207
Total current income tax expense	\$ 267	\$ 524	\$ 307
Deferred income tax expense (benefit):			
United States federal	\$ (179)	\$ (82)	\$ 1
United States state and local	(30)	(23)	(25)
International	267	(132)	72
Total deferred income tax expense (benefit)	\$ 58	\$ (237)	\$ 48
Total income tax expense	\$ 325	\$ 287	\$ 355

Interest and penalties included in other income (expense), net were income of \$71 in 2022, and expense of (\$23) and (\$35) in 2021 and 2020. The United States federal deferred income tax benefit (expense) includes the utilization of net operating loss carryforwards of \$56, \$283 and \$41 in 2022, 2021 and 2020.

Deferred Income Tax Assets and Liabilities

	2022	2021
Deferred income tax assets:		
Inventories	\$ 516	\$ 513
Product-related liabilities	26	39
Other accrued expenses	155	501
Depreciation and amortization	1,038	1,194
State income taxes	153	128
Share-based compensation	73	63
Research and development capitalization	204	—
International interest expense carryforwards	135	—
Net operating loss and other credit carryforwards	247	232
Other	165	191
Total deferred income tax assets	\$ 2,712	\$ 2,861
Less valuation allowances	(285)	(164)
Net deferred income tax assets	\$ 2,427	\$ 2,697
Deferred income tax liabilities:		
Depreciation and amortization	\$ (1,037)	\$ (891)
Undistributed earnings	(47)	(114)
Total deferred income tax liabilities	\$ (1,084)	\$ (1,005)
Net deferred income tax assets	\$ 1,343	\$ 1,692
Reported as:		
Noncurrent deferred income tax assets	\$ 1,410	\$ 1,760
Noncurrent liabilities—Other liabilities	(67)	(68)
Total	\$ 1,343	\$ 1,692

Accrued interest and penalties were \$66 and \$150 on December 31, 2022 and 2021 which were reported in accrued expenses and other liabilities and other noncurrent liabilities.

Net operating loss carryforwards totaling \$544 with \$155 being subject to a full valuation allowance on December 31, 2022 are available to reduce future taxable earnings of certain domestic and foreign subsidiaries. United States loss carryforwards of \$377 begin to expire in 2023. International loss carryforwards of \$167 begin to expire in 2023; however, some have no expiration. We also have tax credit carryforwards of \$133 with \$91 being subject to a full valuation allowance. The credits with a full valuation allowance begin to expire in 2023. We do not anticipate generating income tax in excess of the non-expiring credits in the foreseeable future.

The Tax Cuts and Jobs Act (the Act) was enacted in 2017 in the United States. We recorded a one-time transition tax on earnings of certain foreign subsidiaries that were previously deferred. The Act also subjects a United States shareholder to tax on Global Intangible Low-Taxed Income (GILTI) earned by certain foreign subsidiaries. We have elected to account for GILTI tax in the year the tax is incurred.

We recorded deferred income tax on undistributed earnings of foreign subsidiaries not determined to be indefinitely reinvested. Determination of the total amount of unrecognized deferred income tax on undistributed earnings of foreign subsidiaries is not practicable.

Uncertain Income Tax Positions

	2022	2021
Beginning uncertain tax positions	\$ 444	\$ 457
Increases related to current year income tax positions	17	13
Increases related to prior year income tax positions	34	4
Decreases related to prior year income tax positions	(178)	(18)
Settlements of income tax audits	(13)	—
Statute of limitations expirations and other	(6)	—
Foreign currency translation	(12)	(12)
Ending uncertain tax positions	\$ 286	\$ 444
Reported as:		
Noncurrent liabilities—Income taxes	\$ 286	\$ 444

Our income tax expense would have been reduced by \$289 and \$445 in 2022 and 2021 had these uncertain income tax positions been favorably resolved. It is reasonably possible that the amount of unrecognized tax benefits will significantly change due

to one or more of the following events in the next 12 months: expiring statutes, audit activity, tax payments, competent authority proceedings related to transfer pricing or final decisions in matters that are the subject of controversy in various taxing jurisdictions in which we operate, including inventory transfer pricing, cost sharing, product royalty and foreign branch arrangements. We are not able to reasonably estimate the amount or the future periods in which changes in unrecognized tax benefits may be resolved. Interest and penalties incurred associated with uncertain tax positions are included in other income (expense), net.

In the normal course of business, income tax authorities in various income tax jurisdictions both within the United States and internationally conduct routine audits of our income tax returns filed in prior years. These audits are generally designed to determine if individual income tax authorities are in agreement with our interpretations of complex income tax regulations regarding the allocation of income to the various income tax jurisdictions. Income tax expense in 2022 decreased \$162 due to the effective settlement of the United States federal income tax audit for years 2014 through 2018. In addition, 2022 other income (expense), net includes a benefit of \$50 related to the release of accrued interest associated with this settlement. Income tax years are open from 2019 through the current year for the United States federal jurisdiction. Income tax years open for our other major jurisdictions range from 2007 through the current year.

NOTE 12 - RETIREMENT PLANS

Defined Contribution Plans

We provide certain employees with defined contribution plans and other types of retirement plans. A portion of our retirement plan expense under the defined contribution plans is funded with Stryker common stock. The use of Stryker common stock represents a non-cash operating activity that is not reflected in our Consolidated Statements of Cash Flows.

	2022	2021	2020
Plan expense	\$ 305	\$ 259	\$ 235
Expense funded with Stryker common stock	41	37	34
Stryker common stock held by plan:			
Dollar amount	522	582	542
Shares (in millions)	2.1	2.2	2.2
Value as a percentage of total plan assets	10 %	10 %	11 %

Defined Benefit Plans

Certain of our subsidiaries have both funded and unfunded defined benefit pension plans covering some or all of their employees. The majority of our defined benefit pension plans have projected benefit obligations in excess of plan assets.

Discount Rate

The discount rates were selected using a hypothetical portfolio of high quality bonds on December 31 that would provide the necessary cash flows to match our projected benefit payments.

Expected Return on Plan Assets

The expected return on plan assets is determined by applying the target allocation in each asset category of plan investments to the anticipated return for each asset category based on historical and projected returns.

STRYKER CORPORATION 2022 FORM 10-K
Components of Net Periodic Pension Cost

Net periodic benefit cost:	2022	2021	2020
Service cost	\$ (56)	\$ (72)	\$ (63)
Interest cost	(10)	(7)	(8)
Expected return on plan assets	15	11	13
Amortization of prior service credit	1	1	1
Recognized actuarial loss	(9)	(16)	(13)
Curtailment gain	—	9	—
Net periodic benefit cost	\$ (59)	\$ (74)	\$ (70)
Changes in assets and benefit obligations recognized in OCI:			
Net actuarial gain (loss)	\$ 244	\$ 132	\$ (117)
Recognized net actuarial loss	9	16	13
Prior service credit and transition amount	(1)	(1)	(1)
Curtailment gain	—	(9)	—
Total recognized in other comprehensive income (loss)	\$ 252	\$ 138	\$ (105)
Total recognized in net periodic benefit cost and OCI	\$ 193	\$ 64	\$ (175)
Weighted-average rates used to determine net periodic benefit cost:			
Discount rate	1.1 %	0.8 %	1.0 %
Expected return on plan assets	3.1 %	2.5 %	2.9 %
Rate of compensation increase	2.6 %	2.6 %	2.9 %
Weighted-average discount rate used to determine projected benefit obligations	3.3 %	1.1 %	0.8 %

The actuarial gain (loss) for all pension plans was primarily related to a change in the discount rate used to measure the benefit obligations of those plans.

Investment Strategy

The investment strategy for our defined benefit pension plans is to meet the liabilities of the plans as they fall due and to maximize the return on invested assets within appropriate risk tolerances.

	2022	2021
Fair value of plan assets	\$ 420	\$ 543
Benefit obligations	(673)	(1,036)
Funded status	\$ (253)	\$ (493)
Reported as:		
Noncurrent assets—other assets	\$ 21	\$ —
Current liabilities—accrued compensation	(3)	(2)
Noncurrent liabilities—other liabilities	(271)	(491)
Pre-tax amounts recognized in AOCI:		
Unrecognized net actuarial gain (loss)	33	(215)
Unrecognized prior service credit	11	7
Total	\$ 44	\$ (208)

Change in Benefit Obligations

	2022	2021
Beginning projected benefit obligations	\$ 1,036	\$ 1,118
Service cost	56	72
Interest cost	10	7
Foreign exchange impact	(56)	(70)
Employee contributions	5	8
Actuarial (gains) losses	(354)	(71)
Curtailment gain	—	(23)
Benefits paid	(24)	(5)
Ending projected benefit obligations	\$ 673	\$ 1,036
Ending accumulated benefit obligations	\$ 645	\$ 987

Change in Plan Assets

	2022	2021
Beginning fair value of plan assets	\$ 543	\$ 522
Actual return	(109)	17
Employer contributions	19	33
Employee contributions	5	8
Foreign exchange impact	(24)	(29)
Benefits paid	(14)	(8)
Ending fair value of plan assets	\$ 420	\$ 543

Allocation of Plan Assets

	2023 Target	2022 Actual	2021 Actual
Equity securities	25 %	27 %	23 %
Debt securities	41	38	41
Other	34	35	36
Total	100 %	100 %	100 %

Valuation of Plan Assets

2022	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 18	\$ —	\$ —	\$ 18
Equity securities	21	99	—	120
Corporate debt securities	2	151	—	153
Other	5	69	55	129
Total	\$ 46	\$ 319	\$ 55	\$ 420
2021	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	\$ 21	\$ —	\$ —	\$ 21
Equity securities	28	119	—	147
Corporate debt securities	2	202	—	204
Other	4	68	99	171
Total	\$ 55	\$ 389	\$ 99	\$ 543

Our Level 3 pension plan assets consist primarily of guaranteed investment contracts with insurance companies. The insurance contracts guarantee us principal repayment and a fixed rate of return. The \$44 decrease in Level 3 pension plan assets is primarily driven by the change in the corresponding pension liability. We expect to contribute \$19 to our defined benefit pension plans in 2023.

Estimated Future Benefit Payments

	2023	2024	2025	2026	2027	2028-2032
\$	22	26	23	23	25	146

NOTE 13 - SUMMARY OF QUARTERLY DATA (UNAUDITED)

2022 Quarters	Mar 31	Jun 30	Sep 30	Dec 31
Net sales	\$ 4,275	\$ 4,493	\$ 4,479	\$ 5,202
Gross profit	2,734	2,826	2,782	3,236
Earnings (loss) before income taxes	386	720	816	761
Net earnings (loss)	323	656	816	563
Net earnings (loss) per share of common stock:				
Basic	\$ 0.86	\$ 1.73	\$ 2.16	\$ 1.48
Diluted	\$ 0.84	\$ 1.72	\$ 2.14	\$ 1.47
Dividends declared per share of common stock	\$ 0.695	\$ 0.695	\$ 0.695	\$ 0.750
2021 Quarters	Mar 31	Jun 30	Sep 30	Dec 31
Net sales	\$ 3,953	\$ 4,294	\$ 4,160	\$ 4,701
Gross profit	2,509	2,772	2,642	3,045
Earnings before income taxes	367	662	495	757
Net earnings	302	592	438	662
Net earnings per share of common stock:				
Basic	\$ 0.80	\$ 1.57	\$ 1.17	\$ 1.75
Diluted	\$ 0.79	\$ 1.55	\$ 1.14	\$ 1.73
Dividends declared per share of common stock	\$ 0.630	\$ 0.630	\$ 0.630	\$ 0.695

NOTE 14 - SEGMENT AND GEOGRAPHIC DATA

We segregate our operations into two reportable business segments: (i) MedSurg and Neurotechnology and (ii) Orthopaedics and Spine which aligns with our internal reporting structure and how the Company manages its businesses.

The Corporate and Other category shown in the table below includes corporate and administration, corporate initiatives and share-based compensation, which includes compensation related to employee stock options, restricted stock units and performance stock unit grants and director stock options and restricted stock unit grants.

Segment Results	2022	2021	2020
MedSurg and Neurotechnology	\$ 10,611	\$ 9,538	\$ 8,345
Orthopaedics and Spine	7,838	7,570	6,006
Net sales	\$ 18,449	\$ 17,108	\$ 14,351
MedSurg and Neurotechnology	\$ 540	\$ 518	\$ 496
Orthopaedics and Spine	614	629	458
Segment depreciation and amortization	\$ 1,154	\$ 1,147	\$ 954
Corporate and Other	124	125	122
Total depreciation and amortization	\$ 1,278	\$ 1,272	\$ 1,076
MedSurg and Neurotechnology	\$ 2,737	\$ 2,807	\$ 2,414
Orthopaedics and Spine	2,296	2,180	1,588
Segment operating income	\$ 5,033	\$ 4,987	\$ 4,002
Items not allocated to segments:			
Corporate and Other	\$ (649)	\$ (605)	\$ (503)
Acquisition and integration-related charges	(150)	(585)	(242)
Amortization of intangible assets	(627)	(619)	(472)
Restructuring-related and other charges	(349)	(386)	(458)
Goodwill impairment	(216)	—	—
Medical device regulations	(140)	(107)	(81)
Recall-related matters	15	(103)	(17)
Regulatory and legal matters	(76)	2	(6)
Consolidated operating income	\$ 2,841	\$ 2,584	\$ 2,223

Segment Assets and Capital Spending

Assets:	2022	2021	2020
MedSurg and Neurotechnology	\$ 18,283	\$ 15,218	\$ 15,250
Orthopaedics and Spine	17,295	18,149	18,090
Total segment assets	\$ 35,578	\$ 33,367	\$ 33,340
Corporate and Other	1,306	1,264	990
Total assets	\$ 36,884	\$ 34,631	\$ 34,330
Purchases of property, plant and equipment:			
MedSurg and Neurotechnology	\$ 173	\$ 197	\$ 192
Orthopaedics and Spine	175	165	150
Total segment purchases of property, plant and equipment	\$ 348	\$ 362	\$ 342
Corporate and Other	240	163	145
Total purchases of property, plant and equipment	\$ 588	\$ 525	\$ 487

We measure the financial results of our reportable segments using an internal performance measure that excludes acquisition and integration-related charges, restructuring-related and other charges, goodwill impairment, reserves for certain product recall matters and reserves for certain legal and regulatory matters. Identifiable assets are those assets used exclusively in the operations of each business segment or allocated when used jointly. Corporate assets are principally property, plant and equipment, and noncurrent assets.

The countries in which we have local revenue generating operations have been combined into the following geographic areas: the United States (including Puerto Rico); Europe, Middle East, Africa; Asia Pacific; and other foreign countries, which include Canada and countries in the Latin American region. Net sales are reported based on the geographic area of the Stryker location where the sales to the customer originated.

Geographic Information

	Net Sales			Net Property, Plant and Equipment	
	2022	2021	2020	2022	2021
United States	\$ 13,638	\$ 12,321	\$ 10,455	\$ 1,791	\$ 1,717
Europe, Middle East, Africa	2,348	2,299	1,818	995	941
Asia Pacific	1,885	1,973	1,630	76	76
Other countries	578	515	448	108	99
Total	\$ 18,449	\$ 17,108	\$ 14,351	\$ 2,970	\$ 2,833

NOTE 15 - ASSET IMPAIRMENTS

The government in China has launched regional and national programs for volume-based procurement (VBP) of high-value medical consumables to reduce healthcare costs. Each VBP program has specific requirements to award contracts to the lowest bidders who are able to satisfy the quality and quantity requirements. The successful bidders may be guaranteed sales volume for certain products, while unsuccessful bidders may lose unit sales volume. The prices required for a successful bid have negatively impact our affected commercial operations in China, including those for joint replacement, trauma and certain neurovascular products.

As a result of the outcome of certain regional programs for our trauma products and the national VBP program for hips and knees we recorded charges of \$105 to impair certain long-lived and intangible assets in 2021. These charges were included in selling, general and administrative expenses. The national VBP program for spine products took place in the third quarter of 2022 and we were unsuccessful in our bid. As a result we are exiting the spine business in China. Related asset impairments recognized in 2022 were not significant and we do not expect any significant impairments related to future VBP programs. Our business in China represented approximately 2.4% of our revenues for the year ended December 31, 2022.

In addition to asset impairments in connection with VBP program results, we recognized asset impairments of \$47 in 2022 for long-lived and intangible assets primarily as a result of the exit of certain product lines.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES.**Evaluation of Disclosure Controls and Procedures**

The Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer (the Certifying Officers), evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended) (Exchange Act) as of December 31, 2022. Based on that evaluation, the Certifying Officers concluded that the Company's disclosure controls and procedures were effective as of December 31, 2022.

Changes in Internal Control over Financial Reporting

There was no change to our internal control over financial reporting during the fourth quarter of 2022 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The Company's management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). The Company's internal control over financial reporting was designed to provide reasonable assurance to the Company's management and Board of Directors regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles and includes those policies and procedures that: (i) pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company; (ii) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and (iii) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

The Company's management assessed the effectiveness of our internal control over financial reporting on December 31, 2022. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control-Integrated Framework (2013)*. We have excluded from our assessment the operations and related assets of Vocera, which we acquired in February 2022. As of December 31, 2022 Vocera represented approximately 8.2% of our total assets, including the goodwill and intangible assets recorded as part of the purchase price allocation and approximately 1.1% of our net sales for the year ended December 31, 2022. Based on its assessment, management concluded that our internal control over financial reporting was effective as of December 31, 2022.

Stryker's independent registered public accounting firm has issued an audit report on their assessment of the effectiveness of the Company's internal control over financial reporting.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Shareholders and the Board of Directors of Stryker Corporation

Opinion on Internal Control over Financial Reporting

We have audited Stryker Corporation and subsidiaries' internal control over financial reporting as of December 31, 2022, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Stryker Corporation and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2022, based on the COSO criteria.

As indicated in the accompanying Management's Report on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Vocera Communications, Inc. (Vocera), which is included in the 2022 consolidated financial statements of the Company and constituted 8.2% of total assets as of December 31, 2022 and 1.1% of net sales for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Vocera.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2022 consolidated financial statements of the Company and our report dated February 10, 2023 expressed an unqualified opinion thereon.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects.

Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over

financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Ernst & Young LLP

Grand Rapids, Michigan
February 10, 2023

ITEM 9B. OTHER INFORMATION.

Section 13(r) of the Securities Exchange Act of 1934, as amended, requires an issuer to disclose in its annual or quarterly reports whether it or any of its affiliates knowingly engaged in certain activities, transactions or dealings relating to parties subject to sanctions administered by the Office of Foreign Assets Control (OFAC) within the United States Department of the Treasury, whether or not such activities are prohibited or sanctionable under United States law. On March 2, 2021, the United States government designated the Russian Federal Security Service (FSB) under additional sanctions authorities. On the same day, OFAC issued General License No. 1B (OFAC General License), which generally authorizes certain licensing, permitting, certification, notification and related transactions with the FSB as may be required pursuant to Russian encryption product import controls for the importation, distribution or use of certain information technology products and radio frequency technology products in the Russian Federation.

As required under Russian law and as permitted under the OFAC General License, one of our subsidiaries in Russia periodically files notifications with or applies for import licenses and permits from the FSB on our behalf in connection with the importation of our products into Russia. These notification and licensing activities are free of charge, and none of our gross revenue or net profits are attributable to such activities. We expect to continue to file notifications with and apply for import licenses and permits from the FSB to qualify our products for importation and distribution in the Russian Federation to the extent required under Russian law, but only so long as such notification and licensing activities are authorized by the OFAC General License, any successor general license or other authorization issued by OFAC.

During the year ended December 31, 2022 we filed two notifications with the FSB as described above.

ITEM 9C. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS.

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

Information regarding our executive officers appears under the caption "Information about our Executive Officers" in Part I, Item 1 of this report.

Information regarding our directors and certain corporate governance and other matters appearing under the captions "Proposal 1—Election of Directors," "Corporate Governance," and "Additional Information—Delinquent Section 16(a) Reports" in the 2023 proxy statement is incorporated herein by reference.

The Corporate Governance Guidelines adopted by our Board of Directors, as well as the charters of each of the Audit Committee, the Governance and Nominating Committee and the Compensation Committee and the Code of Conduct applicable to the principal executive officer, president, principal financial officer and principal accounting officer or controller or persons performing similar functions are posted on the "Corporate Governance" section of our website at www.stryker.com. The Code of Conduct replaces our previous Code of Ethics applicable to the principal executive officer, president, principal financial officer and principal accounting officer or controller or persons performing similar functions, which was retired on February 9, 2023.

ITEM 11. EXECUTIVE COMPENSATION.

Information regarding the compensation of our management appearing under the captions "Compensation Discussion and Analysis," "Compensation Committee Report," "Executive Compensation" and "Compensation of Directors" in the 2023 proxy statement is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS.

The information under the caption "Stock Ownership" in the 2023 proxy statement is incorporated herein by reference.

On December 31, 2022 we had an equity compensation plan under which options were granted at a price not less than fair market value at the date of grant and under which awards of restricted stock units (RSUs) and performance stock units (PSUs) were made. Options and RSUs were also awarded under a previous plan. Additional information regarding our equity compensation plans appears in Note 1 and Note 9 to our Consolidated Financial Statements. On December 31, 2022 we also had a stock performance incentive award program pursuant to which shares of our common stock were and may be issued to certain employees with respect to performance. The status of these plans, each of which were previously submitted to and approved by our shareholders, on December 31, 2022 is as follows:

STRYKER CORPORATION 2022 FORM 10-K

Plan	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding shares reflected in the first column)
2006 Long-Term Incentive Plan	302,744	\$ 64.01	—
2008 Employee Stock Purchase Plan	N/A	N/A	3,967,851
2011 Long-Term Incentive Plan ⁽¹⁾	12,707,533	\$ 171.48	22,654,814
2011 Performance Incentive Award Plan	N/A	N/A	276,718
Total			26,899,383

⁽¹⁾ The 2011 Long-Term Incentive Plan securities to be issued upon exercise include 689,043 RSUs and 193,496 PSUs. The weighted-average exercise prices does not take these awards into account.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE.

The information under the caption "Corporate Governance" and "Corporate Governance—Certain Relationships and Related Party Transactions" in the 2023 proxy statement is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The information under the caption "Proposal 2—Ratification of Appointment of our Independent Registered Public Accounting Firm" in the 2023 proxy statement is incorporated herein by reference.

Dollar amounts in millions except per share amounts or as otherwise specified.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

(a) 1. Financial Statements

The following Consolidated Financial Statements are set forth in Part II, Item 8 of this report.

Report of Independent Registered Public Accounting Firm	21
Consolidated Statements of Earnings for 2022, 2021 and 2020	23
Consolidated Statements of Comprehensive Income for 2022, 2021 and 2020	23
Consolidated Balance Sheets on 2022 and 2021	24
Consolidated Statements of Shareholders' Equity for 2022, 2021 and 2020	25
Consolidated Statements of Cash Flows for 2022, 2021 and 2020	26
Notes to Consolidated Financial Statements	27

(a) 2. Financial Statement Schedules

The Consolidated Financial Statement schedule of Stryker Corporation and its subsidiaries is:

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS

Description	Additions		Deductions		Balance at End of Period
	Balance at Beginning of Period	Charged to Costs & Expenses	Uncollectible Amounts Written Off, Net of Recoveries	Effect of Changes in Foreign Currency Exchange Rates	
DEDUCTED FROM ASSET ACCOUNTS					
Allowance for Doubtful Accounts:					
Year ended December 31, 2022	\$ 167	\$ 41	\$ 52	\$ 2	\$ 154
Year ended December 31, 2021	\$ 131	\$ 61	\$ 23	\$ 2	\$ 167
Year ended December 31, 2020	\$ 88	\$ 65	\$ 22	\$ —	\$ 131

All other schedules for which provision is made in the applicable accounting regulation of the United States Securities and Exchange Commission are not required under the related instructions or are inapplicable and, therefore, have been omitted.

(a) 3. Exhibits

FORM 10-K—ITEM 15(a) 3. AND ITEM 15(c)
STRYKER CORPORATION AND SUBSIDIARIES
EXHIBIT INDEX

Exhibit 2—	Plan of Acquisition, Reorganization, Arrangement, Liquidation or Succession
(i)	Agreement and Plan of Merger, dated as of August 29, 2018, by and among Stryker Corporation, Austin Merger Sub Corp. and K2M Group Holdings, Inc. — Incorporated by reference to Exhibit 2.1 to the Company's Form 8-K dated August 30, 2018 (Commission File No. 000-09165).
(ii)	Purchase Agreement, dated as of November 4, 2019, among Stryker Corporation, Stryker B.V. and Wright Medical Group N.V. — Incorporated by reference to Exhibit 2.1 to the Company's Form 8-K dated November 6, 2019 (Commission File No. 001-13149).
(iii) †	Agreement and Plan of Merger, dated as of January 6, 2022, by and among Stryker Corporation, Voice Merger Sub Corp., and Vocera Communications, Inc. — Incorporated by reference to Exhibit 2.1 to the Company's Form 8-K dated January 11, 2022 (Commission File No. 001-13149).
Exhibit 3—	Articles of Incorporation and By-Laws
(i)	Restated Articles of Incorporation — Incorporated by reference to Exhibit 3(i) to the Company's Form 10-Q for the quarterly period ended September 30, 2018 (Commission File No. 00-09165).
(ii) †	Amended and Restated Bylaws.
(iii)	Amendments to the Amended and Restated Bylaws (adopted and effective November 1, 2022) — Incorporated by reference to Exhibit 3.1 to the Company's Form 8-K dated November 15, 2022 (Commission File No. 001-13149).
Exhibit 4—	Instruments defining the rights of security holders, including indentures—We agree to furnish to the Commission upon request a copy of each instrument pursuant to which long-term debt of Stryker Corporation and its subsidiaries not exceeding 10% of the total assets of Stryker Corporation and its consolidated subsidiaries is authorized.

STRYKER CORPORATION 2022 FORM 10-K

(i)	Indenture, dated January 15, 2010, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K dated January 15, 2010 (Commission File No. 000-09165).
(ii)	Fifth Supplemental Indenture (including the form of 2043 note) dated March 25, 2013, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated March 25, 2013 (Commission File No. 000-09165).
(iii)	Sixth Supplemental Indenture (including the form of 2024 note), dated May 1, 2014, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated May 1, 2014 (Commission File No. 000-09165).
(iv)	Seventh Supplemental Indenture (including the form of 2044 note), dated May 1, 2014, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated May 1, 2014 (Commission File No. 000-09165).
(v)	Eighth Supplemental Indenture (including the form of 2025 note), dated October 29, 2015, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated October 29, 2015 (Commission File No. 000-09165).
(vi)	Tenth Supplemental Indenture (including the form of the 2021 note), dated March 10, 2016, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated March 10, 2016 (Commission File No. 000-09615).
(vii)	Eleventh Supplemental Indenture (including the form of the 2026 note), dated March 10, 2016, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K dated March 10, 2016 (Commission File No. 000-09615).
(viii)	Twelfth Supplemental Indenture (including the form of the 2046 note), dated March 10, 2016, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.5 to the Company's Form 8-K dated March 10, 2016 (Commission File No. 000-09615).
(ix)	Fourteenth Supplemental Indenture (including the form of the 2028 note), dated March 7, 2018, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated March 7, 2018 (Commission File No. 000-09615).
(x)	Fifteenth Supplemental Indenture (including the form of the 2023 note), dated November 30, 2018, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated November 30, 2018 (Commission File No. 000-09615).
(xi)	Sixteenth Supplemental Indenture (including the form of the 2027 note), dated November 30, 2018, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated November 30, 2018 (Commission File No. 000-09615).
(xii)	Seventeenth Supplemental Indenture (including the form of the 2030 note), dated November 30, 2018, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K dated November 30, 2018 (Commission File No. 000-09615).
(xiii)	Nineteenth Supplemental Indenture (including the form of the 2024 note), dated December 3, 2019, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated December 3, 2019 (Commission File No. 001-13149).
(xiv)	Twentieth Supplemental Indenture (including the form of the 2029 note), dated December 3, 2019, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated December 3, 2019 (Commission File No. 001-13149).
(xv)	Twenty-First Supplemental Indenture (including the form of the 2031 note), dated December 3, 2019, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K dated December 3, 2019 (Commission File No. 001-13149).
(xvi)	Twenty-Second Supplemental Indenture (including the form of the 2025 note), dated June 4, 2020, between Stryker Corporation and U.S. Bank National Association, as trustee - Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated June 4, 2020 (Commission File No. 001-13149).
(xvii)	Twenty-Third Supplemental Indenture (including the form of the 2030 note), dated June 4, 2020, between Stryker Corporation and U.S. Bank National Association — Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated June 4, 2020 (Commission File No. 001-13149).
(xviii)	Twenty-Fourth Supplemental Indenture (including the form of the 2050 note), dated June 4, 2020, between Stryker Corporation and U.S. Bank National Association — Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K dated June 4, 2020 (Commission File No. 001-13149).
(xix)	Twenty-Fifth Supplemental Indenture (including the form of the 2023 note), dated November 23, 2020, between Stryker Corporation and U.S. Bank National Association, as trustee — Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated November 23, 2020 (Commission File No. 001-13149).
(xx) †	Description of Securities

Exhibit 10—	Material contracts
(i)* †	Form of grant notice and terms and conditions for stock options granted in 2023 under the 2011 Long-Term Incentive Plan.
(ii)* †	Form of grant notice and terms and conditions for restricted stock units granted in 2023 under the 2011 Long-Term Incentive Plan.
(iii)* †	Form of grant notice and terms and conditions for performance stock units granted in 2023 under the 2011 Long-Term Incentive Plan.
(iv)*	Form of grant notice and terms and conditions for stock options granted in 2022 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-K for the year ended December 31, 2021 (Commission File No. 001-13149).
(v)*	Form of grant notice and terms and conditions for restricted stock units granted in 2022 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2021 (Commission File No. 001-13149).

STRYKER CORPORATION 2022 FORM 10-K

(vi)*	Form of grant notice and terms and conditions for performance stock units granted in 2022 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(iii) to the Company's Form 10-K for the year ended December 31, 2021 (Commission File No. 001-13149).
(vii)*	Form of grant notice and terms and conditions for stock options granted in 2021 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-K for the year ended December 31, 2020 (Commission File No. 001-13149).
(viii)*	Form of grant notice and terms and conditions for restricted stock units granted in 2021 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2020 (Commission File No. 001-13149).
(ix)*	Form of grant notice and terms and conditions for performance stock units granted in 2021 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(iii) to the Company's Form 10-K for the year ended December 31, 2020 (Commission File No. 001-13149).
(x)*	Form of grant notice and terms and conditions for restricted stock units granted in 2022 under the 2011 Long-Term Incentive Plan to non-employee directors — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-Q for the quarterly period ended June 30, 2022 (Commission File No. 001-13149).
(xi)*	Form of grant notice and terms and conditions for restricted stock units granted in 2021 under the 2011 Long-Term Incentive Plan to non-employee directors — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-Q for the quarterly period ended June 30, 2021 (Commission File No. 001-13149).
(xii)*	Form of grant notice and terms and conditions for restricted stock units granted in 2020 under the 2011 Long-Term Incentive Plan to non-employee directors — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-Q for the quarterly period ended June 30, 2020 (Commission File No. 001-13149).
(xiii)*	2011 Long-Term Incentive Plan (as amended effective February 4, 2020) — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-K for the year ended December 31, 2019 (Commission File No. 001-13149).
(xiv)*	Form of grant notice and terms and conditions for stock options granted in 2020 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2019 (Commission File No. 001-13149).
(xv)*	Form of grant notice and terms and conditions for restricted stock units granted in 2020 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(iii) to the Company's Form 10-K for the year ended December 31, 2019 (Commission File No. 001-13149).
(xvi)*	Form of grant notice and terms and conditions for performance stock units granted in 2020 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(iv) to the Company's Form 10-K for the year ended December 31, 2019 (Commission File No. 001-13149).
(xvii)*	Form of terms and conditions for restricted stock units granted to non-employee directors in 2019 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(v) to the Company's Form 10-K for the year ended December 31, 2019 (Commission File No. 001-13149).
(xviii)*	Supplemental Savings and Retirement Plan (as amended effective January 1, 2008 and January 1, 2019) — Incorporated by reference to Exhibit 10(vi) to the Company's Form 10-K for the year ended December 31, 2019 (Commission File No. 001-13149).
(xix)*	Form of grant notice and terms and conditions for stock options granted in 2019 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2018 (Commission File No. 001-13149).
(xx)*	Form of grant notice and terms and conditions for restricted stock units granted in 2019 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(iii) to the Company's Form 10-K for the year ended December 31, 2018 (Commission File No. 001-13149).
(xxi)*	Form of grant notice and terms and conditions for performance stock units granted in 2019 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(iv) to the Company's Form 10-K for the year ended December 31, 2018 (Commission File No 001-13149).
(xxii)*	2006 Long-Term Incentive Plan (as amended effective February 7, 2017) — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2016 (Commission File No. 000-09165).
(xxiii)*	Form of grant notice and terms and conditions for stock options granted in 2018 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2017 (Commission File No. 000-09165).
(xxiv)*	Form of grant notice and terms and conditions for restricted stock units granted in 2018 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(iii) to the Company's Form 10-K for the year ended December 31, 2017 (Commission File No. 000-09165).
(xxv)*	Form of grant notice and terms and conditions for performance stock units granted in 2018 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(iv) to the Company's Form 10-K for the year ended December 31, 2017 (Commission File No. 000-09165).
(xxvi)*	Form of grant notice and terms and conditions for restricted stock units granted in 2018 under the 2011 Long-Term Incentive Plan to non-employee directors — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-Q for the quarterly period ended June 30, 2018 (Commission File No. 000-09165).
(xxvii)*	Stryker Corporation Executive Bonus Plan — Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K dated February 21, 2007 (Commission File No. 000-09165).
(xxviii)*	Letter Agreement between Stryker Corporation and Glenn Boehlein — Incorporated by reference to Exhibit 10.2 to the Company's Form 8-K dated January 26, 2016 (Commission File No. 000-09165).
(xxix)*	Letter Agreement between Stryker Corporation and Timothy J. Scannell — Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K dated August 18, 2021 (Commission File No. 001-13149).
(xxx)	Form of Indemnification Agreement for Directors — Incorporated by reference to Exhibit 10 (xiv) to the Company's Form 10-K for the year ended December 31, 2008 (Commission File No. 000-09165).

STRYKER CORPORATION 2022 FORM 10-K

(xxxix)	Form of Indemnification Agreement for Certain Officers—Incorporated by reference to Exhibit 10 (xv) to the Company's Form 10-K for the year ended December 31, 2008 (Commission File No. 000-09165).
(xxxii)	Settlement Agreement between Howmedica Osteonics Corp. and the counsel listed on the signature pages thereto, dated as of November 3, 2014 (Rejuvenate and ABF II Hip Implant Products Liability Litigation) — Incorporated by reference to Exhibit 10xxiii to the Company's Form 10-K for the year ended December 31, 2014 (Commission File No. 000-09165).
(xxxiii) †	Credit Agreement, dated as of August 19, 2016, among Stryker Corporation and certain subsidiaries, as designated borrowers; the lenders party thereto; and Bank of America, N.A., as administrative agent — Incorporated by reference to Exhibit 4.1 to the Company's 8-K dated August 23, 2016 (Commission File No. 000-09165).
(xxxiv)	Amendment No. 1, dated as of April 30, 2020, to Credit Agreement, dated as of August 19, 2016, among Stryker Corporation and certain of its subsidiaries, as designated borrowers; the lenders party thereto; and Bank of America, N.A., as administrative agent — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-Q for the quarterly period ended March 31, 2020 (Commission File No. 001-13149).
(xxxv)	Credit Agreement, dated as of April 30, 2020, among Stryker Corporation as borrower; the lenders party thereto; and Bank of America, N.A., as administrative agent — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-Q for the quarterly period ended March 31, 2020 (Commission File No. 001-13149).
(xxxvi)	Term Loan Agreement, dated as of November 10, 2020, among Stryker Corporation, as borrower, the lenders party thereto and Bank of America, N.A., as administrative agent — Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K dated November 13, 2020 (Commission File No. 001-13149).
(xxxvii)	Credit Agreement, dated as of October 26, 2021, among Stryker Corporation as borrower; the lenders party thereto; and Wells Fargo Bank, N.A., as administrative agent — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-Q for the quarterly period ended September 30, 2021 (Commission File No. 001-13149).
(xxxviii)	Term Loan Agreement, dated as of February 22, 2022, among Stryker Corporation, as borrower, the lenders party thereto and Wells Fargo Bank, National Association, as administrative agent — Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K dated February 25, 2022 (Commission File No. 001-13149).

Exhibit 21—	Subsidiaries of the registrant
(i) †	List of Subsidiaries.

Exhibit 23—	Consent of experts and counsel
(i) †	Consent of Independent Registered Public Accounting Firm.

Exhibit 31—	Rule 13a-14(a) Certifications
(i) †	Certification by Principal Executive Officer of Stryker Corporation.
(ii) †	Certification by Principal Financial Officer of Stryker Corporation.

Exhibit 32—	18 U.S.C. Section 1350 Certifications
(i) †	Certification by Principal Executive Officer of Stryker Corporation.
(ii) †	Certification by Principal Financial Officer of Stryker Corporation.

Exhibit 101—	iXBRL (Inline Extensible Business Reporting Language) Documents
101.INS	iXBRL Instance Document
101.SCH	iXBRL Schema Document
101.CAL	iXBRL Calculation Linkbase Document
101.DEF	iXBRL Definition Linkbase Document
101.LAB	iXBRL Label Linkbase Document
101.PRE	iXBRL Presentation Linkbase Document
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded within the Inline XBRL document)

* Compensation arrangement

† Furnished with this Form 10-K

^ Schedules have been omitted pursuant to Item 601(a)(5) of Regulation S-K. Stryker hereby agrees to furnish supplementally a copy of any omitted schedule upon request by the U.S. Securities and Exchange Commission.

ITEM 16. FORM 10-K SUMMARY.

None.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 10, 2023

STRYKER CORPORATION
/s/ GLENN S. BOEHNLEIN
Glenn S. Boehnlein
Vice President, Chief Financial Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on the date indicated above on behalf of the registrant and in the capacities indicated.

/s/ KEVIN A. LOBO
Kevin A. Lobo
Chair, Chief Executive Officer and President
(Principal Executive Officer)

/s/ GLENN S. BOEHNLEIN
Glenn S. Boehnlein
Vice President, Chief Financial Officer
(Principal Financial Officer)

/s/ WILLIAM E. BERRY JR.
William E. Berry, Jr.
Vice President, Chief Accounting Officer
(Principal Accounting Officer)

/s/ SHERILYN S. MCCOY
Sherilyn S. McCoy
Lead Independent Director

/s/ ANDREW K. SILVERNAIL
Andrew K. Silvernail
Director

/s/ MARY K. BRAINERD
Mary K. Brainerd
Director

/s/ LISA M. SKEETE TATUM
Lisa M. Skeete Tatum
Director

/s/ GIOVANNI CAFORIO
Giovanni Caforio, M.D.
Director

/s/ RONDA E. STRYKER
Ronda E. Stryker
Director

/s/ SRIKANT M. DATAR
Srikant M. Datar, Ph.D.
Director

/s/ RAJEEV SURI
Rajeev Suri
Director

/s/ ALLAN C. GOLSTON
Allan C. Golston
Director

Bylaws
of
STRYKER CORPORATION
a Michigan corporation (the "Corporation")
(As amended through November 1, 2022)

Article 1

Registered office; Registered agent

Section 1.1. Address of Registered Office; Name of Registered Agent. The address of the registered office of the Corporation in the State of Michigan and the name of the registered agent at such address shall be as specified in the most recent statement filed pursuant to the Michigan Business Corporation Act (the "MBCA"). The Corporation may also have other offices at such places within or without the State of Michigan as the Board of Directors may from time to time designate or the business of the Corporation may require.

Section 1.2. Change of Registered Office or Registered Agent. The address of the Corporation's registered office in the State of Michigan or the designation of the registered agent may be changed upon filing of a statement in the manner permitted by the MBCA.

Article II

Meetings of shareholders

Section 2.1. Annual Meeting. The annual meeting of the shareholders of the Corporation for the election of directors and for the transaction of such other business as may properly come before the meeting shall be held at such place as the Board of Directors may determine at 2 o'clock p.m. on the third Monday in April of each year or on such other date or at such other time as the Board of Directors may determine.

Section 2.2. Nature of Business at Meetings of Shareholders. No business (other than nominations for election to the Board of Directors, which must comply with the provisions of Section 2.3 hereof) may be transacted at an annual meeting of shareholders other than business that is either (a) specified in the notice of meeting (or any supplement thereto) given at the direction of the Board of Directors (or any duly authorized committee thereof), (b) otherwise properly brought before the annual meeting at the direction of the Board of Directors (or any duly authorized committee thereof), or (c) otherwise properly brought before the annual meeting by any shareholder of the Corporation who (i) is a shareholder of record on the date of the giving of the notice provided for in this Section 2.2 and on the record date for the determination of shareholders entitled to notice of and to vote at such annual meeting and (ii) complies with the notice procedures set forth in this Section 2.2.

For business to be properly brought before an annual meeting by a shareholder, such shareholder must have given timely notice thereof in proper written form to the Secretary. To be timely, a shareholder's notice to the Secretary must be received at the principal executive offices of the Corporation not less than ninety (90) days nor more than one hundred twenty (120) days prior to the anniversary date of the immediately preceding annual meeting of shareholders; provided, however, that in the event that the annual meeting is called for a date that is not within twenty-five (25) days before or after such

anniversary date, notice by the shareholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which public disclosure of the date of the annual meeting was made. In no event shall the adjournment or postponement of an annual meeting, or the public announcement of such an adjournment or postponement, commence a new time period (or extend any time period) for the giving of a shareholder's notice as described above.

To be in proper written form, a shareholder's notice to the Secretary must set forth as to each matter such shareholder proposes to bring before the annual meeting a brief description of the business desired to be brought before the annual meeting and the proposed text of any proposal regarding such business (including the text of any resolutions proposed for consideration and, if such business includes a proposal to amend these Bylaws, the text of the proposed amendment), and the reasons for conducting such business at the annual meeting, and as to the shareholder giving the notice and any "Shareholder Associated Person" (which for purposes of these Bylaws shall mean (a) any person acting in concert, directly or indirectly, with such shareholder and (b) any person controlling, controlled by or under common control with such shareholder or any Shareholder Associated Person), (i) the name and record address of such person, (ii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such person, (iii) the nominee holder for, and number of, shares owned beneficially but not of record by such person, (iv) whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement or understanding (including any derivative or short positions, profit interests, options or borrowed or loaned shares) has been made, the effect or intent of which is to mitigate loss to or manage risk or benefit of share price changes for, or to increase or decrease the voting power or pecuniary or economic interest of, such person with respect to any share of stock of the Corporation, (v) to the extent known by the shareholder giving the notice, the name and address of any other shareholder supporting the proposal of business on the date of such shareholder's notice, (vi) a description of all arrangements or understandings between or among such persons in connection with (A) the Corporation or (B) the proposal of such business by such shareholder and any material interest in such business, (vii) a representation that the shareholder giving the notice intends to appear in person or by proxy at the annual meeting to bring such business before the meeting and (viii) any other information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with the solicitation of proxies with respect to the proposed business to be brought before the annual meeting pursuant to Section 14 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations promulgated thereunder. A shareholder providing notice of business proposed to be brought before an annual meeting shall further update and supplement such notice, if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.2 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of and to vote at the annual meeting and such update and supplement must be received by the Secretary at the principal executive offices of the Corporation not later than five (5) business days following the later of the record date for the determination of shareholders entitled to receive notice of and to vote at the annual meeting and the date notice of the record date is first publicly disclosed.

No business shall be conducted at a special meeting of shareholders except for such business as shall have been brought before the meeting pursuant to the Corporation's notice of meeting. If the chair of an annual or special meeting determines that business was not properly brought before the meeting in accordance with the procedures set forth in this Section 2.2 (including the provision of the information required pursuant to the immediately preceding paragraph), the chair shall declare to the meeting that the business was not properly brought before the meeting and such business shall not be transacted.

Nothing contained in this Section 2.2 shall be deemed to affect any rights of shareholders to request inclusion of proposals in the Corporation's proxy statement pursuant to Rule 14a-8 under the Exchange Act (or any successor provision of law).

Section 2.3. Nomination of Directors. Only persons who are nominated in accordance with the following procedures shall be eligible for election as directors of the Corporation, except as may be otherwise provided in the Articles of Incorporation with respect to the right of holders of preferred stock of the Corporation to nominate and elect a specified number of directors in certain circumstances. Nominations of persons for election to the Board of Directors may be made at any annual meeting of shareholders, or at any special meeting of shareholders called for the purpose of electing directors, (a) at the direction of the Board of Directors (or any duly authorized committee thereof), (b) by any shareholder of the Corporation who (i) is a shareholder of record on the date of the giving of the notice

provided for in this Section 2.3 and on the record date for the determination of shareholders entitled to vote at such meeting and (ii) complies with (A) the notice procedures set forth in this Section 2.3 and (B) the applicable requirements of Rule 14a-19 under the Exchange Act or (c) in the case of an annual meeting, by any Eligible Shareholder (as defined in Section 2.13) who complies with the procedures set forth in Section 2.13 hereof.

For a nomination to be made by a shareholder pursuant to clause (b) of the first paragraph of this Section 2.3, such shareholder must have given timely notice thereof in proper written form to the Secretary. To be timely, a shareholder's notice to the Secretary must be received at the principal executive offices of the Corporation (a) in the case of an annual meeting, not less than ninety (90) days nor more than one hundred twenty (120) days prior to the anniversary date of the immediately preceding annual meeting of shareholders; provided, however, that in the event that the annual meeting is called for a date that is not within twenty-five (25) days before or after such anniversary date, notice by the shareholder in order to be timely must be so received not later than the close of business on the tenth (10th) day following the day on which public disclosure of the date of the annual meeting was made; and (b) in the case of a special meeting of shareholders called for the purpose of electing directors, not later than the close of business on the tenth (10th) day following the day on which public disclosure of the date of the special meeting was made. In no event shall the adjournment or postponement of an annual meeting or a special meeting of shareholders called for the purpose of electing directors, or the public announcement of such an adjournment or postponement, commence a new time period (or extend any time period) for the giving of a shareholder's notice as described above.

To be in proper written form, a shareholder's notice to the Secretary must set forth as to each person whom the shareholder proposes to nominate for election as a director and as to the shareholder giving the notice and any Shareholder Associated Person (i) all information relating to such person that would be required to be disclosed in a proxy statement or other filings required to be made in connection with the solicitation of proxies for election of directors pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder, (ii) the name and record address of such person, (iii) the class or series and number of shares of capital stock of the Corporation which are owned beneficially or of record by such person, (iv) the nominee holder for, and number of, shares owned beneficially but not of record by such person, (v) whether and the extent to which any hedging or other transaction or series of transactions has been entered into by or on behalf of, or any other agreement, arrangement or understanding (including any derivative or short positions, profit interests, options or borrowed or loaned shares) has been made, the effect or intent of which is to mitigate the loss to or manage risk or benefit of share price changes for, or to increase or decrease the voting power or pecuniary or economic interest of, such person with respect to any share of stock of the Corporation, (vi) to the extent known by the shareholder giving the notice, the name and address of any other shareholder supporting the nominee for election or reelection as a director on the date of such shareholder's notice, (vii) a description of all arrangements or understandings between or among such persons pursuant to which the nomination(s) are to be made by the shareholder, any material interest of such person in the nomination(s), including any anticipated benefit therefrom to such person, and any relationship between or among the shareholder giving notice and any Shareholder Associated Person, on the one hand, and each proposed nominee, on the other hand, (viii) a representation that the shareholder intends to appear in person or by proxy at the meeting to nominate the persons named in its notice and (ix) all other information required by Rule 14a-19 under the Exchange Act. Such notice must be accompanied by a written consent of each proposed nominee to being named as a nominee in any proxy statement relating to the annual meeting or special meeting of shareholders, as applicable, and to serve as a director if elected and the completed and signed written representation and agreement (executed by the proposed nominee) required pursuant to Section 3.3 hereof. A shareholder providing notice of any nomination proposed to be made at an annual meeting or special meeting of shareholders called for the purpose of electing directors shall further update and supplement such notice (i) if necessary, so that the information provided or required to be provided in such notice pursuant to this Section 2.3 shall be true and correct as of the record date for determining the shareholders entitled to receive notice of and to vote at such annual meeting or special meeting, and such update and supplement must be received by the Secretary at the principal executive offices of the Corporation not later than five (5) business days following the later of the record date for the determination of shareholders entitled to receive notice of and to vote at the annual meeting or special meeting and the date notice of the record date is first publicly disclosed and (ii) to provide evidence that the shareholder providing the notice has solicited proxies from holders representing at least 67% of the voting power of the shares entitled to vote in the election of directors, and such update and supplement must be received by the Secretary at the principal executive offices of the Corporation not later than five (5) business days after the shareholder files a

definitive proxy statement in connection with the annual meeting or special meeting. The Corporation may require any proposed nominee to furnish such other information as may reasonably be required by the Corporation to determine the eligibility of such proposed nominee to serve as an independent director of the Corporation or that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such nominee.

If the chair of the meeting determines that a nomination was not made in accordance with the foregoing procedures (including the provision of the information required pursuant to the immediately preceding paragraph), or that the solicitation in support of such nominee was not conducted in compliance with Rule 14a-19 under the Exchange Act, the chair shall declare to the meeting that the nomination was defective and such defective nomination shall be disregarded.

Section 2.4. Special Meetings.

(a) Special meetings of shareholders may be called at any time by the Chair of the Board, the Chief Executive Officer, the President, or by order of the Board of Directors. A special meeting shall be called by the Chief Executive Officer in accordance with Section 2.4(b). Subject to Section 2.4(b), special meetings of shareholders shall be held at such place and on such date and at such time as shall be designated in the notice of meeting.

(b) Subject to the provisions of this Section 2.4(b) and all other applicable sections of these Bylaws, a special meeting shall be called by the Chief Executive Officer upon written request (a "Special Meeting Request") of one or more record holders of shares of common stock of the Corporation representing not less than twenty-five percent (25%) of the Corporation's issued and outstanding shares of common stock (the "Requisite Percentage"). The Board of Directors shall determine in good faith whether all requirements set forth in this Section 2.4(b) have been satisfied and such determination shall be binding on the Corporation and its shareholders.

(i) A Special Meeting Request must be delivered to the attention of the Secretary at the principal executive offices of the Corporation. A Special Meeting Request shall be valid only if it is signed and dated by each shareholder of record submitting the Special Meeting Request, or such shareholder's duly authorized agent (each, a "Requesting Shareholder"), collectively representing the Requisite Percentage, and includes (A) a statement of the specific purpose(s) of the special meeting and the reasons for conducting such business at the special meeting; (B) as to any director nominations proposed to be presented at the special meeting, and any matter (other than a director nomination) proposed to be conducted at the special meeting, and as to each Requesting Shareholder, the information, statements, representations, agreements and other documents that would be required to be set forth in or included with a shareholder's notice of a nomination pursuant to Section 2.3 and/or a shareholder's notice of business proposed to be brought before a meeting pursuant to Section 2.2, as applicable; (C) a representation that each Requesting Shareholder, or one or more representatives of each such shareholder, intends to appear in person or by proxy at the special meeting to present the proposal(s) or business to be brought before the special meeting; (D) an agreement by each Requesting Shareholder to notify the Corporation promptly in the event of any disposition prior to the record date for the special meeting of shares of common stock of the Corporation owned of record and an acknowledgement that any such disposition shall be deemed to be a revocation of such Special Meeting Request with respect to such disposed shares; (E) the number of shares of common stock owned of record by each such Requesting Shareholder; and (F) documentary evidence that the Requesting Shareholders in the aggregate own the Requisite Percentage as of the date on which the Special Meeting Request is delivered to the Secretary. In addition, the Requesting Shareholders shall (x) further update and supplement the information provided in the Special Meeting Request, if necessary, so that all information provided or required to be provided therein shall be true and correct as of the record date for the special meeting, and such update and supplement (or a written certification that no such updates or supplements are necessary and that the information previously provided remains true and correct as of the record date) shall be delivered to or be mailed and received by the Secretary at the principal executive offices of the Corporation not later than five (5) business days following the later of the record date for the special meeting and the date notice of the record date is first publicly disclosed and (y) promptly provide any other information reasonably requested by the Corporation.

(ii) A Special Meeting Request shall not be valid, and a special meeting requested by shareholders shall not be held, if (A) the Special Meeting Request does not comply with this Section 2.4(b); (B) the Special Meeting Request relates to an item of business that is not a proper subject for

shareholder action under applicable law (as determined in good faith by the Board of Directors); (C) the Special Meeting Request is delivered during the period commencing one hundred twenty (120) days prior to the first anniversary of the date of the immediately preceding annual meeting and ending on the earlier of (x) the date of the next annual meeting and (y) thirty (30) days after the first anniversary of the date of the previous annual meeting; (D) an identical or substantially similar item (as determined in good faith by the Board of Directors, a "Similar Item"), other than the election of directors, was presented at an annual meeting or special meeting held not more than twelve (12) months before the Special Meeting Request is delivered; (E) a Similar Item was presented at an annual meeting or special meeting held not more than one hundred twenty (120) days before the Special Meeting Request is delivered (and, for purposes of this clause (E), the election of directors shall be deemed to be a "Similar Item" with respect to all items of business involving the election or removal of directors, changing the size of the Board of Directors and the filling of vacancies and/or newly created directorships resulting from any increase in the authorized number of directors); (F) a Similar Item is included in the Corporation's notice of meeting as an item of business to be brought before an annual meeting or special meeting that has been called but not yet held or that is called for a date within one hundred twenty (120) days of the receipt by the Corporation of a Special Meeting Request; or (G) the Special Meeting Request was made in a manner that involved a violation of Regulation 14A under the Exchange Act, or other applicable law.

(iii) Special meetings called pursuant to this Section 2.4(b) shall be held at such place, on such date, and at such time as the Board of Directors shall fix; provided, however, that the special meeting shall not be held more than one hundred twenty (120) days after receipt by the corporation of a valid Special Meeting Request.

(iv) The Requesting Shareholders may revoke a Special Meeting Request by written revocation delivered to the Secretary at the principal executive offices of the Corporation at any time prior to the special meeting. If, at any point following the earliest dated Special Meeting Request, the unrevoked requests from Requesting Shareholders (whether by specific written revocation or deemed revocation pursuant to clause (D) of Section 2.4(b)(i)), represent in the aggregate less than the Requisite Percentage, the Board of Directors, in its discretion, may cancel the special meeting.

(v) In determining whether a special meeting has been requested by the Requesting Shareholders representing in the aggregate at the least the Requisite Percentage, multiple Special Meeting Requests delivered to the Secretary will be considered together only if (A) each Special Meeting Request identifies substantially the same purpose or purposes of the special meeting and substantially the same matters proposed to be acted on at the special meeting, in each case as determined by the Board of Directors (which, if such purpose is the election or removal of directors, changing the size of the Board of Directors and/or the filling of vacancies and/or newly created directorships resulting from any increase in the authorized number of directors, will mean that the exact same person or persons are proposed for election or removal in each relevant Shareholder Meeting Request), and (B) such Special Meeting Requests have been dated and delivered to the Secretary within sixty (60) days of the earliest dated Special Meeting Request.

(vi) If none of the Requesting Shareholders appear or send a duly authorized agent to present the business to be presented for consideration specified in the Special Meeting Request, the Corporation need not present such business for a vote at the special meeting, notwithstanding that proxies in respect of such matter may have been received by the Corporation.

(vii) Business transacted at any special meeting called pursuant to this Section 2.4(b) shall be limited to (A) the purpose(s) stated in the valid Special Meeting Request received from the Requisite Percentage of record holders, and (B) any additional matters that the Board of Directors determines to include in the Corporation's notice of the special meeting.

Section 2.5. Notice of Meetings. Written notice of each annual and special meeting of shareholders, stating the time, place and purposes thereof, shall be given not less than ten (10) or more than sixty (60) days before the date of such meeting to each shareholder of record entitled to vote at the meeting. Such notice may be given personally, by mail or by a form of electronic transmission to which the shareholder has consented. If a shareholder or proxy holder may be present and vote at a meeting by remote communication, the means of remote communication allowed shall be included in the notice of the meeting.

Section 2.6. Participation by Remote Communication. If authorized by the Board of Directors in its sole discretion, and subject to such guidelines and procedures as the Board of Directors may adopt, shareholders and proxy holders not physically present at a meeting of shareholders may participate in a meeting of shareholders by conference telephone or other means of remote communication through which all persons participating in the meeting may communicate with the other participants and shall be considered present in person and may vote at the meeting, whether such meeting is held at a designated place or solely by means of remote communication, provided that (a) the Corporation implements reasonable measures to verify that each person considered present and permitted to vote at the meeting by means of remote communication is a shareholder or proxy holder; (b) the Corporation implements reasonable measures to provide each shareholder and proxy holder a reasonable opportunity to participate in the meeting and to vote on matters submitted to the shareholders, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with such proceedings; (c) if any shareholder or proxy holder votes or takes other action at the meeting by means of remote communication, a record of the vote or other action shall be maintained by the Corporation; and (d) all participants are advised of the means of remote communication and the names of the participants in the meeting are divulged to all participants.

Section 2.7. List of Shareholders Entitled to Vote. The officer or agent who has charge of the stock transfer books of the Corporation shall make and certify a complete list, based upon the record date for a meeting of shareholders determined pursuant to Section 5.8 hereof, of the shareholders entitled to vote at such meeting or any adjournment thereof, arranged alphabetically within each class and series, with the address of and the number of shares held by each shareholder. Such list shall be produced at the time and place of the meeting and may be inspected by any shareholder during the entire meeting. If a meeting of shareholders is held solely by means of remote communication, then the list shall be open to the examination of any shareholder during the entire meeting by posting the list on a reasonably accessible electronic network and the information required to access the list shall be provided with the notice of the meeting.

Such list shall be prima facie evidence as to who are the shareholders entitled to examine the list or to vote in person or by proxy at the meeting.

Section 2.8. Adjourned Meetings and Notice Thereof. Any meeting of shareholders may be adjourned to another time or place, and the Corporation may transact at any adjourned meeting only business that could have been transacted at the original meeting unless notice of the adjourned meeting is given. Notice need not be given of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken, unless after the adjournment the Board of Directors fixes a new record date for the adjourned meeting. If notice of an adjourned meeting is given, such notice shall be given to each shareholder of record entitled to vote at the adjourned meeting in the manner prescribed in these Bylaws for the giving of notice of meetings. A shareholder or proxy holder may be present and vote at the adjourned meeting by means of a remote communication if he or she was permitted to be present and vote by that means of remote communication in the original meeting notice.

Section 2.9. Quorum. At any meeting of shareholders, except as otherwise provided in the MBCA, the holders of record of shares entitled to cast a majority of the votes at a meeting constitute a quorum at the meeting. The shareholders present in person or by proxy at such meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum. Whether or not a quorum is present, the meeting may be adjourned by a vote of the shares present. When the holders of a class or series of shares are entitled to vote separately on an item of business, this Section 2.9 applies in determining the presence of a quorum of such class or series for transaction of the item of business.

Section 2.10. Voting; Proxies. At any meeting of shareholders each outstanding share of stock having voting power shall be entitled to one vote on each matter submitted to vote at such meeting, unless otherwise provided in the Articles of Incorporation. A vote may be cast either orally or in writing and otherwise as provided in these Bylaws. If an action other than the election of directors is to be taken by vote of the shareholders, it shall be authorized by a majority of the votes cast by the holders of shares entitled to vote on the action, unless a greater vote is required by the MBCA. Abstaining from a vote or submitting a ballot marked "abstain" with respect to an action is not a vote cast on that action. Except as otherwise provided in the Articles of Incorporation, directors shall be elected by a plurality of the votes cast at an election.

Each shareholder entitled to vote at a meeting of shareholders may authorize another person or persons to act for him or her by proxy. Without limiting the manner in which a shareholder may authorize another person or persons to act for him or her as proxy, the following methods constitute a valid means by which a shareholder may grant authority to another person to act as proxy: (a) the execution of a writing authorizing another person or persons to act for the shareholder as proxy, which may be accomplished by the shareholder or by an authorized officer, director, employee, or agent signing the writing or causing his or her signature to be affixed to the writing by any reasonable means including, but not limited to, facsimile signature; and (b) transmitting or authorizing the transmission of a telegram, cablegram or other means of electronic transmission to the person who will hold the proxy or to a proxy solicitation firm, proxy support service organization or similar agent fully authorized by the person who will hold the proxy to receive that transmission. Any telegram, cablegram or other means of electronic transmission must either set forth or be submitted with information from which it can be determined that the telegram, cablegram or other electronic transmission was authorized by the shareholder. If a telegram, cablegram or other electronic transmission is determined to be valid, the inspectors of election, or, if there are no inspectors, the persons making the determination shall specify the information upon which they relied. No proxy shall be voted or acted upon after three (3) years from its date, unless the proxy provides for a longer period. The authority of the holder of a proxy to act is not revoked by the incompetence or death of the shareholder who executed the proxy unless, before the authority is exercised, written notice of an adjudication of the incompetence or death is received by the officer or agent responsible for maintaining the list of shareholders. A shareholder whose shares are pledged shall be entitled to vote the shares until the shares have been transferred into the name of the pledgee or a nominee of the pledgee. A person holding shares in a representative or fiduciary capacity may vote such shares without a transfer of such shares into such person's name.

In advance of any meeting of shareholders, the Board of Directors may appoint any persons, other than nominees for office, as inspectors of election to act at such meeting or any adjournment thereof. The number of inspectors shall be either one or three. If the Board of Directors so appoints either one or three inspectors, that appointment shall not be altered at the meeting. If inspectors of election are not so appointed, the Chair of the Board, or, in the absence of the Chair of the Board, the Chief Executive Officer or, in the absence of both the Chair and Chief Executive Officer, the President may make such appointment at the meeting. Unless otherwise prescribed by applicable law, the duties of such inspectors shall include: determining the number of shares of stock and the voting power of each share, the shares of stock represented at the meeting, the existence of a quorum, the authenticity, validity and effect of proxies; receiving votes, ballots or consents; hearing and determining all challenges and questions in any way arising in connection with the right to vote; counting and tabulating all votes or consents; determining the result; and such acts as may be proper to conduct the election or vote with fairness to all shareholders.

Section 2.11. Fixing of Record Dates. The Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) nor less than ten (10) days before the date of any meeting of shareholders, nor more than sixty (60) days prior to any other action, for the purpose of determining shareholders entitled to notice of and to vote at such meeting of shareholders or any adjournment thereof, or to express consent or dissent from a proposal without a meeting, or to receive payment or any dividend or allotment of any rights or for the purpose of any other action.

If no record date is fixed by the Board of Directors, the record date for the determination of shareholders entitled to notice of or to vote at a meeting of shareholders shall be the close of business on the day next preceding the day on which notice is given, or if no notice is given, the day next preceding the day on which the meeting is held, and the record date for determining shareholders for any other purpose shall be the close of business on the day on which the Board of Directors adopts the resolution relating thereto. A determination of shareholders of record entitled to notice of or to vote at a meeting of shareholders shall apply to any adjournment of the meeting, unless the Board of Directors fixes a new record date for the adjourned meeting.

Section 2.12. Conduct of Meetings. At each meeting of shareholders, the Chair of the Board or, in the absence of the Chair of the Board, the Chief Executive Officer or, in the absence of both the Chair and Chief Executive Officer, the President or such other person designated by the Board of Directors shall preside and act as the chair of the meeting. The chair shall determine the order of business, may adjourn any meeting from time to time and shall have the authority to establish rules for the conduct of the meeting, which may include, without limitation, the following: (i) the establishment of an agenda or order of business for the meeting; (ii) the determination of when the polls shall open and close for any

given matter to be voted on at the meeting; (iii) rules and procedures for maintaining order at the meeting and the safety of those present; (iv) limitations on attendance at or participation in the meeting to shareholders of record of the Corporation, their duly authorized and constituted proxies or such other persons as the chair of the meeting shall determine; (v) restrictions on entry to the meeting after the time fixed for the commencement thereof; and (vi) limitations on the time allotted to questions or comments by participants.

Section 2.13. Proxy Access for Director Nominations.

(a) Whenever the Board of Directors solicits proxies with respect to the election of directors at an annual meeting of shareholders, subject to the provisions of this Section 2.13, the Corporation shall include in its proxy statement for such annual meeting, in addition to any persons nominated for election by or at the direction of the Board of Directors (or any duly authorized committee thereof), the name, together with the Required Information (as defined below), of any person nominated for election to the Board of Directors by an Eligible Shareholder pursuant to and in accordance with this Section 2.13 (a "Shareholder Nominee"). For purposes of this Section 2.13, the "Required Information" that the Corporation will include in its proxy statement is (i) the information provided to the Secretary concerning the Shareholder Nominee and the Eligible Shareholder that is required to be disclosed in the Corporation's proxy statement pursuant to Section 14 of the Exchange Act and the rules and regulations promulgated thereunder and (ii) if the Eligible Shareholder so elects, a Supporting Statement (as defined in Section 2.13(h)). For the avoidance of doubt, nothing in this Section 2.13 shall limit the Corporation's ability to solicit against any Shareholder Nominee or include in its proxy materials the Corporation's own statements or other information relating to any Eligible Shareholder or Shareholder Nominee, including any information provided to the Corporation pursuant to this Section 2.13. Subject to the provisions of this Section 2.13, the name of any Shareholder Nominee included in the Corporation's proxy statement for an annual meeting of shareholders shall also be set forth on the form of proxy distributed by the Corporation in connection with such annual meeting.

(b) In addition to any other applicable requirements, for a nomination to be made by an Eligible Shareholder pursuant to this Section 2.13, the Eligible Shareholder must have given timely notice thereof (a "Notice of Proxy Access Nomination") in proper written form to the Secretary and must expressly request in the Notice of Proxy Access Nomination to have such nominee included in the Corporation's proxy materials pursuant to this Section 2.13. To be timely, a Notice of Proxy Access Nomination must be received by the Secretary at the principal executive offices of the Corporation not less than one hundred twenty (120) days nor more than one hundred fifty (150) days prior to the anniversary of the date that the Corporation first distributed its proxy statement to shareholders for the immediately preceding annual meeting of shareholders; provided, however, that in the event that no annual meeting was held in the previous year or if the date of the annual meeting is more than thirty (30) days before or more than sixty (60) days after such anniversary date, to be timely, the Notice of Proxy Access Nomination must be received by the Secretary at the principal executive offices of the Corporation not more than one hundred sixty-five (165) days prior to the date of such annual meeting and not later than the close of business on the later of (x) the one hundred thirty-fifth (135th) day prior to the date of such annual meeting or (v) the tenth (10th) day following the day on which public disclosure of the date of the annual meeting was made. In no event shall the adjournment or postponement of an annual meeting, or the public disclosure of such an adjournment or postponement, commence a new time period (or extend any time period) for the giving of a Notice of Proxy Access Nomination pursuant to this Section 2.13.

(c) The maximum number of Shareholder Nominees nominated by all Eligible Shareholders that will be included in the Corporation's proxy materials with respect to an annual meeting of shareholders shall not exceed the greater of (i) two (2) or (ii) twenty percent (20%) of the number of directors in office as of the last day on which a Notice of Proxy Access Nomination may be delivered pursuant to and in accordance with this Section 2.13 (the "Final Proxy Access Nomination Date") or, if such amount is not a whole number, the closest whole number below twenty percent (20%) (such greater number, as it may be adjusted pursuant to this Section 2.13(c), the "Permitted Number"). In the event that one or more vacancies for any reason occurs on the Board of Directors after the Final Proxy Access Nomination Date but before the date of the annual meeting and the Board of Directors resolves to reduce the size of the Board of Directors in connection therewith, the Permitted Number shall be calculated based on the number of directors in office as so reduced. In addition, the Permitted Number shall be reduced by (i) the number of individuals who will be included in the Corporation's proxy materials as nominees recommended by the Board of Directors pursuant to an agreement, arrangement or understanding with

a shareholder or group of shareholders (other than any such agreement, arrangement or understanding entered into in connection with an acquisition of stock from the Corporation by such shareholder or group of shareholders) and (ii) the number of directors in office as of the Final Proxy Access Nomination Date who were included in the Corporation's proxy materials as Shareholder Nominees for any of the two (2) preceding annual meetings of shareholders (including any persons counted as Shareholder Nominees pursuant to the immediately succeeding sentence) and whose re-election at the upcoming annual meeting is being recommended by the Board of Directors. For purposes of determining when the Permitted Number has been reached, any individual nominated by an Eligible Shareholder for inclusion in the Corporation's proxy materials pursuant to this Section 2.13 whose nomination is subsequently withdrawn or whom the Board of Directors decides to nominate for election to the Board of Directors shall be counted as one of the Shareholder Nominees. Any Eligible Shareholder submitting more than one Shareholder Nominee for inclusion in the Corporation's proxy materials pursuant to this Section 2.13 shall rank such Shareholder Nominees based on the order in which the Eligible Shareholder desires such Shareholder Nominees to be selected for inclusion in the Corporation's proxy materials in the event that the total number of Shareholder Nominees submitted by Eligible Shareholders pursuant to this Section 2.13 exceeds the Permitted Number. In the event that the number of Shareholder Nominees submitted by Eligible Shareholders pursuant to this Section 2.13 exceeds the Permitted Number, the highest ranking Shareholder Nominee who meets the requirements of this Section 2.13 from each Eligible Shareholder will be selected for inclusion in the Corporation's proxy materials until the Permitted Number is reached, going in order of the amount (largest to smallest) of shares of common stock of the Corporation each Eligible Shareholder disclosed as Owned in its Notice of Proxy Access Nomination. If the Permitted Number is not reached after the highest ranking Shareholder Nominee who meets the requirements of this Section 2.13 from each Eligible Shareholder has been selected, then the next highest ranking Shareholder Nominee who meets the requirements of this Section 2.13 from each Eligible Shareholder will be selected for inclusion in the Corporation's proxy materials, and this process will continue as many times as necessary, following the same order each time, until the Permitted Number is reached. Notwithstanding anything to the contrary contained in this Section 2.13, the Corporation shall not be required to include any Shareholder Nominees in its proxy materials pursuant to this Section 2.13 for any meeting of shareholders for which the Secretary receives a notice (whether or not subsequently withdrawn) that a shareholder intends to nominate one or more persons for election to the Board of Directors pursuant to clause (b) of the first paragraph of Section 2.3 hereof.

(d) An "Eligible Shareholder" is a shareholder or group of no more than twenty (20) shareholders (counting as one shareholder, for this purpose, any two (2) or more funds that are part of the same Qualifying Fund Group (as defined below)) that (i) has Owned (as defined in Section 2.13(e)) continuously for at least three (3) years (the "Minimum Holding Period") a number of shares of common stock of the Corporation equal to no less than the Required Shares (as defined below), (ii) continues to Own the Required Shares through the date of the annual meeting and (iii) meets all other requirements of this Section 2.13. "Required Shares" means a number of shares of common stock of the Corporation that represents at least three percent (3%) of the outstanding shares of common stock of the Corporation as of the date the Notice of Proxy Access Nomination is received at the principal executive offices of the Corporation in accordance with this Section 2.13. A "Qualifying Fund Group" means two (2) or more funds that are (i) under common management and investment control, (ii) under common management and funded primarily by the same employer or (iii) a "group of investment companies" as such term is defined in Section 12(d)(1)(G)(ii) of the Investment Company Act of 1940, as amended. Whenever the Eligible Shareholder consists of a group of shareholders (including a group of funds that are part of the same Qualifying Fund Group), (i) each provision in this Section 2.13 that requires the Eligible Shareholder to provide any written statements, representations, undertakings, agreements or other instruments or to meet any other conditions shall be deemed to require each shareholder (including each individual fund) that is a member of such group to provide such statements, representations, undertakings, agreements or other instruments and to meet such other conditions (except that the members of such group may aggregate the shares that each member has Owned continuously throughout the Minimum Holding Period in order to meet the three percent (3%) Ownership requirement of the "Required Shares" definition) and (ii) a breach of any obligation, agreement or representation under this Section 2.13 by any member of such group shall be deemed a breach by the Eligible Shareholder. No shareholder may be a member of more than one group of shareholders constituting an Eligible Shareholder with respect to any annual meeting.

(e) For purposes of this Section 2.13, a shareholder shall be deemed to "Own" and have "Ownership" of only those outstanding shares of common stock of the Corporation as to which the shareholder possesses both (i) the full voting and investment rights pertaining to the shares and (ii) the full

economic interest in (including the opportunity for profit from and risk of loss on) such shares; provided that the number of shares calculated in accordance with clauses (i) and (ii) shall not include any shares (A) sold by such shareholder or any of its affiliates in any transaction that has not been settled or closed, (B) borrowed by such shareholder or any of its affiliates for any purposes or purchased by such shareholder or any of its affiliates pursuant to an agreement to resell, or (C) subject to any option, warrant, forward contract, swap, contract of sale, or other derivative or similar instrument or agreement entered into by such shareholder or any of its affiliates, whether any such instrument or agreement is to be settled with shares or with cash based on the notional amount or value of shares of outstanding common stock of the Corporation, in any such case which instrument or agreement has, or is intended to have, the purpose or effect of (1) reducing in any manner, to any extent or at any time in the future, such shareholder's or its affiliates' full right to vote or direct the voting of any such shares and/or (2) hedging, offsetting or altering to any degree any gain or loss realized or realizable from maintaining the full economic ownership of such shares by such shareholder or affiliate. A shareholder shall "Own" shares held in the name of a nominee or other intermediary so long as the shareholder retains the right to instruct how the shares are voted with respect to the election of directors and possesses the full economic interest in the shares. A shareholder's Ownership of shares shall be deemed to continue during any period in which (x) the shareholder has loaned such shares, provided that the shareholder has the power to recall such loaned shares on five (5) business days' notice and includes in the Notice of Proxy Access Nomination an agreement that it (A) will promptly recall such loaned shares upon being notified that any of its Shareholder Nominees will be included in the Corporation's proxy materials and (B) will continue to hold such recalled shares through the date of the annual meeting or (y) the shareholder has delegated any voting power by means of a proxy, power of attorney or other instrument or arrangement which is revocable at any time by the shareholder. The terms "Owned," "Owning" and other variations of the word "Own" shall have correlative meanings. Whether outstanding shares of common stock of the Corporation are "Owned" for these purposes shall be decided by the Board of Directors.

(f) To be in proper written form, a Notice of Proxy Access Nomination must set forth or be accompanied by the following:

- (i) a statement by the Eligible Shareholder (A) setting forth and certifying as to the number of shares it Owns and has Owned continuously throughout the Minimum Holding Period, (B) agreeing to continue to Own the Required Shares through the date of annual meeting and (C) indicating whether it intends to continue to own the Required Shares for at least one year following the annual meeting;
 - (ii) one or more written statements from the record holder of the Required Shares (and from each intermediary through which the Required Shares are or have been held during the Minimum Holding Period) verifying that, as of a date within seven (7) calendar days prior to the date the Notice of Proxy Access Nomination is received at the principal executive offices of the Corporation, the Eligible Shareholder Owns, and has Owned continuously throughout the Minimum Holding Period, the Required Shares, and the Eligible Shareholder's agreement to provide, within five (5) business days following the later of the record date for the determination of shareholders entitled to receive notice of and to vote at the annual meeting and the date notice of the record date is first publicly disclosed, one or more written statements from the record holder and such intermediaries verifying the Eligible Shareholder's continuous Ownership of the Required Shares through the record date;
 - (iii) a copy of the Schedule 14N that has been or is concurrently being filed with the Securities and Exchange Commission as required by Rule 14a-18 under the Exchange Act;
 - (iv) the information, representations, agreements and other documents that would be required to be set forth in or included with a shareholder's notice of nomination made pursuant to clause (b) of the first paragraph of Section 2.3 hereof;
 - (v) a representation that the Eligible Shareholder (A) did not acquire, and is not holding, any securities of the Corporation for the purpose or with the intent of changing or influencing control of the Corporation, (B) has not nominated and will not nominate for election to the Board of Directors at the annual meeting any person other than the Shareholder Nominee(s) it is nominating pursuant to this Section 2.13, (C) has not engaged and will not engage in, and has not and will not be a "participant" in another person's, "solicitation" within the meaning of Rule 14a-1(l) under the Exchange Act in support of the election of any individual as a director at the annual meeting other than its Shareholder Nominee(s) or a nominee of the Board of Directors, (D) has not distributed and will not distribute to any
-

shareholder of the Corporation any form of proxy for the annual meeting other than the form distributed by the Corporation. (E) has complied and will comply with all laws, rules and regulations applicable to solicitations and the use, if any, of soliciting material in connection with the annual meeting and (F) has provided and will provide facts, statements and other information in all communications with the Corporation and its shareholders that are or will be true and correct in all material respects and do not and will not omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading;

(vi) an undertaking that the Eligible Shareholder agrees to (A) assume all liability stemming from any legal or regulatory violation arising out of the Eligible Shareholder's communications with the shareholders of the Corporation or out of the information that the Eligible Shareholder provided to the Corporation, (B) indemnify and hold harmless the Corporation and each of its directors, officers and employees individually against any liability, loss or damages in connection with any threatened or pending action, suit or proceeding, whether legal, administrative or investigative, against the Corporation or any of its directors, officers or employees arising out of any nomination submitted by the Eligible Shareholder pursuant to this Section 2.13 or any solicitation or other activity in connection therewith and (C) file with the Securities and Exchange Commission any solicitation or other communication with the shareholders of the Corporation relating to the meeting at which its Shareholder Nominee(s) will be nominated, regardless of whether any such filing is required under Regulation 14A of the Exchange Act or whether any exemption from filing is available for such solicitation or other communication under Regulation 14A of the Exchange Act;

(vii) in the case of a nomination by an Eligible Shareholder consisting of a group of shareholders, the designation by all group members of one member of the group that is authorized to receive communications, notices and inquiries from the Corporation and to act on behalf of all members of the group with respect to all matters relating to the nomination under this Section 2.13 (including withdrawal of the nomination); and

(viii) in the case of a nomination by an Eligible Shareholder consisting of a group of shareholders in which two (2) or more funds are intended to be treated as one shareholder for purposes of qualifying as an Eligible Shareholder, documentation reasonably satisfactory to the Corporation that demonstrates that the funds are part of the same Qualifying Fund Group.

(g) In addition to the information required or requested pursuant to Section 2.13(f) or any other provision of these Bylaws, (i) the Corporation may require any proposed Shareholder Nominee to furnish any other information (A) that may reasonably be requested by the Corporation to determine whether the Shareholder Nominee would be independent under the rules and listing standards of the securities exchanges upon which the stock of the Corporation is listed or traded, any applicable rules of the Securities and Exchange Commission or any publicly disclosed standards used by the Board of Directors in determining and disclosing the independence of the Corporation's directors (collectively, the "Independence Standards"), (B) that could be material to a reasonable shareholder's understanding of the independence, or lack thereof, of such Shareholder Nominee or (C) that may reasonably be requested by the Corporation to determine the eligibility of such Shareholder Nominee to be included in the Corporation's proxy materials pursuant to this Section 2.13 or to serve as a director of the Corporation, and (ii) the Corporation may require the Eligible Shareholder to furnish any other information that may reasonably be requested by the Corporation to verify the Eligible Shareholder's continuous Ownership of the Required Shares throughout the Minimum Holding Period and through the date of the annual meeting.

(h) For each of its Shareholder Nominees, the Eligible Shareholder may, at its option, provide to the Secretary, at the time the Notice of Proxy Access Nomination is provided, a written statement for inclusion in the Corporation's proxy materials, not to exceed five hundred (500) words, in support of such Shareholder Nominee's candidacy (a "Supporting Statement"). Only one Supporting Statement may be submitted by an Eligible Shareholder (including any group of shareholders together constituting an Eligible Shareholder) in support of each of its Shareholder Nominee(s). Notwithstanding anything to the contrary contained in this Section 2.13, the Corporation may omit from its proxy materials any information or Supporting Statement (or portion thereof) that it, in good faith, believes would violate any applicable law, rule or regulation.

(i) In the event that any information or communications provided by an Eligible Shareholder or a Shareholder Nominee to the Corporation or its shareholders is not, when provided, or thereafter ceases

to be, true and correct in all material respects or omits to state a material fact necessary to make the statements made, in light of the circumstances under which they were made, not misleading, such Eligible Shareholder or Shareholder Nominee, as the case may be, shall promptly notify the Secretary of any such defect and of the information that is required to correct any such defect. Without limiting the foregoing, an Eligible Shareholder shall provide immediate notice to the Corporation if the Eligible Shareholder ceases to Own a number of shares of the Corporation's common stock at least equal to the Required Shares prior to the date of the annual meeting. In addition, any person providing any information to the Corporation pursuant to this Section 2.13 shall further update and supplement such information, if necessary, so that all such information shall be true and correct as of the record date for determining the shareholders entitled to receive notice of and to vote at the annual meeting, and such update and supplement shall be delivered to or be mailed and received by the Secretary at the principal executive offices of the Corporation not later than five (5) business days following the later of the record date for the determination of shareholders entitled to receive notice of and to vote at the annual meeting and the date notice of the record date is first publicly disclosed. For the avoidance of doubt, no notification, update or supplement provided pursuant to this Section 2.13(i) or otherwise shall be deemed to cure any defect in any previously provided information or communications or limit the remedies available to the Corporation relating to any such defect (including the right to omit a Shareholder Nominee from its proxy materials pursuant to this Section 2.13).

(i) Notwithstanding anything to the contrary contained in this Section 2.13, the Corporation shall not be required to include in its proxy materials, pursuant to this Section 2.13, any Shareholder Nominee (i) who would not be an independent director under the Independence Standards, (ii) whose election as a member of the Board of Directors would cause the Corporation to be in violation of these Bylaws, the Articles of Incorporation, the rules and listing standards of the securities exchanges upon which the stock of the Corporation is listed or traded, or any applicable law, rule or regulation, (iii) who is or has been, within the past three (3) years, an officer or director of a competitor, as defined in Section 8 of the Clayton Antitrust Act of 1914, (iv) who is a named subject of a pending criminal proceeding (excluding traffic violations and other minor offenses) or has been convicted in such a criminal proceeding within the past ten (10) years, (v) who is subject to any order of the type specified in Rule 506(d) of Regulation D promulgated under the Securities Act of 1933, as amended, or (vi) who shall have provided any information to the Corporation or its shareholders that was untrue in any material respect or that omitted to state a material fact necessary to make the statements made, in light of the circumstances in which they were made, not misleading.

(k) Notwithstanding anything to the contrary set forth herein, if (i) a Shareholder Nominee and/or the applicable Eligible Shareholder breaches any of its agreements or representations or fails to comply with any of its obligations under this Section 2.13 or (ii) a Shareholder Nominee otherwise becomes ineligible for inclusion in the Corporation's proxy materials pursuant to this Section 2.13, or dies, becomes disabled or otherwise becomes ineligible or unavailable for election at the annual meeting, in each case as determined by the Board of Directors (or any duly authorized committee thereof) or the chair of the annual meeting, (A) the Corporation may omit or, to the extent feasible, remove the information concerning such Shareholder Nominee and the related Supporting Statement from its proxy materials and/or otherwise communicate to its shareholders that such Shareholder Nominee will not be eligible for election at the annual meeting, (B) the Corporation shall not be required to include in its proxy materials any successor or replacement nominee proposed by the applicable Eligible Shareholder or any other Eligible Shareholder and (C) the chair of the annual meeting shall declare such nomination to be invalid and such nomination shall be disregarded, notwithstanding that proxies in respect of such vote may have been received by the Corporation.

(l) Any Shareholder Nominee who is included in the Corporation's proxy materials for a particular annual meeting of shareholders but either (i) withdraws from or becomes ineligible or unavailable for election at the annual meeting, or (ii) does not receive at least twenty-five percent (25%) of the votes cast in favor of such Shareholder Nominee's election, will be ineligible to be a Shareholder Nominee pursuant to this Section 2.13 for the next two (2) annual meetings of shareholders. For the avoidance of doubt, the immediately preceding sentence shall not prevent any shareholder from nominating any person to the Board of Directors pursuant to clause (b) of the first paragraph of Section 2.3 hereof.

(m) Other than Rule 14a-19 under the Exchange Act, this Section 2.13 provides the exclusive method for a shareholder to include nominees for election to the Board of Directors in the Corporation's proxy materials.

Article III

Board of Directors

Section 3.1. General Powers. The business and affairs of the Corporation shall be managed by or under the direction of the Board of Directors except as otherwise provided in the MBCA.

Section 3.2. Number of Directors. The Board of Directors of the Corporation shall consist of one or more members. The exact number of directors that shall constitute the whole Board of Directors shall be fixed from time to time by resolution adopted by a majority of the whole Board of Directors. The Board of Directors may, by resolution adopted by a majority of the whole Board of Directors, from time to time change the number of directors constituting the whole Board of Directors, provided, however, that in no event will a decrease in the number of directors shorten the term of any incumbent director.

Section 3.3. Qualification. Directors need not be residents of the State of Michigan nor shareholders of the Corporation. In addition, in order to be eligible for election or re-election as a director of the Corporation, a person must deliver to the Secretary at the principal executive offices of the Corporation a written representation and agreement that such person (a) is not and will not become a party to (i) any arrangement or understanding with, and has not given any commitment or assurance to, any person or entity as to how such person, if elected as a director of the Corporation, will act or vote on any issue or question (a "Voting Commitment") that has not been disclosed to the Corporation in such representation and agreement or (ii) any Voting Commitment that could limit or interfere with such person's ability to comply, if elected as a director of the Corporation, with such person's fiduciary duties under applicable law, (b) is not and will not become a party to any arrangement or understanding with any person or entity other than the Corporation with respect to any direct or indirect compensation, reimbursement or indemnification in connection with such person's nomination, candidacy, service or action as a director that has not been disclosed to the Corporation in such representation and agreement, (c) would be in compliance, if elected as a director of the Corporation, and will comply with the Corporation's code of conduct, corporate governance guidelines, securities trading policies and any other policies or guidelines of the Corporation applicable to directors and (d) will make such other acknowledgments, enter into such agreements and provide such information as the Board of Directors requires of all directors, including promptly submitting all completed and signed questionnaires required of the Corporation's directors.

Section 3.4. Election. The directors of the Corporation shall be elected in each year at the annual meeting of shareholders, except as provided in Section 3.7 hereof.

Section 3.5. Term. Each director shall hold office until the succeeding annual meeting and until his or her successor is duly elected and qualified or until his or her resignation or removal.

Section 3.6. Resignation and Removal. Any director may resign at any time upon written notice to the Corporation. The resignation of any director shall take effect upon receipt of notice thereof or at a later time specified in such notice. Any director may be removed at any time, with or without cause, by the vote of the holders of a majority of the shares entitled to vote at an election of directors.

Section 3.7. Vacancies. Vacancies in the Board of Directors and newly created directorships resulting from any increase in the authorized number of directors may be filled by the shareholders or by the Board of Directors. If the directors remaining in office constitute fewer than a quorum, they may fill vacancies by the affirmative vote of a majority of all the directors remaining in office.

Section 3.8. Regulations. The Board of Directors may adopt such rules and regulations for the conduct of the business and management of the Corporation that are not inconsistent with the MBCA or the Articles of Incorporation or these Bylaws as the Board of Directors may deem proper.

Section 3.9. Annual Meeting of Board of Directors. An annual meeting of the Board of Directors shall be called and held for the purpose of organization, election of officers and transaction of any other business. If such meeting is held promptly after and at the place specified for the annual meeting of shareholders, no notice of the annual meeting of the Board of Directors need be given. Otherwise such annual meeting shall be held at such time (not more than thirty days after the annual meeting of shareholders) and place as may be specified in a notice of the meeting.

Section 3.10. Regular Meetings. Regular meetings of the Board of Directors shall be held at the time and place as shall from time to time be determined by the Board of Directors. After there has been such determination and notice thereof has been given to each member of the Board of Directors, no further notice shall be required for any such regular meeting.

Section 3.11. Special Meetings. Special meetings of the Board of Directors may be called from time to time by the Chair of the Board, the Chief Executive Officer, or the President and shall be called by the Chair of the Board or the Secretary upon the written request of a majority of the whole Board of Directors directed to the Chair of the Board or the Secretary. Notice of any special meeting of the Board of Directors, stating the time and place of such special meeting, shall be given to each director. Such notice shall be given personally, by telephone, by overnight courier or by a form of electronic transmission not less than forty-eight (48) hours before the time of the meeting (or on such shorter notice as the person or persons calling such meeting may deem necessary or appropriate in the circumstances).

Section 3.12. Committees of Directors. The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the Corporation. The Board of Directors may designate one or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. Each committee and each member thereof shall serve at the pleasure of the Board of Directors.

Section 3.13. Powers and Duties of Committees. Any committee, to the extent provided in the resolution or resolutions creating such committee, shall have and may exercise all powers and authority of the Board of Directors in the management of the business and affairs of the Corporation, subject to any limitation by the MBCA or these Bylaws. No such committee shall have the power or authority with regard to amending the Articles of Incorporation (except that a committee may prescribe the relative rights and preferences of the shares of series of preferred stock permitted to be fixed by the Board of Directors in accordance with the Articles of Incorporation), adopting an agreement of merger, conversion, or share exchange, recommending to the shareholders the sale, lease or exchange of all or substantially all of the Corporation's property and assets, recommending to the shareholders a dissolution of the Corporation or a revocation of a dissolution, amending these Bylaws or filling vacancies on the Board of Directors or fixing compensation of the directors for serving on the Board of Directors or on a committee thereof and, unless a resolution of the Board of Directors so provides, declaring a distribution or dividend or authorizing the issuance of shares.

Each committee may adopt its own rules of procedure and may meet at stated times or on such notice as such committee may determine and, unless otherwise provided in a resolution of the Board of Directors, may designate one or more subcommittees, each of which shall consist of one or more members, to which all or part of the power and authority of the committee may be delegated. Each committee shall keep regular minutes of its proceedings and report the same to the Board of Directors.

Section 3.14. Quorum and Voting. A majority of the members of the Board of Directors then in office and, unless the resolution of the Board of Directors establishing the committee provides otherwise, of the members of a committee constitutes a quorum for the transaction of business by the Board of Directors or such committee. A director interested in a contract or transaction may be counted in determining the presence of a quorum at a meeting of the Board of Directors or committee that authorizes the contract or transaction. In the absence of a quorum, a majority of the directors or of a committee present may adjourn a meeting of the Board of Directors or such committee until a quorum shall be present.

Members of the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of the Board of Directors or such committee by means of a conference telephone or other means of remote communication through which all persons participating in the meeting can communicate with the other participants, and participation in such a meeting shall constitute presence in person at such meeting.

The vote of the majority of the directors present at a meeting at which a quorum is present constitutes the action of the Board of Directors or of a committee unless the vote of a greater number is required by the MBCA or, in the case of a committee, the resolution of the Board of Directors establishing the committee; provided, however, that amendment of the Bylaws by the Board requires the vote of not less than a majority of the directors then in office.

Section 3.15. Action Without Meeting. Action required or permitted to be taken under authorization voted at a meeting of the Board of Directors or of any committee thereof may be taken without a meeting if, before or after the action, all members of the Board of Directors then in office or of such committee, as the case may be, consent to the action in writing or by electronic transmission. The consents shall be filed with the minutes of proceedings of the Board of Directors or such committee and shall have the same effect as a vote of the Board of Directors or committee for all purposes.

Section 3.16. Director Compensation. Directors may receive such compensation for service on the Board of Directors as the Board may determine. Members of either standing or special committees may be allowed such compensation as the Board of Directors may determine.

Article IV

Officers and Chair of the Board

Section 4.1. Officers. The officers of the Corporation shall be appointed by the Board of Directors and shall include a President, a Secretary and a Treasurer. The Board may, in its discretion, appoint any other officers, including without limitation a Chair of the Board, a Chief Executive Officer, a Chief Operating Officer, a Chief Financial Officer, one or more Vice Presidents, Assistant Treasurers, Assistant Secretaries, and any such other officers and agents as it may deem necessary. None of the officers, except the Chair of the Board, if any, need be a director of the Corporation. Any two or more offices may be held by the same person.

Section 4.2. Election of Officers; Term of Office. Officers of the Corporation shall be elected annually by the Board of Directors at the annual meeting of the Board of Directors. If any vacancy in any office shall occur or any office shall be newly created, such office may be filled by the Board of Directors. The Board of Directors may delegate to the Chief Executive Officer or the President the power to appoint designated officers. Each officer shall hold office for the term for which he or she is elected or appointed or until his or her successor is duly elected or appointed and qualified or until his or her resignation or removal.

Section 4.3. Resignation and Removal of Officers. Any officer of the Corporation may resign at any time upon written notice to the Corporation. The resignation of any officer shall take effect upon receipt by the Corporation of notice thereof or at a later time specified in such notice. An officer of the Corporation may be removed at any time by the Board of Directors with or without cause, but such removal shall be without prejudice to the contract rights, if any, of the officer so removed. The election or appointment of any officer does not itself create contract rights.

Section 4.4. Chair of the Board. The Chair of the Board, who may be an officer of the Corporation or may be a non-executive Chair of the Board as determined by the Board of Directors, shall preside at all meetings of shareholders and of the Board of Directors at which he or she is present. The Chair of the Board shall have such other powers and perform such other duties as may be assigned to him or her from time to time by these Bylaws or the Board of Directors. The Chair of the Board may also use the title Chairman or Chairperson and such titles shall be considered to refer to the Chair of the Board.

Section 4.5. Chief Executive Officer. The Chief Executive Officer, subject to the control of the Board of Directors, shall have the final authority over the general policy and business of the Corporation. The Chief Executive Officer shall perform other duties as may be prescribed from time to time by the Board

of Directors or these Bylaws. If no Chief Executive Officer is appointed, the duties and powers of the Chief Executive Officer shall be performed by the President.

Section 4.6. President. The President shall, in the absence of the Chair of the Board and the Chief Executive Officer, preside at all meetings of shareholders and of the Board of Directors at which he or she is present. The President shall have general supervision over the business of the Corporation. The President shall have all powers and duties usually incident to the office of the President except as specifically limited by a resolution of the Board of Directors. The President shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors or the Chief Executive Officer.

Section 4.7. Chief Operating Officer. The Chief Operating Officer shall have general charge, control and supervision over the day-to-day operating activities of the Corporation, subject to such limitations and with such other duties and powers as may be imposed or given by the Board of Directors, the Chief Executive Officer, or the President. If no Chief Operating Officer is appointed, the duties and powers of the Chief Operating Officer shall be performed by the Chief Executive Officer or, if no Chief Executive Officer is appointed, by the President.

Section 4.8. Vice President. In the absence or disability of the President or if the office of President be vacant, the Vice Presidents in the order determined by the Board of Directors, or, if no such determination has been made, in the order of their seniority, shall perform the duties and exercise the powers of the President, subject to the right of the Board of Directors at any time to extend or confine such powers and duties or to assign them to others. Any Vice President may have such additional designation in his or her title as the Board of Directors, the Chief Executive Officer, or the President may determine, which may reflect seniority, duties or responsibilities of such Vice President. The Vice Presidents shall generally assist the Chief Executive Officer and the President in such manner as they shall direct. Each Vice President shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors, the Chief Executive Officer, or the President.

Section 4.9. Secretary. The Secretary shall act as Secretary of all meetings of shareholders and of the Board of Directors at which he or she is present, shall record all the proceedings of all such meetings in a book to be kept for that purpose, shall have supervision over the giving and service of notices of the Corporation and shall have supervision over the care and custody of the records and seal of the Corporation. The Secretary shall be empowered to affix the corporate seal to documents, the execution of which on behalf of the Corporation under its seal is duly authorized, and when so affixed may attest the same. The Secretary shall have all powers and duties usually incident to the office of Secretary except as specifically limited by a resolution of the Board of Directors. The Secretary shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors, the Chief Executive Officer, or the President.

Section 4.10. Treasurer. The Treasurer shall have general supervision over the care and custody of the funds and over the receipts and disbursements of the Corporation and shall cause the funds of the Corporation to be deposited in the name of the Corporation in such banks or other depositories as the Board of Directors may designate. The Treasurer shall have supervision over the care and safekeeping of the securities of the Corporation. The Treasurer shall have all powers and duties usually incident to the office of Treasurer except as specifically limited by a resolution of the Board of Directors. The Treasurer shall have such other powers and perform such other duties as may be assigned to him or her from time to time by the Board of Directors, the Chief Executive Officer, or the President.

Article V

Capital stock

Section 5.1. Issuance of Certificates for Stock. The shares of the Corporation shall be represented by certificates or, if authorized by the Board of Directors, may be issued without certificates. Authorization to issue shares in uncertificated form shall not affect outstanding shares already represented by a certificate until the certificate is surrendered to the Corporation. Unless otherwise determined by the Board of Directors, each shareholder, upon written request to the Secretary of the Corporation, shall be entitled to a certificate or certificates representing the number of shares held by him or her in the Corporation.

Within a reasonable time after the issuance or transfer of uncertificated shares, as long as the same is required by the MBCA, the Corporation shall send to the registered owner thereof a written statement of the designation, relative rights, preferences and limitations of the shares of each class authorized to be issued and the other information required by the MBCA to be set forth in or stated on certificates for stock.

Section 5.2. Signatures on Stock Certificates. Certificates for shares of capital stock of the Corporation shall be signed by, or in the name of the Corporation by, the Chair of the Board, the President or a Vice President and also may be signed by the Secretary, the Treasurer, an Assistant Secretary or an Assistant Treasurer. Any of or all the signatures on the certificate may be a facsimile. In case any officer who has signed or whose facsimile signature has been placed upon a certificate ceases to be an officer before such certificate is issued, such certificate may be issued by the Corporation with the same effect as if such signer were such officer at the date of issue.

Section 5.3. Stock Ledger. A record of all shares of capital stock issued by the Corporation shall be kept by the Secretary or any other officer or employee of the Corporation designated by the Secretary or by any transfer agent appointed pursuant to Section 5.4 hereof. Such record shall show the name and address of the person in which shares of capital stock are registered, the number of shares registered in such person's name, the date of any certificate issued in respect of such shares and, in the case of any certificate that has been cancelled, the date of cancellation.

The Corporation shall be entitled to treat the holder of record of shares of capital stock as shown on the stock ledger as the owner thereof and as the person entitled to receive dividends thereon, to vote such shares, to receive notice of meetings and for all other purposes. The Corporation shall not be bound to recognize any equitable or other claim to or interest in any share of capital stock on the part of any other person whether or not the Corporation shall have express or other notice thereof.

Section 5.4. Regulations Relating to Transfer. The Board of Directors may make such rules and regulations as it may deem expedient, not inconsistent with the MBCA, the Articles of Incorporation or these Bylaws, concerning the issuance, transfer and registration of shares of capital stock of the Corporation. The Board of Directors may appoint, or authorize any principal officer to appoint, one or more transfer agents and one or more registrars and may require all certificates for capital stock to bear the signature or signatures of any of them.

Section 5.5. Transfers. All transfers of capital stock shall be made on the books of the Corporation only upon delivery to the Corporation or its transfer agent of a written direction of the registered holder of the shares, in person or by such holder's attorney lawfully constituted in writing, and, if such shares are certificated, upon surrender of the certificate or certificates representing such shares duly endorsed.

Section 5.6. Cancellation. Each certificate for capital stock surrendered to the Corporation for exchange or transfer shall be cancelled and no new certificate or certificates or uncertificated shares shall be

issued in exchange for any existing certificate, other than pursuant to Section 5.7, until such existing certificate shall have been cancelled.

Section 5.7. Lost, Destroyed, Stolen and Mutilated Certificates. In the event that any certificate for shares of capital stock of the Corporation shall be mutilated, the Corporation shall issue a new certificate or uncertificated shares in place of such mutilated certificate. In case any such certificate shall be lost or destroyed the Corporation may issue a new certificate for capital stock or uncertificated shares in the place of any such lost or destroyed certificate. The applicant for any substituted certificate or for uncertificated shares shall surrender any mutilated certificate or, in the case of any lost or destroyed certificate, furnish satisfactory proof of such loss, theft or destruction of such certificate and of the ownership thereof. The Corporation may, in its discretion, require the owner of a lost or destroyed certificate, or his or her representative, to furnish to the Corporation a bond with an acceptable surety or sureties and in such sum as will be sufficient to indemnify the Corporation against any claim that may be made against it on account of the lost or destroyed certificate or the issuance of such new certificate or uncertificated shares in respect thereof.

Article VI

Indemnification

Section 6.1. Indemnification. The Corporation shall indemnify its directors and certain officers as designated by the Board of Directors from time to time to the fullest extent authorized or permitted by law (as now or hereafter in effect) and such right to indemnification shall continue as to a person who has ceased to be a director or designated officer of the Corporation and shall inure to the benefit of his or her heirs, executors and personal and legal representatives; provided, however, that, except for proceedings to enforce rights to indemnification, the Corporation shall not be obligated to indemnify any director or designated officer (or his or her heirs, executors or personal or legal representatives) in connection with a proceeding (or part thereof) initiated by such person unless such proceeding (or part thereof) was authorized or consented to by the Board of Directors. The right to indemnification conferred by this Section 6.1 shall include the right to be paid by the Corporation, promptly as incurred, the reasonable expenses of defending or otherwise participating in any action, suit or proceeding in advance of its final disposition upon receipt of a written undertaking executed by or on behalf of such director or designated officer to repay the advance if it is ultimately determined that he or she did not meet the standard of conduct, if any, required for the indemnification of a person under the circumstances. The Corporation may, to the extent authorized from time to time by the Board of Directors, provide rights to indemnification and to the advancement of expenses to other officers, employees and agents of the Corporation. The rights to indemnification and to the advancement of expenses conferred in this Section 6.1 shall not be exclusive of any other right that any person may have or hereafter acquire under these Bylaws, the Articles of Incorporation, any statute, agreement, vote of shareholders or disinterested directors or otherwise. Any repeal or modification of this Section 6.1 shall not adversely affect any rights to indemnification and to the advancement of expenses of a director or designated officer of the Corporation existing at the time of such repeal or modification with respect to any acts or omissions occurring prior to such repeal or modification.

Section 6.2. Indemnification Insurance. The Corporation shall have power to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the Corporation, or is or was serving at the request of the Corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity or arising out of his or her status as such, whether or not the Corporation would have the power to indemnify him or her against such liability under applicable law.

Article VII

Miscellaneous provisions

Section 7.1. Corporate Seal. The seal of the Corporation shall be circular in form with the name of the Corporation and the word Michigan in the circumference and the words "Corporate Seal" in the center. The seal may be used by causing it or a facsimile to be affixed, impressed or reproduced in any other manner.

Section 7.2. Fiscal Year. The fiscal year of the Corporation shall be from the 1st day of January to the 31st day of December, inclusive, in each year, or such other twelve consecutive months as the Board of Directors may designate.

Section 7.3. Electronic Transmission. When used in these Bylaws, the term "electronic transmission" shall include any telegram, cablegram, facsimile transmission, communication by electronic mail or other form of communication that does not directly involve the physical transmission of paper, creates a record that may be retained and retrieved by the recipient and may be directly reproduced in paper by the recipient through an automated process.

Section 7.4. Notices and Communications Generally. When a notice is required or permitted to be given by these Bylaws in writing, electronic transmission is written notice. When a notice or other communication is permitted by the MBCA to be transmitted electronically, the notice or other communication is given when electronically transmitted to the person entitled to the notice or communication in a manner authorized by such person.

When a notice or communication is given by mail, it shall be mailed, except as otherwise provided in the MBCA, to the person to whom it is directed at the address designated by him or her for that purpose or, if none is designated, at his or her last known address. The notice or communication is given when deposited, with postage thereon prepaid, in a post office or official depository under the exclusive care and custody of the United States postal service. Notice and any other written report, statement or communication required to be given to shareholders shall be deemed to have been given to all shareholders of record who share an address if notice is given or such other report, statement or communication is delivered in accordance with the "householding" rules set forth in Rule 14a-3(e) under the Exchange Act and in Section 143 of the MBCA.

When a notice or communication is required to be given to a person by the MBCA, the Articles of Incorporation or these Bylaws or otherwise and communication with the person is then unlawful under a statute of Michigan or the United States or a rule, regulation, proclamation or order issued under any such statute, the giving of the notice or communication to such person is not required and there is no duty to apply for a license or other permission to do so.

Section 7.5. Waiver of Notice. Whenever any notice is required to be given under any provision of these Bylaws, a waiver thereof signed by the person or persons entitled to such notice or, in the case of a shareholder, his or her attorney-in-fact or given by electronic transmission, whether before or after the time stated therein for the meeting, shall be deemed equivalent to notice.

A shareholder's attendance at a meeting will result in both of the following: (a) waiver of objection to lack of notice or defective notice of the meeting, unless the shareholder at the beginning of the meeting objects to holding the meeting or transacting business at the meeting; and (b) waiver of objection to consideration of a particular matter at the meeting that is not within the purpose or purposes described in the meeting notice, unless the shareholder objects to considering the matter when it is presented.

A director's attendance at or participation in a meeting waives any required notice to the director of the meeting, unless the director at the beginning of the meeting or promptly upon the director's arrival, objects to the meeting or the transacting of business at the meeting and does not thereafter vote for or assent to any action taken at the meeting.

Section 7.6. Execution of Instruments, Contracts, etc. Except as otherwise required by law, the Articles of Incorporation or these Bylaws, any contract, conveyance, lease, power of attorney or other agreement, instrument or document may be executed and delivered in the name and on behalf of the Corporation by such officer or officers or person or persons as from time to time may be designated by the Board of Directors or by such officer or officers of the Corporation authorized by the Board of Directors to make such designation.

Section 7.7. Amendment of Bylaws. These Bylaws may be amended or repealed or new bylaws may be adopted by the shareholders or by the vote of not less than a majority of the Board of Directors then in office.

Last Updated November/2022

**DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934**

Description of Capital Stock

The following description is a summary of certain terms of the capital stock of Stryker Corporation ("Stryker" or the "Company"). It does not purport to be complete and is subject in all respects to the applicable provisions of the Michigan Business Corporation Act, as amended, or the MBCA, our Restated Articles of Incorporation, as amended, or our articles, and our By-laws, as amended, or our by-laws. As used in this exhibit, and except where the context otherwise requires, "we," "us," and "our" refer to Stryker Corporation.

Capital Stock

Our authorized capital stock consists of (1) 1,000,000,000 shares of common stock, \$0.10 par value per share and (2) 500,000 shares of preferred stock, \$1.00 par value per share.

Common Stock

Each share of common stock entitles the holder thereof to one vote for each share held by it of record on each matter submitted to a vote. Other than the election of directors, if an action is to be taken by vote of the shareholders, it will be authorized by a majority of the votes cast by the holders of shares entitled to vote on the action, unless a greater vote is required in our articles or by-laws. Directors are elected by a majority of the votes cast by the holders of shares entitled to vote (and for such purpose, a majority of the votes cast means that the number of shares voted "for" a nominee must exceed the number of votes cast "against" that nominee); provided, however, that if as of the record date for a meeting at which directors will be elected, there are more nominees than positions on the board of directors to be filled by election at such meeting, each director shall be elected by a plurality of the votes cast at the election.

Subject to the prior payment or provision therefor of dividends on the preferred stock, if any, holders of the common stock are entitled to receive ratably such dividends, if any, as may be declared from time to time by our Board of Directors out of funds legally available therefor. Holders of our common stock have no conversion, preemptive or other rights to subscribe for any securities of ours, and there are no redemption or sinking fund provisions with respect to such shares. In the event of any liquidation, dissolution or distribution of our assets and after satisfaction of the preferential requirements of the preferred stock, if any, holders of common stock will be entitled to share ratably in the distribution of the remaining assets of the Company available for distribution. The rights, preferences and privileges of holders of common stock are subject to applicable law and the rights of the holders of any shares of preferred stock and any additional classes of stock that we may issue in the future.

Preferred Stock

Our articles authorize our Board of Directors to issue up to 500,000 shares of preferred stock in one or more series, with such distinctive designation or title and in such number of shares as may be authorized by our Board of Directors. Our Board of Directors is authorized to

prescribe the relative rights and preferences of each series, and the limitations applicable thereto, including but not limited to the following: (1) the voting powers, full, special, or limited, or no voting powers; (2) the rate, terms and conditions on which dividends will be paid, whether such dividends will be cumulative, and what preference such dividends shall have in relation to the dividends on other series or classes of stock; (3) the rights, terms and conditions, if any, for conversion of preferred stock into shares of other series or classes of stock; (4) any right of the Company to redeem the shares of preferred stock, and the price, time and conditions of redemption, including the provisions for any sinking fund; and (5) the rights of holders of preferred stock in relation to the rights of other series and classes of stock upon the liquidation, dissolution or distribution of our assets. Unless otherwise provided by our Board of Directors, upon redemption or conversion, shares of preferred stock will revert to authorized but unissued shares and may be reissued as shares of any series of preferred stock.

Limitation of Liability

Our articles provide that, to the full extent authorized or permitted by the MBCA, directors of Stryker will not be personally liable to Stryker or its shareholders for any acts or omissions in such person's capacity as a director. Such limitation of liability does not affect the availability of equitable remedies such as injunctive relief or rescission. These provisions will not limit the liability of directors under federal securities laws.

Certain Statutory, Articles and By-law Provisions Affecting Shareholders

Certain provisions in our articles and by-laws and the MBCA may have the effect of delaying, deferring or preventing a change of control of the Company or may operate only with respect to extraordinary corporate transactions involving the Company.

Business Combination Act

We are subject to the provisions of Chapter 7A of the MBCA, which provides that business combinations between a Michigan corporation and a beneficial owner of shares entitled to 10% or more of the voting power of such corporation generally require the affirmative vote of 90% of the votes of each class of stock entitled to vote and not less than two-thirds of each class of stock entitled to vote (excluding voting shares owned by such 10% owner). Chapter 7A defines a "business combination" to encompass any merger, consolidation, share exchange, sale of assets, stock issue, liquidation, or reclassification of securities involving an interested shareholder or certain affiliates. An "interested shareholder" is generally any person who owns 10% or more of the voting shares of the corporation. An "affiliate" is a person who directly or indirectly controls, is controlled by, or is under common control with, a specified person. Such requirements do not apply if the transaction satisfies fairness standards, other specified conditions are met and the interested shareholder has been such for at least five years.

Article and By-Law Provisions

Our articles and by-laws include a number of provisions that may have the effect of encouraging persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with our Board of Directors rather than pursue non-negotiated takeover attempts. These provisions include an advance notice requirement for director nominations and actions to

be taken at annual meetings of shareholders and the availability of authorized but unissued blank check preferred stock.

Advance Notice Requirement

Our by-laws set forth advance notice procedures with regard to shareholder proposals relating to the nomination of candidates for election as directors or new business to be presented at meetings of shareholders. These procedures provide that notice of such shareholder proposals must be timely given in writing to the secretary of Stryker prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at the principal executive offices of Stryker not less than 90 days nor more than 120 days prior to the meeting. The advance notice requirement does not give the Board of Directors any power to approve or disapprove shareholder director nominations or proposals but may have the effect of precluding the consideration of certain business at a meeting if the proper notice procedures are not followed.

Special Meetings of Shareholders

Under our by-laws, special meetings of shareholders may be called by the chair of our Board of Directors, our chief executive officer, our president or by order of our Board of Directors. Our by-laws provide that a special meeting of the shareholders shall be called by the chief executive officer upon written request of one or more record holders of shares of our common stock representing not less than 25% of our issued and outstanding shares of common stock.

Blank Check Preferred Stock

Our preferred stock could be deemed to have an anti-takeover effect in that, if a hostile takeover situation should arise, shares of preferred stock could be issued to purchasers sympathetic with our management or others in such a way as to render more difficult or to discourage a merger, tender offer, proxy contest, the assumption of control by a holder of a large block of our securities or the removal of incumbent management.

The effects of the issuance of one or more series of the preferred stock on the holders of our common stock could include:

- reduction of the amount otherwise available for payments of dividends on common stock if dividends are payable on the series of preferred stock;
 - restrictions on dividends on our common stock if dividends on the series of preferred stock are in arrears;
 - dilution of the voting power of our common stock if the series of preferred stock has voting rights, including a possible “veto” power if the series of preferred stock has class voting rights;
 - dilution of the equity interest of holders of our common stock if the series of preferred stock is convertible, and is converted, into our common stock; and
-

- restrictions on the rights of holders of our common stock to share in our assets upon liquidation until satisfaction of any liquidation preference granted to the holders of the series of preferred stock.

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is American Stock Transfer & Trust Company, LLC.

Listing

Our common stock is listed on the New York Stock Exchange under the symbol “SYK.”

Description of Debt Securities:**1.125% Notes due 2023****2.125% Notes due 2027****2.625% Notes due 2030**

The Company previously filed a registration statement on Form S-3 (File No. 333-209526), which was filed with the Securities and Exchange Commission on February 12, 2016 and covers the issuance of the Company's 1.125% Notes due 2023 (the "2023 notes"), the 2.125% Notes due 2027 (the "2027 notes"), and the 2.625% Notes due 2030 (the "2030 notes" and together with the 2023 notes, the 2027 notes and the 2030 notes, the "notes"). The notes are governed by a base indenture dated January 15, 2010 between the Company and U.S. Bank National Association, as trustee, as supplemented by the applicable supplemental indenture governing a particular series of notes (as so supplemented, the "Indenture"). This summary is subject to and qualified in its entirety by reference to all of the provisions of the Indenture and the notes, including definitions of certain terms used in the Indenture and the notes.

General

The 2023 notes, the 2027 notes and the 2030 notes were issued as separate series of debt securities under the Indenture. The notes are senior unsecured obligations of ours and rank equally in right of payment with our other existing and future senior unsecured indebtedness. The notes are not secured by any of our assets. Any future claims of our secured lenders with respect to assets securing their loans will be prior to any claim of the holders of the notes with respect to those assets. Holders of secured debt that we have now or may issue in the future may foreclose on the assets securing such debt, reducing the cash flow from the foreclosed property available for payment of unsecured debt, including the notes. Holders of our secured debt also would have priority over unsecured creditors in the event of our bankruptcy, liquidation or similar proceeding to the extent of the value of the collateral securing such debt. The notes are structurally subordinated to all liabilities of our subsidiaries, including trade payables. Because we conduct many of our operations through our subsidiaries, our right to participate in any distribution of the assets of a subsidiary when it winds up its business is subject to the prior claims of the creditors of that subsidiary. This means that your right to payment as a holder of our notes is also subject to the prior claims of these creditors if a subsidiary liquidates or reorganizes or otherwise winds up its business. If we are a creditor of any of our subsidiaries, our right as a creditor would be subordinated to any security interest in the assets of those subsidiaries and any indebtedness of our subsidiaries senior in right of payment to that held by us.

The Indenture does not limit the amount of notes, unsecured debentures or other evidences of indebtedness that we may issue under the Indenture and provides that notes, unsecured debentures or other evidences of indebtedness may be issued from time to time in one or more series. We may from time to time, without notice to or the consent of the holders of the notes, create and issue additional notes of any series having the same ranking and terms and conditions as the notes of the same series, except for the issue date, the public offering price and, in some cases, the first interest payment date. Any additional notes having such similar terms,

together with the notes offered of the same series, will constitute a single series of securities under the Indenture.

We issued the notes in fully registered book-entry form without coupons and in denominations of €100,000 and integral multiples of €1,000 thereafter.

Principal of and interest on the notes are payable, and the notes are transferable or exchangeable, at the office or offices or agency maintained by us for these purposes. Payment of interest on the notes may be made at our option by check mailed to the registered holders thereof.

The 2023 notes, the 2027 notes and the 2030 notes are listed on the New York Stock Exchange under the symbols “SYK23,” “SYK27,” and “SYK30,” respectively. We have no obligation to maintain such listings, and we may delist any series of the notes at any time.

U.S. Bank National Association is registrar and transfer agent for the notes. Upon notice to the trustee, we may change the registrar or transfer agent.

Fixed Rate Notes

The 2023 notes, 2027 notes and 2030 notes bear interest from the date of issuance, payable annually on November 30 of each year, beginning November 30, 2019, to the persons in whose names such notes are registered at the close of business on the business day (for this purpose, a day on which Clearstream and Euroclear are open for business) immediately preceding the relevant interest payment. Interest on the notes is computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the notes, to, but excluding, the next scheduled interest payment date. This payment convention is referred to as Actual/Actual (ICMA) as defined in the rulebook of the International Capital Market Association.

If any interest payment date would otherwise be a day that is not a business day, such interest payment date will be postponed to the next date that is a business day and no interest will accrue on the amounts payable from and after such interest payment date to the next business day. If the maturity date of any series of the notes falls on a day that is not a business day, the related payment of principal, premium, if any, and interest will be made on the next business day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next business day.

Business Day

For purposes of the notes, a “business day” is any day that is not a Saturday, Sunday or other day on which banking institutions in New York City, London or another place of payment on the notes are authorized or required by law to close and on which the Trans-European Automated Real-Time Gross Settlement Express Transfer system (the TARGET2 system), or any successor thereto, is open.

Issuance in euro

All payments of interest, premium, if any, and principal, including payments made upon any redemption or repurchase of the notes, will be made in euro; provided that if the euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or if the euro is no longer being used by the then member states of the European Monetary Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the notes will be made in U.S. dollars until the euro is again available to us or so used. In such circumstances, the amount payable on any date in euro will be converted into U.S. dollars at the rate mandated by the Board of Governors of the Federal Reserve System as of the close of business on the second business day prior to the relevant payment date or, if the Board of Governors of the Federal Reserve System has not announced a rate of conversion, on the basis of the most recent U.S. dollar/euro exchange rate published in The Wall Street Journal on or prior to the second business day prior to the relevant payment date or, in the event The Wall Street Journal has not published such exchange rate, the rate is determined in our sole discretion on the basis of the most recently available market exchange rate for the euro. Any payment in respect of the notes so made in U.S. dollars do not constitute an Event of Default (as defined in the Indenture). Neither the trustee nor the paying agent shall have any responsibility for any calculation or conversion in connection with the foregoing.

Optional Redemption

We may redeem the notes prior to October 31, 2023 in the case of the 2023 notes, August 31, 2027 in the case of the 2027 notes and August 31, 2030 in the case of the 2030 notes, in whole, at any time, or in part, from time to time, at our option, for cash, at a redemption price equal to the greater of:

- 1) 100% of the principal amount of the applicable series of the notes to be redeemed; or
- 2) an amount determined by the Quotation Agent (as defined below) equal to the sum of the present values of the remaining scheduled payments of principal, premium, if any, and interest thereon (not including any portion of such payments of interest accrued to the date of redemption) to October 31, 2023 with respect to the 2023 notes, August 31, 2027 with respect to the 2027 notes and August 31, 2030 with respect to the 2030 notes, discounted to the date of redemption on an annual basis (Actual/Actual (ICMA) at the Comparable Government Bond Rate (as defined below), plus 25 basis points with respect to the 2023 notes, 30 basis points with respect to the 2027 notes and 35 basis points with respect to the 2030 notes, plus accrued and unpaid interest thereon to, but not including, the date of redemption.

On or after October 31, 2023 in the case of the 2023 notes, August 31, 2027, in the case of the 2027 notes and August 31, 2030, in the case of the 2030 notes, we may redeem the applicable series of the notes, in whole, at any time, or in part, from time to time, at our option, for cash, at a redemption price equal to 100% of the principal amount of such series of the notes, plus accrued and unpaid interest to, but not including, the redemption date.

The principal amount of any note remaining outstanding after a redemption in part shall be €100,000 or a higher integral multiple of €1,000. Notwithstanding the foregoing, installments of interest on any series of the notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date.

“Comparable *Government Bond*” means, in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by us (the “Quotation Agent”), a German government bund whose maturity is closest to the par call date, or if such Quotation Agent in its discretion determines that such similar bond is not in issue, such other German government bund as such Quotation Agent may, with the advice of three brokers of, and/or market makers in, German government bunds selected by us, determine to be appropriate for determining the Comparable Government Bond Rate.

“Comparable *Government Bond Rate*” means the price, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on the notes to be redeemed, if they were to be purchased at such price on the third business day prior to the date fixed for redemption, would be equal to the gross redemption yield on such business day of the Comparable Government Bond on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such business day as determined by the Quotation Agent selected by us.

Notice of any redemption will be mailed (or, in the case of notes held in book-entry form, be transmitted electronically) at least 10 days but not more than 60 days before the redemption date to each registered holder of the applicable series of the notes to be redeemed. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the applicable series of the notes or portions thereof called for redemption. If less than all of the applicable series of the notes are to be redeemed, the notes to be redeemed will be selected by the trustee in accordance with the standard procedures of the depository. If the notes to be redeemed are not global notes then held by Euroclear or Clearstream, the trustee will select the notes to be redeemed on a pro rata basis. If the notes are listed on the NYSE or any other national securities exchange, the trustee will select notes in compliance with the requirements of the NYSE or other principal national securities exchange on which the notes are listed.

Notwithstanding the foregoing, if less than all of a series of notes are to be redeemed, no notes of such series of a principal amount of €100,000 or less shall be redeemed in part. If money sufficient to pay the redemption price on the series of notes (or portions thereof) to be redeemed on the redemption date is deposited with the paying agent on or before the redemption date and certain other conditions are satisfied, then on and after such redemption date, interest will cease to accrue on such series of the Fixed Rate Notes (or such portion thereof) called for redemption.

Optional Redemption for Tax Reasons

The notes of any series may be redeemed at our option in whole, but not in part, on not less than 10 nor more than 60 days' prior notice, at 100% of the principal amount of such series,

together with accrued and unpaid interest, if any, to, but excluding, the redemption date if, as a result of any change in, or amendment to, the laws, regulations or rulings of the United States (or any political subdivision or taxing authority thereof or therein having power to tax), or any change in official position regarding application or interpretation of those laws, regulations or rulings (including a holding by a court of competent jurisdiction), which change, amendment, application or interpretation is announced or becomes effective on or after the original issue date with respect to the notes, we become or, based upon a written opinion of independent counsel selected by us, will become obligated to pay additional amounts as described below in “—Payment of Additional Amounts.”

Payment of Additional Amounts

All payments of principal, interest, and premium, if any, in respect of the notes will be made free and clear of, and without withholding or deduction for, any present or future taxes, assessments, duties or governmental charges of whatever nature imposed, levied or collected by the United States (or any political subdivision or taxing authority thereof or therein having power to tax), unless such withholding or deduction is required by law or the official interpretation or administration thereof.

We will, subject to the exceptions and limitations set forth below, pay as additional interest in respect of the notes such additional amounts as are necessary in order that the net payment by us of the principal of, premium, if any, and interest in respect of the notes to a holder who is not a United States person (as defined below), after withholding or deduction for any present or future tax, assessment, duties or other governmental charge imposed by the United States (or any political subdivision or taxing authority thereof or therein having power to tax), will not be less than the amount provided in the notes to be then due and payable; provided, however, that the foregoing obligation to pay additional amounts shall not apply:

- 1) to the extent any tax, assessment or other governmental charge would not have been imposed but for the holder (or the beneficial owner for whose benefit such holder holds such note), or a fiduciary, settlor, beneficiary, member or shareholder of the holder if the holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:
 - a) being or having been engaged in a trade or business in the United States or having or having had a permanent establishment in the United States;
 - b) having a current or former connection with the United States (other than a connection arising solely as a result of the ownership of the notes, the receipt of any payment in respect of the notes or the enforcement of any rights hereunder), including being or having been a citizen or resident of the United States;
 - c) being or having been a personal holding company, a passive foreign investment company or a controlled foreign corporation for U.S. federal income tax purposes, a foreign tax-exempt organization, or a corporation that has accumulated earnings to avoid U.S. federal income tax;
-

- d) being or having been a “10-percent shareholder” of the Company as defined in section 871(h)(3) of the United States Internal Revenue Code of 1986, as amended (the “Code”) or any successor provision; or
 - e) being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business, as described in section 881(c)(3)(A) of the Code or any successor provision;
- 2) to any holder that is not the sole beneficial owner of the notes, or a portion of the notes, or that is a fiduciary, partnership, limited liability company or other fiscally transparent entity, but only to the extent that a beneficial owner with respect to the holder, a beneficiary or settlor with respect to the fiduciary, or a beneficial owner or member of the partnership, limited liability company or other fiscally transparent entity would not have been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;
 - 3) to the extent any tax, assessment or other governmental charge that would not have been imposed but for the failure of the holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the notes, if compliance is required by statute, by regulation of the United States or any taxing authority therein or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;
 - 4) to any tax, assessment or other governmental charge that is imposed otherwise than by withholding by us or a paying agent from the payment;
 - 5) to any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal of or interest on any notes, if such payment can be made without such withholding by any other paying agent;
 - 6) to any estate, inheritance, gift, sales, transfer, wealth, capital gains or personal property tax or similar tax, assessment or other governmental charge, or excise tax imposed on the transfer of notes;
 - 7) to the extent any tax, assessment or other governmental charge would not have been imposed but for the presentation by the holder of any note, where presentation is required, for payment on a date more than 30 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later except to the extent that the beneficiary or holder thereof would have been entitled to the payment of additional amounts had such note been presented for payment on any day during such 30-day period;
 - 8) to any tax, assessment or other governmental charge imposed under sections 1471 through 1474 of the Code (or any amended or successor provisions), any current or future
-

regulations or official interpretations thereof, any agreement entered into pursuant to section 1471(b) of the Code or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code, whether currently in effect or as published and amended from time to time;

- 9) to any tax, assessment or other governmental charge that is imposed or withheld solely by reason of a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later; or
- 10) in the case of any combination of the above numbered items.

The notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable to the notes. Except as specifically provided under this heading “—Payment of Additional Amounts,” we are not required to make any payment for any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority of or in any government or political subdivision.

As used under this heading “—Payment of Additional Amounts” and under the heading “—Optional Redemption for Tax Reasons,” the term “United States” means the United States of America, its territories and possessions, the states of the United States and the District of Columbia, and the term “United States person” means (i) any individual who is a citizen or resident of the United States for U.S. federal income tax purposes, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States, any state of the United States or the District of Columbia (other than a partnership that is not treated as a United States person for United States federal income tax purposes), (iii) any estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) any trust if a United States court can exercise primary supervision over the administration of the trust and one or more United States persons can control all substantial trust decisions, or if a valid election is in place to treat the trust as a United States person.

Repurchase at the Option of Holders Upon Change of Control Repurchase Event

If a Change of Control Repurchase Event (as defined below) occurs in respect of a series of notes, unless we have exercised our right to redeem the notes of such series as described above under “—Optional Redemption,” we will be required to make an offer (a “Change of Control Offer”) to each holder of notes of such series to repurchase all or any part (in minimum denominations of €100,000 and integral multiples of €1,000 original principal amount above that amount) of that holder’s notes at a repurchase price in cash equal to 101% of the aggregate principal amount of notes repurchased plus any accrued and unpaid interest on the notes repurchased to, but not including, the date of such repurchase. Within 30 days following any Change of Control Repurchase Event or, at our option, prior to any Change of Control (as defined below), but after the public announcement of an impending Change of Control, we will mail a notice to each holder, with a copy to the trustee, describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to

repurchase notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed. The notice shall, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on the Change of Control Repurchase Event occurring on or prior to the payment date specified in the notice.

We will comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and any other securities laws and regulations thereunder, to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Repurchase Event provisions of the notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control Repurchase Event provisions of the notes by virtue of such conflict.

On the Change of Control Repurchase Event payment date, we will, to the extent lawful:

- accept for payment all notes or portions of notes (in minimum denominations of €100,000 and integral multiples of €1,000 original principal amount above that amount) properly tendered pursuant to our offer;
- deposit with the paying agent an amount equal to the aggregate purchase price in respect of all notes or portions of notes properly tendered; and
- deliver or cause to be delivered to the trustee for cancellation the notes properly accepted, together with an officers' certificate stating the aggregate principal amount of notes being repurchased by us.

The paying agent will promptly mail to each holder of notes properly tendered the purchase price for the notes, and the trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new note equal in principal amount to any unpurchased portion of any notes surrendered; provided, that each new note will be in minimum denominations of €100,000 and integral multiples of €1,000 original principal amount above that amount.

We will not be required to make a Change of Control Offer upon a Change of Control Repurchase Event if (i) a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for a Change of Control Offer made by us and such third party purchases all notes properly tendered and not withdrawn under its offer or (ii) we have previously or concurrently mailed a redemption notice with respect to all of the outstanding notes as described under "Optional Redemption" above.

If holders of not less than 90% in aggregate principal amount of the outstanding notes of any series validly tender and do not withdraw such notes in a Change of Control Offer and we, or any third party making such an offer in lieu of us as described above, purchases all of the notes of such series validly tendered and not withdrawn by such holders, we or such third party will have the right, upon not less than 10 days nor more than 60 days' prior notice, provided that such

notice is given not more than 30 days following such repurchase pursuant to the Change of Control Offer described above, to redeem all notes of such series that remain outstanding following such purchase on a date specified in such notice (the “Second Change of Control Payment Date”) and at a price in cash equal to 101% of the aggregate principal amount of notes of such series repurchased plus any accrued and unpaid interest on the notes repurchased to, but not including, the Second Change of Control Payment Date.

We have no present intention to engage in a transaction involving a Change of Control, although it is possible that we would decide to do so in the future. We could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control but that could increase the amount of debt outstanding at such time or otherwise affect our capital structure or credit ratings.

Definitions

“Below Investment Grade Rating Event” means the notes of such series are rated below Investment Grade by each of the Rating Agencies on any date during the period commencing upon the first public notice of the occurrence of a Change of Control or our intention to effect a Change of Control and ending 60 days following public notice of the occurrence of the related Change of Control (which period shall be extended so long as the rating of the notes of such series is under publicly announced consideration for possible downgrade by any of the Rating Agencies, provided that no such extension shall occur if on such 60th day the notes of such series are rated Investment Grade by at least one of such Rating Agency and are not subject to review for possible downgrade by such Rating Agency); provided further that a Below Investment Grade Rating Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Change of Control (and thus shall not be deemed a Below Investment Grade Rating Event for purposes of the definition of Change of Control Repurchase Event hereunder) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the trustee in writing at its request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the Below Investment Grade Rating Event).

“Change of Control” means the occurrence of any of the following:

- 1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of our assets and those of our subsidiaries taken as a whole to any “person” (as that term is used in Section 13(d)(3) of the Exchange Act), other than us or one of our subsidiaries;
 - 2) the adoption of a plan relating to our liquidation or dissolution;
 - 3) the first day on which a majority of the members of our Board of Directors are not Continuing Directors; or
-

- 4) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any “person” (as that term is used in Section 13(d)(3) of the Exchange Act), other than us or one or more of our subsidiaries, becomes the beneficial owner (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of more than 50% of the then outstanding number of shares of our Voting Stock.

Notwithstanding the foregoing, a transaction will not be considered to be a Change of Control if (a) we become a direct or indirect wholly-owned subsidiary of a holding company and (b)(i) immediately following that transaction, the direct or indirect holders of the Voting Stock of the holding company are substantially the same as the holders of our Voting Stock immediately prior to that transaction or (ii) immediately following that transaction, no person is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company.

“Change of Control Repurchase Event” means the occurrence of both a Change of Control and a Below Investment Grade Rating Event.

“Continuing Directors” means, as of any date of determination, any member of our Board of Directors who (1) was a member of such Board of Directors on the date of the issuance of the notes; or (2) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, election or appointment (either by a specific vote or by approval of our proxy statement in which such member was named as a nominee for election as a director). “Investment Grade” means a rating of Baa3 or better by Moody’s (or its equivalent under any successor rating categories of Moody’s) and a rating of BBB- or better by S&P (or its equivalent under any successor rating categories of S&P) or the equivalent investment grade credit rating from any additional Rating Agency or Rating Agencies selected by us.

“Moody’s” means Moody’s Investors Service Inc., a subsidiary of Moody’s Corporation, and its successors.

“Rating Agency” means (1) each of Moody’s and S&P; and (2) if any of Moody’s or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a “nationally recognized statistical rating organization” within the meaning of Section 3(a)(62) under the Exchange Act, selected by us as a replacement agency for Moody’s or S&P, or both of them, as the case may be.

“S&P” means S&P Global Ratings Inc., a division of S&P Global Inc. and its successors.

“Voting Stock” of any specified person as of any date means the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person. The definition of “Change of Control” includes a phrase relating to the direct or indirect sale, transfer, conveyance or other disposition of “all or substantially all” of our assets and those of our subsidiaries, taken as a whole. Although there is a limited body of case law interpreting

the phrase “substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require us to repurchase the notes as a result of a sale, transfer, conveyance or other disposition of less than all of our assets and the assets of our subsidiaries, taken as a whole, to another person or group may be uncertain.

Certain Covenants

Limitation on Liens

The Indenture contains a covenant that we will not, and we will not permit any of our Restricted Subsidiaries to, issue, assume or guarantee any Indebtedness secured by any Mortgage upon any of our Principal Properties or those of any of our Restricted Subsidiaries without equally and ratably securing the notes (and, if we so determine, any other Indebtedness ranking equally with the notes) with such Indebtedness.

This covenant will not prevent us or any of our Restricted Subsidiaries from issuing, assuming or guaranteeing:

- any purchase money mortgage on such Principal Property prior to, simultaneously with or within 180 days after the later of (1) the acquisition or completion of construction or completion of substantial reconstruction, renovation, remodeling, expansion or improvement (each, a substantial improvement”) of such Principal Property or (2) the placing in operation of such property after the acquisition or completion of any such construction or substantial improvement;
 - Mortgages on a Principal Property existing at the time of acquisition, including acquisition through merger or consolidation;
 - Mortgages existing on the date of the initial issuance of the notes, Mortgages on assets of a corporation or other business entity existing on the date it becomes a Restricted Subsidiary or is merged or consolidated with us or a Restricted Subsidiary or at the time the corporation or the business entity sells, leases or otherwise disposes of its property as an entirety or substantially as an entirety to us or a Restricted Subsidiary or Mortgages on the assets of a Subsidiary that is newly designated as a Restricted Subsidiary if the Mortgage would have been permitted under the provisions of this paragraph if such Mortgage was created while the Subsidiary was a Restricted Subsidiary;
 - Mortgages in favor of us or a Restricted Subsidiary;
 - Mortgages for taxes, assessments or governmental charges or levies that are not delinquent or that are being contested in good faith;
 - Carriers’, warehousemen’s, materialmen’s, repairmen’s, mechanic’s, landlords’ and other similar Mortgages arising in ordinary course of business that are not delinquent or remain payable without penalty or that are being contested in good faith;
 - Mortgages (other than any Mortgage imposed by ERISA) consisting of pledges or deposits required in the ordinary course of business in connection with workers’ compensation, unemployment insurance and other social security legislation;
-

- Easements, rights-of-way, restrictions, encroachments, imperfections and other similar encumbrances affecting real property that, in the aggregate, are not substantial in amount and do not in any case materially detract from the value of the Principal Property subject thereto or materially interfere with the ordinary conduct of our and our Subsidiaries' business, taken as a whole;
- Mortgages arising by reason of deposits with, or the giving of any form of security to, any governmental agency or anybody created or approved by law or governmental regulation, including any zoning or similar law or right reserved to or vested in any governmental office or agency to control or regulate the use of any real property;
- Mortgages arising from filing Uniform Commercial Code financing statements relating solely to leases; and
- Mortgages to secure Indebtedness incurred to extend, renew, refinance or replace Indebtedness secured by any Mortgages referred to above, provided that the principal amount of the extended, renewed, refinanced or replaced Indebtedness does not exceed the principal amount of Indebtedness so extended, renewed, refinanced or replaced, plus transaction costs and fees, and that any such Mortgage applies only to the same property or assets subject to the prior permitted Mortgage (and, in the case of real property, improvements).

Limitations on Sale and Leaseback Transactions

The Indenture contains a covenant that we will not, and will not permit our Restricted Subsidiaries to, enter into any arrangement with any person providing for the leasing by us or any Restricted Subsidiary of any Principal Property owned or acquired thereafter that has been or is to be sold or transferred by us or such Restricted Subsidiary to such person with the intention of taking back a lease of such Principal Property, a "sale and leaseback transaction," without equally and ratably securing the notes (and, if we shall so determine, any other Indebtedness ranking equally with the notes), unless:

- within 180 days after the receipt of the proceeds of the sale or transfer, we or any Restricted Subsidiary apply an amount equal to the greater of the net proceeds of the sale or transfer or the fair value of such Principal Property at the time of such sale or transfer to any (or a combination) of (1) the prepayment or retirement (other than any mandatory prepayment or retirement) of our Senior Funded Debt or (2) the purchase, construction, development, expansion or improvement of other comparable property, subject in each case to credits for voluntary retirements of Senior Funded Debt; or
 - we or such Restricted Subsidiary would be entitled, at the effective date of the sale or transfer, to incur Indebtedness secured by a Mortgage on such Principal Property, in an amount at least equal to the Attributable Debt in respect of the sale and leaseback transaction, without equally and ratably securing the notes pursuant to "—Limitation on Liens" described above.
-

The foregoing restriction will not apply to:

- any sale and leaseback transaction for a term of not more than three years including renewals;
- any sale and leaseback transaction with respect to a Principal Property if a binding commitment with respect thereto is entered into within three years after the later of (1) the date of the issuance of the notes under the Supplemental Indenture, or (2) the date such Principal Property was acquired;
- any sale and leaseback transaction with respect to a Principal Property if a binding commitment with respect thereto is entered into within 180 days after the later of the date such property was acquired and, if applicable, the date such property was first placed in operation; or
- any sale and leaseback transaction between us and a Restricted Subsidiary or between Restricted Subsidiaries.

Exception to Limitations for Exempted Debt

Notwithstanding the limitations in the Indenture on liens and sale and leaseback transactions, we or our Restricted Subsidiaries may, in addition to amounts permitted under such restrictions and without equally and ratably securing the notes, create or assume and renew, extend or replace Mortgages, or enter into sale and leaseback transactions without any obligation to retire any Senior Funded Debt of us or any Restricted Subsidiary, provided that at the time of such creation, assumption, renewal, extension or replacement of a Mortgage or at the time of entering into such sale and leaseback transactions, and after giving effect thereto, Exempted Debt does not exceed 15% of our Consolidated Net Tangible Assets.

Definitions

For purposes of the Indenture:

“Attributable Debt” in respect of a sale and leaseback transaction means, at the time of determination, the present value (discounted at the imputed rate of interest of such transaction as determined in good faith by us) of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction (including any period for which such lease has been extended or may, at the option of the lessor, be extended). The term “net rental payments” under any lease for any period means the sum of the rental and other payments required to be paid in such period by the lessee thereunder, not including any amounts required to be paid by such lessee (whether or not designated as rental or additional rent) on account of maintenance and repairs, insurance, taxes, assessments, water rates or similar charges required to be paid by such lessee thereunder or any amount required to be paid by lessee thereunder contingent upon the amount of maintenance and repairs, insurance, taxes, assessments, water rates or similar charges. In the case of any lease that is terminable by the lessee upon the payment of a penalty, such net amount shall be the lesser of (x) the net amount determined assuming termination upon the first date such lease may be terminated (in which case the net amount shall also include the amount of the penalty, but shall not include any rent that would be required to be paid under such lease subsequent to the first date upon which it may

be so terminated) or (y) the net amount determined assuming no such termination.

“Consolidated Net Tangible Assets” means the total amounts of assets (less depreciation and valuation reserves and other reserves and items deductible from gross book value of specific asset accounts under generally accepted accounting principles) that under generally accepted accounting principles would be included on a consolidated balance sheet of us and our consolidated Restricted Subsidiaries after deducting (1) all current liabilities, excluding current liabilities that could be classified as long-term debt under generally accepted accounting principles and current liabilities that are by their terms extendable or renewable at the obligor’s option to a time more than 12 months after the time as of which the amount of current liabilities is being computed; (2) investments in Unrestricted Subsidiaries; and (3) all trade names, trademarks, licenses, patents, copyrights and goodwill, organizational and development costs, deferred charges, other than prepaid items such as insurance, taxes, interest, commissions, rents and similar items and tangible assets being amortized, and amortized debt discount and expense, less unamortized premium.

“Exempted Debt” means the sum of the following items outstanding as of the date Exempted Debt is being determined (1) Indebtedness of us and our Restricted Subsidiaries secured by a Mortgage and not permitted to exist under the Indenture and (2) Attributable Debt of us and our Restricted Subsidiaries in respect of all sale and leaseback transactions not permitted under the Indenture.

“Funded Debt” means Indebtedness that matures more than one year from the date of creation, or that is extendable or renewable at the sole option of the obligor so that it may become payable more than one year from such date. Funded Debt does not include (1) obligations created pursuant to leases, (2) any Indebtedness or portion thereof maturing by its terms within one year from the time of any computation of the amount of outstanding Funded Debt unless such Indebtedness shall be extendable or renewable at the sole option of the obligor in such manner that it may become payable more than one year from such time, or (3) any Indebtedness for the payment or redemption of which money in the necessary amount shall have been deposited in trust either at or before the maturity date thereof.

“Indebtedness” means any and all of the obligations of a person for money borrowed that in accordance with generally accepted accounting principles would be reflected on the balance sheet of such person as a liability as of the date of which the Indebtedness is to be determined. For the avoidance of doubt, a change in generally accepted accounting principles subsequent to the issue date of the notes shall not be deemed an incurrence of Indebtedness.

“Investment” means any investment in stock, evidences of Indebtedness, loans or advances, however made or acquired, but does not include our account receivable or the accounts receivable of any Restricted Subsidiary arising from transactions in the ordinary course of business, or any evidences of Indebtedness, loans or advance made in connection with the sale to any Subsidiary of our accounts receivable or the accounts receivable of any Restricted Subsidiary arising from transactions in the ordinary course of business.

“Mortgage” means any mortgage, security interest, pledge, lien or other encumbrance.

“Principal Property” means all real property and improvements thereon owned by us or a Restricted Subsidiary, including, without limitation, any manufacturing, warehouse, distribution or research facility, and improvements therein, having a net book value in excess of 2% of Consolidated Net Tangible Assets that is located within the United States, excluding its territories and possessions and Puerto Rico. This term does not include any real property and improvements thereon that our Board of Directors declares by resolution not to be of material importance to the total business conducted by us and our Restricted Subsidiaries taken as a whole.

“Restricted Subsidiary” means a Subsidiary that owns a Principal Property.

“Senior Funded Debt” means all Funded Debt (except Funded Debt, the payment of which is subordinated to the payment of the notes).

“Subsidiary” means a corporation, partnership or other legal entity of which, in the case of a corporation, more than 50% of the outstanding voting stock is owned, directly or indirectly, by us or by one or more other Subsidiaries, or by us and one or more other Subsidiaries or, in the case of any partnership or other legal entity, more than 50% of the ordinary capital interests is, at the time, directly or indirectly owned or controlled by us or by one or more other Subsidiaries. For the purposes of this definition, “voting stock” means the equity interest that ordinarily has voting power for the election of directors, managers or trustees of an entity, or persons performing similar functions, whether at all times or only so long as no senior class of equity interest has such voting power by reason of any contingency.

“Unrestricted Subsidiary” means any Subsidiary other than a Restricted Subsidiary.

Consolidation, Merger and Sale of Assets

We may consolidate or merge with or into any other corporation, and we may sell or transfer all or substantially all of our assets to another corporation, provided, among other things, that (a) we are the surviving corporation or the corporation formed by or resulting from any such

consolidation or merger or the transferee of such assets shall be a corporation organized and existing under the laws of the United States, any state thereof or the District of Columbia and shall expressly assume by supplemental indenture payment of the principal of, and premium, if any, and interest, if any, on the notes issued under the Indenture and the performance and observance of the Indenture and (b) we or such successor corporation shall not immediately thereafter be in default under the Indenture.

Events of Default

The following events are defined in the Indenture as “Events of Default”:

- default in the payment of any installment of interest on any series of notes for 30 days after becoming due;
-

- default in the payment of principal or premium, if any, of any series of notes when due;
- default in the deposit of any sinking fund payment, when due;
- default in the performance of any other covenant for 90 days after notice, which must be sent by either the trustee or holders of 25% of the principal amount of the notes of the affected series; and
- certain events of bankruptcy, insolvency or reorganization.

If an Event of Default occurs and continues with respect to a series of notes, either the trustee or the holders of at least 25% in principal amount of the outstanding notes of such series may declare the entire principal amount of all of such series to be due and payable; provided that, in the case of an Event of Default involving certain events of bankruptcy, insolvency or reorganization, such acceleration is automatic; and, provided further, that after such acceleration, but before a judgment or decree based on acceleration, the holders of a majority in aggregate principal amount of the outstanding notes of that series may, subject to certain conditions, rescind and annul such acceleration if all Events of Default, other than the nonpayment of accelerated principal, have been cured or waived.

Description of Debt Securities:**0.250% Notes due 2024****0.750% Notes due 2029****1.000 % Notes due 2031**

The Company has an effective a registration statement on Form S-3 (File No. 333-229539), which was filed with the Securities and Exchange Commission on February 7, 2019 and covers the issuance of the Company's 0.250% Notes due 2024 (the "2024 notes"), the 0.750% Notes due 2029 (the "2029 notes") and the 1.000% Notes due 2031 (the "2031 notes" and together with the 2024 notes, the 2029 notes and the 2031 notes, the "notes"). The notes are governed by a base indenture dated January 15, 2010 between the Company and U.S. Bank National Association, as trustee, as supplemented by the applicable supplemental indenture governing a particular series of notes (as so supplemented, the "Indenture"). This summary is subject to and qualified in its entirety by reference to all of the provisions of the Indenture and the notes, including definitions of certain terms used in the Indenture and the notes.

General

The notes were issued as separate series of debt securities under the Indenture. The notes are senior unsecured obligations of ours and rank equally in right of payment with our other existing and future senior unsecured indebtedness. The notes are not secured by any of our assets. Any future claims of our secured lenders with respect to assets securing their loans will be prior to any claim of the holders of the notes with respect to those assets. Holders of secured debt that we have now or may issue in the future may foreclose on the assets securing such debt, reducing the cash flow from the foreclosed property available for payment of unsecured debt, including the notes. Holders of our secured debt also would have priority over unsecured creditors in the event of our bankruptcy, liquidation or similar proceeding to the extent of the value of the collateral securing such debt. The notes are structurally subordinated to all liabilities of our subsidiaries, including trade payables. Because we conduct many of our operations through our subsidiaries, our right to participate in any distribution of the assets of a subsidiary when it winds up its business is subject to the prior claims of the creditors of that subsidiary. This means that your right to payment as a holder of our notes is also subject to the prior claims of these creditors if a subsidiary liquidates or reorganizes or otherwise winds up its business. If we are a creditor of any of our subsidiaries, our right as a creditor would be subordinated to any security interest in the assets of those subsidiaries and any indebtedness of our subsidiaries senior in right of payment to that held by us.

The Indenture does not limit the amount of notes, unsecured debentures or other evidences of indebtedness that we may issue under the Indenture and provides that notes, unsecured debentures or other evidences of indebtedness may be issued from time to time in one or more series. We may from time to time, without notice to or the consent of the holders of the notes, create and issue additional notes of any series having the same ranking and terms and conditions as the notes of the same series, except for the issue date, the public offering price and, in some cases, the first interest payment date. Any additional notes having such similar terms, together with the notes offered of the same series, will constitute a single series of securities under the Indenture. If the additional notes of a series, if any, are not fungible with the notes of that series offered for U.S. federal income tax purposes, the additional notes have a separate CUSIP number.

We issued the notes in fully registered book-entry form without coupons and in denominations of €100,000 and integral multiples of €1,000 thereafter.

Principal of and interest on the notes are payable, and the notes are transferable or exchangeable, at the office or offices or agency maintained by us for these purposes. Payment of interest on the notes may be made at our option by check mailed to the registered holders thereof.

The 2024 notes, the 2029 notes and the 2031 notes are listed on the New York Stock Exchange under the symbols “SYK24A,” “SYK29” and “SYK31,” respectively. We have no obligation to maintain such listings, and we may delist any series of the notes at any time.

Elavon Financial Services DAC is paying agent for the notes. U.S. Bank National Association will be registrar and transfer agent for the notes. Upon notice to the trustee, we may change the paying agent, registrar or transfer agent.

Interest

The 2024 notes and 2031 notes bear interest from the date of issuance, payable annually on December 3 of each year, beginning December 3, 2020, and the 2029 notes bear interest from the date of issuance, payable annually on March 1 of each year, beginning March 1, 2021, to the persons in whose names such notes are registered at the close of business on the business day (for this purpose, a day on which Clearstream and Euroclear are open for business) immediately preceding the relevant interest payment. Interest on the notes is computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the last date on which interest was paid on the notes (or December 3, 2019, if no interest has been paid on the applicable series of notes), to, but excluding, the next scheduled interest payment date. This payment convention is referred to as Actual/Actual (ICMA) as defined in the rulebook of the International Capital Market Association.

If any interest payment date would otherwise be a day that is not a business day, such interest payment date will be postponed to the next date that is a business day and no interest will accrue on the amounts payable from and after such interest payment date to the next business day. If the maturity date of any series of notes falls on a day that is not a business day, the related payment of principal, premium, if any, and interest will be made on the next business day as if it were made on the date such payment was due, and no interest will accrue on the amounts so payable for the period from and after such date to the next business day.

Business Day

For purposes of the notes, a “business day” is any day that is not a Saturday, Sunday or other day on which banking institutions in New York City, London or another place of payment on the notes are authorized or required by law to close and on which the Trans-European Automated Real-Time Gross Settlement Express Transfer system (the TARGET2 system), or any successor thereto, is open.

Issuance in euro

All payments of interest, premium, if any, and principal, including payments made upon any redemption or repurchase of the notes, will be made in euro; provided that if the euro is unavailable to us due to the imposition of exchange controls or other circumstances beyond our control or if the euro is no longer being used by the then member states of the European Monetary Union that have adopted the euro as their currency or for the settlement of transactions by public institutions of or within the international banking community, then all payments in respect of the notes will be made in U.S. dollars until the euro is again available to us or so used. In such circumstances, the amount payable on any date in euro will be converted into U.S. dollars at the rate mandated by the Board of Governors of the Federal Reserve System as of the close of business on the second business day prior to the relevant payment date or, if the Board of Governors of the Federal Reserve System has not announced a rate of conversion, on the basis of the most recent U.S. dollar/euro exchange rate published in The Wall Street Journal on or prior to the second business day prior to the relevant payment date or, in the event The Wall Street Journal has not published such exchange rate, the rate will be determined in our sole discretion on the basis of the most recently available market exchange rate for the euro. Any payment in respect of the notes so made in U.S. dollars will not constitute an Event of Default (as defined in the Indenture). Neither the trustee nor the paying agent shall have any responsibility for any calculation or conversion in connection with the foregoing.

Investors are subject to foreign exchange risks as to payments of principal, premium, if any, and interest that may have important economic and tax consequences to them.

Optional Redemption

We may redeem the notes prior to November 3, 2024 in the case of the 2024 notes, December 1, 2028 in the case of the 2029 notes and September 3, 2031 in the case of the 2031 notes, in whole, at any time, or in part, from time to time, at our option, for cash, at a redemption price equal to the greater of:

- 1) 100% of the principal amount of the applicable series of notes to be redeemed; or
- 2) an amount determined by the Quotation Agent (as defined below) equal to the sum of the present values of the remaining scheduled payments of principal, premium, if any, and interest thereon (not including any portion of such payments of interest accrued to the date of redemption) to November 3, 2024 with respect to the 2024 notes, December 1, 2028 with respect to the 2029 notes and September 3, 2031 with respect to the 2031 notes, discounted to the date of redemption on an annual basis (Actual/Actual (ICMA) at the Comparable Government Bond Rate (as defined below)), plus 15 basis points with respect to the 2024 notes, 20 basis points with respect to the 2029 notes and 25 basis points with respect to the 2031 notes,

plus accrued and unpaid interest thereon to, but not including, the date of redemption.

On or after November 3, 2024 in the case of the 2024 notes, December 1, 2028 in the case of the 2029 notes and September 3, 2031 in the case of the 2031 notes, we may redeem the applicable series of notes, in whole, at any time, or in part, from time to time, at our option, for cash, at a redemption price equal to 100% of the principal amount of such series of notes, plus accrued and unpaid interest to, but not including, the redemption date.

The principal amount of any note remaining outstanding after a redemption in part shall be €100,000 or a higher integral multiple of €1,000. Notwithstanding the foregoing, installments of interest on any series of notes that are due and payable on interest payment dates falling on or prior to a redemption date will be payable on the interest payment date to the registered holders as of the close of business on the relevant record date.

“*Comparable Government Bond*” means, in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by us (the “Quotation Agent”), a German government bund whose maturity is closest to the par call date, or if such Quotation Agent in its discretion determines that such similar bond is not in issue, such other German government bund as such Quotation Agent may, with the advice of three brokers of, and/or market makers in, German government bunds selected by us, determine to be appropriate for determining the Comparable Government Bond Rate.

“*Comparable Government Bond Rate*” means the price, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on the notes to be redeemed, if they were to be purchased at such price on the third business day prior to the date fixed for redemption, would be equal to the gross redemption yield on such business day of the Comparable Government Bond on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 A.M. (London time) on such business day as determined by the Quotation Agent selected by us.

Notice of any redemption will be sent (or, in the case of notes held in book-entry form, be transmitted electronically) at least 10 days but not more than 60 days before the redemption date to each registered holder of the applicable series of notes to be redeemed. Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the applicable series of notes or portions thereof called for redemption. If less than all of the applicable series of notes are to be redeemed, the notes to be redeemed will be selected by the trustee in accordance with the standard procedures of the depository. If the notes to be redeemed are not global notes then held by Euroclear or Clearstream, the trustee will select the notes to be redeemed on a pro rata basis. If the notes are listed on the NYSE or any other national securities exchange, the trustee will select notes in compliance with the requirements of the NYSE or other principal national securities exchange on which the notes are listed.

Notwithstanding the foregoing, if less than all of a series of notes is to be redeemed, no notes of such series of a principal amount of €100,000 or less shall be redeemed in part. If money sufficient to pay the redemption price on the series of notes (or portions thereof) to be redeemed on the redemption date is deposited with the paying agent on or before the redemption date and certain other conditions are satisfied, then on and after such redemption date, interest will cease to accrue on such series of notes (or such portion thereof) called for redemption.

Special Mandatory Redemption

If we do not satisfy the minimum tender and other conditions in the Purchase Agreement and consummate the Wright Tender Offer on or prior to February 4, 2021, or if, prior to such date, we notify the trustee in writing that the Purchase Agreement has been terminated (each, a “Special Mandatory Redemption Event”), the provisions set forth below will be applicable (other than with respect to the 2029 notes). The 2029 notes will not be subject to the special mandatory redemption and will remain outstanding (unless otherwise redeemed) even if the Wright Tender Offer is not consummated on or prior to February 4, 2021. If a Special Mandatory Redemption Event occurs, we will be required to redeem each series of notes (other than the 2029 notes) in the manner set forth below in whole and not in part at a special mandatory redemption price (the “Special Mandatory Redemption Price”) equal to 101% of the aggregate principal amount of such series, plus accrued and unpaid interest, if any, to, but excluding, the Special Mandatory

Redemption Date (as defined below) (subject to the right of holders of record on the relevant record date to receive interest due on any interest payment date that is on or prior to the Special Mandatory Redemption Date).

Upon the occurrence of a Special Mandatory Redemption Event, we will promptly (but in no event later than ten business days following such Special Mandatory Redemption Event) notify the trustee in writing of such event (such notice to include the officers' certificate required by the Indenture), and the trustee shall, no later than five business days following receipt of such notice from us, notify the holders of each series of notes (such date of notification to such holders, the "Redemption Notice Date") that all of the outstanding notes will be redeemed at the Special Mandatory Redemption Price on the third business day following the Redemption Notice Date (such date, the "Special Mandatory Redemption Date") automatically and without any further action by the holders of the notes, in each case in accordance with the applicable provisions of the Indenture. At or prior to 12:00 p.m. (New York City time) on the business day immediately preceding the Special Mandatory Redemption Date, we will deposit with the trustee funds sufficient to pay the Special Mandatory Redemption Price for the notes. If such deposit is made as provided above, the notes will cease to bear interest on and after the Special Mandatory Redemption Date.

If we fail to pay the Special Mandatory Redemption Price, it will be an event of default with respect to each series of notes (other than the 2029 notes) under the Indenture.

Optional Redemption for Tax Reasons

The notes of any series may be redeemed at our option in whole, but not in part, on not less than 10 nor more than 60 days' prior notice, at 100% of the principal amount of such series together with accrued and unpaid interest, if any, to, but excluding, the redemption date if, as a result of any change in, or amendment to, the laws, regulations or rulings of the United States (or any political subdivision or taxing authority thereof or therein having power to tax), or any change in official position regarding application or interpretation of those laws, regulations or rulings (including a holding by a court of competent jurisdiction), which change, amendment, application or interpretation is announced or becomes effective on or after the original issue date with respect to the notes, we become or, based upon a written opinion of independent counsel selected by us, will become obligated to pay additional amounts as described below in "— Payment of Additional Amounts."

Payment of Additional Amounts

All payments of principal, interest, and premium, if any, in respect of the notes are will be made free and clear of, and without withholding or deduction for, any present or future taxes, assessments, duties or governmental charges of whatever nature imposed, levied or collected by

the United States (or any political subdivision or taxing authority thereof or therein having power to tax), unless such withholding or deduction is required by law or the official interpretation or administration thereof.

We will, subject to the exceptions and limitations set forth below, pay as additional interest in respect of the notes such additional amounts as are necessary in order that the net payment by us of the principal of, premium, if any, and interest in respect of the notes to a holder who is not a United States person (as defined below), after withholding or deduction for any present or future tax, assessment, duties or other governmental charge imposed by the United States (or any political subdivision or taxing authority thereof or therein having power to tax), will not be less than the amount provided in the notes to be then due and payable; provided, however, that the foregoing obligation to pay additional amounts shall not apply:

- 1) to the extent any tax, assessment or other governmental charge would not have been imposed but for the holder (or the beneficial owner for whose benefit such holder holds such note), or a fiduciary, settlor, beneficiary, member or shareholder of the holder if the holder is an estate, trust, partnership or corporation, or a person holding a power over an estate or trust administered by a fiduciary holder, being considered as:
 - a) being or having been engaged in a trade or business in the United States or having or having had a permanent establishment in the United States;
 - b) having a current or former connection with the United States (other than a connection arising solely as a result of the ownership of the notes, the receipt of any payment in respect of the notes or the enforcement of any rights hereunder), including being or having been a citizen or resident of the United States;
 - c) being or having been a personal holding company, a passive foreign investment company or a controlled foreign corporation for U.S. federal income tax purposes, a foreign tax-exempt organization, or a corporation that has accumulated earnings to avoid U.S. federal income tax;
 - d) being or having been a “10-percent shareholder” of the Company as defined in section 871(h)(3) of the United States Internal Revenue Code of 1986, as amended (the “Code”) or any successor provision; or
 - e) being a bank receiving payments on an extension of credit made pursuant to a loan agreement entered into in the ordinary course of its trade or business, as described in section 881(c)(3)(A) of the Code or any successor provision;
 - 2) to any holder that is not the sole beneficial owner of the notes, or a portion of the notes, or that is a fiduciary, partnership, limited liability company or other fiscally transparent entity, but only to the extent that a beneficial owner with respect to the holder, a beneficiary or settlor with respect to the fiduciary, or a beneficial owner or member of the partnership, limited liability company or other fiscally transparent entity would not have
-

been entitled to the payment of an additional amount had the beneficiary, settlor, beneficial owner or member received directly its beneficial or distributive share of the payment;

- 3) to the extent any tax, assessment or other governmental charge that would not have been imposed but for the failure of the holder or any other person to comply with certification, identification or information reporting requirements concerning the nationality, residence, identity or connection with the United States of the holder or beneficial owner of the notes, if compliance is required by statute, by regulation of the United States or any taxing authority therein or by an applicable income tax treaty to which the United States is a party as a precondition to exemption from such tax, assessment or other governmental charge;
 - 4) to any tax, assessment or other governmental charge that is imposed otherwise than by withholding by us or a paying agent from the payment;
 - 5) to any tax, assessment or other governmental charge required to be withheld by any paying agent from any payment of principal of or interest on any notes, if such payment can be made without such withholding by any other paying agent;
 - 6) to any estate, inheritance, gift, sales, transfer, wealth, capital gains or personal property tax or similar tax, assessment or other governmental charge, or excise tax imposed on the transfer of notes;
 - 7) to the extent any tax, assessment or other governmental charge would not have been imposed but for the presentation by the holder of any note, where presentation is required, for payment on a date more than 30 days after the date on which payment became due and payable or the date on which payment thereof is duly provided for, whichever occurs later except to the extent that the beneficiary or holder thereof would have been entitled to the payment of additional amounts had such note been presented for payment on any day during such 30-day period;
 - 8) to any tax, assessment or other governmental charge imposed under sections 1471 through 1474 of the Code (or any amended or successor provisions), any current or future regulations or official interpretations thereof, any agreement entered into pursuant to section 1471(b) of the Code or any fiscal or regulatory legislation, rules or practices adopted pursuant to any intergovernmental agreement entered into in connection with the implementation of such sections of the Code, whether currently in effect or as published and amended from time to time;
 - 9) to any tax, assessment or other governmental charge that is imposed or withheld solely by reason of a change in law, regulation, or administrative or judicial interpretation that becomes effective more than 15 days after the payment becomes due or is duly provided for, whichever occurs later; or
 - 10) in the case of any combination of the above numbered items.
-

The notes are subject in all cases to any tax, fiscal or other law or regulation or administrative or judicial interpretation applicable to the notes. Except as specifically provided under this heading “—Payment of Additional Amounts,” we are not required to make any payment for any tax, assessment or other governmental charge imposed by any government or a political subdivision or taxing authority of or in any government or political subdivision.

As used under this heading “—Payment of Additional Amounts” and under the heading “—Optional Redemption for Tax Reasons,” the term “United States” means the United States of America, its territories and possessions, the states of the United States and the District of Columbia, and the term “United States person” means (i) any individual who is a citizen or resident of the United States for U.S. federal income tax purposes, (ii) a corporation, partnership or other entity created or organized in or under the laws of the United States, any state of the United States or the District of Columbia (other than a partnership that is not treated as a United States person for United States federal income tax purposes), (iii) any estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) any trust if a United States court can exercise primary supervision over the administration of the trust and one or more United States persons can control all substantial trust decisions, or if a valid election is in place to treat the trust as a United States person.

Repurchase at the Option of Holders Upon Change of Control Repurchase Event

If a Change of Control Repurchase Event (as defined below) occurs in respect of a series of notes, unless we have exercised our right to redeem the notes of such series as described above under “—Optional Redemption or “Optional Redemption for Tax Reasons” or have been required to redeem the notes as described under “—Special Mandatory Redemption” we will be required to make an offer (a “Change of Control Offer”) to each holder of such series of notes to repurchase all or any part (in minimum denominations of €100,000 and integral multiples of €1,000 original principal amount above that amount) of that holder’s notes at a repurchase price in cash equal to 101% of the aggregate principal amount of notes repurchased plus any accrued and unpaid interest on the notes repurchased to, but not including, the date of such repurchase. Within 30 days following any Change of Control Repurchase Event or, at our option, prior to any Change of Control (as defined below), but after the public announcement of an impending Change of Control, we will mail a notice to each holder, with a copy to the trustee, describing the transaction or transactions that constitute or may constitute the Change of Control Repurchase Event and offering to repurchase notes on the payment date specified in the notice, which date will be no earlier than 30 days and no later than 60 days from the date such notice is mailed. The notice will, if mailed prior to the date of consummation of the Change of Control, state that the offer to purchase is conditioned on the Change of Control Repurchase Event occurring on or prior to the payment date specified in the notice.

We will comply with the requirements of Rule 14e-1 under the Securities Exchange Act of 1934, as amended, or the Exchange Act, and any other securities laws and regulations thereunder, to the extent those laws and regulations are applicable in connection with the repurchase of the notes as a result of a Change of Control Repurchase Event. To the extent that the provisions of any securities laws or regulations conflict with the Change of Control Repurchase Event provisions of the notes, we will comply with the applicable securities laws and regulations and will not be deemed to have breached our obligations under the Change of Control Repurchase Event provisions of the notes by virtue of such conflict.

On the Change of Control Repurchase Event payment date, we will, to the extent lawful:

- accept for payment all notes or portions of notes (in minimum denominations of €100,000 and integral multiples of €1,000 original principal amount above that amount) properly tendered pursuant to our offer;
- deposit with the paying agent an amount equal to the aggregate purchase price in respect of all notes or portions of notes properly tendered; and
- deliver or cause to be delivered to the trustee for cancellation the notes properly accepted, together with an officers' certificate stating the aggregate principal amount of notes being repurchased by us.

The paying agent will promptly mail to each holder of notes properly tendered the purchase price for the notes, and the trustee will promptly authenticate and mail (or cause to be transferred by book-entry) to each holder a new note equal in principal amount to any unpurchased portion of any notes surrendered; provided, that each new note will be in minimum denominations of €100,000 and integral multiples of €1,000 original principal amount above that amount.

We will not be required to make a Change of Control Offer upon a Change of Control Repurchase Event if (i) a third party makes such an offer in the manner, at the times and otherwise in compliance with the requirements for a Change of Control Offer made by us and such third party purchases all notes properly tendered and not withdrawn under its offer or (ii) we have previously or concurrently mailed a redemption notice with respect to all of the outstanding notes as described under "Optional Redemption" above.

If holders of not less than 90% in aggregate principal amount of the outstanding notes of any series validly tender and do not withdraw such notes in a Change of Control Offer and we, or any third party making such an offer in lieu of us as described above, purchases all of the notes of such series validly tendered and not withdrawn by such holders, we or such third party will have the right, upon not less than 10 days nor more than 60 days' prior notice, provided that such notice is given not more than 30 days following such repurchase pursuant to the Change of

Control Offer described above, to redeem all notes of such series that remain outstanding following such purchase on a date specified in such notice (the “Second Change of Control Payment Date”) and at a price in cash equal to 101% of the aggregate principal amount of notes of such series repurchased plus any accrued and unpaid interest on the notes repurchased to, but not including, the Second Change of Control Payment Date.

We have no present intention to engage in a transaction involving a Change of Control, although it is possible that we would decide to do so in the future. We could, in the future, enter into certain transactions, including acquisitions, refinancings or other recapitalizations, that would not constitute a Change of Control but that could increase the amount of debt outstanding at such time or otherwise affect our capital structure or credit ratings.

Definitions

“Below Investment Grade Rating Event” means the notes of such series are rated below Investment Grade by each of the Rating Agencies on any date during the period commencing upon the first public notice of the occurrence of a Change of Control or our intention to effect a Change of Control and ending 60 days following public notice of the occurrence of the related Change of Control (which period shall be extended so long as the rating of the notes of such series is under publicly announced consideration for possible downgrade by any of the Rating Agencies, provided that no such extension shall occur if on such 60th day the notes of such series are rated Investment Grade by at least one of such Rating Agency and are not subject to review for possible downgrade by such Rating Agency); provided further that a Below Investment Grade Rating Event otherwise arising by virtue of a particular reduction in rating shall not be deemed to have occurred in respect of a particular Change of Control (and thus shall not be deemed a Below Investment Grade Rating Event for purposes of the definition of Change of Control Repurchase Event hereunder) if the Rating Agencies making the reduction in rating to which this definition would otherwise apply do not announce or publicly confirm or inform the trustee in writing at its request that the reduction was the result, in whole or in part, of any event or circumstance comprised of or arising as a result of, or in respect of, the applicable Change of Control (whether or not the applicable Change of Control shall have occurred at the time of the Below Investment Grade Rating Event).

“Change of Control” means the occurrence of any of the following:

- 1) the direct or indirect sale, transfer, conveyance or other disposition (other than by way of merger or consolidation), in one or a series of related transactions, of all or substantially all of our assets and those of our subsidiaries taken as a whole to any “person” (as that term is used in Section 13(d)(3) of the Exchange Act), other than us or one of our subsidiaries;
 - 2) the adoption of a plan relating to our liquidation or dissolution;
-

- 3) the first day on which a majority of the members of our Board of Directors are not Continuing Directors; or
- 4) the consummation of any transaction (including, without limitation, any merger or consolidation) the result of which is that any “person” (as that term is used in Section 13(d)(3) of the Exchange Act), other than us or one or more of our subsidiaries, becomes the beneficial owner (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of more than 50% of the then outstanding number of shares of our Voting Stock.

Notwithstanding the foregoing, a transaction will not be considered to be a Change of Control if (a) we become a direct or indirect wholly-owned subsidiary of a holding company and (b)(i) immediately following that transaction, the direct or indirect holders of the Voting Stock of the holding company are substantially the same as the holders of our Voting Stock immediately prior to that transaction or (ii) immediately following that transaction, no person is the beneficial owner, directly or indirectly, of more than 50% of the Voting Stock of such holding company.

“Change of Control Repurchase Event” means the occurrence of both a Change of Control and a Below Investment Grade Rating Event.

“Continuing Directors” means, as of any date of determination, any member of our Board of Directors who (1) was a member of such Board of Directors on the date of the issuance of the notes; or (2) was nominated for election, elected or appointed to such Board of Directors with the approval of a majority of the Continuing Directors who were members of such Board of Directors at the time of such nomination, election or appointment (either by a specific vote or by approval of our proxy statement in which such member was named as a nominee for election as a director).

“Investment Grade” means a rating of Baa3 or better by Moody’s (or its equivalent under any successor rating categories of Moody’s) and a rating of BBB- or better by S&P (or its equivalent under any successor rating categories of S&P) or the equivalent investment grade credit rating from any additional Rating Agency or Rating Agencies selected by us.

“Moody’s” means Moody’s Investors Service Inc., a subsidiary of Moody’s Corporation, and its successors.

“Rating Agency” means (1) each of Moody’s and S&P; and (2) if any of Moody’s or S&P ceases to rate the notes or fails to make a rating of the notes publicly available for reasons outside of our control, a “nationally recognized statistical rating organization” within the

meaning of Section 3(a) (62) under the Exchange Act, selected by us as a replacement agency for Moody's or S&P, or both of them, as the case may be.

“S&P” means S&P Global Ratings Inc., a division of S&P Global Inc. and its successors.

“Voting Stock” of any specified person as of any date means the capital stock of such person that is at the time entitled to vote generally in the election of the board of directors of such person.

The definition of “Change of Control” includes a phrase relating to the direct or indirect sale, transfer, conveyance or other disposition of “all or substantially all” of our assets and those of our subsidiaries, taken as a whole. Although there is a limited body of case law interpreting the phrase “substantially all,” there is no precise established definition of the phrase under applicable law. Accordingly, the ability of a holder of notes to require us to repurchase the notes as a result of a sale, transfer, conveyance or other disposition of less than all of our assets and the assets of our subsidiaries, taken as a whole, to another person or group may be uncertain.

Certain Covenants

Limitation on Liens

The Indenture contains a covenant that we will not, and we will not permit any of our Restricted Subsidiaries to, issue, assume or guarantee any Indebtedness secured by any Mortgage upon any of our Principal Properties or those of any of our Restricted Subsidiaries without equally and ratably securing the notes (and, if we so determine, any other Indebtedness ranking equally with the notes) with such Indebtedness.

This covenant will not prevent us or any of our Restricted Subsidiaries from issuing, assuming or guaranteeing:

- any purchase money mortgage on such Principal Property prior to, simultaneously with or within 180 days after the later of (1) the acquisition or completion of construction or completion of substantial reconstruction, renovation, remodeling, expansion or improvement (each, a “substantial improvement”) of such Principal Property or (2) the placing in operation of such property after the acquisition or completion of any such construction or substantial improvement;
 - Mortgages on a Principal Property existing at the time of acquisition, including acquisition through merger or consolidation;
 - Mortgages existing on the date of the initial issuance of the notes, Mortgages on assets of a corporation or other business entity existing on the date it becomes a Restricted Subsidiary or is merged or consolidated with us or a Restricted Subsidiary or at the time
-

the corporation or other business entity sells, leases or otherwise disposes of its property as an entirety or substantially as an entirety to us or a Restricted Subsidiary or Mortgages on the assets of a Subsidiary that is newly designated as a Restricted Subsidiary if the Mortgage would have been permitted under the provisions of this paragraph if such Mortgage was created while the Subsidiary was a Restricted Subsidiary;

- Mortgages in favor of us or a Restricted Subsidiary;
- Mortgages for taxes, assessments or governmental charges or levies that are not delinquent or that are being contested in good faith;
- Carriers', warehousemen's, materialmen's, repairmen's, mechanic's, landlords' and other similar Mortgages arising in ordinary course of business that are not delinquent or remain payable without penalty or that are being contested in good faith;
- Mortgages (other than any Mortgage imposed by ERISA) consisting of pledges or deposits required in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation;
- Easements, rights-of-way, restrictions, encroachments, imperfections and other similar encumbrances affecting real property that, in the aggregate, are not substantial in amount and do not in any case materially detract from the value of the Principal Property subject thereto or materially interfere with the ordinary conduct of our and our Subsidiaries' business, taken as a whole;
- Mortgages arising by reason of deposits with, or the giving of any form of security to, any governmental agency or anybody created or approved by law or governmental regulation, including any zoning or similar law or right reserved to or vested in any governmental office or agency to control or regulate the use of any real property;
- Mortgages arising from filing Uniform Commercial Code financing statements relating solely to leases; and
- Mortgages to secure Indebtedness incurred to extend, renew, refinance or replace Indebtedness secured by any Mortgages referred to above, provided that the principal amount of the extended, renewed, refinanced or replaced Indebtedness does not exceed the principal amount of Indebtedness so extended, renewed, refinanced or replaced, plus transaction costs and fees, and that any such Mortgage applies only to the same property or assets subject to the prior permitted Mortgage (and, in the case of real property, improvements).

Limitations on Sale and Leaseback Transactions

The Indenture contains a covenant that we will not, and will not permit our Restricted Subsidiaries to, enter into any arrangement with any person providing for the leasing by us or any Restricted Subsidiary of any Principal Property owned or acquired thereafter that has been or is to be sold or transferred by us or such Restricted Subsidiary to such person with the intention of taking back a lease of such Principal Property, a "sale and leaseback transaction," without

equally and ratably securing the notes (and, if we shall so determine, any other Indebtedness ranking equally with the notes), unless:

- within 180 days after the receipt of the proceeds of the sale or transfer, we or any Restricted Subsidiary apply an amount equal to the greater of the net proceeds of the sale or transfer or the fair value of such Principal Property at the time of such sale or transfer to any (or a combination) of (1) the prepayment or retirement (other than any mandatory prepayment or retirement) of our Senior Funded Debt or (2) the purchase, construction, development, expansion or improvement of other comparable property, subject in each case to credits for voluntary retirements of Senior Funded Debt; or
- we or such Restricted Subsidiary would be entitled, at the effective date of the sale or transfer, to incur Indebtedness secured by a Mortgage on such Principal Property, in an amount at least equal to the Attributable Debt in respect of the sale and leaseback transaction, without equally and ratably securing the notes pursuant to “—Limitation on Liens” described above.

The foregoing restriction will not apply to:

- any sale and leaseback transaction for a term of not more than three years including renewals;
- any sale and leaseback transaction with respect to a Principal Property if a binding commitment with respect thereto is entered into within three years after the later of (1) the date of the issuance of the notes under the Supplemental Indenture, or (2) the date such Principal Property was acquired;
- any sale and leaseback transaction with respect to a Principal Property if a binding commitment with respect thereto is entered into within 180 days after the later of the date such property was acquired and, if applicable, the date such property was first placed in operation; or
- any sale and leaseback transaction between us and a Restricted Subsidiary or between Restricted Subsidiaries.

Exception to Limitations for Exempted Debt

Notwithstanding the limitations in the Indenture on liens and sale and leaseback transactions, we or our Restricted Subsidiaries may, in addition to amounts permitted under such restrictions and without equally and ratably securing the notes, create or assume and renew, extend or replace Mortgages, or enter into sale and leaseback transactions without any obligation to retire any Senior Funded Debt of us or any Restricted Subsidiary, provided that at the time of such creation, assumption, renewal, extension or replacement of a Mortgage or at the time of entering into such sale and leaseback transactions, and after giving effect thereto, Exempted Debt does not exceed 15% of our Consolidated Net Tangible Assets.

Definitions

For purposes of the Indenture:

“Attributable Debt” in respect of a sale and leaseback transaction means, at the time of determination, the present value (discounted at the imputed rate of interest of such transaction as determined in good faith by us) of the obligation of the lessee for net rental payments during the remaining term of the lease included in such sale and leaseback transaction (including any period for which such lease has been extended or may, at the option of the lessor, be extended). The term “net rental payments” under any lease for any period means the sum of the rental and other payments required to be paid in such period by the lessee thereunder, not including any amounts required to be paid by such lessee (whether or not designated as rental or additional rent) on account of maintenance and repairs, insurance, taxes, assessments, water rates or similar charges required to be paid by such lessee thereunder or any amount required to be paid by lessee thereunder contingent upon the amount of maintenance and repairs, insurance, taxes, assessments, water rates or similar charges. In the case of any lease that is terminable by the lessee upon the payment of a penalty, such net amount shall be the lesser of (x) the net amount determined assuming termination upon the first date such lease may be terminated (in which case the net amount shall also include the amount of the penalty, but shall not include any rent that would be required to be paid under such lease subsequent to the first date upon which it may be so terminated) or (y) the net amount determined assuming no such termination.

“Consolidated Net Tangible Assets” means the total amounts of assets (less depreciation and valuation reserves and other reserves and items deductible from gross book value of specific asset accounts under generally accepted accounting principles) that under generally accepted accounting principles would be included on a consolidated balance sheet of us and our consolidated Restricted Subsidiaries after deducting (1) all current liabilities, excluding current liabilities that could be classified as long-term debt under generally accepted accounting principles and current liabilities that are by their terms extendable or renewable at the obligor’s option to a time more than 12 months after the time as of which the amount of current liabilities is being computed; (2) investments in Unrestricted Subsidiaries; and (3) all trade names, trademarks, licenses, patents, copyrights and goodwill, organizational and development costs, deferred charges, other than prepaid items such as insurance, taxes, interest, commissions, rents and similar items and tangible assets being amortized, and amortized debt discount and expense, less unamortized premium.

“Exempted Debt” means the sum of the following items outstanding as of the date Exempted Debt is being determined (1) Indebtedness of us and our Restricted Subsidiaries secured by a Mortgage and not permitted to exist under the Indenture and (2) Attributable Debt

of us and our Restricted Subsidiaries in respect of all sale and leaseback transactions not permitted under the Indenture.

“Funded Debt” means Indebtedness that matures more than one year from the date of creation, or that is extendable or renewable at the sole option of the obligor so that it may become payable more than one year from such date. Funded Debt does not include (1) obligations created pursuant to leases, (2) any Indebtedness or portion thereof maturing by its terms within one year from the time of any computation of the amount of outstanding Funded Debt unless such Indebtedness shall be extendable or renewable at the sole option of the obligor in such manner that it may become payable more than one year from such time, or (3) any Indebtedness for the payment or redemption of which money in the necessary amount shall have been deposited in trust either at or before the maturity date thereof.

“Indebtedness” means any and all of the obligations of a person for money borrowed that in accordance with generally accepted accounting principles would be reflected on the balance sheet of such person as a liability as of the date of which the Indebtedness is to be determined. Notwithstanding the foregoing, a change in generally accepted accounting principles subsequent to November 30, 2018 shall not be deemed an incurrence of Indebtedness.

“Investment” means any investment in stock, evidences of Indebtedness, loans or advances, however made or acquired, but does not include our account receivable or the accounts receivable of any Restricted Subsidiary arising from transactions in the ordinary course of business, or any evidences of Indebtedness, loans or advance made in connection with the sale to any Subsidiary of our accounts receivable or the accounts receivable of any Restricted Subsidiary arising from transactions in the ordinary course of business.

“Mortgage” means any mortgage, security interest, pledge, lien or other encumbrance.

“Principal Property” means all real property and improvements thereon owned by us or a Restricted Subsidiary, including, without limitation, any manufacturing, warehouse, distribution or research facility, and improvements therein, having a net book value in excess of 2% of Consolidated Net Tangible Assets that is located within the United States, excluding its territories and possessions and Puerto Rico. This term does not include any real property and improvements thereon that our Board of Directors declares by resolution not to be of material importance to the total business conducted by us and our Restricted Subsidiaries taken as a whole.

“Restricted Subsidiary” means a Subsidiary that owns a Principal Property.

“Senior Funded Debt” means all Funded Debt (except Funded Debt, the payment of which is subordinated to the payment of the notes).

“Subsidiary” means a corporation, partnership or other legal entity of which, in the case of a corporation, more than 50% of the outstanding voting stock is owned, directly or indirectly, by us or by one or more other Subsidiaries, or by us and one or more other Subsidiaries or, in the case of any partnership or other legal entity, more than 50% of the ordinary capital interests is, at the time, directly or indirectly owned or controlled by us or by one or more other Subsidiaries. For the purposes of this definition, “voting stock” means the equity interest that ordinarily has voting power for the election of directors, managers or trustees of an entity, or persons performing similar functions, whether at all times or only so long as no senior class of equity interest has such voting power by reason of any contingency.

“Unrestricted Subsidiary” means any Subsidiary other than a Restricted Subsidiary.

Consolidation, Merger and Sale of Assets

We may consolidate or merge with or into any other corporation, and we may sell or transfer all or substantially all of our assets to another corporation, provided, among other things, that (a) we are the surviving corporation or the corporation formed by or resulting from any such consolidation or merger or the transferee of such assets shall be a corporation organized and existing under the laws of the United States, any state thereof or the District of Columbia and shall expressly assume by supplemental indenture payment of the principal of, and premium, if any, and interest, if any, on the notes issued under the Indenture and the performance and observance of the Indenture and (b) we or such successor corporation shall not immediately thereafter be in default under the Indenture.

Events of Default

The following events are defined in the Indenture as “Events of Default”:

- default in the payment of any installment of interest on any series of notes for 30 days after becoming due;
- default in the payment of principal or premium, if any, of any series of notes when due;
- default in the deposit of any sinking fund payment, when due;
- default in the performance of any other covenant for 90 days after notice, which must be sent by either the trustee or holders of 25% of the principal amount of the notes of the affected series; and
- certain events of bankruptcy, insolvency or reorganization.

If an Event of Default occurs and continues with respect to a series of notes, either the trustee or the holders of at least 25% in principal amount of the outstanding notes of such series may declare the entire principal amount of all the notes of such series to be due and payable; provided that, in the case of an Event of Default involving certain events of bankruptcy,

insolvency or reorganization, such acceleration is automatic; and, provided further, that after such acceleration, but before a judgment or decree based on acceleration, the holders of a majority in aggregate principal amount of the outstanding notes of that series may, subject to certain conditions, rescind and annul such acceleration if all Events of Default, other than the nonpayment of accelerated principal, have been cured or waived.



Kevin A. Lobo

Chair and CEO

2825 Airview Boulevard Kalamazoo MI 49002
USA P 269 389 7353
www.stryker.com

Personal and confidential

February 9, 2023 First Name Last Name

Dear First Name:

I am pleased to inform you that you are one of a select group of individuals receiving a stock option award in 2023. We use these awards to reward performers who we believe will be key contributors to our growth well into the future. The total Award Date Value (ADV) of your award is approximately USD \$xx,xxx.

We are awarding you a nonstatutory stock option for xxx shares of Stryker Corporation Common Stock at a price of USD \$xxx.xx per share. Except as otherwise provided in the Terms and Conditions, you may exercise this option at 20% per year beginning on February 9, 2024, and it will expire on February 8, 2033.

You must "Accept" the award online via the UBS One Source web site located at www.ubs.com/onesource/SYK between March 1 and March 31, 2023. The detailed terms of the option are in the Terms and Conditions, any applicable country addendum and the provisions of the Company's 2011 Long-Term Incentive Plan, as Amended and Restated. Those documents, together with the related Prospectus, are available on the UBS One Source web site, and you should read them before accepting the award. In addition, you may be asked to sign the most recent version of Stryker's Confidentiality, Intellectual Property, Non-Competition and Non-Solicitation Agreement ("Non-Compete Agreement") in connection with this award. If you are asked to sign the Non-Compete Agreement, it will be emailed to you and you will be asked to sign the document electronically via Adobe Sign by March 31, 2023. The exercisability of the options is conditioned on you having signed the Non-Compete Agreement by March 31, 2023, where permitted by applicable law.

You can find additional educational materials on the UBS One Source web site in the Resources section, including Stock Option brochure and Stock Option Tax Questions & Answers.

We are committed to growing talent and want our people to experience rewarding careers at Stryker. Your valuable contributions helped us deliver strong results during a challenging year and I look forward to our continued business growth and success.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin A. Lobo".

Kevin A. Lobo Chair and CEO

STRYKER CORPORATION

TERMS AND CONDITIONS

RELATING TO NONSTATUTORY STOCK OPTIONS GRANTED PURSUANT TO THE 2011 LONG-TERM INCENTIVE PLAN, AS AMENDED AND RESTATED

1. The Options to purchase Shares of Stryker Corporation (the "Company") granted to you during 2023 are subject to these Terms and Conditions Relating to Nonstatutory Stock Options Granted Pursuant to the 2011 Long-Term Incentive Plan, as Amended and Restated (the "Terms and Conditions") and all of the terms and conditions of the Stryker Corporation 2011 Long-Term Incentive Plan, as Amended and Restated (the "2011 Plan"), which is incorporated herein by reference. In the case of a conflict between these Terms and Conditions and the terms of the 2011 Plan, the provisions of the 2011 Plan will govern. Capitalized terms used but not defined herein have the meaning provided therefor in the 2011 Plan. For purposes of these Terms and Conditions, "Employer" means the Company or any Subsidiary that employs you on the applicable date, and "Stock Plan Administrator" means UBS Financial Services Inc. (or any other independent service provider engaged by the Company to assist with the implementation, operation and administration of the 2011 Plan).

2. Upon the termination of your employment with your Employer, your right to exercise the Options shall be only as follows:

(a) If your employment is terminated by reason of Disability (as such term is defined in the 2011 Plan) or death, you, your legal representative or your estate shall have the right, for a period of one (1) year following such termination, to exercise the Options with respect to all or any part of the Shares subject thereto, regardless of whether the right to purchase such Shares had vested on or before the date of your termination by Disability or death.

(b) If your employment is terminated by reason of Retirement (as such term is defined in the 2011 Plan) prior to the date that your Options become fully vested, you will continue to vest in your Options in accordance with the vesting schedule as set forth in the award letter as if you had continued your employment with your Employer. You (or your estate in the event of your death after your termination by Retirement) shall have the right, at any time on or prior to the 10th anniversary of the grant date, to exercise the vested portion of the Options.

(c) If you cease to be an Employee for any reason other than those provided in (a) or (b) above, you or your estate (in the event of your death after such termination) may, within the 30-day period following such termination, exercise the Options with respect to only such number of Shares as to which the right of exercise had vested on or before the Termination Date. If you are a resident of or employed in the United States, "Termination Date" shall mean the effective date of termination of your employment with

your Employer. If you are resident or employed outside of the United States, "Termination Date" shall mean the earliest of (i) the date on which notice of termination is provided to you, (ii) the last day of your active service with your Employer, or (iii) the last day on which you are an Employee of your Employer, as determined in each case without including any required advance notice period and irrespective of the status of the termination under local labor or employment laws.

(d) Notwithstanding the foregoing, the Options shall not be exercisable in whole or in part (i) after the 10th anniversary of the grant date or (ii) except as provided in Section 3(c) hereof or in the event of termination of employment because of Disability, Retirement or death, unless you shall have continued in the employ of the Company or one of its Subsidiaries for one (1) year following the date of grant of the Options.

(e) Notwithstanding the foregoing, if you are eligible for Retirement but cease to be an Employee for any other reason before you retire, the right to exercise the Options shall be determined as if your employment ceased by reason of Retirement.

(f) If you are both an Employee and a Director, the provisions of this Section 2 shall not apply until such time as you are neither an Employee nor a Director.

3. The number of Shares subject to the Options and the price to be paid therefor shall be subject to adjustment and the term and exercise dates hereof may be accelerated as follows:

(a) In the event that the Shares, as presently constituted, shall be changed into or exchanged for a different number or kind of shares of stock or other securities of the Company or of another corporation (whether by reason of merger, consolidation, recapitalization, reclassification, split-up, combination of shares, or otherwise) or if the number of such Shares shall be increased through the payment of a stock dividend or a dividend on the Shares of rights or warrants to purchase securities of the Company shall be made, then there shall be substituted for or added to each Share theretofore subject to the Options the number and kind of shares of stock or other securities into which each outstanding Share shall be so changed, or for which each such Share shall be exchanged, or to which each such Share shall be entitled. The Options shall also be appropriately amended as to price and other terms as may be necessary to reflect the foregoing events. In the event there shall be any other change in the number or kind of the outstanding Shares, or of any stock or other securities into which such Common Stock shall have been exchanged, then if the Committee shall, in its sole discretion, determine that such change equitably requires an adjustment in the Options, such adjustment shall be made in accordance with such determination.

(b) Fractional Shares resulting from any adjustment in the Options may be settled in cash or otherwise as the Committee shall determine, in its sole discretion. Notice of any adjustment will be given to you and such adjustment (whether or not such notice is given) shall be effective and binding for all purposes hereof.

(c) The Committee shall have the power to amend the Options to permit the exercise of the Options (and to terminate any unexercised Options) prior to the effectiveness of (i) any disposition of substantially all of the assets of the Company or your Employer, (ii) the shutdown, discontinuance of operations or dissolution of the Company or your Employer, or (iii) the merger or consolidation of the Company or your Employer with or into any other unrelated corporation.

4. To exercise the Options, you must complete the on-line exercise procedures as established through the Stock Plan Administrator at www.ubs.com/onesource/SYK or by telephone at +1 860 727 1515 (or such other direct dial-in number that may be established from time to time). As part of such procedures, you shall be required to specify the number of Shares that you elect to purchase and the date on which such purchase is to be made, and you shall be required to make full payment of the Exercise Price. An Option shall not be deemed to have been exercised (i.e., the exercise date shall not be deemed to have occurred) until the notice of such exercise and payment in full of the Exercise Price are provided. The exercise date will be defined by the New York Stock Exchange ("NYSE") trading hours. If an exercise is completed after the market close or on a weekend, the exercise will be dated the next following trading day.

The Exercise Price may be paid in such manner as the Committee may specify from time to time in its sole discretion and as established through Stock Plan Administrator, including (but not limited to) the following methods: (i) by a net exercise arrangement pursuant to which the Company will reduce the number of Shares issued upon exercise by the largest whole number of Shares with an aggregate Fair Market Value on the date of purchase sufficient to cover the aggregate Exercise Price; (ii) by a broker-assisted cashless exercise transaction pursuant to which the Stock Plan Administrator loans funds to you to enable you to pay the aggregate Exercise Price and purchase Shares, and then sells a sufficient [whole] number of the purchased Shares on your behalf to enable you to repay the aggregate Exercise Price (with the remaining Shares and/or cash then delivered by Stock Plan Administrator to you) or (iii) cash payment. In cases where you utilize the net exercise arrangement and the Fair Market Value of the number of whole Shares withheld or sold, as applicable, is greater than the aggregate Exercise Price, the Company shall make a cash payment to you equal to the difference as soon as administratively practicable.

5. If you are resident and/or employed outside of the United States, you agree, as a condition of the grant of the Options, to repatriate all payments attributable to the Shares and/or cash acquired under the 2011 Plan (including, but not limited to, dividends and any proceeds derived from the sale of the Shares acquired pursuant to the Options) if required by and in accordance with local foreign exchange rules and regulations in your country of residence (and country of employment, if different). In addition, you also agree to take any and all actions, and consent to any and all actions taken by the Company and its Subsidiaries, as may be required to allow the Company and its Subsidiaries to comply with local laws, rules and regulations in your country of residence (and country of employment, if different). Finally, you agree to take any and all actions as may be required to comply with your personal legal and tax obligations under local laws, rules and regulations in your country of residence (and country of employment, if different).

6. If you are resident or employed in a country that is a member of the European Union, the grant of the Options and these Terms and Conditions are intended to comply with the age discrimination provisions of the EU Equal Treatment Framework Directive, as implemented into local law (the "Age Discrimination Rules"). To the extent that a court or tribunal of competent jurisdiction determines that any provision of these Terms and Conditions is invalid or unenforceable, in whole or in part, under the Age Discrimination Rules, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

7. Regardless of any action the Company and/or your Employer take with respect to any or all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, payment on account or other tax-related withholding ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and your Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the Options, including the grant of the Options, the vesting of the Options, the exercise of the Options, the subsequent sale of any Shares acquired pursuant to the Options and the receipt of any dividends and (ii) do not commit to structure the terms of the grant or any aspect of the Options to reduce or eliminate your liability for Tax-Related Items. Further, if you become subject to taxation in more than one country between the grant date and the date of any relevant taxable or tax withholding event, as applicable, you acknowledge that the Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one country.

Prior to the delivery of Shares upon exercise of your Options, if your country of residence (and/or your country of employment, if different) requires withholding of Tax-Related Items, the Company may withhold a number of whole Shares otherwise issuable upon exercise of the Options that have an aggregate Fair Market Value that the Company, taking into account local requirements and administrative issues, determines in its sole discretion is appropriate to cover withholding for Tax-Related Items with respect to the Shares. The cash equivalent of the Shares withheld will be used to settle the obligation to withhold the Tax-Related Items. In cases where the Fair Market Value of the number of whole Shares withheld at the time of exercise is greater than the amount required to be paid to the relevant government authorities with respect to withholding for Tax-Related Items, the Company shall make a cash payment to you equal to the difference as soon as administratively practicable. In the event that withholding in Shares is prohibited or problematic under applicable law or causes adverse consequences to the Company or your Employer, your Employer may withhold the Tax-Related Items required to be withheld with respect to the Shares (i) from the proceeds of the sale of Shares acquired upon exercise of the Options either through a voluntary sale or through a mandatory sale arranged by the Company (on your behalf pursuant to this authorization without further consent), or (ii) in cash from your regular salary and/or wages or other amounts payable to you. In the event the withholding requirements are not satisfied through the withholding of Shares or through your regular salary and/or wages or any other amounts payable to you by your Employer, no Shares will be issued to you (or your estate) upon exercise of the Options unless and until satisfactory arrangements (as determined by the Board of Directors) have been made by you

with respect to the payment of any Tax-Related Items that the Company or your Employer determines, in its sole discretion, should be withheld or collected with respect to such Options. By accepting these Options, you expressly consent to the withholding of Shares and/or withholding from your regular salary and/or wages or other amounts payable to you as provided for hereunder. All other Tax-Related Items related to the Options and any Shares delivered in payment thereof are your sole responsibility.

8. The Options are intended to be exempt from the requirements of Code Section 409A. The 2011 Plan and these Terms and Conditions shall be administered and interpreted in a manner consistent with this intent. If the Company determines that these Terms and Conditions are subject to Code Section 409A and that it has failed to comply with the requirements of that Section, the Company may, at the Company's sole discretion and without your consent, amend these Terms and Conditions to cause them to comply with Code Section 409A or be exempt from Code Section 409A.

9. If you were required to sign the "Stryker Confidentiality, Intellectual Property, Non-Competition and Non-Solicitation Agreement" or a similar agreement in order to receive the Options or have previously signed such an agreement and you breach any non-competition, non-solicitation or non-disclosure provision or provision as to ownership of inventions contained therein at any time while employed by the Company or a Subsidiary or during the one-year period following termination of employment, any unexercised portion of the Options shall be rescinded and you shall return to the Company all Shares that were acquired upon exercise of the Options that you have not disposed of and the Company shall repay you an amount for each such Share equal to the lesser of the Exercise Price or the Fair Market Value of a Share at such time. Further, you shall pay to the Company an amount equal to the profit realized by you (if any) on all Shares that were acquired upon exercise of the Options that you have disposed of. For purposes of the preceding sentence, the profit shall be the positive difference between the Fair Market Value of the Shares at the time of disposition and the Exercise Price.

10. The Options shall be transferable only by will or the laws of descent and distribution and shall be exercisable during your lifetime only by you. If you purport to make any transfer of the Options, except as aforesaid, the Options and all rights thereunder shall terminate immediately.

11. The Options shall not be exercisable in whole or in part, and the Company shall not be obligated to issue any Shares subject to the Options, if such exercise and sale would, in the opinion of counsel for the Company, violate the Securities Act of 1933 or any other U.S. federal, state or non-U.S. statute having similar requirements as it may be in effect at the time. The Options are subject to the further requirement that, if at any time the Board of Directors shall determine in its discretion that the listing or qualification of the Shares subject to the Options under any securities exchange requirements or under any applicable law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of or in connection with the issuance of Shares pursuant to the Options, the Options may not be exercised in whole or in part unless such listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Board of Directors.

12. The grant of the Options shall not confer upon you any right to continue in the employ of your Employer nor limit in any way the right of your Employer to terminate your employment at any time. You shall have no rights as a shareholder of the Company with respect to any Shares issuable upon the exercise of the Options until the date of issuance of such Shares.

13. You acknowledge and agree that the 2011 Plan is discretionary in nature and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The grant of the Options under the 2011 Plan is a one-time benefit and does not create any contractual or other right to receive a grant of Options or any other award under the 2011 Plan or other benefits in lieu thereof in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of any grant, the number of Shares subject to the grant, the vesting provisions and the exercise price. Any amendment, modification or termination of the 2011 Plan shall not constitute a change or impairment of the terms and conditions of your employment with your Employer.

14. Your participation in the 2011 Plan is voluntary. The value of the Options and any other awards granted under the 2011 Plan is an extraordinary item of compensation outside the scope of your employment (and your employment contract, if any). Any grant under the 2011 Plan, including the grant of the Options, is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments.

15. These Terms and Conditions shall bind and inure to the benefit of the Company, its successors and assigns and you and your estate in the event of your death.

16. The Options are Nonstatutory Stock Options and shall not be treated as Incentive Stock Options.

17. The Company is located at 2825 Airview Boulevard Kalamazoo, Michigan 49002, U.S.A. and grants Options under the 2011 Plan to employees of the Company and Subsidiaries in its sole discretion. In conjunction with the Company's grant of the Options under the 2011 Plan and its ongoing administration of such awards, the Company is providing the following information about its data collection, processing and transfer practices ("Personal Data Activities"). In accepting the grant of the Options, you expressly and explicitly consent to the Personal Data Activities as described herein.

The Company collects, processes and uses your personal data, including your name, home address, email address, and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any Shares or directorships held in the Company, and details of all Options or any other equity compensation awards granted, canceled, exercised, vested, or outstanding in your favor, which the Company receives from you or your Employer. In granting the Options under the Plan, the Company will collect your personal data for purposes of allocating Shares and implementing, administering and managing the 2011 Plan. The Company's legal basis for the collection, processing and usage

of your personal data is your consent.

(a) The Company transfers your personal data to the Stock Plan Administrator. In the future, the Company may select a different Stock Plan Administrator and share your personal data with another company that serves in a similar manner. The Stock Plan Administrator will open an account for you, if an account is not already in place, to receive and trade Shares acquired under the 2011 Plan. You will be asked to agree on separate terms and data processing practices with the Stock Plan Administrator, which is a condition to your ability to participate in the 2011 Plan.

(b) The Company and the Stock Plan Administrator are based in the United States. You should note that your country of residence may have enacted data privacy laws that are different from the United States. The Company's legal basis for the transfer of your personal data to the United States is your consent.

(c) Your participation in the 2011 Plan and your grant of consent is purely voluntary. You may deny or withdraw your consent at any time. If you do not consent, or if you withdraw your consent, you may be unable to participate in the 2011 Plan. This would not affect your existing employment or salary; instead, you merely may forfeit the opportunities associated with the 2011 Plan.

You may have a number of rights under the data privacy laws in your country of residence. For example, your rights may include the right to (i) request access or copies of personal data the Company processes, (ii) request rectification of incorrect data, (iii) request deletion of data, (iv) place restrictions on processing, (v) lodge complaints with competent authorities in your country or residence, and/or (vi) request a list with the names and addresses of any potential recipients of your personal data. To receive clarification regarding your rights or to exercise your rights, you should contact your local HR manager or the Company's Human Resources Department.

18. The grant of the Options is not intended to be a public offering of securities in your country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filing(s) with the local securities authorities (unless otherwise required under local law). **No employee of the Company is permitted to advise you on whether you should purchase Shares under the 2011 Plan or provide you with any legal, tax or financial advice with respect to the grant of your Options. Investment in Shares involves a degree of risk. Before deciding to purchase Shares pursuant to the Options, you should carefully consider all risk factors and tax considerations relevant to the acquisition of Shares under the 2011 Plan or the disposition of them. Further, you should carefully review all of the materials related to the Options and the 2011 Plan, and you should consult with your personal legal, tax and financial advisors for professional advice in relation to your personal circumstances.**

19. All questions concerning the construction, validity and interpretation of the Options and the 2011 Plan shall be governed and construed according to the laws of the state of Michigan, without regard to the application of the conflicts of laws provisions thereof. Any

disputes regarding the Options or the 2011 Plan shall be brought only in the state or federal courts of the state of Michigan.

20. The Company may, in its sole discretion, decide to deliver any documents related to the Options or other awards granted to you under the 2011 Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the 2011 Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

21. The invalidity or unenforceability of any provision of the 2011 Plan or these Terms and Conditions shall not affect the validity or enforceability of any other provision of the 2011 Plan or these Terms and Conditions.

22. If you are resident outside of the United States, you acknowledge and agree that it is your express intent that these Terms and Conditions, the 2011 Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the Options be drawn up in English. If you have received these Terms and Conditions, the 2011 Plan or any other documents related to the Options translated into a language other than English and the meaning of the translated version is different than the English version, the English version will control.

23. You acknowledge that, depending on your or your broker's country of residence or where the Shares are listed, you may be subject to insider trading restrictions and/or market abuse laws which may affect your ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., Options) or rights linked to the value of Shares during such times you are considered to have "inside information" regarding the Company as defined in the laws or regulations in your country of employment (and country of residence, if different). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any restrictions and are advised to speak to your personal advisor on this matter.

24. Notwithstanding any provisions of these Terms and Conditions to the contrary, the Options shall be subject to any special terms and conditions for your country of residence (and country of employment, if different) set forth in an addendum to these Terms and Conditions (an "Addendum"). Further, if you transfer your residence and/or employment to another country reflected in an Addendum to these Terms and Conditions at the time of transfer, the special terms and conditions for such country will apply to you to the extent the Company determines, in its sole discretion, that the application of such special terms and conditions is necessary or advisable in order to comply with local law, rules and regulations, or to facilitate the operation and administration of the award and the 2011 Plan (or the Company may establish alternative terms and conditions as may be necessary or

advisable to accommodate your transfer). In all circumstances, any applicable Addendum shall constitute part of these Terms and Conditions.

25. The Company reserves the right to impose other requirements on the Options, any Shares acquired pursuant to the Options and your participation in the 2011 Plan to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local law, rules and regulations, or to facilitate the operation and administration of the award and the 2011 Plan. Such requirements may include (but are not limited to) requiring you to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

26. **This Section 26 applies only to those persons whom the Company's Recoupment Policy applies (the corporate officers elected by the Company's Board of Directors other than Assistant Controllers, Assistant Secretaries and Assistant Treasurers).** Notwithstanding any other provision of these Terms and Conditions to the contrary, you acknowledge and agree that your Options, any Shares acquired pursuant thereto and/or any amount received with respect to any sale of such Shares are subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of the Company's Recoupment Policy as in effect on the date of grant (a copy of which has been furnished to you) and as the Recoupment Policy may be amended from time to time in order to comply with changes in laws, rules or regulations that are applicable to such Options and Shares. You agree and consent to the Company's application, implementation and enforcement of (a) the Recoupment Policy and (b) any provision of applicable law relating to cancellation, recoupment, rescission or payback of compensation and expressly agree that the Company may take such actions as are necessary to effectuate the Recoupment Policy (as applicable to you) or applicable law without further consent or action being required by you. For purposes of the foregoing, you expressly and explicitly authorize the Company to issue instructions, on your behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold your Shares and other amounts acquired under the Plan to re-convey, transfer or otherwise return such Shares and/or other amounts to the Company. In the case of a conflict between these Terms and Conditions and the Recoupment Policy, the terms of the Recoupment Policy shall prevail.

27. **By accepting the grant of Options, you acknowledge that you have read these Terms and Conditions, the Addendum to these Terms and Conditions (as applicable) and the 2011 Plan and specifically accept and agree to the provisions therein.**

STRYKER CORPORATION
ADDENDUM TO TERMS AND
CONDITIONS
RELATING TO NONSTATUTORY STOCK OPTIONS GRANTED PURSUANT TO THE 2011
PLAN, AS AMENDED AND RESTATED

In addition to the terms of the 2011 Plan and the Terms and Conditions, the Options are subject to the following additional terms and conditions (the "Addendum"). **The information reflected in this Addendum is based on the securities, exchange control and other laws in effect in the respective countries as of December 2022.** All capitalized terms as contained in this Addendum shall have the same meaning as set forth in the 2011 Plan and the Terms and Conditions. Pursuant to Section 24 of the Terms and Conditions, if you transfer your residence and/or employment to another country reflected in an Addendum at the time of transfer, the special terms and conditions for such country will apply to you to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local law, rules and regulations, or to facilitate the operation and administration of the award and the 2011 Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate your transfer).

Data Privacy Information: European Union ("EU") / European Economic Area ("EEA") / Switzerland and the United Kingdom*

**The below information is for data privacy purposes only and you should determine whether any other special terms and conditions apply to your awards in these jurisdictions.*

1. Data Privacy. If you reside and/or you are employed in the EU / EEA, Switzerland or the United Kingdom the following provision replaces Section 17 of the Terms and Conditions:

The Company is located at 2825 Airview Boulevard Kalamazoo, Michigan 49002, U.S.A. and grants Options under the 2011 Plan to employees of the Company and its Subsidiaries in its sole discretion. You should review the following information about the Company's data processing practices.

(a) Data Collection, Processing and Usage. Pursuant to applicable data protection laws, you are hereby notified that the Company collects, processes and uses certain personally-identifiable information about you for the legitimate interest of implementing, administering and managing the 2011 Plan and generally administering equity awards; specifically, including your name, home address, email address and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any Shares or directorships held in the Company, and details of all options or any other awards granted, canceled, exercised, vested, or outstanding in your favor, which the Company receives from you or your Employer. In granting the Options under the 2011 Plan, the Company will collect your personal data for purposes of allocating Shares and

implementing, administering and managing the 2011 Plan. The Company's collection, processing, use and transfer of your personal data is necessary for the performance of the Company's contractual obligations under the Plan and pursuant to the Company's legitimate interest of managing and generally administering employee equity awards. Your refusal to provide personal data would make it impossible for the Company to perform its contractual obligations and may affect your ability to participate in the 2011 Plan. As such, by participating in the 2011 Plan, you voluntarily acknowledge the collection, processing and use of your personal data as described herein.

(b) Stock Plan Administration Service Provider. The Company transfers participant data to the Stock Plan Administrator. In the future, the Company may select a different Stock Plan Administrator and share your data with another company that serves in a similar manner. The Stock Plan Administrator will open an account for you, if an account is not already in place, to receive and trade Shares acquired under the 2011 Plan. You will be asked to agree on separate terms and data processing practices with the Stock Plan Administrator, which is a condition to your ability to participate in the 2011 Plan.

(c) International Data Transfers. The Company and the Stock Plan Administrator are based in the United States. The Company can only meet its contractual obligations to you if your personal data is transferred to the United States. The Company's legal basis for the transfer of your personal data to the United States is to satisfy its contractual obligations to you and/or its use of the standard data protection clauses adopted by the EU Commission.

(d) Data Retention. The Company will use your personal data only as long as is necessary to implement, administer and manage your participation in the 2011 Plan or as required to comply with legal or regulatory obligations, including under tax and security laws. When the Company no longer needs your personal data, the Company will remove it from its systems. If the Company keeps your data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be for compliance with relevant laws or regulations.

(e) Data Subject Rights. You may have a number of rights under data privacy laws in your country of residence. For example, your rights may include the right to (i) request access or copies of personal data the Company processes, (ii) request rectification of incorrect data, (iii) request deletion of data, (iv) place restrictions on processing, (v) lodge complaints with competent authorities in your country of residence, and/or (vi) request a list with the names and addresses of any potential recipients of the Participant's personal data. To receive clarification regarding your rights or to exercise your rights, you should contact your local HR manager or the Company's Human Resources Department.

ARGENTINA

1. Securities Law Information. Neither the grant of the Options, nor the issuance of Shares subject to the exercise of the Options, constitutes a public offering in Argentina. The grant of Options pursuant to the 2011 Plan is a private placement and is not subject to any filing or disclosure requirements in Argentina.

AUSTRALIA

1. Options Conditioned on Satisfaction of Regulatory Obligations. If you are (a) a director of a Subsidiary incorporated in Australia, or (b) a person who is a management-level executive of a Subsidiary incorporated in Australia and who also is a director of a Subsidiary incorporated outside of the Australia, the grant of the Options is conditioned upon satisfaction of the shareholder approval provisions of section 200B of the Corporations Act 2001 (Cth) in Australia.

2. Securities Law Information. The grant of Options is being made under Division 1A, Part 7.12 of the Corporations Act 2001 (Cth). Additional details and terms of the grant are set forth in the ESS Offer Document to Australian Resident Employees, which can be accessed in the library section of the UBS website at [UBS INSERT LINK HERE]. By accepting the Options, you acknowledge and confirm that you have reviewed the Australian ESS Offer Document. In the event of any inconsistency between the Terms and Conditions and the terms set forth in the ESS Offer Document, the terms in the ESS Offer Document will prevail.

AUSTRIA

No country specific provisions.

BELGIUM

Name: _____ **Number of Shares:** _____

Date of Grant: _____ **Exercise Price:** _____

1. Acceptance of Options. For the Options to be subject to taxation at the time of grant, you must affirmatively accept the Options in writing within 60 days of the date of grant specified above by signing below and returning this original executed Addendum to:

Stock Plan Administration Department 2825 Airview
Blvd.
Kalamazoo, Michigan 49002 (U.S.A)

I hereby accept the ____ (number) Options granted to me by the Company on the date of grant. I also acknowledge that I have been encouraged to discuss the acceptance of the Options and the applicable tax treatment with a financial and/or tax advisor, and that my decision to accept the Options is made with full knowledge of the applicable consequences.

Employee Signature: ____

Employee Printed Name: ____

Date of Acceptance: ____

If you fail to affirmatively accept the Options in writing within 60 days of the date of grant,

the Options will not be subject to taxation at the time of grant but instead will be subject to taxation on the date you exercise the Options (or such other treatment as may apply under Belgian tax law at the time of exercise).

2. Payment of Exercise Price Limited to Cash Payment. Notwithstanding anything to the contrary in Section 4 of the Terms and Conditions, you shall be permitted to pay the Exercise Price only by means of a cash payment (the net exercise method and the cashless exercise method shall not be permitted).

3. Undertaking for Qualifying Options. If you are accepting the Options in writing within 60 days of the date of grant and wish to have the Options subject to a lower valuation for Belgium tax purposes pursuant to the article 43, §6 of the Belgian law of 26 March 1999, you may agree and undertake to (a) not exercise the Options before the end of the third calendar year following the calendar year in which the date of grant falls, and (b) not transfer the Options under any circumstances (except on rights your heir might have in the Options upon your death). If you wish to make this undertaking, you must sign below and return this executed Addendum to the address listed above.

Employee Signature: ___

Employee Printed Name: ___

BRAZIL

1. Labor Law Acknowledgment. By accepting the Options, you acknowledge and agree, for all legal purposes, that (a) the benefits provided under the Terms and Conditions and the 2011 Plan are the result of commercial transactions unrelated to your employment; (b) the Terms and Conditions and the 2011 Plan are not a part of the terms and conditions of your employment; and (c) the income from the Options, if any, is not part of your remuneration from employment.

2. Compliance with Law. By accepting the Options, you acknowledge and agree to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the exercise of the Options, the issuance and/or sale of Shares acquired under the 2011 Plan and the receipt of any dividends.

CANADA

1. Non-Qualified Securities. All or a portion of the Shares subject to your Options may be "non-qualified securities" within the meaning of the *Income Tax Act* (Canada). The Company shall provide you with additional information and/or appropriate notification regarding the characterization of the Options for Canadian income tax purposes as may be required by the *Income Tax Act* (Canada) and the regulations thereunder.

2. No Exercise by Using Previously Owned Shares. Notwithstanding anything in Section 4 of the Terms and Conditions to the contrary, if you are resident in Canada, you shall not be permitted to use previously-owned Shares for exercising the Options.

3. Termination of Employment. The following supplements Section 2(c) of the Terms and Conditions as well as any other section required to give effect to the same:

In the event of your termination of employment for any reason (other than by reason of death, Disability or Retirement), either by you or by the Employer, with or without cause, your rights to vest or to continue to vest in the Options and receive Shares upon exercise under the 2011 Plan, if any, will terminate as of the actual Termination Date. For this purpose, the "Termination Date" shall mean the last day on which you are actively employed by the Employer, and shall not include or be extended by any period following such day during which you are in receipt of or eligible to receive any notice of termination, pay in lieu of notice of termination, severance pay or any other payments or damages, whether arising under statute, contract or at common law.

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the Options under the 2011 Plan, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of your statutory notice period, nor will you be entitled to any compensation for lost vesting.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM. PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature Employee Name (Printed)

Date

COLOMBIA

1. Nature of Grant. In addition to the provisions of Section 14 of the Terms and Conditions you acknowledge that, pursuant to Article 128 of the Colombian Labor Code, the 2011

Plan and related benefits do not constitute a component of your “salary” for any legal purpose. Therefore, they will not be included and/or considered for purposes of calculating any and all labor benefits, such as legal/fringe benefits, vacations, indemnities, payroll taxes, social insurance contributions and/or any other labor-related amount which may be payable.

2. **Securities Law Information.** The Shares subject to the Options are not and will not be registered in the Colombian registry of publicly traded securities (*Registro Nacional de Valores y Emisores*) and therefore the Shares may not be offered to the public in Colombia. Nothing in this document should be construed as the making of a public offer of securities in Colombia.

COSTA RICA

No country specific provisions.

DENMARK

1. **Treatment of Options upon Termination of Employment.** Notwithstanding any provision in the Terms and Conditions or the Plan to the contrary, unless you are a member of registered management who is not considered a salaried employee, the treatment of the Option upon a termination of employment which is not a result of death shall be governed by Sections 4 and 5 of the Danish Act on Stock Option in Employment Relations. However, if the provisions in the Terms and Conditions or the Plan governing the treatment of the Option upon a termination of employment are more favorable, then the provisions of the Terms and Conditions or the 2011 Plan will govern.

FINLAND

1. **Withholding of Tax-Related Items.** Notwithstanding anything in Section 5 of the Terms and Conditions to the contrary, if you are a local national of Finland, any Tax-Related Items shall be withheld only in cash from your regular salary/wages or other amounts payable to you in cash or such other withholding methods as may be permitted under the 2011 Plan and allowed under local law.

FRANCE

1. **Use of English Language.** By accepting the Options, you acknowledge and agree that it is your express wish that the Terms and Conditions, this Addendum, as well as all other documents, notices and legal proceedings entered into, given or instituted pursuant to your Option, either directly or indirectly, be drawn up in English.

Langue anglaise. En acceptant l'allocation de votre Option, vous reconnaissez et acceptez avoir souhaité que le Termes et Conditions, le présent avenant, ainsi que tous autres documents exécutés, avis donnés et procédures judiciaires intentées, relatifs, directement ou indirectement, à l'allocation de votre Option, soient rédigés en anglais.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM.

PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature

Employee Name (Printed)

Date

GERMANY

No country specific provisions.

HONG KONG

1. Important Notice. Warning: The contents of the Terms and Conditions, this Addendum, the 2011 Plan, and all other materials pertaining to the Options and/or the 2011 Plan have not been reviewed by any regulatory authority in Hong Kong. You are hereby advised to exercise caution in relation to the offer thereunder. If you have any doubts about any of the contents of the aforesaid materials, you should obtain independent professional advice.

2. Lapse of Restrictions. If, for any reason, Shares are issued to you within six (6) months of the grant date, you agree that you will not sell or otherwise dispose of any such Shares prior to the six-month anniversary of the grant date.

3. Settlement in Shares. Notwithstanding anything to the contrary in this Addendum, the Terms and Conditions or the 2011 Plan, the Options shall be settled only in Shares (and may not be settled in cash).

4. Nature of the Plan. The Company specifically intends that the 2011 Plan will not be treated as an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance ("ORSO"). To the extent any court, tribunal or legal/regulatory body in Hong Kong determines that the 2011 Plan constitutes an occupational retirement scheme for the purposes of ORSO, the grant of the Options shall be null and void.

INDIA

1. Repatriation Requirements. You expressly agree to repatriate all sale proceeds and dividends attributable to Shares acquired under the 2011 Plan in accordance with local foreign exchange rules and regulations. Neither the Company, your Employer or any of the Company's Subsidiaries shall be liable for any fines or penalties resulting from your failure to comply with applicable laws, rules or regulations.

IRELAND

No country specific provisions.

ITALY

No country specific provisions.

JAPAN

No country specific provisions.

MEXICO

1. Commercial Relationship. You expressly recognize that your participation in the 2011 Plan and the Company's grant of the Options does not constitute an employment relationship between you and the Company. You have been granted the Options as a consequence of the commercial relationship between the Company and the Subsidiary in Mexico that employs you, and the Company's Subsidiary in Mexico is your sole employer. Based on the foregoing, (a) you expressly recognize the 2011 Plan and the benefits you may derive from your participation in the 2011 Plan do not establish any rights between you and the Company's Subsidiary in Mexico that employs you, (b) the 2011 Plan and the benefits you may derive from your participation in the 2011 Plan are not part of the employment conditions and/or benefits provided by the Company's Subsidiary in Mexico that employs you, and (c) any modification or amendment of the 2011 Plan by the Company, or a termination of the 2011 Plan by the Company, shall not constitute a change or impairment of the terms and conditions of your employment with the Company's Subsidiary in Mexico that employs you.

2. Securities Law Information. You expressly recognize and acknowledge that the Company's grant of the Options and the underlying Shares under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the 2011 Plan, the Terms and Conditions and any other document relating to the Options may not be publicly distributed in Mexico. These materials are addressed to you only because of your existing relationship with the Company and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of the Employer in Mexico made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

3. Extraordinary Item of Compensation. You expressly recognize and acknowledge that your participation in the 2011 Plan is a result of the discretionary and unilateral decision of the Company, as well as your free and voluntary decision to participate

in the 2011 Plan in accord with the terms and conditions of the 2011 Plan, the Terms and Conditions, and this Addendum. As such, you acknowledge and agree that the Company may, in its sole discretion, amend and/or discontinue your participation in the 2011 Plan at any time and without any liability. The value of the Options is an extraordinary item of compensation outside the scope of your employment contract, if any. The Options are not part of your regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Company's Subsidiary in Mexico that employs you.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM.

PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature

Employee Name (Printed)

Date

NETHERLANDS

1. Waiver of Termination Rights. As a condition to the grant of the Options, you hereby waive any and all rights to compensation or damages as a result of the termination of your employment with the Company and your Employer for any reason whatsoever, insofar as those rights result or may result from (a) the loss or diminution in value of such rights or entitlements under the 2011 Plan, or (b) you ceasing to have rights under or ceasing to be entitled to any awards under the 2011 Plan as a result of such termination.

NEW ZEALAND

1. WARNING. You are being offered Options in Stryker Corporation. If the Company runs into financial difficulties and is wound up, you may lose some or all your investment. New Zealand law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important for investors to make an informed decision. The usual rules do not apply to this offer because it is an offer made under the Employee Share Scheme exemption. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment. You should ask questions, read all documents carefully, and seek independent financial advice before accepting the offer. The Company's Shares are currently traded on the New York Stock Exchange under the ticker symbol "SYK" and Shares acquired under the 2011 Plan may be sold through this exchange. You may end up selling the Shares at a price that is lower than the value of the Shares when you acquired them. The price will depend on the demand for

the Company's Shares. *The Company's most recent annual report (which includes the Company's financial statements) is available at <https://investors.stryker.com/financial-information/sec-filings/default.aspx>. You are entitled to receive a copy of this report, free of charge, upon written request to the Company at STOCKPLANADMINISTRATION@STRYKER.COM.*

POLAND

No country specific provisions.

PORTUGAL

No country specific provisions.

PUERTO RICO

No country specific provisions.

ROMANIA

No country specific provisions.

SINGAPORE

1. Qualifying Person Exemption. The following provision shall replace Section 18 of the Terms and Conditions:

The grant of the Options under the 2011 Plan is being made pursuant to the "Qualifying Person" exemption" under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) ("SFA"). The 2011 Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. You should note that, as a result, the Options are subject to section 257 of the SFA and you will not be able to make (a) any subsequent sale of the Shares in Singapore or (ii) any offer of such subsequent sale of the Shares subject to the Options in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Chapter 289, 2006 Ed.).

2. Director Reporting Notification. If you are a director, associate director or shadow director of a Singapore company, you are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore company in writing when you receive an interest (e.g., Options or Shares) in the Company or any related company. In addition, you must notify the Singapore company when you sell Shares (including when you sell Shares acquired upon exercise of the Options). These notifications must be made within two business days of acquiring or disposing of any interest in the Company or any related company. In addition, a notification must be made of Participant's interests in the Company or any related company within two business days of becoming a director.

SOUTH AFRICA

1. Withholding Taxes. In addition to the provisions of Section 7 of the Terms and Conditions, you agree to notify your Employer in South Africa of the amount of any gain realized upon exercise of the Options. If you fail to advise the Company of the gain realized upon exercise, you may be liable for a fine. You will be responsible for paying any difference between the actual tax liability and the amount withheld.

2. Exchange Control Obligations. You are solely responsible for complying with applicable exchange control regulations and rulings (the "Exchange Control Regulations") in South Africa. As the Exchange Control Regulations change frequently and without notice, you should consult your legal advisor prior to the acquisition or sale of Shares under the 2011 Plan to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries will be liable for any fines or penalties resulting from your failure to comply with applicable laws.

3. Securities Law Information and Deemed Acceptance of Options. Neither the Options nor the underlying Shares shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96 of the Companies Act and is not subject to the supervision of any South African governmental authority. Pursuant to Section 96 of the Companies Act, the Options offer must be finalized on or before the 60th day following the grant date. If you do not want to accept the Options, you are required to decline the Options no later than the 60th day following the grant date. If you do not reject the Options on or before the 60th day following the grant date, you will be deemed to accept the Options.

SOUTH KOREA

No country specific provisions.

SPAIN

1. Acknowledgement of Discretionary Nature of the 2011 Plan; No Vested Rights. In accepting the Options, you acknowledge that you consent to participation in the 2011 Plan and have received a copy of the 2011 Plan. You understand that the Company has unilaterally, gratuitously and in its sole discretion granted Options under the 2011 Plan to individuals who may be employees of the Company or its Subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Subsidiaries on an ongoing basis. Consequently, you understand that the Options are granted on the assumption and condition that the Options and the Shares acquired upon exercise of the Options shall not become a part of any employment contract (either with the Company or any of its Subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, you understand that this grant would not be made to you but for the assumptions

and conditions referenced above. Thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, the Options shall be null and void.

You understand and agree that, as a condition of the grant of the Options, any unvested Options as of the date you cease active employment and any vested portion of the Options not exercised within the post-termination exercise period set out in the Terms and Conditions will be forfeited without entitlement to the underlying Shares or to any amount of indemnification in the event of the termination of employment by reason of, but not limited to, (i) material modification of the terms of employment under Article 41 of the Workers' Statute or (ii) relocation under Article 40 of the Workers' Statute. You acknowledge that you have read and specifically accept the conditions referred to in the Terms and Conditions regarding the impact of a termination of employment on your Options.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM.

PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature Employee Name (Printed)

Date

SWEDEN

1. Exercise by Cash Payment Only. Notwithstanding anything in Section 4 of the Terms and Conditions to the contrary, if you are a local national of Sweden, you may exercise the Options only by means of a cash payment or such other methods as may be permitted under the 2011 Plan and allowed under local law.

2. Withholding of Tax-Related Items. Notwithstanding anything in the Terms and Conditions to the contrary, if you are a local national of Sweden, any Tax-Related Items shall be withheld only in cash from your regular salary/wages or other amounts payable to you in cash, or such other withholding methods as may be permitted under the 2011 Plan and allowed under local law. Additionally, the Company and/or the Employer may withhold Tax- Related Items from salary in an amount up to the statutory maximum withholding limitations, however, the Company and/or your Employer will not withhold amounts in excess of your statutory maximum withholding limitations.

SWITZERLAND

1. Securities Law Information. Neither this document nor any other materials relating to the Options (a) constitutes a prospectus according to articles 35 et seq. of the

Swiss Federal Act on Financial Services (“FinSA”) (b) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company or (c) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority (“FINMA”).

TAIWAN

1. Securities Law Notice. The offer of participation in the 2011 Plan is available only for employees of the Company and its Subsidiaries. The offer of participation in the 2011 Plan is not a public offer of securities by a Taiwanese company.

TURKEY

1. Securities Law Information. Under Turkish law, you are not permitted to sell any Shares acquired under the 2011 Plan within Turkey. The Shares are currently traded on the New York Stock Exchange, which is located outside of Turkey, under the ticker symbol “SYK” and the Shares may be sold through this exchange.

2. Financial Intermediary Obligation. You acknowledge that any activity related to investments in foreign securities (e.g., the sale of Shares) should be conducted through a bank or financial intermediary institution licensed by the Turkey Capital Markets Board and should be reported to the Turkish Capital Markets Board. You solely are responsible for complying with this requirement and should consult with a personal legal advisor for further information regarding any obligations in this respect.

UNITED ARAB EMIRATES

1. Securities Law Information. The offer of the Options is available only for select Employees of the Company and its Subsidiaries and is in the nature of providing incentives in the United Arab Emirates. The 2011 Plan and the Terms and Conditions are intended for distribution only to such individuals and must not be delivered to, or relied on by any other person. Prospective purchasers of securities should conduct their own due diligence.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with this statement, including the 2011 Plan and the Terms and Conditions, or any other incidental communication materials distributed in connection with the Options. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it, and has no responsibility for it. Residents of the United Arab Emirates who have any questions regarding the contents of the 2011 Plan and the Terms and Conditions should obtain independent advice.

UNITED KINGDOM

1. No Exercise by Using Existing Shares. Notwithstanding anything in Section 4 of the Terms and Conditions to the contrary, if you are resident in the United Kingdom, you shall not be permitted to use existing Shares for exercising the Options and paying the Exercise Price.

2. Income Tax and Social Insurance Contribution Withholding. The following provision shall supplement Section 7 of the Terms and Conditions:

Without limitation to Section 7 of the Terms and Conditions, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items, as and when requested by the Company, your Employer or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and your Employer against any Tax-Related Items that they are required to pay or withhold or have paid or will pay to HMRC on your behalf (or any other tax authority or any other relevant authority).

3. Exclusion of Claim. You acknowledge and agree that you will have no entitlement to compensation or damages in consequence of the termination of your employment with the Company and the Subsidiary that employs you for any reason whatsoever and whether or not in breach of contract, insofar as any purported claim to such entitlement arises or may arise from your ceasing to have rights under or to be entitled to exercise the Options as a result of such termination of employment (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the Options. Upon the grant of the Options, you shall be deemed irrevocably to have waived any such entitlement.



Kevin A. Lobo

Chair and CEO

2825 Airview Boulevard Kalamazoo MI 49002

USA P 269 389 7353

www.stryker.com

Personal and confidential

February 9, 2023 First Name Last Name

Dear First Name:

I am pleased to inform you that you are one of a select group of individuals receiving a restricted stock units (RSUs) award in 2023. We use these awards to reward performers who we believe will be key contributors to our growth well into the future. The total Award Date Value (ADV) of your award is approximately USD \$xx,xxx.

You are receiving xx RSUs with respect to Common Stock of Stryker Corporation. Except as otherwise provided in the Terms and Conditions, one-third of these RSUs will vest on March 21 of each of the three years beginning March 21, 2024.

You must "Accept" the award online via the UBS One Source web site located at www.ubs.com/onesource/SYK between March 1 and March 31, 2023. The detailed terms of the RSUs are in the Terms and Conditions, any applicable country addendum and the provisions of the Company's 2011 Long-Term Incentive Plan, as Amended and Restated. Those documents, together with the related Prospectus, are available on the UBS One Source web site, and you should read them before accepting the award. In addition, you may be asked to sign the most recent version of Stryker's Confidentiality, Intellectual Property, Non-Competition and Non-Solicitation Agreement ("Non-Compete Agreement") in connection with this award. If you are asked to sign the Non-Compete Agreement, it will be emailed to you and you will be asked to sign the document electronically via Adobe Sign by March 31, 2023. The vesting of the RSUs is conditioned on you having signed the Non-Compete Agreement by March 31, 2023, where permitted by applicable law.

You can find additional educational materials on the UBS One Source web site in the Resources section, including RSU brochure and RSU Tax Questions & Answers.

We are committed to growing talent and want our people to experience rewarding careers at Stryker. Your valuable contributions helped us deliver strong results during a challenging year and I look forward to our continued business growth and success.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin A. Lobo".

Kevin A. Lobo Chair and CEO

STRYKER CORPORATION
TERMS AND CONDITIONS
RELATING TO RESTRICTED STOCK UNITS GRANTED PURSUANT TO THE 2011 LONG-
TERM INCENTIVE PLAN, AS AMENDED
AND RESTATED

1. The Restricted Stock Units (“RSUs”) with respect to Common Stock of Stryker Corporation (the “Company”) granted to you during 2023 are subject to these Terms and Conditions Relating to Restricted Stock Units Granted Pursuant to the 2011 Long-Term Incentive Plan, as Amended and Restated (the “Terms and Conditions”) and all of the terms and conditions of the Stryker Corporation 2011 Long-Term Incentive Plan, as Amended and Restated (the “2011 Plan”), which is incorporated herein by reference. In the case of a conflict between these Terms and Conditions and the terms of the 2011 Plan, the provisions of the 2011 Plan will govern. Capitalized terms used but not defined herein have the meaning provided therefor in the 2011 Plan. For purposes of these Terms and Conditions, “Employer” means the Company or any Subsidiary that employs you on the applicable date, and “Stock Plan Administrator” means UBS Financial Services Inc. (or any other independent service provider engaged by the Company to assist with the implementation, operation and administration of the 2011 Plan).

2. Your right to receive the Shares issuable pursuant to the RSUs shall be only as follows:

(a) If you continue to be an Employee, you will receive the Shares underlying the RSUs that have become vested as soon as administratively possible following the vesting date as set forth in the award letter.

(b) If you cease to be an Employee by reason of Disability (as such term is defined in the 2011 Plan or determined under local law) or death prior to the date that your RSUs become fully vested, you or your estate will become fully vested in your RSUs, and you, your legal representative or your estate will receive all of the underlying Shares as soon as administratively practicable following your termination by Disability or death.

(c) If you cease to be an Employee by reason of Retirement (as such term is defined in the 2011 Plan or determined under local law) prior to the date that your RSUs become fully vested, you (or your estate in the event of your death after your termination by Retirement) will continue to vest in your RSUs in accordance with the vesting schedule as set forth in the award letter as if you had continued your employment with your Employer.

(d) If you cease to be an Employee prior to the date that your RSUs become fully vested for any reason other than those provided in (b) or (c) above, you shall cease vesting in your RSUs effective as of your Termination Date. If you are a resident of or employed in the United States, “Termination Date” shall mean the effective date of

termination of your employment with your Employer. If you are resident or employed outside of the United States, "Termination Date" shall mean the earliest of (i) the date on which notice of termination is provided to you, (ii) the last day of your active service with your Employer, or (iii) the last day on which you are an Employee of your Employer, as determined in each case without including any required advance notice period and irrespective of the status of the termination under local labor or employment laws.

(e) Notwithstanding the foregoing, the Company may, in its sole discretion, settle your RSUs in the form of: (i) a cash payment to the extent settlement in Shares (1) is prohibited under local law, (2) would require you, the Company and/or your Employer to obtain the approval of any governmental and/or regulatory body in your country of residence (and country of employment, if different), or (3) is administratively burdensome; or (ii) Shares, but require you to immediately sell such Shares (in which case, the Company shall have the authority to issue sales instructions in relation to such Shares on your behalf).

3. The number of Shares subject to the RSUs shall be subject to adjustment and the vesting dates hereof may be accelerated as follows:

(a) In the event that the Shares, as presently constituted, shall be changed into or exchanged for a different number or kind of shares of stock or other securities of the Company or of another corporation (whether by reason of merger, consolidation, recapitalization, reclassification, split-up, combination of shares, or otherwise) or if the number of such Shares shall be increased through the payment of a stock dividend or a dividend on the Shares of rights or warrants to purchase securities of the Company shall be made, then there shall be substituted for or added to each Share theretofore subject to the RSUs the number and kind of shares of stock or other securities into which each outstanding Share shall be so changed, or for which each such Share shall be exchanged, or to which each such Share shall be entitled. The other terms of the RSUs shall also be appropriately amended as may be necessary to reflect the foregoing events. In the event there shall be any other change in the number or kind of the outstanding Shares, or of any stock or other securities into which such Shares shall have been exchanged, then if the Committee shall, in its sole discretion, determine that such change equitably requires an adjustment in the RSUs, such adjustment shall be made in accordance with such determination.

(b) Fractional Shares resulting from any adjustment in the RSUs may be settled in cash or otherwise as the Committee shall determine, in its sole discretion. Notice of any adjustment will be given to you and such adjustment (whether or not such notice is given) shall be effective and binding for all purposes hereof.

(c) The Committee shall have the power to amend the RSUs to permit the immediate vesting of the RSUs (and to terminate any unvested RSUs) and the distribution of the underlying Shares prior to the effectiveness of (i) any disposition of substantially all of the assets of the Company or your Employer, (ii) the shutdown, discontinuance of operations or dissolution of the Company or your Employer, or (iii) the merger or consolidation of the Company or your Employer with or into any other unrelated corporation.

4. If you are resident and/or employed outside of the United States, you agree, as a condition of the grant of the RSUs, to repatriate all payments attributable to the Shares and/or cash acquired under the 2011 Plan (including, but not limited to, dividends, dividend equivalents and any proceeds derived from the sale of the Shares acquired pursuant to the RSUs) if required by and in accordance with local foreign exchange rules and regulations in your country of residence (and country of employment, if different). In addition, you also agree to take any and all actions, and consent to any and all actions taken by the Company and its Subsidiaries, as may be required to allow the Company and its Subsidiaries to comply with local laws, rules and regulations in your country of residence (and country of employment, if different). Finally, you agree to take any and all actions as may be required to comply with your personal legal and tax obligations under local laws, rules and regulations in your country of residence (and country of employment, if different).

5. If you are resident and/or employed in a country that is a member of the European Union, the grant of the RSUs and these Terms and Conditions are intended to comply with the age discrimination provisions of the EU Equal Treatment Framework Directive, as implemented into local law (the "Age Discrimination Rules"). To the extent that a court or tribunal of competent jurisdiction determines that any provision of these Terms and Conditions is invalid or unenforceable, in whole or in part, under the Age Discrimination Rules, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

6. Regardless of any action the Company and/or your Employer take with respect to any or all income tax (including U.S. federal, state and local taxes and/or non-U.S. taxes), social insurance, payroll tax, payment on account or other tax-related withholding ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and your Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the RSUs, including the grant of the RSUs, the vesting of the RSUs, the subsequent sale of any Shares acquired pursuant to the RSUs and the receipt of any dividends or dividend equivalents and (ii) do not commit to structure the terms of the grant or any aspect of the RSUs to reduce or eliminate your liability for Tax-Related Items. Further, if you become subject to taxation in more than one country between the grant date and the date of any relevant taxable or tax withholding event, as applicable, you acknowledge that your Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one country.

Prior to any taxable event, if your country of residence (and/or your country of employment, if different) requires withholding of Tax-Related Items, the Company shall withhold a number of whole Shares that have an aggregate Fair Market Value that the Company, taking into account local requirements and administrative issues, determines in its sole discretion is appropriate to cover withholding for Tax-Related Items with respect to the Shares. The cash equivalent of the Shares withheld will be used to settle the obligation to withhold the Tax-Related Items. In cases where the Fair Market Value of the number of whole Shares withheld is greater than the amount required to be paid to the relevant

government authorities with respect to withholding for Tax-Related Items, the Company shall make a cash payment to you equal to the difference as soon as administratively practicable. In the event that withholding in Shares is prohibited or problematic under applicable law or otherwise may trigger adverse consequences to the Company or your Employer, your Employer shall withhold the Tax-Related Items required to be withheld with respect to the Shares in cash from your regular salary and/or wages or other amounts payable to you. In the event the withholding requirements are not satisfied through the withholding of Shares or through your regular salary and/or wages or any other amounts payable to you by your Employer, no Shares will be issued to you (or your estate) unless and until satisfactory arrangements (as determined by the Board of Directors) have been made by you with respect to the payment of any Tax-Related Items that the Company or your Employer determines, in its sole discretion, should be withheld or collected with respect to such RSUs. By accepting these RSUs, you expressly consent to the withholding of Shares and/or withholding from your regular salary and/or wages or other amounts payable to you as provided for hereunder. All other Tax-Related Items related to the RSUs and any Shares delivered in payment thereof are your sole responsibility.

7. The RSUs are intended to be exempt from the requirements of Code Section 409A. The 2011 Plan and these Terms and Conditions shall be administered and interpreted in a manner consistent with this intent. If the Company determines that these Terms and Conditions are subject to Code Section 409A and that it has failed to comply with the requirements of that Section, the Company may, at the Company's sole discretion and without your consent, amend these Terms and Conditions to cause them to comply with Code Section 409A or be exempt from Code Section 409A.

8. If you were required to sign the "Stryker Confidentiality, Intellectual Property, Non-Competition and Non-Solicitation Agreement" or a similar agreement in order to receive the RSUs or have previously signed such an agreement and you breach any non-competition, non-solicitation or non-disclosure provision or provision as to ownership of inventions contained therein at any time while employed by the Company or a Subsidiary, or during the one-year period following termination of employment, any unvested RSUs shall be rescinded and you shall return to the Company all Shares that were acquired upon vesting of the RSUs that you have not disposed of. Further, you shall pay to the Company an amount equal to the profit realized by you (if any) on all Shares that were acquired upon vesting of the RSUs that you have disposed of. For purposes of the preceding sentence, the profit shall be the Fair Market Value of the Shares at the time of disposition.

9. The RSUs shall be transferable only by will or the laws of descent and distribution. If you purport to make any transfer of the RSUs, except as aforesaid, the RSUs and all rights thereunder shall terminate immediately.

10. The RSUs shall not be vested in whole or in part, and the Company shall not be obligated to issue any Shares subject to the RSUs, if such issuance would, in the opinion of counsel for the Company, violate the Securities Act of 1933 or any other U.S. federal, state or non-U.S. statute having similar requirements as it may be in effect at the time. The RSUs are subject to the further requirement that, if at any time the Board of Directors shall determine

in its discretion that the listing or qualification of the Shares subject to the RSUs under any securities exchange requirements or under any applicable law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of or in connection with the issuance of Shares pursuant to the RSUs, the RSUs may not be vested in whole or in part unless such listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Board of Directors.

11. The grant of the RSUs shall not confer upon you any right to continue in the employ of your Employer nor limit in any way the right of your Employer to terminate your employment at any time. You shall have no rights as a shareholder of the Company with respect to any Shares issuable upon the vesting of the RSUs until the date of issuance of such Shares.

12. You acknowledge and agree that the 2011 Plan is discretionary in nature and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The grant of the RSUs under the 2011 Plan is a one-time benefit and does not create any contractual or other right to receive a grant of RSUs or any other award under the 2011 Plan or other benefits in lieu thereof in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of any grant, the number of Shares subject to the grant, and the vesting provisions. Any amendment, modification or termination of the 2011 Plan shall not constitute a change or impairment of the terms and conditions of your employment with your Employer.

13. Your participation in the 2011 Plan is voluntary. The value of the RSUs and any other awards granted under the 2011 Plan is an extraordinary item of compensation outside the scope of your employment (and your employment contract, if any). Any grant under the 2011 Plan, including the grant of the RSUs, is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments.

14. These Terms and Conditions shall bind and inure to the benefit of the Company, its successors and assigns and you and your estate in the event of your death.

15. The Company is located at 2825 Airview Boulevard Kalamazoo, Michigan 49002, U.S.A. and grants RSUs under the 2011 Plan to employees of the Company and Subsidiaries in its sole discretion. In conjunction with the Company's grant of the RSUs under the 2011 Plan and its ongoing administration of such awards, the Company is providing the following information about its data collection, processing and transfer practices ("Personal Data Activities"). In accepting the grant of the RSUs, you expressly and explicitly consent to the Personal Data Activities as described herein.

(a) The Company collects, processes and uses your personal data, including your name, home address, email address, and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any Shares or directorships held in the Company, and details of all RSUs or any other equity compensation awards granted, canceled, exercised, vested, or outstanding in your favor, which the

Company receives from you or your Employer. In granting the RSUs under the Plan, the Company will collect your personal data for purposes of allocating Shares and implementing, administering and managing the 2011 Plan. The Company's legal basis for the collection, processing and usage of your personal data is your consent.

(b) The Company transfers your personal data to the Stock Plan Administrator. In the future, the Company may select a different Stock Plan Administrator and share your personal data with another company that serves in a similar manner. The Stock Plan Administrator will open an account for you, if an account is not already in place, to receive and trade Shares acquired under the 2011 Plan. You will be asked to agree on separate terms and data processing practices with the Stock Plan Administrator, which is a condition to your ability to participate in the 2011 Plan.

(c) The Company and the Stock Plan Administrator are based in the United States. You should note that your country of residence may have enacted data privacy laws that are different from the United States. The Company's legal basis for the transfer of your personal data to the United States is your consent.

(d) Your participation in the 2011 Plan and your grant of consent is purely voluntary. You may deny or withdraw your consent at any time. If you do not consent, or if you withdraw your consent, you may be unable to participate in the 2011 Plan. This would not affect your existing employment or salary; instead, you merely may forfeit the opportunities associated with the 2011 Plan.

(e) You may have a number of rights under the data privacy laws in your country of residence. For example, your rights may include the right to (i) request access or copies of personal data the Company processes, (ii) request rectification of incorrect data, (iii) request deletion of data, (iv) place restrictions on processing, (v) lodge complaints with competent authorities in your country or residence, and/or (vi) request a list with the names and addresses of any potential recipients of your personal data. To receive clarification regarding your rights or to exercise your rights, you should contact your local HR manager or the Company's Human Resources Department.

16. The grant of the RSUs is not intended to be a public offering of securities in your country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filing(s) with the local securities authorities (unless otherwise required under local law). **No employee of the Company is permitted to advise you on whether you should acquire Shares under the 2011 Plan or provide you with any legal, tax or financial advice with respect to the grant of the RSUs. The acquisition of Shares involves certain risks, and you should carefully consider all risk factors and tax considerations relevant to the acquisition of Shares under the 2011 Plan or the disposition of them. Further, you should carefully review all of the materials related to the RSUs and the 2011 Plan, and you should consult with your personal legal, tax and financial advisors for professional advice in relation to your personal circumstances.**

17. All questions concerning the construction, validity and interpretation of the RSUs and the 2011 Plan shall be governed and construed according to the laws of the state of Michigan, without regard to the application of the conflicts of laws provisions thereof. Any disputes regarding the RSUs or the 2011 Plan shall be brought only in the state or federal courts of the state of Michigan.

18. The Company may, in its sole discretion, decide to deliver any documents related to the RSUs or other awards granted to you under the 2011 Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the 2011 Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

19. The invalidity or unenforceability of any provision of the 2011 Plan or these Terms and Conditions shall not affect the validity or enforceability of any other provision of the 2011 Plan or these Terms and Conditions.

20. If you are resident outside of the United States, you acknowledge and agree that it is your express intent that these Terms and Conditions, the 2011 Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the RSUs be drawn up in English. If you have received these Terms and Conditions, the 2011 Plan or any other documents related to the RSUs translated into a language other than English and the meaning of the translated version is different than the English version, the English version will control.

21. You acknowledge that, depending on your or your broker's country of residence or where the Shares are listed, you may be subject to insider trading restrictions and/or market abuse laws which may affect your ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., RSUs) or rights linked to the value of Shares during such times you are considered to have "inside information" regarding the Company as defined in the laws or regulations in your country of employment (and country of residence, if different). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any restrictions and are advised to speak to your personal advisor on this matter.

22. Notwithstanding any provisions of these Terms and Conditions to the contrary, the RSUs shall be subject to any special terms and conditions for your country of residence (and country of employment, if different) set forth in an addendum to these Terms and Conditions (an "Addendum"). Further, if you transfer your residence and/or employment to another country reflected in an Addendum to these Terms and Conditions at the time of transfer, the special terms and conditions for such country will apply to you to the extent the

Company determines, in its sole discretion, that the application of such special terms and conditions is necessary or advisable in order to comply with local law, rules and regulations, or to facilitate the operation and administration of the award and the 2011 Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate your transfer). In all circumstances, any applicable Addendum shall constitute part of these Terms and Conditions.

23. The Company reserves the right to impose other requirements on the RSUs, any Shares acquired pursuant to the RSUs and your participation in the 2011 Plan to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local law, rules and regulations, or to facilitate the operation and administration of the award and the 2011 Plan. Such requirements may include (but are not limited to) requiring you to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

24. **This Section 24 applies only to those persons whom the Company's Recoupment Policy applies (the corporate officers elected by the Company's Board of Directors other than Assistant Controllers, Assistant Secretaries and Assistant Treasurers).** Notwithstanding any other provision of these Terms and Conditions to the contrary, you acknowledge and agree that your RSUs, any Shares acquired pursuant thereto and/or any amount received with respect to any sale of such Shares are subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of the Company's Recoupment Policy as in effect on the date of grant (a copy of which has been furnished to you) and as the Recoupment Policy may be amended from time to time in order to comply with changes in laws, rules or regulations that are applicable to such RSUs and Shares. You agree and consent to the Company's application, implementation and enforcement of (a) the Recoupment Policy and (b) any provision of applicable law relating to cancellation, recoupment, rescission or payback of compensation and expressly agree that the Company may take such actions as are necessary to effectuate the Recoupment Policy (as applicable to you) or applicable law without further consent or action being required by you. For purposes of the foregoing, you expressly and explicitly authorize the Company to issue instructions, on your behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold your Shares and other amounts acquired under the 2011 Plan to re- convey, transfer or otherwise return such Shares and/or other amounts to the Company. In the case of a conflict between these Terms and Conditions and the Recoupment Policy, the terms of the Recoupment Policy shall prevail.

25. **By accepting the grant of the RSUs, you acknowledge that you have read these Terms and Conditions, the Addendum to these Terms and Conditions (as applicable) and the 2011 Plan and specifically accept and agree to the provisions therein.**

STRYKER CORPORATION

**ADDENDUM TO TERMS AND
CONDITIONS**

**RELATING TO RESTRICTED STOCK UNITS GRANTED PURSUANT TO THE 2011
PLAN, AS AMENDED AND RESTATED**

In addition to the terms of the 2011 Plan and the Terms and Conditions, the RSUs are subject to the following additional terms and conditions (the "Addendum"). **The information reflected in this Addendum is based on the securities, exchange control and other laws in effect in the respective countries as of December 2022.** All capitalized terms as contained in this Addendum shall have the same meaning as set forth in the 2011 Plan and the Terms and Conditions. Pursuant to Section 22 of the Terms and Conditions, if you transfer your residence and/or employment to another country reflected in an Addendum at the time of transfer, the special terms and conditions for such country will apply to you to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local law, rules and regulations, or to facilitate the operation and administration of the award and the 2011 Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate your transfer).

Data Privacy Information: European Union ("EU") / European Economic Area ("EEA") / Switzerland and the United Kingdom*

****The below information is for data privacy purposes only and you should determine whether any other special terms and conditions apply to your awards in these jurisdictions.***

1. Data Privacy. If you reside and/or you are employed in the EU / EEA, Switzerland or the United Kingdom the following provision replaces Section 15 of the Terms and Conditions:

The Company is located at 2825 Airview Boulevard Kalamazoo, Michigan 49002, U.S.A. and grants RSUs under the 2011 Plan to employees of the Company and its Subsidiaries in its sole discretion. You should review the following information about the Company's data processing practices.

(a) Data Collection, Processing and Usage. Pursuant to applicable data protection laws, you are hereby notified that the Company collects, processes and uses certain personally-identifiable information about you for the legitimate interest of implementing, administering and managing the 2011 Plan and generally administering equity awards; specifically, including your name, home address, email address and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any Shares or directorships held in the Company, and details of all options or any other awards granted, canceled, exercised, vested, or outstanding in your favor, which the

Company receives from you or your Employer. In granting the RSUs under the 2011 Plan, the Company will collect your personal data for purposes of allocating Shares and implementing, administering and managing the 2011 Plan. The Company's collection, processing, use and transfer of your personal data is necessary for the performance of the Company's contractual obligations under the Plan and pursuant to the Company's legitimate interest of managing and generally administering employee equity awards. Your refusal to provide personal data would make it impossible for the Company to perform its contractual obligations and may affect your ability to participate in the 2011 Plan. As such, by participating in the 2011 Plan, you voluntarily acknowledge the collection, processing and use of your personal data as described herein.

(b) Stock Plan Administration Service Provider. The Company transfers participant data to the Stock Plan Administrator. In the future, the Company may select a different Stock Plan Administrator and share your data with another company that serves in a similar manner. The Stock Plan Administrator will open an account for you, if an account is not already in place, to receive and trade Shares acquired under the 2011 Plan. You will be asked to agree on separate terms and data processing practices with the Stock Plan Administrator, which is a condition to your ability to participate in the 2011 Plan.

(c) International Data Transfers. The Company and the Stock Plan Administrator are based in the United States. The Company can only meet its contractual obligations to you if your personal data is transferred to the United States. The Company's legal basis for the transfer of your personal data to the United States is to satisfy its contractual obligations to you and/or its use of the standard data protection clauses adopted by the EU Commission.

(d) Data Retention. The Company will use your personal data only as long as is necessary to implement, administer and manage your participation in the 2011 Plan or as required to comply with legal or regulatory obligations, including under tax and security laws. When the Company no longer needs your personal data, the Company will remove it from its systems. If the Company keeps your data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be for compliance with relevant laws or regulations.

(e) Data Subject Rights. You may have a number of rights under data privacy laws in your country of residence. For example, your rights may include the right to (i) request access or copies of personal data the Company processes, (ii) request rectification of incorrect data, (iii) request deletion of data, (iv) place restrictions on processing, (v) lodge complaints with competent authorities in your country of residence, and/or (vi) request a list with the names and addresses of any potential recipients of the Participant's personal data. To receive clarification regarding your rights or to exercise your rights, you should contact your local HR manager or the Company's Human Resources Department.

ARGENTINA

1. Securities Law Information. Neither the grant of the RSUs, nor the issuance of Shares subject to the RSUs, constitutes a public offering in Argentina. The grant of RSUs pursuant

to the 2011 Plan is a private placement and is not subject to any filing or disclosure requirements in Argentina.

AUSTRALIA

1. RSUs Conditioned on Satisfaction of Regulatory Obligations. If you are (a) a director of a Subsidiary incorporated in Australia, or (b) a person who is a management-level executive of a Subsidiary incorporated in Australia and who also is a director of a Subsidiary incorporated outside of the Australia, the grant of the RSUs is conditioned upon satisfaction of the shareholder approval provisions of section 200B of the Corporations Act 2001 (Cth) in Australia.

2. Securities Law Information. This grant of RSUs is being made under Division 1A Part 7.12 of the Australian Corporations Act 2001 (Cth). If Shares acquired under the Plan are offered for sale to a person or entity resident in Australia, your offer may be subject to disclosure requirements under Australian law. You should obtain legal advice on any disclosure obligations prior to making any such offer.

AUSTRIA

No country specific provisions.

BELGIUM

No country specific provisions.

BRAZIL

1. Labor Law Acknowledgment. By accepting the RSUs, you acknowledge and agree, for all legal purposes, that (a) the benefits provided under the Terms and Conditions and the 2011 Plan are the result of commercial transactions unrelated to your employment; (b) the Terms and Conditions and the 2011 Plan are not a part of the terms and conditions of your employment; and (c) the income from the RSUs, if any, is not part of your remuneration from employment.

2. Compliance with Law. By accepting the RSUs, you acknowledge and agree to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the vesting of the RSUs, the issuance and/or sale of Shares acquired under the 2011 Plan and the receipt of any dividends.

CANADA

1. Settlement in Shares. Notwithstanding anything to the contrary in the Terms and Conditions or the 2011 Plan, the RSUs shall be settled only in Shares (and may not be settled in cash).

2. Termination of Employment. The following supplements Section 2(b) of the

Terms and Conditions as well as any other section required to give effect to the same:

In the event of your termination of employment for any reason (other than by reason of death, Disability or Retirement), either by you or by the Employer, with or without cause, your rights to vest or to continue to vest in the RSUs and receive Shares under the 2011 Plan, if any, will terminate as of the actual Termination Date. For this purpose, the "Termination Date" shall mean the last day on which you are actively employed by the Employer, and shall not include or be extended by any period following such day during which you are in receipt of or eligible to receive any notice of termination, pay in lieu of notice of termination, severance pay or any other payments or damages, whether arising under statute, contract or at common law.

Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the RSUs under the 2011 Plan, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of your statutory notice period, nor will you be entitled to any compensation for lost vesting.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM.

PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature Employee Name (Printed)

Date

CHILE

1. Private Placement. The following provision shall replace Section 16 of the Terms and Conditions:

The grant of the RSUs hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the grant date, and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Markets ("CMF");
 - b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the CMF, and therefore such securities are not subject to its oversight;
-

- c) The Company, as the issuer, is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the CMF; and
 - d) The Shares, as foreign securities, shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.
-
- a) La fecha de inicio de la oferta será el de la fecha de otorgamiento y esta oferta se acoge a la norma de Carácter General n° 336 de la *Comisión para el Mercado Financiero Chilena* ("CMF");
 - b) La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la CMF, por lo que tales valores no están sujetos a la fiscalización de ésta;
 - c) Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y
 - d) Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.

CHINA

1. RSUs Conditioned on Satisfaction of Regulatory Obligations. If you are a People's Republic of China ("PRC") national, the grant of the RSUs is conditioned upon the Company securing all necessary approvals from the PRC State Administration of Foreign Exchange to permit the operation of the 2011 Plan and the participation of PRC nationals employed by your Employer, as determined by the Company in its sole discretion.

2. Sale of Shares. Notwithstanding anything to the contrary in the 2011 Plan, upon any termination of employment with your Employer, you shall be required to sell all Shares acquired under the 2011 Plan within such time period as may be established by the PRC State Administration of Foreign Exchange.

3. Exchange Control Restrictions. You acknowledge and agree that you will be required immediately to repatriate to the PRC the proceeds from the sale of any Shares acquired under the 2011 Plan, as well as any other cash amounts attributable to the Shares acquired under the 2011 Plan (collectively, "Cash Proceeds"). Further, you acknowledge and agree that the repatriation of the Cash Proceeds must be effected through a special bank account established by your Employer, the Company or one of its Subsidiaries, and you hereby consent and agree that the Cash Proceeds may be transferred to such account by the Company on your behalf prior to being delivered to you. The Cash Proceeds may be paid to you in U.S. dollars or local currency at the Company's discretion. If the Cash Proceeds are paid to you in U.S. dollars, you understand that a U.S. dollar bank account must be established and maintained in China so that the proceeds may be deposited into such account. Additionally, if the Company changes its Stock Plan Administrator, you acknowledge and agree that the Company may transfer any Shares issued under the 2011 Plan to the new

designated Stock Plan Administrator if necessary for legal or administrative reasons. You agree to sign any documentation necessary to facilitate the transfer. If the Cash Proceeds are paid to you in local currency, you acknowledge and agree that the Company is under no obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the Cash Proceeds to local currency due to exchange control restrictions. You agree to bear any currency fluctuation risk between the time the Shares are sold and the Cash Proceeds are converted into local currency and distributed to you. You further agree to comply with any other requirements that may be imposed by your Employer, the Company and its Subsidiaries in the future in order to facilitate compliance with exchange control requirements in the PRC.

COLOMBIA

1. Nature of Grant. In addition to the provisions of Section 13 of the Terms and Conditions you acknowledge that, pursuant to Article 128 of the Colombian Labor Code, the 2011 Plan and related benefits do not constitute a component of your “salary” for any legal purpose. Therefore, they will not be included and/or considered for purposes of calculating any and all labor benefits, such as legal/fringe benefits, vacations, indemnities, payroll taxes, social insurance contributions and/or any other labor-related amount which may be payable.

2. Securities Law Information. The Shares subject to the RSUs are not and will not be registered in the Colombian registry of publicly traded securities (*Registro Nacional de Valores y Emisores*) and therefore the Shares may not be offered to the public in Colombia. Nothing in this document should be construed as the making of a public offer of securities in Colombia.

COSTA RICA

No country specific provisions.

DENMARK

1. Treatment of RSUs upon Termination of Employment. Notwithstanding any provision in the Terms and Conditions or the 2011 Plan to the contrary, unless you are a member of registered management who is not considered a salaried employee, the treatment of the RSUs upon a termination of employment which is not a result of death shall be governed by Sections 4 and 5 of the Danish Act on Stock Option in Employment Relations. However, if the provisions in the Terms and Conditions or the Plan governing the treatment of the RSUs upon a termination of employment are more favorable, then the provisions of the Terms and Conditions or the 2011 Plan will govern.

FINLAND

1. Withholding of Tax-Related Items. Notwithstanding anything in Section 6 of the Terms and Conditions to the contrary, if you are a local national of Finland, any Tax- Related Items shall be withheld only in cash from your regular salary/wages or other amounts payable to you in cash or such other withholding methods as may be permitted under the 2011 Plan and allowed under local law.

FRANCE

1. Use of English Language. By accepting your RSUs, you acknowledge and agree that it is your wish that the Terms and Conditions, this Addendum, as well as all other documents, notices and legal proceedings entered into, given or instituted pursuant to your RSUs, either directly or indirectly, be drawn up in English.

Langue anglaise. En acceptant l'allocation de vos RSUs, vous reconnaissez et acceptez avoir souhaité que le Termes et Conditions, le présent avenant, ainsi que tous autres documents exécutés, avis donnés et procédures judiciaires intentées, relatifs, directement ou indirectement, à l'allocation de vos RSUs, soient rédigés en anglais.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM.

PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature

Employee Name (Printed)

Date

GERMANY

No country specific provisions.

HONG KONG

1. Important Notice. Warning: The contents of the Terms and Conditions, this Addendum, the 2011 Plan, and all other materials pertaining to the RSUs and/or the 2011 Plan have not been reviewed by any regulatory authority in Hong Kong. You are hereby advised to exercise caution in relation to the offer thereunder. If you have any doubts about any of the contents of the aforesaid materials, you should obtain independent professional advice.

2. Lapse of Restrictions. If, for any reason, Shares are issued to you within six (6) months of the grant date, you agree that you will not sell or otherwise dispose of any such Shares prior to the six-month anniversary of the grant date.

3. Settlement in Shares. Notwithstanding anything to the contrary in this Addendum, the Terms and Conditions or the 2011 Plan, the RSUs shall be settled only in Shares (and may not be settled in cash).

4. Nature of the Plan. The Company specifically intends that the 2011 Plan will not be treated as an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance ("ORSO"). To the extent any court, tribunal or legal/regulatory body in Hong Kong determines that the 2011 Plan constitutes an occupational retirement scheme for the purposes of ORSO, the grant of the RSUs shall be null and void.

INDIA

1. Repatriation Requirements. You expressly agree to repatriate all sale proceeds and dividends attributable to Shares acquired under the 2011 Plan in accordance with local foreign exchange rules and regulations. Neither the Company, your Employer or any of the Company's Subsidiaries shall be liable for any fines or penalties resulting from your failure to comply with applicable laws, rules or regulations.

IRELAND

No country specific provisions.

ITALY

No country specific provisions.

JAPAN

No country specific provisions.

MEXICO

1. Commercial Relationship. You expressly recognize that your participation in the 2011 Plan and the Company's grant of the RSUs does not constitute an employment relationship between you and the Company. You have been granted the RSUs as a consequence of the commercial relationship between the Company and the Subsidiary in Mexico that employs you, and the Company's Subsidiary in Mexico is your sole employer. Based on the foregoing, (a) you expressly recognize the 2011 Plan and the benefits you may derive from your participation in the 2011 Plan do not establish any rights between you and the Company's Subsidiary in Mexico that employs you, (b) the 2011 Plan and the benefits you may derive from your participation in the 2011 Plan are not part of the employment conditions and/or benefits provided by the Company's Subsidiary in Mexico that employs you, and (c) any modification or amendment of the 2011 Plan by the Company, or a termination of the 2011 Plan by the Company, shall not constitute a change or impairment of the terms and conditions of your employment with the Company's Subsidiary in Mexico that employs you.

2. Securities Law Information. You expressly recognize and acknowledge that the Company's grant of RSUs and the underlying Shares under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the 2011 Plan, the Terms and Conditions and any other document relating to the RSUs may not be publicly distributed in Mexico. These materials are addressed to you only because of your existing relationship with the Company and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of the Employer in Mexico made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

3. Extraordinary Item of Compensation. You expressly recognize and acknowledge that your participation in the 2011 Plan is a result of the discretionary and unilateral decision of the Company, as well as your free and voluntary decision to participate in the 2011 Plan in accord with the terms and conditions of the 2011 Plan, the Terms and Conditions, and this Addendum. As such, you acknowledge and agree that the Company may, in its sole discretion, amend and/or discontinue your participation in the 2011 Plan at any time and without any liability. The value of the RSUs is an extraordinary item of compensation outside the scope of your employment contract, if any. The RSUs are not part of your regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Company's Subsidiary in Mexico that employs you.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM.

PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature Employee Name (Printed)

Date

NETHERLANDS

1. Waiver of Termination Rights. As a condition to the grant of the RSUs, you hereby waive any and all rights to compensation or damages as a result of the termination of your employment with the Company and your Employer for any reason whatsoever, insofar as those rights result or may result from (a) the loss or diminution in value of such rights or entitlements under the 2011 Plan, or (b) you ceasing to have rights under or ceasing to be entitled to any awards under the 2011 Plan as a result of such termination.

2. Tax Deferral Upon Retirement. Unless you otherwise elect by contacting Stryker no later than April 28, 2023, you hereby agree that upon Retirement eligibility, the RSUs shall not become taxable until the date of settlement when Shares are actually delivered or otherwise made available.

NEW ZEALAND

1. **WARNING.** You are being offered RSUs to be settled in the form of shares of Stryker Corporation common stock. If the Company runs into financial difficulties and is wound up, you may lose some or all your investment. New Zealand law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important for investors to make an informed decision. The usual rules do not apply to this offer because it is an offer made under the Employee Share Scheme exemption. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment. You should ask questions, read all documents carefully, and seek independent financial advice before accepting the offer. The Company's Shares are currently traded on the New York Stock Exchange under the ticker symbol "SYK" and Shares acquired under the 2011 Plan may be sold through this exchange. You may end up selling the Shares at a price that is lower than the value of the Shares when you acquired them. The price will depend on the demand for the Company's Shares. *The Company's most recent annual report (which includes the Company's financial statements) is available at [<https://investors.stryker.com/financial-information/sec-filings/default.aspx>]. You are entitled to receive a copy of this report, free of charge, upon written request to the Company at STOCKPLANADMINISTRATION@STRYKER.COM.*

POLAND

No country specific provisions.

PUERTO RICO

No country specific provisions.

ROMANIA

No country specific provisions.

RUSSIA

1. **IMPORTANT EMPLOYEE NOTIFICATION.** You may be required to repatriate certain cash amounts received with respect to the RSUs to Russia as soon as you intend to use those cash amounts for any purpose, including reinvestment. If the repatriation requirement applies, such funds must initially be credited to you through a foreign currency account at an authorized bank in Russia. After the funds are initially received in Russia, they may be further remitted to foreign banks in accordance with Russian exchange control laws. Under the Directive N 5371-U of the Russian Central Bank (the "**CBR**"), the repatriation requirement may not apply in certain cases with respect to cash amounts received in an account that is considered by the CBR to be a foreign brokerage account. Statutory exceptions to the repatriation requirement also may apply. *You should contact your personal advisor to ensure compliance with the applicable exchange control requirements prior to*

vesting in the RSUs and/or selling the Shares acquired pursuant to the RSUs.

2. **SECURITIES LAW NOTIFICATION.** The grant of RSUs and the issuance of Shares upon vesting are not intended to be an offering of securities with the Russian Federation, and the Terms and Conditions, the 2011 Plan, this Addendum and all other materials that you receive in connection with the grant of RSUs and your participation in the 2011 Plan (collectively, “Grant Materials”) do not constitute advertising or a solicitation within the Russian Federation. In connection with your grant of RSUs, the Company has not submitted any registration statement, prospectus or other filing with the Russian Federal Bank or any other governmental or regulatory body within the Russian Federation, and the Grant Materials expressly may not be used, directly or indirectly, for the purpose of making a securities offering or public circulation of Shares within the Russian Federation. Any Shares acquired under the 2011 Plan will be maintained on your behalf outside of Russia. Moreover, you will not be permitted to sell or otherwise alienate any Shares directly to other Russian legal entities or individuals.

3. **EXCHANGE CONTROL NOTIFICATION.** You are solely responsible for complying with applicable Russian exchange control regulations. Since the exchange control regulations change frequently and without notice, you should consult your legal advisor prior to the acquisition or sale of Shares under the 2011 Plan to ensure compliance with current regulations. As noted, it is your personal responsibility to comply with Russian exchange control laws, and neither the Company nor any Subsidiary will be liable for any fines or penalties resulting from failure to comply with applicable laws.

4. **ANTI-CORRUPTION NOTIFICATION.** Anti-corruption laws prohibit certain public servants, their spouses and their dependent children from owning any foreign source financial instruments (*e.g.*, shares of foreign companies such as the Company). Accordingly, you should inform the Company if you are covered by these laws as this relates to your acquisition of Shares under the 2011 Plan.

SINGAPORE

1. **Qualifying Person Exemption.** The following provision shall replace Section 16 of the Terms and Conditions:

The grant of the RSUs under the 2011 Plan is being made pursuant to the “Qualifying Person” exemption” under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”). The 2011 Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. You should note that, as a result, the RSUs are subject to section 257 of the SFA and you will not be able to make (a) any subsequent sale of the Shares in Singapore or (ii) any offer of such subsequent sale of the Shares subject to the RSUs in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Chapter 289, 2006 Ed.).

2. **Director Reporting Notification.** If you are a director, associate director or shadow director of a Singapore company, you are subject to certain notification

requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore company in writing when you receive an interest (e.g., RSUs or Shares) in the Company or any related company. In addition, you must notify the Singapore company when you sell Shares (including when you sell Shares acquired at vesting of the Restricted Stock Units). These notifications must be made within two business days of acquiring or disposing of any interest in the Company or any related company. In addition, a notification must be made of Participant's interests in the Company or any related company within two business days of becoming a director.

SOUTH AFRICA

1. Withholding Taxes. In addition to the provisions of Section 6 of the Terms and Conditions, you agree to notify your Employer in South Africa of the amount of any gain realized upon vesting of the RSUs. If you fail to advise your Employer of the gain realized upon vesting of the RSUs, you may be liable for a fine. You will be responsible for paying any difference between the actual tax liability and the amount withheld.

2. Exchange Control Obligations. You are solely responsible for complying with applicable exchange control regulations and rulings (the "Exchange Control Regulations") in South Africa. As the Exchange Control Regulations change frequently and without notice, you should consult your legal advisor prior to the acquisition or sale of Shares under the 2011 Plan to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries will be liable for any fines or penalties resulting from your failure to comply with applicable laws.

3. Securities Law Information and Deemed Acceptance of RSUs. Neither the RSUs nor the underlying Shares shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96 of the Companies Act and is not subject to the supervision of any South African governmental authority. Pursuant to Section 96 of the Companies Act, the RSU offer must be finalized on or before the 60th day following the grant date. If you do not want to accept the RSUs, you are required to decline the RSUs no later than the 60th day following the grant date. If you do not reject the RSUs on or before the 60th day following the grant date, you will be deemed to accept the RSUs.

SOUTH KOREA

No country specific provisions.

SPAIN

1. Acknowledgement of Discretionary Nature of the 2011 Plan; No Vested Rights. In accepting the RSUs, you acknowledge that you consent to participation in the 2011 Plan and have received a copy of the 2011 Plan. You understand that the Company has unilaterally, gratuitously and in its sole discretion granted RSUs under the 2011 Plan to individuals who may be employees of the Company or its Subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Subsidiaries on an ongoing basis. Consequently, you understand that the RSUs are granted on the assumption and condition that the RSUs and the Shares acquired upon vesting of the RSUs shall not become a part of any employment contract (either with the Company or any of its Subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, you understand that this grant would not be made to you but for the assumptions and conditions referenced above. Thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, the RSUs shall be null and void.

You understand and agree that, as a condition of the grant of the RSUs, any unvested RSUs as of the date you cease active employment will be forfeited without entitlement to the underlying Shares or to any amount of indemnification in the event of the termination of employment by reason of, but not limited to, (i) material modification of the terms of employment under Article 41 of the Workers' Statute or (ii) relocation under Article 40 of the Workers' Statute. You acknowledge that you have read and specifically accept the conditions referred to in the Terms and Conditions regarding the impact of a termination of employment on your RSUs.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM.

PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature Employee Name (Printed)

Date

SWITZERLAND

1. Securities Law Information. Neither this document nor any other materials relating to the RSUs (a) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA") (b) may be publicly distributed or otherwise

made publicly available in Switzerland to any person other than an employee of the Company or (c) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority ("FINMA").

TAIWAN

1. Securities Law Notice. The offer of participation in the 2011 Plan is available only for employees of the Company and its Subsidiaries. The offer of participation in the 2011 Plan is not a public offer of securities by a Taiwanese company.

THAILAND

No country specific provisions.

TURKEY

1. Securities Law Information. Under Turkish law, you are not permitted to sell any Shares acquired under the 2011 Plan within Turkey. The Shares are currently traded on the New York Stock Exchange, which is located outside of Turkey, under the ticker symbol "SYK" and the Shares may be sold through this exchange.

2. Financial Intermediary Obligation. You acknowledge that any activity related to investments in foreign securities (e.g., the sale of Shares) should be conducted through a bank or financial intermediary institution licensed by the Turkey Capital Markets Board and should be reported to the Turkish Capital Markets Board. You solely are responsible for complying with this requirement and should consult with a personal legal advisor for further information regarding any obligations in this respect.

UNITED ARAB EMIRATES

1. Securities Law Information. The offer of the RSUs is available only for select Employees of the Company and its Subsidiaries and is in the nature of providing incentives in the United Arab Emirates. The 2011 Plan and the Terms and Conditions are intended for distribution only to such individuals and must not be delivered to, or relied on by any other person. Prospective purchasers of securities should conduct their own due diligence.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with this statement, including the 2011 Plan and the Terms and Conditions, or any other incidental communication materials distributed in connection with the RSUs. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it, and has no responsibility for it. Residents of the United Arab Emirates who have any questions regarding the contents of the 2011 Plan and the Terms and Conditions should obtain independent advice.

UNITED KINGDOM

1. Income Tax and Social Insurance Contribution Withholding. The following provision shall supplement Section 6 of the Terms and Conditions:

Without limitation to Section 6 of the Terms and Conditions, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items, as and when requested by the Company, your Employer or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and your Employer against any Tax- Related Items that they are required to pay or withhold or have paid or will pay to HMRC on your behalf (or any other tax authority or any other relevant authority).

2. Exclusion of Claim. You acknowledge and agree that you will have no entitlement to compensation or damages in consequence of the termination of your employment with the Company and your Employer for any reason whatsoever and whether or not in breach of contract, insofar as any purported claim to such entitlement arises or may arise from your ceasing to have rights under or to be entitled to vest in the RSUs as a result of such termination of employment (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the RSUs. Upon the grant of the RSUs, you shall be deemed irrevocably to have waived any such entitlement.

**Kevin A. Lobo****Chair and CEO**

2825 Airview Boulevard Kalamazoo MI 49002
USA P 269 389 7353
www.stryker.com

Personal and confidential

February 9, 2023 First Name Last Name

Dear First Name:

I am pleased to inform you that as an SLT member, you are receiving performance stock units (PSUs) award in 2023. We use these awards to reward performers who we believe will be key contributors to our growth well into the future. The total Award Date Value (ADV) of your awards is approximately USD \$xx,xxx.

We are awarding you a xxx PSUs. The number of PSUs actually earned will be dependent upon Stryker's financial performance during the three-year period ending December 31, 2025. Refer to the Terms and Conditions accompanying the 2023 PSUs award for specific criteria associated with vesting in such award. In order to earn any of the PSUs, you must be continuously employed with Stryker through the vesting date of March 21, 2026 except as otherwise provided in the Terms and Conditions.

You must "Accept" both awards online via the UBS One Source web site located at www.ubs.com/onesource/SYK between March 1 and March 31, 2023. The detailed terms of the option and PSUs are in the Terms and Conditions, any applicable country addendum and the provisions of the Company's 2011 Long-Term Incentive Plan, as Amended and Restated. Those documents, together with the related Prospectus, are available on the UBS One Source web site, and you should read them before accepting the awards. In addition, you may be asked to sign the most recent version of Stryker's Confidentiality, Intellectual Property, Non-Competition and Non-Solicitation Agreement ("Non-Compete Agreement") in connection with these awards. If you are asked to sign the Non-Compete Agreement, it will be emailed to you and you will be asked to sign the document electronically via Adobe Sign by March 31, 2023. The exercisability of the options and vesting of the PSUs is conditioned on you having signed the Non-Compete Agreement by March 31, 2023, where permitted by applicable law.

You can find additional educational materials on the UBS One Source web site in the Resources section, including Stock Option brochure and Stock Option Tax Questions & Answers.

Thank you for your efforts in helping us deliver strong results. With your help, I look forward to our continued business growth and success.

Sincerely,

A handwritten signature in black ink, appearing to read "Kevin A. Lobo".

Kevin A. Lobo
Chair and CEO

STRYKER CORPORATION
TERMS AND CONDITIONS
RELATING TO PERFORMANCE STOCK UNITS GRANTED PURSUANT TO THE 2011 LONG-TERM
INCENTIVE PLAN, AS AMENDED
AND RESTATED

1. The Performance Stock Units with respect to Common Stock of Stryker Corporation (the "Company") granted to you during 2023 (the "PSUs") are subject to these Terms and Conditions Relating to Performance Stock Units Granted Pursuant to the 2011 Long-Term Incentive Plan, as Amended and Restated (the "Terms and Conditions") and all of the terms and conditions of the Stryker Corporation 2011 Long-Term Incentive Plan, as Amended and Restated (the "2011 Plan"), which is incorporated herein by reference. In the case of a conflict between these Terms and Conditions and the terms of the 2011 Plan, the provisions of the 2011 Plan will govern. Capitalized terms used but not defined herein have the meaning provided therefor in the 2011 Plan. For purposes of these Terms and Conditions, "Employer" means the Company or any Subsidiary that employs you on the applicable date, and "Stock Plan Administrator" means UBS Financial Services Inc. (or any other independent service provider engaged by the Company to assist with the implementation, operation and administration of the 2011 Plan).

2. Vesting. Except as provided in Section 8(a), the vesting of your PSUs is dependent upon your remaining continuously employed with your Employer through March 21, 2026 (the "Vesting Date") as well as upon the Company's financial performance during the three-year period ending December 31, 2025 (the "Performance Period"). Specifically, the vesting of any of the PSUs is dependent upon attainment of the Threshold Performance Target as set forth in Section 3. If the Threshold Performance Target is attained, then the vesting of 50% of the PSUs (the "EPS PSUs") is dependent on Adjusted EPS Growth as set forth in Section 4, and vesting of the remaining 50% of the PSUs (the "Sales Growth PSUs") is dependent on the Sales Growth Percentile Ranking as set forth in Section 5. The actual number of your PSUs that become vested, if any, shall be determined based on exercise of negative discretion by the Committee in accordance with Sections 4, 5 and 6 below.

3. Threshold Performance Target. If the Company's Adjusted EPS Growth as of the last day of the Performance Period is less than 2.0%, none of your PSUs shall become vested and all of your PSUs shall be forfeited as of the last day of the Performance Period. If the Company's Adjusted EPS Growth as of the last day of the Performance Period is 2.0% or greater (the "Threshold Performance Target") and, except as provided in Section 8(a), you remain in the continuous employment of Stryker through the Vesting Date, you shall become eligible to vest in up to 200% of your PSUs, although the actual number of your PSUs that become vested shall be determined based on exercise of negative discretion by the Committee in accordance with Sections 4, 5 and 6 below.

4. Adjusted EPS Growth.

(a) If the Threshold Performance Target is attained and, except as provided in Section 8(a), you have remained in the continuous employment of Stryker through the Vesting Date, then subject to Section 6 you shall become vested in the percentage of the EPS PSUs determined based on the Company's Adjusted EPS Growth using the table below, applying straight line interpolation rounded down to the nearest whole number of EPS PSUs for Adjusted EPS Growth resulting in vested EPS PSUs between 50% and 100% or between 100% and 200%.

	< Minimum	Minimum	Target	Maximum
Adjusted EPS Growth	Less than 4.0%	4.0%	6.5% - 8.5%	12% or more
Vested Percent of EPS PSUs	0%	50%	100%	200%

Any EPS PSUs that do not become vested in accordance with the foregoing shall be forfeited.

(b) As soon as administratively practicable following the Vesting Date (but in no event later than December 31, 2026), the Company shall issue you the Shares underlying the vested EPS PSUs.

(c) For purposes of these Terms and Conditions:

(i) "Adjusted EPS" for a calendar year shall mean the Company's diluted net earnings per share for such year as determined under U.S. generally accepted accounting principles ("GAAP") but subject to such adjustments, if any, for non-GAAP financial measures that are reflected in a reconciliation to the GAAP financial statements included in the Company's Annual Report on Form 10-K filed with the Securities and Exchange Commission.

(ii) "Adjusted EPS Growth" shall mean the sum of the Annual Percentage Change in Adjusted EPS for the three (3) calendar years in the Performance Period divided by three (3).

(iii) "Annual Percentage Change in Adjusted EPS" for a calendar year shall mean the amount by which the Adjusted EPS for such calendar year has increased or decreased relative to the immediately preceding calendar year, expressed as a positive or negative percentage (depending on whether Adjusted EPS increased or decreased) of the Adjusted EPS for such preceding calendar year.

(d) Notwithstanding anything to the contrary herein, the Committee shall have discretion to make such adjustments to the foregoing metrics as it deems appropriate to reflect the impact of corporate transactions, accounting or tax law changes or extraordinary, unusual, nonrecurring or infrequent items; provided, however, that for purposes of calculating the Threshold Performance Target in Section 3, in no case shall such adjustments have the net aggregate effect of increasing Adjusted EPS Growth.

5. Sales Growth Percentile Ranking.

(a) If the Threshold Performance Target is attained and, except as provided in Section 8(a), you have remained in the continuous employment of Stryker through the Vesting Date, then subject to Section 6 you shall become vested in the percentage of the Sales Growth PSUs based upon the Company's Sales Growth Percentile Ranking, as determined using the table below, applying straight line interpolation rounded down to the nearest whole number of Sales Growth PSUs for Sales Growth Percentile Ranking resulting in vested Sales Growth PSUs between 50% and 100% or between 100% and 200%.

Sales Growth Percentile Ranking	Below 33 rd	33 rd	50 th	75 th and Above
Vested Percent of Sales Growth PSUs	0%	50%	100%	200%

Any Sales Growth PSUs that do not become vested in accordance with the foregoing shall be forfeited, and if the Company's Average Sales Growth in the Performance Period is equal to or less than zero, all of the Sales Growth PSUs shall be forfeited (irrespective of the Sales Growth Percentile Ranking).

(b) As soon as administratively practicable following the Vesting Date (but in no event later than December 31, 2026), the Company shall issue you the Shares underlying the vested Sales Growth PSUs.

(c) For purposes of these Terms and Conditions and subject to Section 5(d)

below:

(i) "Average Sales Growth" shall mean, for the Company and each company in the Comparison Group, the sum of the Sales Growth for each Reporting Period ending within the Performance Period divided by three;

(ii) "Comparison Group" shall mean:

- Abbott Laboratories
- Agilent Technologies, Inc.
- Baxter International Inc.
- Becton, Dickinson and Company
- Boston Scientific Corporation
- Danaher Corporation
- Fresenius Medical Care AG & Co. KGaA
- GE Healthcare
- Johnson & Johnson (MedTech)
- Laboratory Corporation of America Holdings
- Medtronic plc
- Quest Diagnostics Incorporated
- Royal Philips (combined segments of Diagnosis & Treatment and Connected Care)
- Siemens Healthineers AG
- Smith & Nephew plc
- Thermo Fisher Scientific Inc.
- 3M Company (Healthcare)
- Zimmer Biomet Holdings, Inc.

For purposes of the foregoing, any company for which Sales Growth cannot be calculated for three full annual Reporting Periods ending within the Performance Period shall be excluded.

(iii) “Net Sales” shall mean, for the Company and each company in the Comparison Group, net sales as publicly reported for the applicable Reporting Period.

(iv) “Reporting Period” shall mean a calendar year in the case of the Company and each company in the Comparison Group that reports on a calendar year basis, and in the case of any other company in the Comparison Group, the four fiscal quarters that include the last fiscal quarter ending prior to December 31 for which such company has publicly reported prior to the following February 28.

(v) “Sales Growth” for a Reporting Period shall mean the amount by which Net Sales has increased or decreased relative to the immediately preceding Reporting Period, expressed as a positive or negative percentage (depending on whether Net Sales increased or decreased) of the Net Sales for such preceding Reporting Period.

(vi) “Sales Growth Percentile Ranking” shall mean the percentile ranking of the Company’s Average Sales Growth relative to the Average Sales Growth for each company in the Comparison Group, rounded to the whole nearest percentile. For this purpose, the percentile ranking shall be calculated as $1 - (\text{Rank}-1)/(\text{Total of the Comparison Group plus the Company}-1)$. For example, if the Company ranked 5th out of 19 companies including itself, the percentile rank would be calculated as $1 - (5-1)/(19-1)$ or $1 - (4/18)$ or 1-0.22 or the 78th percentile.

(d) The Committee may make such revisions and adjustments to each of the items set forth in Sections 5(c)(i)-(vi) as it may determine necessary and appropriate in its discretion.

6. Discretion of the Committee. Notwithstanding anything in these Terms or Conditions or the 2011 Plan to the contrary, provided that the Threshold Performance Target has been attained, the Committee shall have the power and authority, in its sole and absolute exercise of negative discretion, to reduce or increase the vested PSUs such that the actual earned PSUs will be greater than or less than the vested PSUs, which increase or reduction may be made by taking into account any criteria the Committee deems appropriate; provided further that notwithstanding anything in these Terms or Conditions to the contrary you shall not become vested in more than 200% of your PSUs.

7. Dividend Equivalents. In connection with your PSUs, you shall be entitled to receive all of the cash dividends for which the record date occurs during the period between the commencement of the Performance Period and the Vesting Date with respect to each Share underlying your vested PSUs ("Dividend Equivalents"). Dividend Equivalents shall be converted into their equivalent number of additional PSUs rounded down to the nearest whole number of PSUs based on the Fair Market Value of a Share on the Vesting Date, provided, that the maximum number of additional PSUs you may receive upon such conversion shall be equal to 200% of your originally granted PSUs. Such additional PSUs shall be subject to the terms and conditions applicable to the PSUs to which the Dividend Equivalents relate, including, without limitation, the vesting, forfeiture, and payment form and timing provisions contained herein.

8. In the event you cease to remain in the continuous employment of the Company or a Subsidiary for the entire period commencing on the grant date and ending on the applicable Vesting Date, your right to receive the Shares issuable pursuant to the PSUs shall be only as follows:

(a) If you cease to be an Employee prior to the Vesting Date by reason of Disability (as such term is defined in the 2011 Plan), death or Retirement (as such term is defined in the 2011 Plan), you or your estate will become vested on the Vesting Date in a pro-rata portion (determined by dividing (a) the number of days during the Performance Period in which you were an Employee by (b) the total number of days during the Performance Period) of your PSUs based upon the Company's Adjusted EPS Growth and Sales Growth Percentile Ranking for the Performance Period as determined pursuant to Sections 3, 4, 5 and 6 of these Terms and Conditions. Any pro-rata portion shall be rounded down to the nearest whole number of PSUs. You, your legal representative or your estate will receive all of the underlying Shares attributable to the vested PSUs as soon as administratively practicable following (and in no event more than ninety (90) days after) the Vesting Date.

(b) If you cease to be an Employee for any reason other than those provided in (a) above and your Termination Date is prior to the Vesting Date, you shall immediately forfeit all PSUs granted hereunder effective as of your Termination Date. If you are a resident of or employed in the United States, "Termination Date" shall mean the

effective date of termination of your employment with your Employer. If you are resident or employed outside of the United States, "Termination Date" shall mean the earliest of (i) the date on which notice of termination is provided to you, (ii) the last day of your active service with your Employer, or (iii) the last day on which you are an Employee of your Employer, as determined in each case without including any required advance notice period and irrespective of the status of the termination under local labor or employment laws.

9. Notwithstanding the foregoing, the Company may, in its sole discretion, settle the PSUs (and any Dividend Equivalents) in the form of: (i) a cash payment to the extent settlement in Shares (1) is prohibited under local law, (2) would require you, the Company and/or your Employer to obtain the approval of any governmental and/or regulatory body in your country of residence (and country of employment, if different), or (3) is administratively burdensome; or (ii) Shares, but require you to immediately sell such Shares (in which case, the Company shall have the authority to issue sales instructions in relation to such Shares on your behalf).

10. The number of Shares subject to the PSUs shall be subject to adjustment and the vesting dates hereof may be accelerated as follows:

(a) In the event that the Shares, as presently constituted, shall be changed into or exchanged for a different number or kind of shares of stock or other securities of the Company or of another corporation (whether by reason of merger, consolidation, recapitalization, reclassification, split-up, combination of shares, or otherwise) or if the number of such Shares shall be increased through the payment of a stock dividend or a dividend on the Shares of rights or warrants to purchase securities of the Company shall be made, then there shall be substituted for or added to each Share theretofore subject to the PSUs the number and kind of shares of stock or other securities into which each outstanding Share shall be so changed, or for which each such Share shall be exchanged, or to which each such Share shall be entitled. The other terms of the PSUs shall also be appropriately amended as may be necessary to reflect the foregoing events. In the event there shall be any other change in the number or kind of the outstanding Shares, or of any stock or other securities into which such Shares shall have been exchanged, then if the Committee shall, in its sole discretion, determine that such change equitably requires an adjustment in the PSUs, such adjustment shall be made in accordance with such determination.

(b) Fractional Shares resulting from any adjustment in the PSUs may be settled in cash or otherwise as the Committee shall determine, in its sole discretion. Notice of any adjustment will be given to you and such adjustment (whether or not such notice is given) shall be effective and binding for all purposes hereof.

(c) The Committee shall have the power to amend the PSUs to permit the immediate vesting of the PSUs (and to terminate any unvested PSUs) and the distribution of the underlying Shares prior to the effectiveness of (i) any disposition of substantially all of the assets of the Company or your Employer, (ii) the shutdown, discontinuance of operations or dissolution of the Company or your Employer, or (iii) the merger or consolidation of the Company or your Employer with or into any other unrelated corporation.

11. If you are resident or employed outside of the United States, you agree, as a condition of the grant of the PSUs, to repatriate all payments attributable to the Shares and/or cash acquired under the 2011 Plan (including, but not limited to, dividends, dividend equivalents and any proceeds derived from the sale of the Shares acquired pursuant to the PSUs) if required by and in accordance with local foreign exchange rules and regulations in your country of residence (and country of employment, if different). In addition, you also agree to take any and all actions, and consent to any and all actions taken by the Company and its Subsidiaries, as may be required to allow the Company and its Subsidiaries to comply with local laws, rules and regulations in your country of residence (and country of employment, if different). Finally, you agree to take any and all actions as may be required to comply with your personal legal and tax obligations under local laws, rules and regulations in your country of residence (and country of employment, if different).

12. If you are resident and/or employed in a country that is a member of the European Union, the grant of the PSUs and these Terms and Conditions are intended to comply with the age discrimination provisions of the EU Equal Treatment Framework Directive, as implemented into local law (the "Age Discrimination Rules"). To the extent that a court or tribunal of competent jurisdiction determines that any provision of these Terms and Conditions are invalid or unenforceable, in whole or in part, under the Age Discrimination Rules, the Company, in its sole discretion, shall have the power and authority to revise or strike such provision to the minimum extent necessary to make it valid and enforceable to the full extent permitted under local law.

13. Regardless of any action the Company and/or your Employer take with respect to any or all income tax (including U.S. federal, state and local taxes or non-U.S. taxes), social insurance, payroll tax, payment on account or other tax-related withholding ("Tax-Related Items"), you acknowledge that the ultimate liability for all Tax-Related Items legally due by you is and remains your responsibility and that the Company and your Employer (i) make no representations or undertakings regarding the treatment of any Tax-Related Items in connection with any aspect of the PSUs, including the grant of the PSUs, the vesting of the PSUs, the subsequent sale of any Shares acquired pursuant to the PSUs and the receipt of any dividends or dividend equivalents and (ii) do not commit to structure the terms of the grant or any aspect of the PSUs to reduce or eliminate your liability for Tax-Related Items. Further, if you become subject to taxation in more than one country between the grant date and the date of any relevant taxable or tax withholding event, as applicable, you acknowledge that your Employer (or former employer, as applicable) may be required to withhold or account for Tax-Related Items in more than one country.

Prior to any taxable event, if your country of residence (and/or your country of employment, if different) requires withholding of Tax-Related Items, the Company shall withhold a number of whole Shares that have an aggregate Fair Market Value that the Company, taking into account local requirements and administrative issues, determines in its sole discretion is appropriate to cover withholding for Tax-Related Items with respect to the Shares. The cash equivalent of the Shares withheld will be used to settle the obligation to withhold the Tax-Related Items. In cases where the Fair Market Value of the number of

whole Shares withheld is greater than the amount required to be paid to the relevant government authorities with respect to withholding for Tax-Related Items, the Company shall make a cash payment to you equal to the difference as soon as administratively practicable. In the event that withholding in Shares is prohibited or problematic under applicable law or otherwise may trigger adverse consequences to the Company or your Employer, your Employer shall withhold the Tax-Related Items required to be withheld with respect to the Shares in cash from your regular salary and/or wages or other amounts payable to you. In the event the withholding requirements are not satisfied through the withholding of Shares or through your regular salary and/or wages or any other amounts payable to you by your Employer, no Shares will be issued to you (or your estate) unless and until satisfactory arrangements (as determined by the Board of Directors) have been made by you with respect to the payment of any Tax-Related Items that the Company or your Employer determines, in its sole discretion, should be withheld or collected with respect to such PSUs. By accepting these PSUs, you expressly consent to the withholding of Shares and/or withholding from your regular salary and/or wages or other amounts payable to you as provided for hereunder. All other Tax-Related Items related to the PSUs and any Shares delivered in payment thereof are your sole responsibility.

14. The PSUs are intended to be exempt from the requirements of Code Section 409A. The 2011 Plan and these Terms and Conditions shall be administered and interpreted in a manner consistent with this intent. If the Company determines that these Terms and Conditions are subject to Code Section 409A and that it has failed to comply with the requirements of that Section, the Company may, at the Company's sole discretion and without your consent, amend these Terms and Conditions to cause them to comply with Code Section 409A or be exempt from Code Section 409A.

15. If you were required to sign the "Stryker Confidentiality, Intellectual Property, Non-Competition and Non-Solicitation Agreement" or a similar agreement in order to receive the PSUs or have previously signed such an agreement and you breach any non-competition, non-solicitation or non-disclosure provision or provision as to ownership of inventions contained therein at any time while employed by the Company or a Subsidiary, or during the one-year period following termination of employment, any unvested PSUs shall be rescinded and you shall return to the Company all Shares that were acquired upon vesting of the PSUs that you have not disposed of. Further, you shall pay to the Company an amount equal to the profit realized by you (if any) on all Shares that were acquired upon vesting of the PSUs that you have disposed of. For purposes of the preceding sentence, the profit shall be the Fair Market Value of the Shares at the time of disposition.

16. The PSUs shall be transferable only by will or the laws of descent and distribution. If you shall purport to make any transfer of the PSUs, except as aforesaid, the PSUs and all rights thereunder shall terminate immediately.

17. The PSUs shall not be vested in whole or in part, and the Company shall not be obligated to issue any Shares subject to the PSUs, if such issuance would, in the opinion of counsel for the Company, violate the Securities Act of 1933 or any other U.S. federal, state or

non-U.S. statute having similar requirements as it may be in effect at the time. The PSUs are subject to the further requirement that, if at any time the Board of Directors shall determine in its discretion that the listing or qualification of the Shares subject to the PSUs under any securities exchange requirements or under any applicable law, or the consent or approval of any governmental regulatory body, is necessary or desirable as a condition of or in connection with the issuance of Shares pursuant to the PSUs, the PSUs may not be vested in whole or in part unless such listing, qualification, consent or approval shall have been effected or obtained free of any conditions not acceptable to the Board of Directors.

18. The grant of the PSUs shall not confer upon you any right to continue in the employ of your Employer nor limit in any way the right of your Employer to terminate your employment at any time. You shall have no rights as a shareholder of the Company with respect to any Shares issuable upon the vesting of the PSUs until the date of issuance of such Shares.

19. You acknowledge and agree that the 2011 Plan is discretionary in nature and may be amended, cancelled, or terminated by the Company, in its sole discretion, at any time. The grant of the PSUs under the 2011 Plan is a one-time benefit and does not create any contractual or other right to receive a grant of PSUs or any other award under the 2011 Plan or other benefits in lieu thereof in the future. Future grants, if any, will be at the sole discretion of the Company, including, but not limited to, the form and timing of any grant, the number of Shares subject to the grant, and the vesting provisions. Any amendment, modification or termination of the 2011 Plan shall not constitute a change or impairment of the terms and conditions of your employment with your Employer.

20. Your participation in the 2011 Plan is voluntary. The value of the PSUs and any other awards granted under the 2011 Plan is an extraordinary item of compensation outside the scope of your employment (and your employment contract, if any). Any grant under the 2011 Plan, including the grant of the PSUs, is not part of normal or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension, or retirement benefits or similar payments.

21. These Terms and Conditions shall bind and inure to the benefit of the Company, its successors and assigns and you and your estate in the event of your death.

22. The Company is located at 2825 Airview Boulevard Kalamazoo, Michigan 49002, U.S.A. and grants PSUs under the 2011 Plan to employees of the Company and Subsidiaries in its sole discretion. In conjunction with the Company's grant of the PSUs under the 2011 Plan and its ongoing administration of such awards, the Company is providing the following information about its data collection, processing and transfer practices ("Personal Data Activities"). In accepting the grant of the PSUs, you expressly and explicitly consent to the Personal Data Activities as described herein.

(a) The Company collects, processes and uses your personal data, including your name, home address, email address, and telephone number, date of birth, social insurance

number or other identification number, salary, citizenship, job title, any Shares or directorships held in the Company, and details of all PSUs or any other equity compensation awards granted, canceled, exercised, vested, or outstanding in your favor, which the Company receives from you or your Employer. In granting the PSUs under the Plan, the Company will collect your personal data for purposes of allocating Shares and implementing, administering and managing the 2011 Plan. The Company's legal basis for the collection, processing and usage of your personal data is your consent.

(b) The Company transfers your personal data to the Stock Plan Administrator. In the future, the Company may select a different Stock Plan Administrator and share your personal data with another company that serves in a similar manner. The Stock Plan Administrator will open an account for you, if an account is not already in place, to receive and trade Shares acquired under the 2011 Plan. You will be asked to agree on separate terms and data processing practices with the Stock Plan Administrator, which is a condition to your ability to participate in the 2011 Plan.

(c) The Company and the Stock Plan Administrator are based in the United States. You should note that your country of residence may have enacted data privacy laws that are different from the United States. The Company's legal basis for the transfer of your personal data to the United States is your consent.

(d) Your participation in the 2011 Plan and your grant of consent is purely voluntary. You may deny or withdraw your consent at any time. If you do not consent, or if you withdraw your consent, you may be unable to participate in the 2011 Plan. This would not affect your existing employment or salary; instead, you merely may forfeit the opportunities associated with the 2011 Plan.

You may have a number of rights under the data privacy laws in your country of residence. For example, your rights may include the right to (i) request access or copies of personal data the Company processes, (ii) request rectification of incorrect data, (iii) request deletion of data, (iv) place restrictions on processing, (v) lodge complaints with competent authorities in your country or residence, and/or (vi) request a list with the names and addresses of any potential recipients of your personal data. To receive clarification regarding your rights or to exercise your rights, you should contact your local HR manager or the Company's Human Resources Department.

23. The grant of the PSUs is not intended to be a public offering of securities in your country of residence (and country of employment, if different). The Company has not submitted any registration statement, prospectus or other filing(s) with the local securities authorities (unless otherwise required under local law). **No employee of the Company is permitted to advise you on whether you should acquire Shares under the 2011 Plan or provide you with any legal, tax or financial advice with respect to the grant of the PSUs. The acquisition of Shares involves certain risks, and you should carefully consider all risk factors and tax considerations relevant to the acquisition of Shares under the 2011 Plan or the disposition of them. Further, you should carefully review all of the materials related to the PSUs and the 2011 Plan, and you should consult with**

your personal legal, tax and financial advisors for professional advice in relation to your personal circumstances.

24. All questions concerning the construction, validity and interpretation of the PSUs and the 2011 Plan shall be governed and construed according to the laws of the state of Michigan, without regard to the application of the conflicts of laws provisions thereof. Any disputes regarding the PSUs or the 2011 Plan shall be brought only in the state or federal courts of the state of Michigan.

25. The Company may, in its sole discretion, decide to deliver any documents related to the PSUs or other awards granted to you under the 2011 Plan by electronic means. You hereby consent to receive such documents by electronic delivery and agree to participate in the 2011 Plan through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

26. The invalidity or unenforceability of any provision of the 2011 Plan or these Terms and Conditions shall not affect the validity or enforceability of any other provision of the 2011 Plan or these Terms and Conditions.

27. If you are resident outside of the United States, you acknowledge and agree that it is your express intent that these Terms and Conditions, the 2011 Plan and all other documents, notices and legal proceedings entered into, given or instituted pursuant to the PSUs be drawn up in English. If you have received these Terms and Conditions, the 2011 Plan or any other documents related to the PSUs translated into a language other than English and the meaning of the translated version is different than the English version, the English version will control.

28. You acknowledge that, depending on your or your broker's country of residence or where the Shares are listed, you may be subject to insider trading restrictions and/or market abuse laws which may affect your ability to accept, acquire, sell or otherwise dispose of Shares, rights to Shares (e.g., PSUs) or rights linked to the value of Shares during such times you are considered to have "inside information" regarding the Company as defined in the laws or regulations in your country of employment (and country of residence, if different). Local insider trading laws and regulations may prohibit the cancellation or amendment of orders you placed before you possessed inside information. Furthermore, you could be prohibited from (i) disclosing the inside information to any third party (other than on a "need to know" basis) and (ii) "tipping" third parties or causing them otherwise to buy or sell securities. Third parties include fellow employees. Any restrictions under these laws or regulations are separate from and in addition to any restrictions that may be imposed under any applicable Company insider trading policy. You acknowledge that it is your responsibility to comply with any restrictions and are advised to speak to your personal advisor on this matter.

29. Notwithstanding any provisions of these Terms and Conditions to the contrary, the PSUs shall be subject to any special terms and conditions for your country of residence (and country of employment, if different) set forth in an addendum to these Terms

and Conditions (an "Addendum"). Further, if you transfer your residence and/or employment to another country reflected in an Addendum to these Terms and Conditions at the time of transfer, the special terms and conditions for such country will apply to you to the extent the Company determines, in its sole discretion, that the application of such special terms and conditions is necessary or advisable in order to comply with local law, rules and regulations, or to facilitate the operation and administration of the award and the 2011 Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate your transfer). In all circumstances, any applicable Addendum shall constitute part of these Terms and Conditions.

30. The Company reserves the right to impose other requirements on the PSUs, any Shares acquired pursuant to the PSUs and your participation in the 2011 Plan to the extent the Company determines, in its sole discretion, that such other requirements are necessary or advisable in order to comply with local law, rules and regulations, or to facilitate the operation and administration of the award and the 2011 Plan. Such requirements may include (but are not limited to) requiring you to sign any agreements or undertakings that may be necessary to accomplish the foregoing.

31. **This Section 31 applies only to those persons whom the Company's Recoupment Policy applies (the corporate officers elected by the Company's Board of Directors other than Assistant Controllers, Assistant Secretaries and Assistant Treasurers).** Notwithstanding any other provision of these Terms and Conditions to the contrary, you acknowledge and agree that your PSUs, any Shares acquired pursuant thereto and/or any amount received with respect to any sale of such Shares are subject to potential cancellation, recoupment, rescission, payback or other action in accordance with the terms of the Company's Recoupment Policy as in effect on the date of grant (a copy of which has been furnished to you) and as the Recoupment Policy may be amended from time to time in order to comply with changes in laws, rules or regulations that are applicable to such PSUs and Shares. You agree and consent to the Company's application, implementation and enforcement of (a) the Recoupment Policy and (b) any provision of applicable law relating to cancellation, recoupment, rescission or payback of compensation and expressly agree that the Company may take such actions as are necessary to effectuate the Recoupment Policy (as applicable to you) or applicable law without further consent or action being required by you. For purposes of the foregoing, you expressly and explicitly authorize the Company to issue instructions, on your behalf, to any brokerage firm and/or third party administrator engaged by the Company to hold your Shares and other amounts acquired under the 2011 Plan to re- convey, transfer or otherwise return such Shares and/or other amounts to the Company. In the case of a conflict between these Terms and Conditions and the Recoupment Policy, the terms of the Recoupment Policy shall prevail.

32. **By accepting the grant of the PSUs, you acknowledge that you have read these Terms and Conditions, the Addendum to these Terms and Conditions (as applicable) and the 2011 Plan and specifically accept and agree to the provisions therein.**

STRYKER CORPORATION

ADDENDUM TO TERMS AND CONDITIONS

RELATING TO PERFORMANCE STOCK UNITS GRANTED PURSUANT TO THE 2011 PLAN, AS AMENDED AND RESTATED

In addition to the terms of the 2011 Plan and the Terms and Conditions, the PSUs are subject to the following additional terms and conditions (the “Addendum”). **The information reflected in this Addendum is based on the securities, exchange control and other laws in effect in the respective countries as of December 2022.** All capitalized terms as contained in this Addendum shall have the same meaning as set forth in the 2011 Plan and the Terms and Conditions. Pursuant to Section 29 of the Terms and Conditions, if you transfer your residence and/or employment to another country reflected in an Addendum at the time of transfer, the special terms and conditions for such country will apply to you to the extent the Company determines, in its sole discretion, that the application of such terms and conditions is necessary or advisable in order to comply with local law, rules and regulations, or to facilitate the operation and administration of the award and the 2011 Plan (or the Company may establish alternative terms and conditions as may be necessary or advisable to accommodate your transfer).

Data Privacy Information: European Union (“EU”) / European Economic Area (“EEA”) / Switzerland and the United Kingdom*

****The below information is for data privacy purposes only and you should determine whether any other special terms and conditions apply to your awards in these jurisdictions.***

1. Data Privacy. If you reside and/or you are employed in the EU / EEA, Switzerland or the United Kingdom the following provision replaces Section 22 of the Terms and Conditions:

The Company is located at 2825 Airview Boulevard Kalamazoo, Michigan 49002, U.S.A. and grants PSUs under the 2011 Plan to employees of the Company and its Subsidiaries in its sole discretion. You should review the following information about the Company’s data processing practices.

(a) Data Collection, Processing and Usage. Pursuant to applicable data protection laws, you are hereby notified that the Company collects, processes and uses certain personally-identifiable information about you for the legitimate interest of implementing, administering and managing the 2011 Plan and generally administering equity awards; specifically, including your name, home address, email address and telephone number, date of birth, social insurance number or other identification number, salary, citizenship, job title, any Shares or directorships held in the Company, and details of all options or any other awards granted, canceled, exercised, vested, or outstanding in your favor, which the Company receives from you or your Employer. In granting the PSUs under the 2011 Plan, the Company will collect your personal data for purposes of allocating Shares and implementing,

administering and managing the 2011 Plan. The Company's collection, processing, use and transfer of your personal data is necessary for the performance of the Company's contractual obligations under the Plan and pursuant to the Company's legitimate interest of managing and generally administering employee equity awards. Your refusal to provide personal data would make it impossible for the Company to perform its contractual obligations and may affect your ability to participate in the 2011 Plan. As such, by participating in the 2011 Plan, you voluntarily acknowledge the collection, processing and use of your personal data as described herein.

(b) Stock Plan Administration Service Provider. The Company transfers participant data to the Stock Plan Administrator. In the future, the Company may select a different Stock Plan Administrator and share your data with another company that serves in a similar manner. The Stock Plan Administrator will open an account for you, if an account is not already in place, to receive and trade Shares acquired under the 2011 Plan. You will be asked to agree on separate terms and data processing practices with the Stock Plan Administrator, which is a condition to your ability to participate in the 2011 Plan.

(c) International Data Transfers. The Company and the Stock Plan Administrator are based in the United States. The Company can only meet its contractual obligations to you if your personal data is transferred to the United States. The Company's legal basis for the transfer of your personal data to the United States is to satisfy its contractual obligations to you and/or its use of the standard data protection clauses adopted by the EU Commission.

(d) Data Retention. The Company will use your personal data only as long as is necessary to implement, administer and manage your participation in the 2011 Plan or as required to comply with legal or regulatory obligations, including under tax and security laws. When the Company no longer needs your personal data, the Company will remove it from its systems. If the Company keeps your data longer, it would be to satisfy legal or regulatory obligations and the Company's legal basis would be for compliance with relevant laws or regulations.

(e) Data Subject Rights. You may have a number of rights under data privacy laws in your country of residence. For example, your rights may include the right to (i) request access or copies of personal data the Company processes, (ii) request rectification of incorrect data, (iii) request deletion of data, (iv) place restrictions on processing, (v) lodge complaints with competent authorities in your country of residence, and/or (vi) request a list with the names and addresses of any potential recipients of the Participant's personal data. To receive clarification regarding your rights or to exercise your rights, you should contact your local HR manager or the Company's Human Resources Department.

ARGENTINA

No country specific provisions.

AUSTRALIA

1. PSUs Conditioned on Satisfaction of Regulatory Obligations. If you are (a) a director of a Subsidiary incorporated in Australia, or (b) a person who is a management-level executive of a Subsidiary incorporated in Australia and who also is a director of a Subsidiary incorporated outside of the Australia, the grant of the PSUs is conditioned upon satisfaction of the shareholder approval provisions of section 200B of the Corporations Act 2001 (Cth) in Australia.

2. Securities Law Information. This grant of PSUs is being made under Division 1A Part 7.12 of the Australian Corporations Act 2001 (Cth). If Shares acquired under the Plan are offered for sale to a person or entity resident in Australia, your offer may be subject to disclosure requirements under Australian law. You should obtain legal advice on any disclosure obligations prior to making any such offer.

AUSTRIA

No country specific provisions.

BELGIUM

No country specific provisions.

BRAZIL

1. Labor Law Acknowledgment. By accepting the PSUs, you acknowledge and agree, for all legal purposes, that (a) the benefits provided under the Terms and Conditions and the 2011 Plan are the result of commercial transactions unrelated to your employment; (b) the Terms and Conditions and the 2011 Plan are not a part of the terms and conditions of your employment; and (c) the income from the PSUs, if any, is not part of your remuneration from employment.

2. Compliance with Law. By accepting the PSUs, you acknowledge and agree to comply with applicable Brazilian laws and to pay any and all applicable taxes associated with the vesting of the PSUs, the issuance and/or sale of Shares acquired under the 2011 Plan and the receipt of any dividends.

CANADA

1. Settlement in Shares. Notwithstanding anything to the contrary in the Terms and Conditions or the 2011 Plan, the PSUs shall be settled only in Shares (and may not be settled in cash).

2. Termination of Employment. The following supplements Section 8(b) of the Terms and Conditions as well as any other section required to give effect to the same:

In the event of your termination of employment for any reason (other than by reason of death, Disability or Retirement), either by you or by the Employer, with or without cause, your rights to vest or to continue to vest in the PSUs and receive Shares under the 2011 Plan, if any, will terminate as of the actual Termination Date. For this purpose, the "Termination Date" shall mean the last day on which you are actively employed by the Employer, and shall not include or be extended by any period following such day during which you are in receipt of or eligible to receive any notice of termination, pay in lieu of notice of termination, severance pay or any other payments or damages, whether arising under statute, contract or at common law. Notwithstanding the foregoing, if applicable employment standards legislation explicitly requires continued entitlement to vesting during a statutory notice period, your right to vest in the PSUs under the 2011 Plan, if any, will terminate effective as of the last day of your minimum statutory notice period, but you will not earn or be entitled to pro-rated vesting if the vesting date falls after the end of your statutory notice period, nor will you be entitled to any compensation for lost vesting.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM.

PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature Employee Name (Printed)

Date

CHILE

1. Private Placement. The following provision shall replace Section 23 of the Terms and Conditions:

The grant of the PSUs hereunder is not intended to be a public offering of securities in Chile but instead is intended to be a private placement.

- a) The starting date of the offer will be the grant date, and this offer conforms to General Ruling no. 336 of the Chilean Commission for the Financial Markets ("CMF");
 - b) The offer deals with securities not registered in the registry of securities or in the registry of foreign securities of the CMF, and therefore such securities are not subject to its oversight;
 - c) The Company, as the issuer, is not obligated to provide public information in Chile regarding the foreign securities, as such securities are not registered with the CMF; and
-

- d) The Shares, as foreign securities, shall not be subject to public offering as long as they are not registered with the corresponding registry of securities in Chile.
- a) La fecha de inicio de la oferta será el de la fecha de otorgamiento y esta oferta se acoge a la norma de Carácter General n° 336 de la *Comisión para el Mercado Financiero Chilena* (“CMF”);
- b) La oferta versa sobre valores no inscritos en el registro de valores o en el registro de valores extranjeros que lleva la CMF, por lo que tales valores no están sujetos a la fiscalización de ésta;
- c) Por tratar de valores no inscritos no existe la obligación por parte del emisor de entregar en Chile información pública respecto de esos valores; y
- d) Esos valores no podrán ser objeto de oferta pública mientras no sean inscritos en el registro de valores correspondiente.

CHINA

1. PSUs Conditioned on Satisfaction of Regulatory Obligations. If you are a People’s Republic of China (“PRC”) national, the grant of the PSUs is conditioned upon the Company securing all necessary approvals from the PRC State Administration of Foreign Exchange to permit the operation of the 2011 Plan and the participation of PRC nationals employed by your Employer, as determined by the Company in its sole discretion.

2. Sale of Shares. Notwithstanding anything to the contrary in the 2011 Plan, upon any termination of employment with your Employer, you shall be required to sell all Shares acquired under the 2011 Plan within such time period as may be established by the PRC State Administration of Foreign Exchange.

3. Exchange Control Restrictions. You acknowledge and agree that you will be required immediately to repatriate to the PRC the proceeds from the sale of any Shares acquired under the 2011 Plan, as well as any other cash amounts attributable to the Shares acquired under the 2011 Plan (collectively, “Cash Proceeds”). Further, you acknowledge and agree that the repatriation of the Cash Proceeds must be effected through a special bank account established by your Employer, the Company or one of its Subsidiaries, and you hereby consent and agree that the Cash Proceeds may be transferred to such account by the Company on your behalf prior to being delivered to you. The Cash Proceeds may be paid to you in U.S. dollars or local currency at the Company’s discretion. If the Cash Proceeds are paid to you in U.S. dollars, you understand that a U.S. dollar bank account must be established and maintained in China so that the proceeds may be deposited into such account. Additionally, if the Company changes its Stock Plan Administrator, you acknowledge and agree that the Company may transfer any Shares issued under the 2011 Plan to the new designated Stock Plan Administrator if necessary for legal or administrative reasons. You agree to sign any documentation necessary to facilitate the transfer. If the Cash Proceeds are paid to you in local currency, you acknowledge and agree that the Company is under no

obligation to secure any particular exchange conversion rate and that the Company may face delays in converting the Cash Proceeds to local currency due to exchange control restrictions. You agree to bear any currency fluctuation risk between the time the Shares are sold and the Cash Proceeds are converted into local currency and distributed to you. You further agree to comply with any other requirements that may be imposed by your Employer, the Company and its Subsidiaries in the future in order to facilitate compliance with exchange control requirements in the PRC.

COLOMBIA

1. Nature of Grant. In addition to the provisions of Section 20 of the Terms and Conditions you acknowledge that, pursuant to Article 128 of the Colombian Labor Code, the 2011 Plan and related benefits do not constitute a component of your “salary” for any legal purpose. Therefore, they will not be included and/or considered for purposes of calculating any and all labor benefits, such as legal/fringe benefits, vacations, indemnities, payroll taxes, social insurance contributions and/or any other labor-related amount which may be payable.

2. Securities Law Information. The Shares subject to the PSUs are not and will not be registered in the Colombian registry of publicly traded securities (*Registro Nacional de Valores y Emisores*) and therefore the Shares may not be offered to the public in Colombia. Nothing in this document should be construed as the making of a public offer of securities in Colombia.

COSTA RICA

No country specific provisions.

DENMARK

1. Treatment of PSUs upon Termination of Employment. Notwithstanding any provision in the Terms and Conditions or the 2011 Plan to the contrary, unless you are a member of registered management who is not considered a salaried employee, the treatment of the PSUs upon a termination of employment which is not a result of death shall be governed by Sections 4 and 5 of the Danish Act on Stock Option in Employment Relations. However, if the provisions in the Terms and Conditions or the Plan governing the treatment of the PSUs upon a termination of employment are more favorable, then the provisions of the Terms and Conditions or the 2011 Plan will govern.

FINLAND

1. Withholding of Tax-Related Items. Notwithstanding anything in Section 13 of the Terms and Conditions to the contrary, if you are a local national of Finland, any Tax- Related Items shall be withheld only in cash from your regular salary/wages or other amounts payable to you in cash or such other withholding methods as may be permitted under the 2011 Plan and allowed under local law.

FRANCE

1. Use of English Language. By accepting your PSUs, you acknowledge and agree that it is your wish that the Terms and Conditions, this Addendum, as well as all other documents, notices and legal proceedings entered into, given or instituted pursuant to your PSUs, either directly or indirectly, be drawn up in English.

Langue anglaise. En acceptant l'allocation de vos PSUs, vous reconnaissez et acceptez avoir souhaité que le Termes et Conditions, le présent avenant, ainsi que tous autres documents exécutés, avis donnés et procédures judiciaires intentées, relatifs, directement ou indirectement, à l'allocation de vos PSUs, soient rédigés en anglais.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM.

PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature Employee Name (Printed)

Date

GERMANY

No country specific provisions.

HONG KONG

1. Importance Notice. Warning: The contents of the Terms and Conditions, this Addendum, the 2011 Plan, and all other materials pertaining to the PSUs and/or the 2011 Plan have not been reviewed by any regulatory authority in Hong Kong. You are hereby advised to exercise caution in relation to the offer thereunder. If you have any doubts about any of the contents of the aforesaid materials, you should obtain independent professional advice.

2. Lapse of Restrictions. If, for any reason, Shares are issued to you within six (6) months of the grant date, you agree that you will not sell or otherwise dispose of any such Shares prior to the six-month anniversary of the grant date.

3. Settlement in Shares. Notwithstanding anything to the contrary in this Addendum, the Terms and Conditions or the 2011 Plan, the PSUs shall be settled only in Shares (and may not be settled in cash).

4. Nature of the Plan. The Company specifically intends that the 2011 Plan will not be treated as an occupational retirement scheme for purposes of the Occupational Retirement Schemes Ordinance (“ORSO”). To the extent any court, tribunal or legal/regulatory body in Hong Kong determines that the 2011 Plan constitutes an occupational retirement scheme for the purposes of ORSO, the grant of the PSUs shall be null and void.

INDIA

1. Repatriation Requirements. You expressly agree to repatriate all sale proceeds and dividends attributable to Shares acquired under the 2011 Plan in accordance with local foreign exchange rules and regulations. Neither the Company, your Employer or any of the Company’s Subsidiaries shall be liable for any fines or penalties resulting from your failure to comply with applicable laws, rules or regulations.

IRELAND

No country specific provisions.

ITALY

No country specific provisions.

JAPAN

No country specific provisions.

MEXICO

1. Commercial Relationship. You expressly recognize that your participation in the 2011 Plan and the Company's grant of the PSUs does not constitute an employment relationship between you and the Company. You have been granted the PSUs as a consequence of the commercial relationship between the Company and the Subsidiary in Mexico that employs you, and the Company's Subsidiary in Mexico is your sole employer. Based on the foregoing, (a) you expressly recognize the 2011 Plan and the benefits you may derive from your participation in the 2011 Plan do not establish any rights between you and the Company's Subsidiary in Mexico that employs you, (b) the 2011 Plan and the benefits you may derive from your participation in the 2011 Plan are not part of the employment conditions and/or benefits provided by the Company's Subsidiary in Mexico that employs you, and (c) any modification or amendment of the 2011 Plan by the Company, or a termination of the 2011 Plan by the Company, shall not constitute a change or impairment of the terms and conditions of your employment with the Company's Subsidiary in Mexico that employs you.

2. Securities Law Information. You expressly recognize and acknowledge that the Company's grant of PSUs and the underlying Shares under the Plan have not been registered with the National Register of Securities maintained by the Mexican National Banking and Securities Commission and cannot be offered or sold publicly in Mexico. In addition, the 2011 Plan, the Terms and Conditions and any other document relating to the PSUs may not be publicly distributed in Mexico. These materials are addressed to you only because of your existing relationship with the Company and these materials should not be reproduced or copied in any form. The offer contained in these materials does not constitute a public offering of securities but rather constitutes a private placement of securities addressed specifically to individuals who are present employees of the Employer in Mexico made in accordance with the provisions of the Mexican Securities Market Law, and any rights under such offering shall not be assigned or transferred.

3. Extraordinary Item of Compensation. You expressly recognize and acknowledge that your participation in the 2011 Plan is a result of the discretionary and unilateral decision of the Company, as well as your free and voluntary decision to participate in the 2011 Plan in accord with the terms and conditions of the 2011 Plan, the Terms and Conditions, and this Addendum. As such, you acknowledge and agree that the Company may, in its sole discretion, amend and/or discontinue your participation in the 2011 Plan at any time and without any liability. The value of the PSUs is an extraordinary item of compensation outside the scope of your employment contract, if any. The PSUs are not part of your regular or expected compensation for purposes of calculating any severance, resignation, redundancy, end of service payments, bonuses, long-service awards, pension or retirement benefits, or any similar payments, which are the exclusive obligations of the Company's Subsidiary in Mexico that employs you.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM.

PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature Employee Name (Printed)

Date

NETHERLANDS

1. **Waiver of Termination Rights.** As a condition to the grant of the PSUs, you hereby waive any and all rights to compensation or damages as a result of the termination of your employment with the Company and your Employer for any reason whatsoever, insofar as those rights result or may result from (a) the loss or diminution in value of such rights or entitlements under the 2011 Plan, or (b) you ceasing to have rights under or ceasing to be entitled to any awards under the 2011 Plan as a result of such termination.

2. **Tax Deferral Upon Retirement.** Unless you otherwise elect by contacting Stryker no later than April 28, 2023, you hereby agree that upon Retirement eligibility, the PSUs shall not become taxable until the date of settlement when Shares are actually delivered or otherwise made available.

NEW ZEALAND

1. **WARNING.** You are being offered PSUs to be settled in the form of shares of Stryker Corporation common stock. If the Company runs into financial difficulties and is wound up, you may lose some or all your investment. New Zealand law normally requires people who offer financial products to give information to investors before they invest. This requires those offering financial products to have disclosed information that is important for investors to make an informed decision. The usual rules do not apply to this offer because it is an offer made under the Employee Share Scheme exemption. As a result, you may not be given all the information usually required. You will also have fewer other legal protections for this investment. You should ask questions, read all documents carefully, and seek independent financial advice before accepting the offer. The Company's Shares are currently traded on the New York Stock Exchange under the ticker symbol "SYK" and Shares acquired under the 2011 Plan may be sold through this exchange. You may end up selling the Shares at a price that is lower than the value of the Shares when you acquired them. The price will depend on the demand for the Company's Shares. *The Company's most recent annual report (which includes the Company's financial statements) is available at <https://investors.stryker.com/financial-information/sec-filings/default.aspx>. You are entitled to receive a copy of this report, free of charge, upon written request to the Company at STOCKPLANADMINISTRATION@STRYKER.COM.*

POLAND

No country specific provisions.

PORTUGAL

No country specific provisions.

PUERTO RICO

No country specific provisions.

ROMANIA

No country specific provisions.

RUSSIA

1. **IMPORTANT EMPLOYEE NOTIFICATION.** You may be required to repatriate certain cash amounts received with respect to the PSUs to Russia as soon as you intend to use those cash amounts for any purpose, including reinvestment. If the repatriation requirement applies, such funds must initially be credited to you through a foreign currency account at an authorized bank in Russia. After the funds are initially received in Russia, they may be further remitted to foreign banks in accordance with Russian exchange control laws. Under the Directive N 5371-U of the Russian Central Bank (the "**CBR**"), the repatriation requirement may not apply in certain cases with respect to cash amounts received in an account that is considered by the CBR to be a foreign brokerage account. Statutory exceptions to the repatriation requirement also may apply. *You should contact your personal advisor to ensure compliance with the applicable exchange control requirements prior to vesting in the PSUs and/or selling the Shares acquired pursuant to the PSUs.*

2. **SECURITIES LAW NOTIFICATION.** The grant of PSUs and the issuance of Shares upon vesting are not intended to be an offering of securities with the Russian Federation, and the Terms and Conditions, the 2011 Plan, this Addendum and all other materials that you receive in connection with the grant of PSUs and your participation in the 2011 Plan (collectively, "Grant Materials") do not constitute advertising or a solicitation within the Russian Federation. In connection with your grant of PSUs, the Company has not submitted any registration statement, prospectus or other filing with the Russian Federal Bank or any other governmental or regulatory body within the Russian Federation, and the Grant Materials expressly may not be used, directly or indirectly, for the purpose of making a securities offering or public circulation of Shares within the Russian Federation. Any Shares acquired under the 2011 Plan will be maintained on your behalf outside of Russia. Moreover, you will not be permitted to sell or otherwise alienate any Shares directly to other Russian legal entities or individuals.

3. **EXCHANGE CONTROL NOTIFICATION.** You are solely responsible for

complying with applicable Russian exchange control regulations. Since the exchange control regulations change frequently and without notice, you should consult your legal advisor prior to the acquisition or sale of Shares under the 2011 Plan to ensure compliance with current regulations. As noted, it is your personal responsibility to comply with Russian exchange control laws, and neither the Company nor any Subsidiary will be liable for any fines or penalties resulting from failure to comply with applicable laws.

4. **ANTI-CORRUPTION NOTIFICATION.** Anti-corruption laws prohibit certain public servants, their spouses and their dependent children from owning any foreign source financial instruments (*e.g.*, shares of foreign companies such as the Company). Accordingly, you should inform the Company if you are covered by these laws as this relates to your acquisition of Shares under the 2011 Plan.

SINGAPORE

1. **Qualifying Person Exemption.** The following provision shall replace Section 23 of the Terms and Conditions:

The grant of the PSUs under the 2011 Plan is being made pursuant to the “Qualifying Person” exemption” under section 273(1)(f) of the Securities and Futures Act (Chapter 289, 2006 Ed.) (“SFA”). The 2011 Plan has not been lodged or registered as a prospectus with the Monetary Authority of Singapore. You should note that, as a result, the PSUs are subject to section 257 of the SFA and you will not be able to make (a) any subsequent sale of the Shares in Singapore or (ii) any offer of such subsequent sale of the Shares subject to the PSUs in Singapore, unless such sale or offer is made pursuant to the exemptions under Part XIII Division (1) Subdivision (4) (other than section 280) of the SFA (Chapter 289, 2006 Ed.).

2. **Director Reporting Notification.** If you are a director, associate director or shadow director of a Singapore company, you are subject to certain notification requirements under the Singapore Companies Act. Among these requirements is an obligation to notify the Singapore company in writing when you receive an interest (*e.g.*, PSUs or Shares) in the Company or any related company. In addition, you must notify the Singapore company when you sell Shares (including when you sell Shares acquired at vesting of the Performance Stock Units). These notifications must be made within two business days of acquiring or disposing of any interest in the Company or any related company. In addition, a notification must be made of Participant’s interests in the Company or any related company within two business days of becoming a director.

SOUTH AFRICA

1. **Withholding Taxes.** In addition to the provisions of Section 13 of the Terms and Conditions, you agree to notify your Employer in South Africa of the amount of any gain realized upon vesting of the PSUs. If you fail to advise your Employer of the gain realized upon vesting of the PSUs, you may be liable for a fine. You will be responsible for paying any difference between the actual tax liability and the amount withheld.

2. Exchange Control Obligations. You are solely responsible for complying with applicable exchange control regulations and rulings (the “Exchange Control Regulations”) in South Africa. As the Exchange Control Regulations change frequently and without notice, you should consult your legal advisor prior to the acquisition or sale of Shares under the 2011 Plan to ensure compliance with current Exchange Control Regulations. Neither the Company nor any of its Subsidiaries will be liable for any fines or penalties resulting from your failure to comply with applicable laws.

3. Securities Law Information and Deemed Acceptance of PSUs. Neither the PSUs nor the underlying Shares shall be publicly offered or listed on any stock exchange in South Africa. The offer is intended to be private pursuant to Section 96 of the Companies Act and is not subject to the supervision of any South African governmental authority. Pursuant to Section 96 of the Companies Act, the PSU offer must be finalized on or before the 60th day following the grant date. If you do not want to accept the PSUs, you are required to decline the PSUs no later than the 60th day following the grant date. If you do not reject the PSUs on or before the 60th day following the grant date, you will be deemed to accept the PSUs.

SOUTH KOREA

No country specific provisions.

SPAIN

1. Acknowledgement of Discretionary Nature of the 2011 Plan; No Vested Rights. In accepting the PSUs, you acknowledge that you consent to participation in the 2011 Plan and have received a copy of the 2011 Plan. You understand that the Company has unilaterally, gratuitously and in its sole discretion granted PSUs under the 2011 Plan to individuals who may be employees of the Company or its Subsidiaries throughout the world. The decision is a limited decision that is entered into upon the express assumption and condition that any grant will not economically or otherwise bind the Company or any of its Subsidiaries on an ongoing basis. Consequently, you understand that the PSUs are granted on the assumption and condition that the PSUs and the Shares acquired upon vesting of the PSUs shall not become a part of any employment contract (either with the Company or any of its Subsidiaries) and shall not be considered a mandatory benefit, salary for any purposes (including severance compensation) or any other right whatsoever. In addition, you understand that this grant would not be made to you but for the assumptions and conditions referenced above. Thus, you acknowledge and freely accept that should any or all of the assumptions be mistaken or should any of the conditions not be met for any reason, the PSUs shall be null and void.

You understand and agree that, as a condition of the grant of the PSUs, any unvested PSUs as of the date you cease active employment will be forfeited without entitlement to the underlying Shares or to any amount of indemnification in the event of the termination of employment by reason of, but not limited to, (i) material modification of the terms of employment under Article 41 of the Workers’ Statute or (ii) relocation under Article 40 of the Workers’ Statute. You acknowledge that you have read and specifically accept the

conditions referred to in the Terms and Conditions regarding the impact of a termination of employment on your PSUs.

BY SIGNING BELOW, YOU ACKNOWLEDGE, UNDERSTAND AND AGREE TO THE PROVISIONS OF THE 2011 PLAN, THE TERMS AND CONDITIONS AND THIS ADDENDUM.

PLEASE SIGN AND RETURN THIS ADDENDUM VIA EMAIL NO LATER THAN APRIL 28, 2023 TO STOCKPLANADMINISTRATION@STRYKER.COM.

Employee Signature Employee Name (Printed)

Date

SWITZERLAND

1. Securities Law Information. Neither this document nor any other materials relating to the RSUs (a) constitutes a prospectus according to articles 35 et seq. of the Swiss Federal Act on Financial Services ("FinSA") (b) may be publicly distributed or otherwise made publicly available in Switzerland to any person other than an employee of the Company or (c) has been or will be filed with, approved or supervised by any Swiss reviewing body according to article 51 FinSA or any Swiss regulatory authority, including the Swiss Financial Market Supervisory Authority ("FINMA").

TAIWAN

1. Securities Law Notice. The offer of participation in the 2011 Plan is available only for employees of the Company and its Subsidiaries. The offer of participation in the 2011 Plan is not a public offer of securities by a Taiwanese company.

THAILAND

No country specific provisions.

TURKEY

1. Securities Law Information. Under Turkish law, you are not permitted to sell any Shares acquired under the 2011 Plan within Turkey. The Shares are currently traded on the New York Stock Exchange, which is located outside of Turkey, under the ticker symbol "SYK" and the Shares may be sold through this exchange.

2. Financial Intermediary Obligation. You acknowledge that any activity related to investments in foreign securities (e.g., the sale of Shares) should be conducted through a bank or financial intermediary institution licensed by the Turkey Capital Markets Board and

should be reported to the Turkish Capital Markets Board. You solely are responsible for complying with this requirement and should consult with a personal legal advisor for further information regarding any obligations in this respect.

UNITED ARAB EMIRATES

1. Securities Law Information. The offer of the PSUs is available only for select Employees of the Company and its Subsidiaries and is in the nature of providing incentives in the United Arab Emirates. The 2011 Plan and the Terms and Conditions are intended for distribution only to such individuals and must not be delivered to, or relied on by any other person. Prospective purchasers of securities should conduct their own due diligence.

The Emirates Securities and Commodities Authority has no responsibility for reviewing or verifying any documents in connection with this statement, including the 2011 Plan and the Terms and Conditions, or any other incidental communication materials distributed in connection with the PSUs. Further, neither the Ministry of Economy nor the Dubai Department of Economic Development has approved this statement nor taken steps to verify the information set out in it, and has no responsibility for it. Residents of the United Arab Emirates who have any questions regarding the contents of the 2011 Plan and the Terms and Conditions should obtain independent advice.

UNITED KINGDOM

1. Income Tax and Social Insurance Contribution Withholding. The following provision shall supplement Section 13 of the Terms and Conditions:

Without limitation to Section 13 of the Terms and Conditions, you agree that you are liable for all Tax-Related Items and hereby covenant to pay all such Tax-Related Items, as and when requested by the Company, your Employer or by Her Majesty's Revenue and Customs ("HMRC") (or any other tax authority or any other relevant authority). You also agree to indemnify and keep indemnified the Company and your Employer against any Tax- Related Items that they are required to pay or withhold or have paid or will pay to HMRC on your behalf (or any other tax authority or any other relevant authority).

2. Exclusion of Claim. You acknowledge and agree that you will have no entitlement to compensation or damages in consequence of the termination of your employment with the Company and your Employer for any reason whatsoever and whether or not in breach of contract, insofar as any purported claim to such entitlement arises or may arise from your ceasing to have rights under or to be entitled to vest in the PSUs as a result of such termination of employment (whether the termination is in breach of contract or otherwise), or from the loss or diminution in value of the PSUs. Upon the grant of the PSUs, you shall be deemed irrevocably to have waived any such entitlement.

STRYKER CORPORATION LIST OF SUBSIDIARIES
As of December 31, 2022

<u>Name of Subsidiary</u>	<u>State or Country of Incorporation</u>
2Hip Holdings SAS	France
Aimago SA	Switzerland
Alcott Indemnity Company	USA - Vermont
Arrinex, Inc.	USA - Delaware
Berchtold + Fritz GmbH	Germany
Berchtold Corporation	USA - Delaware
Berchtold GmbH & Co. KG	Germany
Berchtold Holding Switzerland GmbH	Switzerland
BioMimetic Therapeutics USA, Inc.	USA - Delaware
BioMimetic Therapeutics, LLC	USA - Delaware
Cartiva, Inc.	USA - Delaware
Changzhou Orthomed Medical Instrument Company Limited	China
Ease Applications, LLC	USA - Florida
EnMovi, Ltd.	United Kingdom
Entellus Medical, Inc.	USA - Delaware
Extension, LLC	USA - Indiana
Gauss Surgical, Inc.	USA - Delaware
Gongping (Shanghai) Medical Devices Trading Co. Ltd.	China
GYS Tech, LLC	USA - Delaware
HeartSine Technologies Limited	United Kingdom
HeartSine Technologies, LLC	USA - Delaware
Howmedica International S. de R.L.	Panama
Howmedica Osteonics Corp.	USA - New Jersey
Hyperbranch Medical Technologies, Inc.	USA - Delaware
Imascap SAS	France
Imorphics Limited	United Kingdom
Infinity MSD Corp.	USA - Delaware
Infinity MSF Corp.	USA - Delaware
InstruMedics, L.L.C.	USA - Michigan
Invuity, Inc.	USA - Delaware
Jiangsu Chuangyi Medical Instrument Company Limited	China
Jolife AB	Sweden
K2M Group Holdings, Inc.	USA - Delaware
K2M Holdings, Inc.	USA - Delaware
K2M, Inc.	USA - Delaware
Loon Intermediateco, LLC	USA - Delaware
MAKO Surgical Corp	USA - Delaware
Mobius Imaging, LLC	USA - Delaware
Muka Metal Ticaret ve Sanayi Anaonim Sirketi	Turkey
Nettrick Limited	Ireland
Novadaq Corp.	USA - Delaware
Novadaq Technologies ULC	Canada
N.V. Stryker SA	Belgium
OOO "Stryker"	Russia
Orneo Özel Sağlık Hizmetleri Medikal Ticaret Anonim Şirketi	Turkey
OrthoHelix Surgical Designs, Inc.	USA - Delaware
Orthomed (Hong Kong) Medical Instrument Company Limited	Hong Kong
OrthoSensor Korea, Ltd	South Korea
Orthosensor, Inc.	USA - Delaware
Ortho-Space, Ltd.	Israel
Orthovita, Inc.	USA - Pennsylvania
P.C. Sweden Holding AB	Sweden
PatientSafe Solutions, Inc.	USA - Delaware
Physio-Control (Shanghai) Sales Co., Ltd.	China
Physio-Control Lebanon Sales Offshore s.a.l.	Lebanon
Physio-Control Manufacturing, Inc.	USA - Washington

<u>Name of Subsidiary</u>	<u>State or Country of Incorporation</u>
Physio-Control Operations Netherlands B.V.	Netherlands
Physio-Control Sales Limited Liability Company	Russia
Physio-Control, Inc.	USA - Washington
PTH West, LLC	USA - Delaware
SafeAir AG	Switzerland
Sage Products Holdings II, LLC	USA - Delaware
Sage Products Holdings III, LLC	USA - Delaware
Sage Products, LLC	USA - Delaware
SCI Calyx SA	France
Scopis GmbH	Germany
Spirox, Inc.	USA - Delaware
SSI Divestiture, Inc.	USA - Massachusetts
Stanmore Implants Worldwide Limited	United Kingdom
Stanmore, Inc.	USA - Massachusetts
Stryker (Barbados) Foreign Sales Corporation	Barbados
Stryker (Beijing) Healthcare Products Co., Ltd.	China
Stryker (Shanghai) Healthcare Products Co., Ltd.	China
Stryker (Suzhou) Medical Technology Co Ltd	China
Stryker (Thailand) Limited	Thailand
Stryker AB	Sweden
Stryker Acquisitions B.V.	Netherlands
Stryker Australia LLC	USA - Delaware
Stryker Australia Pty. Ltd.	Australia
Stryker Austria GmbH	Austria
Stryker B.V.	Netherlands
Stryker Berchtold B.V.	Netherlands
Stryker Beteiligungs GmbH	Germany
Stryker Canada Holding ULC	Canada
Stryker Canada Manufacturing ULC	Canada
Stryker Canada ULC	Canada
Stryker Canadian Management, ULC	Canada
Stryker Capital B.V.	Netherlands
Stryker China Limited	Hong Kong
Stryker Colombia SAS	Colombia
Stryker Communications, Inc.	USA - Delaware
Stryker Corporation (Chile) y Compania Limitada	Chile
Stryker Corporation (Malaysia) Sdn. Bhd.	Malaysia
Stryker Customs Brokers, LLC	USA - Delaware
Stryker Czech Republic s.r.o.	Czech Republic
Stryker do Brasil Ltda	Brazil
Stryker EMEA Supply Chain Services B.V.	Netherlands
Stryker Employment Company, LLC	USA - Michigan
Stryker European Holdings Coöperatief U.A	Netherlands
Stryker European Holdings, LLC	USA - Delaware
Stryker European Operations B.V.	Netherlands
Stryker European Operations Holdings I B.V.	Netherlands
Stryker European Operations Holdings II B.V.	Netherlands
Stryker European Operations Holdings III B.V.	Netherlands
Stryker European Operations Holdings, LLC	USA - Delaware
Stryker European Operations Limited	Ireland
Stryker Far East, Inc.	USA - Delaware
Stryker Foreign Acquisitions, Inc.	USA - Delaware
Stryker France SAS	France
Stryker Funding B.V.	Netherlands
Stryker Global Technology Center Private Limited	India
Stryker GmbH	Switzerland
Stryker GmbH & Co. KG	Germany
Stryker Grundstücks GmbH & Co KG	Germany
Stryker Grundstücks Verwaltungs GmbH	Germany

<u>Name of Subsidiary</u>	<u>State or Country of Incorporation</u>
Stryker Holdings B.V.	Netherlands
Stryker Iberia, S.L. Unipersonal	Spain
Stryker IFSC Designated Activity Company	Ireland
Stryker India Private Limited	India
Stryker International Acquisitions B.V.	Netherlands
Stryker International Holdings B.V.	Netherlands
Stryker Ireland Limited	Ireland
Stryker Irish Holdings DAC	Ireland
Stryker Italia S.r.l.	Italy
Stryker Japan K.K.	Japan
Stryker Korea Ltd.	South Korea
Stryker Lebanon (Offshore) S.A.L.	Lebanon
Stryker Leibinger GmbH & Co. KG	Germany
Stryker Luxembourg Sarl	Luxembourg
Stryker Malta Holdings Limited	Malta
Stryker Manufacturing Holding Company B.V.	Netherlands
Stryker Manufacturing S. de R.L. de C.V.	Mexico
Stryker Mauritius Holding Ltd.	Mauritius
Stryker Medtech K.K.	Japan
Stryker Mexico Holdings B.V.	Netherlands
Stryker Mexico SA de CV	Mexico
Stryker Nederland B.V.	Netherlands
Stryker New Zealand Limited	New Zealand
Stryker NV Operations Limited	Ireland
Stryker Osteonics AG	Switzerland
Stryker Pacific Limited	Hong Kong
Stryker Performance Solutions, LLC	USA - New Jersey
Stryker Poland Manufacturing sp. z o. o.	Poland
Stryker Poland Services sp. z o.o.	Poland
Stryker Polska sp.z.o.o.	Poland
Stryker Portugal - Produtos Medicos, Unipessoal, Lda.	Portugal
Stryker Professional Latin America S. de R.L. de C.V.	Mexico
Stryker Puerto Rico Holdings B.V.	Netherlands
Stryker Puerto Rico Sales, LLC	Puerto Rico
Stryker Puerto Rico, LLC	Puerto Rico
Stryker Renovation Services, LLC	USA - Delaware
Stryker Romania SRL	Romania
Stryker Sales LLC	USA - Michigan
Stryker Servicios Administrativos S.de R.L. de C.V.	Mexico
Stryker Singapore Private Limited	Singapore
Stryker South Africa (Proprietary) Limited	South Africa
Stryker Spain Medtech Holdings, S.L.U.	Spain
Stryker Spine Sarl	Switzerland
Stryker Spine SAS	France
Stryker Sustainability Solutions, Inc.	USA - Delaware
Stryker Tibbi Cihazlan Sanayi ve Ticaret Limited Sirketi	Turkey
Stryker Tijuana Operations, S. de R.L. de C.V.	Mexico
Stryker Trauma GmbH	Germany
Stryker Turkish Holdings B.V.	Netherlands
Stryker UK Limited	United Kingdom
Stryker Unite, Ltd.	Bermuda
Stryker Verwaltungs GmbH	Germany
Stryker Vietnam Company Limited	Vietnam
SYK Costa Rica Services Sociedad De Responsabilidad Limitada	Costa Rica
Thermedx LLC	USA - Ohio
TMG France SAS	France
TMJ Solutions, LLC	USA - Delaware
Tornier Orthopedics Ireland Limited	Ireland
Tornier Pty Ltd.	Australia

<u>Name of Subsidiary</u>	<u>State or Country of Incorporation</u>
Tornier SAS	France
Tornier, Inc.	USA - Delaware
Trauson (China) Medical Instrument Company Limited	China
Trauson (Hong Kong) Company Limited	Hong Kong
Trauson Holdings (B.V.I.) Company Limited	British Virgin Islands
Trauson Holdings (Hong Kong) Company Limited	Hong Kong
Trauson Holdings Company Limited	Cayman Islands
TSO3 Corporation	USA - Delaware
TSO3 Inc.	Canada
Vocera Acquisition Corp.	USA - Delaware
Vocera Canada Ltd	Canada
Vocera Communications Australia Pty Ltd	Australia
Vocera Communications India Private Ltd.	India
Vocera Communications Middle East FZ - LLC	United Arab Emirates
Vocera Communications UK Ltd.	United Kingdom
Vocera Communications, Inc.	USA - Delaware
Wright Medical Australia Pty Limited	Australia
Wright Medical Costa Rica, S.A.	Costa Rica
Wright Medical Device (Shanghai) Co., Ltd.	China
Wright Medical Group, Inc.	USA - Delaware
Wright Medical Technology, Inc.	USA - Delaware
Wright Medical UK Ltd	United Kingdom
Wright PacRim, Inc.	USA - Delaware
ZipLine Medical Consulting (Shanghai) Co., Ltd.	China
ZipLine Medical Hong Kong Limited	Hong Kong
ZipLine Medical, Inc.	USA - Delaware

Stryker Corporation directly or indirectly owns 100% of the outstanding voting securities of each of the above-named subsidiaries, with the exception of any designated by an asterisk (*), which Stryker Corporation directly or indirectly owns a majority of the outstanding voting securities.

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the following Registration Statements:

1. Registration Statement (Form S-3 No. 333-262652) of Stryker Corporation, and
2. Registration Statement (Form S-8 No. 333-78201) pertaining to the 1998 Stock Option Plan of Stryker Corporation, and
3. Registration Statement (Form S-8 No. 333-140961) pertaining to the 2006 Long-Term Incentive Plan of Stryker Corporation, and
4. Registration Statements (Form S-8 No. 333-150396 and Form S-8 333-221959) pertaining to the 2008 Employee Stock Purchase Plan of Stryker Corporation, and
5. Registration Statements (Form S-8 No. 333-179142 and Form S-8 333-221958) pertaining to the 2011 Long-Term Incentive Plan of Stryker Corporation;

of our reports dated February 10, 2023, with respect to the consolidated financial statements and schedule of Stryker Corporation and subsidiaries and the effectiveness of internal control over financial reporting of Stryker Corporation and subsidiaries included in this Annual Report (Form 10-K) for the year ended December 31, 2022.

/s/ Ernst & Young LLP

Grand Rapids, Michigan

February 10, 2023

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Kevin A. Lobo, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2022 of Stryker Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 10, 2023

/s/ KEVIN A. LOBO

Kevin A. Lobo

Chair, Chief Executive Officer and President

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302
OF THE SARBANES-OXLEY ACT OF 2002**

I, Glenn S. Boehnlein, certify that:

1. I have reviewed this Annual Report on Form 10-K for the year ended December 31, 2022 of Stryker Corporation;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting.
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 10, 2023

/s/ GLENN S. BOEHNLEIN

Glenn S. Boehnlein

Vice President, Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Stryker Corporation (the "Company") for the year ended December 31, 2022 (the "Report"), I, Kevin A. Lobo, Chair, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 10, 2023

/s/ KEVIN A. LOBO

Kevin A. Lobo

Chair, Chief Executive Officer and President

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report on Form 10-K of Stryker Corporation (the "Company") for the year ended December 31, 2022 (the "Report"), I, Glenn S. Boehnlein, Vice President, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: February 10, 2023

/s/ GLENN S. BOEHNLEIN

Glenn S. Boehnlein

Vice President, Chief Financial Officer