

2022 SUSTAINABILITY REPORT



ENVIRONMENTAL | SOCIAL | GOVERNANCE

CEO INTRODUCTION

We are committed to the highest standards of patient safety and quality in our products and services and to world-class integrity and ethical business practices.

Every day, our mission to alleviate pain and improve the quality of life for people around the world moves us forward. Our team members believe in it, our customers count on it and patients depend on it. Our mission is at the heart of everything we do, and with it comes great responsibility to strong corporate citizenship, ensuring we drive positive results – for people and the planet.

Driven by that responsibility, Zimmer Biomet is increasingly focused on advancing our environmental, social and governance (ESG) initiatives to drive long-term value for our stakeholders. In 2022 we invested further by developing a comprehensive sustainability strategy focused on three key priorities: being a best and preferred place to work; a trusted partner through world-class compliance, quality and ethics commitments; and driving efficiency and top quartile business performance while minimizing operational risk and enhancing ESG disclosures.

I am pleased to report that in 2022 we continued to make significant strides in accomplishing our goals and commitments, including:

- Achieved our 2022 milestone towards Zimmer Biomet's 2026 DEI representation goals for women globally, and people of color in the U.S. at the director-level and above, while also publicly disclosing EEO-1 data for the first time
- Launched our Best & Preferred Place to Work strategy focused on shared purpose, deeper connections, holistic well-being and professional and personal growth
- Continued progress on our quality management programs and performance, maintaining fewer than 10 product recalls in the year
- Earned a Leadership Level grade of A- from the Carbon Disclosure Project
- Continued progress on our Science Based Target Initiative-approved goal to reduce our operational (Scope 1 + 2) emissions 50% and purchased goods and services (Scope 3) emissions 15% by 2030
- Upgraded to 'AA' ESG rating by MSCI in February 2023

I am proud of Zimmer Biomet's nearly 100-year legacy and humbled to be a part of it. As I reflect on our past, I also envision a bold future—one that is not only sustainable, but also equitable and just.

Thank you for your continuing support.

Bryan Hanson
Chairman, President and CEO, Zimmer Biomet



Table of Contents

COMPANY PROFILE

Corporate Overview	4
Mission and Guiding Principles.....	4
Our Sustainability Commitment	4
Our Approach to ESG	5
Company Awards.....	6

ENVIRONMENTAL

Environmental Risk Management Policy	7
EHSS Management System	7
Compliance	7
Continuous Improvement.....	7
Business Integration.....	7
Environment & Climate Change	7
Health & Safety.....	7
Communication & Education	7
Task Force on Climate-related Financial Disclosures (TCFD)...	8
Zero Waste to Landfill (ZWTL).....	8
Community Collaboration	8
Environmental Targets	9

SOCIAL

Flexibility.....	11
Talent Acquisition	12
Internships and Early Career Programs.....	12
Talent Development.....	12
Recognition	12
Culture Promises	13
Global Leadership Competencies	13
Performance Connections	13
Team Member Engagement	13
Diversity, Equity & Inclusion	14
Health, Safety & Wellness	14
Total Rewards	15
Pay Equity.....	15
Collective Bargaining	15
Discrimination Policy	15
Product Quality	15
Supplier Code of Conduct	17
Supplier Social Responsibility Audits.....	17
Supplier Diligence	17
Supplier Quality Audits.....	17
Management of Risks Associated with Use of Critical Materials	18
Animal Testing Policy	18
Clinical Trial Program.....	18
Clinical Trial Transparency	19
Grants, Donations and Funding	19
Zimmer Biomet Corporate Grants.....	19
Zimmer Biomet Product Donations/Medical Missions	19

Zimmer Biomet Foundation	20
Zimmer Biomet Team Member Programs.....	20
Healthy Communities	20
STEM Education.....	20
Disaster Relief	20
Advancing Diversity, Equity and Inclusion	20
Access to Healthcare	21
Movement is Life.....	21
Patient Privacy and Data Security	22
Privacy	22
Data Security.....	22
Data Usage	22
Ownership.....	22
Digital Health Product Security	23
Cybersecurity	23

GOVERNANCE

Corporate Governance	24
Audit Committee	25
Compensation and Management Development Committee	25
Corporate Governance Committee	25
Quality, Regulatory and Technology Committee	25
Executive Compensation	26
Ethical Business Conduct.....	26
A Comprehensive Compliance Program.....	26
Code of Business Conduct and Ethics.....	27
Fostering a Culture of Ethics and Integrity	27
Compliance Week.....	27
Consistent Global Approach to Policy Management.....	28
Continuous Improvement of the Compliance Program.....	28
Countering Corruption	28
Speak Up: Zimmer Biomet's Whistleblower Program	29
Ethical Marketing	30
Compliance with Industry Codes	31
Zimmer Biomet's Statement of Engagement on Public Policy Issues	31
Specific policies of interest	32
Corporate Tax Policy.....	32
Stability in Payment Policies	32
Diversity, Equity and Inclusion.....	32
Medical Device User Fee Amendments (MDUFA).....	32
Support for International Trade Agreements	32
How Zimmer Biomet Engages in Public Policy	32
Industry Groups and Trade Associations.....	33
Political Contributions	33
Report of Independent Accountants Letter	34
Zimmer Biomet Management Assertion.....	35
2022 Sustainability Accounting Standards	
Board Index	39
Safe Harbor Statement	41

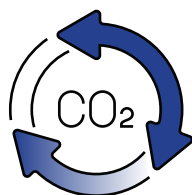
2022

ESG PERFORMANCE HIGHLIGHTS

Zimmer Biomet's mission is to alleviate pain and improve the quality of life for people around the world. With operations in more than 25 countries, sales in more than 100 countries, and over 18,000 team members around the world, we embrace our role in health care and acknowledge our responsibility to be a good corporate citizen.

ENVIRONMENT

Goal: Carbon neutrality for Scope 1 and 2 emissions at all manufacturing sites by 2050



55% reduction in absolute operational (Scope 1 and 2) carbon emissions by 2030 from 2017 baseline



Large-scale solar farm
off-setting nearly 100%
of all US GHG emissions



73% of solid waste diverted from landfills

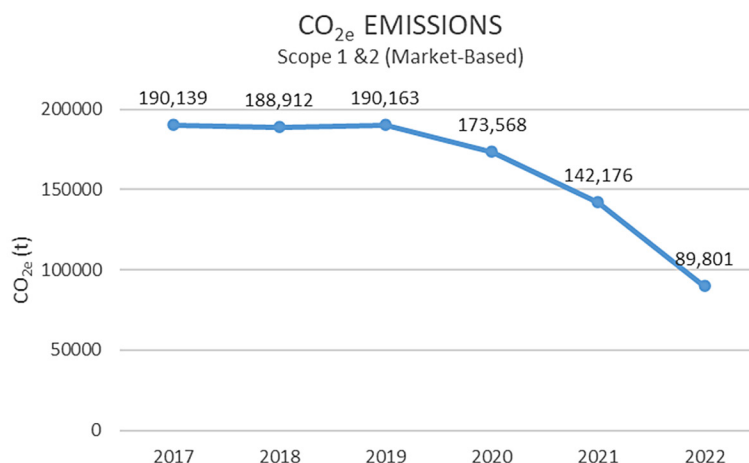
58% of solid waste recycled

B → A-

A- CDP Climate Change score which is in the Leadership Band and an improvement from **B** in 2021.

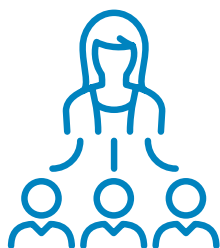
A- → A

A CDP Supplier Engagement score which is in the Leadership Band and an improvement from **A-** in 2021.



Emission factors used to calculate total Scope 1 and 2 emissions have been refined for greater accuracy. This has resulted in higher emissions totals for the years 2017-2021 than previously published.

SOCIAL



Goal: By 2026 increase the representation of women and people of color (POC) in leadership

Increasing the representation of women at the director-level and above to at least 31% globally by 2026

Increasing the representation of people of color at the director-level and above to at least 22% in the U.S. by 2026

Received **Great Place to Work™** certification in the U.S.

Completed our \$2.0 million commitment to the NAACP of a multi-year, \$5.0 million commitment to combat racism and inequality.



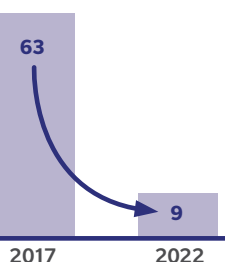
24%
women in leadership globally towards our **goal of 31%** by 2026

15%
people of color in U.S. leadership towards our **goal of 22%** by 2026

Announced \$6.0 million three-year commitment to support Movement is Life — a leader in Health Equity founded by Zimmer Biomet in — as its own stand-alone 501(c)3

Strong quality focus

Class 1-2 Recalls



Over 15% of team members are part of a ZB employee resource group (ERG)

GOVERNANCE



1 patient served every 8 seconds

Our teams are committed to the highest standards of patient safety and quality in our products and services and to world-class integrity and ethical business practices

100 % of Team Members and Zimmer Biomet's Board of Directors successfully completed the Code of Business Conduct and Ethics training

BOARD EXPERIENCE

Board of director member experience includes medical device, risk management, technology, quality and financial literacy

30% of board of director members self-identify as women, **30%** self-identify as ethnically diverse, and **10%** self-identify as LGBTQ and **40%** report they were born outside of the United States.

BOARD INDEPENDENCE

Significant majority of our board of directors qualifies as independent under the New York Stock Exchanges' Corporate Governance Standards, including a lead independent director



COMPANY PROFILE

Corporate Overview

Zimmer Biomet is a global medical technology leader with a comprehensive portfolio designed to maximize mobility and improve health. We seamlessly transform the patient experience through our innovative products and suite of integrated digital and robotic technologies that leverage data, analytics and artificial intelligence.

With more than 95 years of trusted leadership and proven expertise, Zimmer Biomet is positioned to deliver the highest quality solutions to patients and providers. Our legacy continues to come to life today through our progressive culture of evolution and innovation.

For more information about our product portfolio, our operations in more than 25 countries and sales in more than 100 countries visit www.zimmerbiomet.com or follow Zimmer Biomet on [Twitter](#) and [LinkedIn](#).

Our Mission

Alleviate pain and improve the quality of life for people around the world.

Guiding Principles

- Respect the contributions and perspectives of all team members
- Commit to the highest standards of patient safety, quality and integrity
- Focus our resources in areas where we will make a difference
- Ensure our return is equivalent to the value we provide our customers and patients
- Give back to our communities and people in need

Our Sustainability Commitment

Zimmer Biomet is committed to being a good corporate citizen. Our global team is dedicated to sustainable practices across the entire ESG spectrum.



OUR APPROACH TO ESG

We take a comprehensive and proactive approach to ESG. Our Board's Corporate Governance Committee oversees current and emerging political, social, environmental, corporate citizenship and public policy issues for the Company.

In 2022, a new Zimmer Biomet function responsible for building and executing a comprehensive strategy around ESG initiatives was established under the Communications & Administration team. That team continues to oversee all ESG activity and the ESG Working Group.

The ESG leadership team along with the full ESG Working Group meets monthly to discuss Zimmer Biomet's ESG initiatives and identifies ways to enhance our ESG program. The ESG Working Group is a global, cross-functional team representing 12 ZB functions critical to executing on our ESG goals. Our CEO and CFO receive monthly progress updates, while at the Board level, the Corporate Governance Committee receives quarterly reports.

We proactively engage with ratings agencies and investors to inform our ESG processes and provide the appropriate level of transparency while using third-party auditing and benchmarking to pinpoint areas for continuous improvement.

COMPANY AWARDS





ENVIRONMENTAL

Environmental Risk Management Policy

Consistent with Zimmer Biomet's mission, Code of Business Conduct and Ethics, and the [Environmental, Health, Safety, and Sustainability \(EHSS\) vision](#), we are committed to conducting business in a safe and environmentally sustainable way that promotes the health of our team members, customers, community and the environment, with a focus on fighting climate change.

The purpose of our Environmental Risk Management Policy is to uphold the principles of the EHSS programs while implementing and sustaining global best practices. Corporate and regional standards exist to support these principles, and this policy applies to all locations worldwide, providing uniform guidance for Zimmer Biomet EHSS teams to manage and monitor risk within our global manufacturing and distribution processes.

EHSS Management System

Our Environmental Risk Management Policy is supported and executed by a robust Environmental, Health, Safety, and Sustainability Management System that delivers six main outcomes:

Compliance

We strive to comply with, and often exceed, the requirements of all applicable EHSS laws, regulations, Company EHSS standards and other requirements to which we subscribe related to EHSS subject matter and risks. We conduct frequent audits and implement best practices to maintain compliance.

Continuous Improvement

Zimmer Biomet establishes EHSS goals, objectives and targets across our global business and continually strives to improve our performance and publicly report on our progress against our goals. Our EHSS standards establish controls and promote a positive EHSS culture.

Business Integration

We integrate EHSS principles into business decisions to proactively improve the health and safety of our employees and communities, while also promoting environmentally sustainable practices. Specifically, we require that an EHSS evaluation be integrated into product design, manufacturing and distribution processes and services. This evaluation identifies EHSS risks for mitigation and promotes pollution prevention while improving performance throughout our operations, packaging and product lifecycles.

Environment & Climate Change

To address climate change, we work wherever feasible to minimize waste and emissions, reuse and recycle materials, promote renewable energy use, reduce greenhouse gas emissions, and conserve energy and water.

Health & Safety

Zimmer Biomet EHSS establishes health and safety standards that promote a safe and healthy workplace by continuously reducing hazards and risks, as well as reducing workplace injuries and illnesses.

Communication & Education

Zimmer Biomet EHSS communicates its Environmental Health and Safety Policy to employees, customers, shareholders, suppliers, community and other stakeholders. Zimmer Biomet EHSS standards, procedures and other resources enable team members to implement this policy and share best practices to promote continuous improvement and enhance environmental, health and safety performance.

As stated in our Environmental Risk Management Policy, we are committed to implementing and sustaining global best practices. Two examples include the Task Force on Climate-related Financial Disclosures (TCFD) and Zero Waste to Landfill (ZWTL) initiatives.

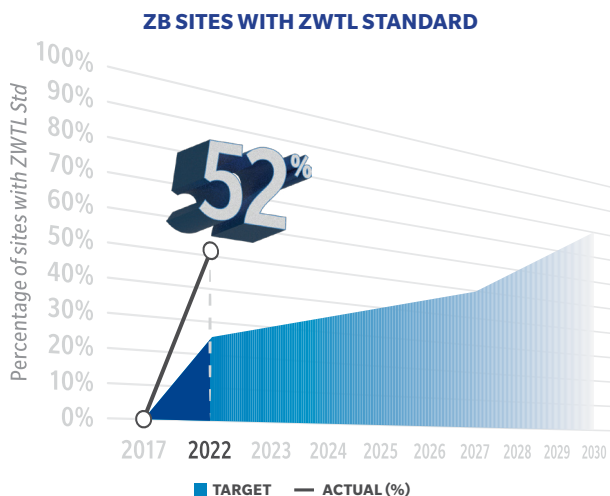
Task Force on Climate-related Financial Disclosures (TCFD)

TCFD is an industry-led task force established by the G20's Financial Stability Board in 2015 to address concerns around insufficient disclosure of climate-related issues. Recognizing this rapidly growing risk, investors needed a disclosure framework that informs the climate risk of investees.

Zimmer Biomet intends to leverage the TCFD framework on a go-forward basis to enhance climate risk and opportunity identification and management into our overall business strategy and disclosure processes, and to better understand and govern climate-related issues.

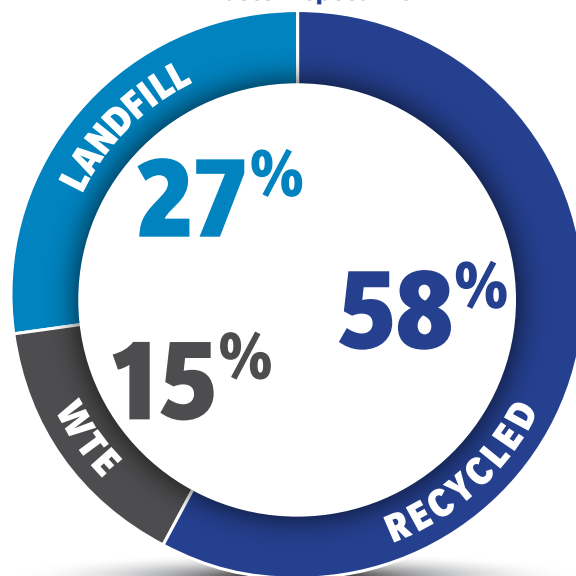
Zero Waste to Landfill (ZWTL)

To standardize excellence in waste management, Zimmer Biomet has implemented a Zero Waste to Landfill global initiative. The ZWTL program embraces a goal of having no waste sent directly to landfill for disposal. Waste that cannot be eliminated at the source must be recycled or sent for incineration as Waste to Energy (WtE). A location, building or department can achieve ZWTL status by ensuring that at least 85% of the total waste produced is recycled using the criteria above. We have recognized 15 sites globally as ZWTL.



Additionally, we have diverted 73% of our waste from landfill. We continue to find ways to increase recycling (currently at 58%) as we reduce our landfill waste.

ZB - Waste Disposal 2022



Source: Zimmer Biomet internal invoice data and third-party sources.

Community Collaboration

Since 2011, Zimmer Biomet has been a corporate sponsor of U.S.-based ACRES Land Trust, Indiana's oldest and largest membership based non-profit land conservation organization. ACRES protects more than 7,200 acres of forests, wetlands, grasslands and unique geological features in more than 115 nature preserves, many of which are open to the public.



Environmental Targets

Environmental issues and the threat of climate change require an urgent and immediate response. In 2020, Zimmer Biomet publicly committed to setting science-based targets, which in 2021 were approved through the [Science Based Target Initiative](#).

We are committed to reducing absolute Scope 1 and 2 greenhouse gas (GHG) emissions 55% by 2030 from a 2017 base year. We have also committed to reduce absolute Scope 3 GHG emissions from purchased goods and services 15% by 2030 from a 2019 base year. More than 45% of suppliers in our supply chain that were requested for GHG emissions responded to our disclosures in 2022, our second year of focusing on Scope 3 emissions, furthering our efforts to reduce our carbon footprint. In 2023, Zimmer Biomet will be making a formal commitment, via the SBTi program, to achieve Net Zero by 2050.

In 2021, Zimmer Biomet negotiated a Virtual Power Purchase Agreement (VPPA) with a large-scale solar farm, Prospero II, that in 2022, produced over 134,000MWh—this equates to more than 63,000 metric tons of CO₂ emissions and a 52% reduction of our Scope 1 and 2 GHG emissions, or 31,500 metric tons of coal burned.

We continue to pursue renewable energy opportunities globally and have outfitted all major manufacturing and distribution sites with LED lighting, advancing our commitment to becoming a recognized leader within the environmental space.

We actively participate in the Carbon Disclosure Project (CDP), with a Climate Change 2022 ranking of A-. (See our grades at [Scores-CDP](#). The Supplier Engagement Rating (SER) assesses performance on governance, targets, Scope 3 emissions and value chain engagement in the CDP Climate Change questionnaire. Engagement of our supply chain is a key part of our environmental leadership strategy—our current SER Rating is A.



Source: Zimmer Biomet internal invoice data and third-party sources.



One of Zimmer Biomet’s core strategic pillars is our commitment to being a Best and Preferred Place to Work (BPPTW). In 2022, we evolved our strategy as we learned and adapted through our experience during the COVID-19 pandemic – with new expectations that team members work in a flexible environment where their health and well-being are prioritized.



Our BPPTW strategy is about winning the hearts and minds of our team members and is focused on four tenets: **Shared Purpose, Deeper Connections, Holistic Well-Being and Professional and Personal Growth.**



Shared Purpose is being inspired by what we do every day. It means feeling invested in contributing to something greater than one’s self – for a higher purpose. **Shared purpose** shows up in how each team member connects with the mission.

It also shows up in ZB’s commitment to ESG, which defines our commitment to being a good corporate citizen.



Deeper Connections focuses on belonging. It is a sense that we empower every voice, and that team members can share perspectives that others listen to and respect, even if they don’t agree. It is a belief that we each uniquely contribute to the organization to make a difference.

The **Deeper Connection** tenet comes to life in our Diversity, Equity and Inclusion strategy and in our commitment to meaningful connections between team members and their direct and extended teams, stakeholders and business partners—globally and cross-functionally.



Holistic Well-Being is a sense of feeling cared for as a whole person, which extends to caring for and supporting our team members’ families and communities.



We think about **Holistic Well-Being** in four key categories: Mental Health, Physical Health, Financial Health and Social Health.

We have made resources available in each of these areas for team members to use, both on the job and with their families and friends, to prioritize their well-being needs.

Flexibility

Continued workplace flexibility is key in promoting well-being. Flexible work allows our team members in certain roles the ability to successfully manage their relationship between work, life and personal time, with the expectation that they will experience less stress, feel happier and more engaged in their work, and be better positioned to live healthier lives.

One initiative that we have implemented globally is “No Meeting Friday Afternoons.” Team members are encouraged to refrain from scheduling meetings after noon local time on Fridays.



Professional and Personal Growth means, “I feel valued.” ZB is committed to supporting team member professional and personal growth with a focus on achieving career goals and celebrating their journey through recognition. Ensuring our team members feel valued is critical to becoming a destination workplace.

Talent Acquisition

As part of our commitment to diversity, our Talent Acquisition team partners with our employee resource groups (ERGs), hiring managers and executive sponsors to continuously enhance our talent pools by engaging with various national and campus partnerships such as: Howard University, National Society of Black Engineers, National Association of Asian American Professionals, myGworks, Fairygodboss, Women Impact Tech, Hire Our Heroes, National Sales Network, Girls Who Code, National Football League, Hispanic Alliance for Career Enhancement and INROADS.

Internships and Early Career Programs

In 2022, we sustained and enhanced our internship and early career programs in locations across the U.S., including full-time rotational development programs in Finance and Quality. Our robust Development Engineering Co-op Program was restarted, creating experiential learning opportunities for engineering students and offering full-time roles upon graduation.

In the U.S., we have a robust finance summer intern program that is a direct pipeline for our full-time Finance Development Program. Approximately 70% of our finance summer interns leave their internship with a full-time job offer, which includes a competitive salary, sign-on bonus and full benefits.

Our full-time rotational development programs are a launching pad for college graduates. Participants rotate across three to four areas of the global business for a diverse view of their function and its processes. These programs also provide early career hires with mentors from our global ERGs, professional development and social events.

Talent Development

In 2022, leadership committed to develop a culture of learning and development through programming that meets the needs of team members at all levels.

We launched **Learn & Lead**, comprising several new development programs, including an executive leadership program targeting high-potential directors, a women-in-leadership program focused on the development of women managers and a new manager development program.

We continue to support the learning and development needs of our organization through several new and ongoing training courses; the format for this learning is as varied as the topics, including in-person, instructor-led to virtual and even self-directed.

- *Speexx*, is our new language learning platform.
- *Crucial Conversations* focuses on effective communication and dialogue skills.
- *Insights Discovery* is a psychometric tool to help team members understand themselves and others and how to make the most of workplace relationships.

In addition, we continue to improve our Learning Management System, which includes 34,000 courses globally and is the primary delivery mechanism of role-based training requirements for team members and contractors.

We believe development comes from diverse experiences, not just programs or courses. We invest in team member development and deliver programs that help prepare leaders. We also identify opportunities for internal mobility, giving team members development experiences that keep them growing and engaged with ZB.

One unique development experience available to all team members is Mentoring Connections – our global cohort-based mentoring program designed to connect experienced ZB professionals with team members who are eager to learn from their experience. Registration and matching of mentors and mentees for the program happens annually. In 2022, more than 200 mentor/mentee pairs were matched and focused on leadership development, career growth and advancement, as well as expanding their knowledge of the business and industry. Each mentor and mentee completed mentoring training as a part of this program to ensure the best possible outcome.

Recognition

IGNITE is our global, social recognition platform that we use to recognize team members for the exceptional work they do every day – from a simple “thank you” to awarding points for achievements, to commenting on a recognition post, and celebrating professional and personal milestones like service anniversaries and birthdays. In 2022, our team recognized nearly 90,000 recognition moments, reaching 66% of our global team members.

Culture Promises

Our Culture Promises describe a shared commitment to build a stronger Zimmer Biomet. We Shape Tomorrow by seeking bold possibilities, using insights and experience to deliver on our mission, blazing new trails in innovation and providing meaningful outcomes for patients. Ignite Collaboration is our promise to foster an inclusive and collaborative environment that empowers our team members. With a Focus to Win, we are proactive and agile to deliver winning outcomes and driving our business forward. Our culture promises are how we interact as a team and with each other to deliver on our mission.

Global Leadership Competencies

In 2022, we introduced Global Leadership Competencies, behaviors that are informed by our culture promises, support our mission and enable successful outcomes aligned to our strategic pillars.

Used throughout the team member career journey, our Global Leadership Competencies are being integrated into interview questions, learning and development programs, manager 360 reviews and in succession planning to ensure we are building a pipeline of talent who will fill future leadership roles.

Performance Connections

Performance Connections is Zimmer Biomet's performance management framework that helps foster deeper connections. Performance Connections empowers team members, in partnership with their managers, to define how their skills, experiences, strengths and aspirations contribute to deliver on our strategy and mission. The annual Performance Connections lifecycle is comprised of both structured and ongoing check-ins—from setting priorities to career check-ins and annual performance reviews.

Managers and team members align on and continuously address opportunities and recognize achievements.

Team Member Engagement

In 2022, Zimmer Biomet earned certification in the U.S. as a 2022 Great Place to Work®. The prestigious award is 75% based on what our team members say about their experience working at ZB and 25% based on a Culture Brief that details how we care for our team members, communities and environment. Great Place to Work® is the global authority on workplace culture, employee experience and

the leadership behaviors proven to deliver market-leading revenue, employee retention and innovation. Certification is an exciting accomplishment and is only possible because of the dedication and commitment of our team members. This achievement is a testament to our ongoing focus to become a Best and Preferred Place to Work, guided by our culture promises, that provide a foundation for our team members to feel a sense of belonging so they can thrive. This certification in the U.S. is just the first step in our efforts to assess ZB as a Great Place to Work globally—we will be pursuing certification in 6 global locations in 2023.

Through our comprehensive listening strategy, we engage team members frequently for a more holistic view of the team member experience.

In 2022, we had a strong survey response rate of 85%, hearing from more than 14,500 team members around the globe. Our company wide engagement index score was consistent with 2021 results. We acknowledge the many challenges our team members faced, such as supply chain delays and shortages, significant overtime and general global economic constraints. Despite these obstacles, scores improved for more than 70% of the questions asked. Overall, team members are feeling positively about 1) our Shared Purpose found in our mission, strategy and investment in the communities in which we work, 2) flexibility in where and how we work as it contributes to their holistic well-being and 3) our commitment to compliance.

As a company, we will focus on team member connection and transparent communications in 2023. We are implementing a leader-led connection strategy that provides a framework, metrics and support to our largest sites to build upon existing site engagement events, share best practices and strengthen two-way communication between leaders and team members. We are also cascading an enterprise-wide engagement priority to all people leaders to drive accountability and measure success. Teams across the company continue to conduct focus groups to discuss the results specific to their teams at a deeper level, identify areas for improvement and implement their ideas.

Diversity, Equity & Inclusion

Zimmer Biomet remains committed to fostering diversity, equity, and inclusion, and supports community groups and organizations driving meaningful change.

We believe that representation matters. As of December 31, 2022, women made up 35.5% of our total team member population and 25.4% of positions at director-level and above. People of color (POC) made up 23.3% of our total team member population in the U.S. and comprised 15% of positions at director-level and above. We are striving toward 2026 representation goals established for women (31%) and POC (22%) in the organization, guided by internal and external benchmarking. As a continued commitment to our expanding ESG practices, our EEO-1 information is included in this report via the following: [link](#).

24%

women in leadership
globally towards our
goal of 31% by 2026



15%

people of color in U.S.
leadership towards our
goal of 22% by 2026

Core to our values is our commitment to stand together against hatred, discrimination and injustice —we advance these values through our actions and investments. With this in mind, we have committed to the following initiatives to drive and accelerate change globally and within our own organization. We have shared these commitments publicly and are tracking our progress against them:

- Engage our more than 18,000 global team members in cultural awareness and inclusion programming
- Invest \$1 million and provide executive sponsorship to support ongoing programs and elevate the impact of our ERGs
- Commit at least \$5 million over five years through the Zimmer Biomet Foundation to nonprofit organizations globally dedicated to combating racism and supporting diversity, equality and justice
- Match, through the Zimmer Biomet Foundation, team member financial contributions to nonprofit organizations, including those dedicated to combating racism and supporting diversity, equality and justice
- Expand our student and early career internship programs to attract and develop more Black leaders
- Continue our financial support of Movement is Life, a multidisciplinary coalition seeking to eliminate racial, ethnic and gender disparities in muscle and joint health

Additionally, we have grown our global employee resource groups (ERG's) from five in 2021 to eight in 2022, with continued executive sponsorship and funding. ERG membership is now approximately 15% of our total organization. Our ERGs receive funding from the Zimmer Biomet Foundation to support their giving pillar, and we believe they contribute to higher engagement and retention of team members. Our cultural awareness and inclusion programming has continued to expand, and all team members have access to DEI learning through our learning management system.

Health, Safety & Wellness

The physical and mental health, safety, financial well-being and work/life balance of our team members are vital to accomplishing our mission and achieving our goals. We sponsor wellness programs designed to enhance physical, financial and mental well-being, and encourage participation in these programs through regular communications, educational sessions and other incentives.

Our environmental, health and safety team continuously monitors various metrics to ensure we are providing the safest work environment. In 2022, our Total Recordable Incident Rate, which is defined as recordable incidents multiplied by 200,000 hours worked, divided by total hours worked, was 0.29, and our Lost Time Incident Rate, which is defined as lost time incidents multiplied by 200,000 hours worked, divided by total hours worked, was 0.11.

Total Rewards

Zimmer Biomet reviews our comprehensive benefit offerings each year, considering both our team member population as well as market practices, to ensure our offerings are competitive.

We understand how critical well-being is for our team members and their families. Globally, initiatives are in place or being implemented to reduce physical and mental health risks, improve the quality of life for our team members and provide health-promoting activities that support sustainable behaviors. Also, in recent years, we have focused on key areas for women, family, and individual health.

Examples from the U.S. include:

- Key preventive health services to team members through medical plans, including on-site health screenings for our team members at no charge
- Competitive infertility benefits and adoption assistance, along with paid parental leave and support for parents transitioning back to work
- Resources to support individualized needs, such as employee assistance program (EAP) counseling, tuition reimbursement, paid Family Care Leave and benefits such as transgender surgery/medical benefits

Pay Equity

We are committed to ensuring our team members are compensated equitably and that differences are not based on factors such as gender or race.

Since 2016, we have conducted annual pay equity studies in the U.S. Our pay equity study focuses not only on base salary but also on other elements, including commissions, bonus, long-term incentives and new hire sign-on awards (cash or equity). We continue to refine our pay equity study each year. While the study initially focused on reviewing pay differences between genders, we have expanded the study to include pay disparities potentially attributable to race and ethnicity.

Outside of the U.S., we conduct pay equity studies, as required, to ensure compliance with local laws.

In all cases where a pay equity issue is identified, we have a process in place to address the issue. Additionally, where pay disparities are identified, they are reviewed annually to ensure progress and permanent resolution.

Collective Bargaining

Zimmer Biomet has more than 18,000 active team members globally—less than 200 are affiliated with a U.S. collective bargaining agreement.

Discrimination Policy

Zimmer Biomet is an equal opportunity employer and is fully committed to a policy of treating all team members and job applicants equally.

We take all reasonable steps to employ, train and promote team members on the basis of their experience, abilities and qualifications without regard to race, color, ethnic origin, nationality, national origin, religion or belief, sex, sexual orientation, gender reassignment, age, marital or civil partnership status or disability.

We also take all reasonable steps to provide a work environment in which all team members are treated with respect and dignity and that is free of harassment based upon an employee's race, color, ethnic origin, nationality, national origin, religion or belief, sex, sexual orientation, gender reassignment, age, marital or civil partnership status or disability.

ZB does not condone any form of harassment, whether engaged in by team members or by outside third parties who do business with us.

Product Quality

Zimmer Biomet is committed to best-in-class product quality and ensuring the strength and effectiveness of our Quality Management System (QMS). Every site has a stringent internal quality audit program. In addition, we have an independent corporate quality audit program and are audited periodically by external regulatory bodies such as the U.S. Food and Drug Administration (FDA) and other regulatory and nongovernmental competent authorities around the world. Our internal corporate audit and external audit results are closely monitored and reported at regular management review meetings, and we maintain a detailed set of key performance indicators in the Quality area. In addition, the Quality, Regulatory and

Technology Committee of the Board of Directors receives a comprehensive Quality presentation at each quarterly meeting.

We have multiple manufacturing sites proactively participating in the Medical Device Innovation Consortium (MDIC) and the FDA Case for Quality Voluntary Improvement program. For more information on this program, visit www.fda.gov/medical-devices/quality-and-compliance-medical-devices/case-quality.

Furthermore, we have a stringent supply chain monitoring program that includes quality, delivery and cost measures.

We have made advancements in our oversight of product quality and now can track and trend product performance in near real time using data visualization software. We also conduct clinical trials, monitor orthopedic registries and review published literature to ensure a complete picture of product performance. Conclusions and outputs are regularly reported out and reviewed as part of trending reviews and management meetings.

In recent years, ZB has made substantial progress on quality system enhancements and remediation across our organization. As of December 2022, we had one pending FDA Warning Letter, which pertains to our Warsaw, Indiana North Campus facility. While the Warning Letter at the Warsaw North Campus facility remains active, following an FDA re-inspection in 2020, the FDA classified the site as Voluntary Action Indicated, or VAI. Zimmer Biomet (Warsaw North Campus facility) is partnering with FDA and MDIC as part of an industry pilot study (Accelerate Sustainable Capability) to help improve product quality and safety, enable compliance actions to be closed faster and structure systems for sustainable continuous improvement. The pilot program leverages a maturity assessment program that includes action plans with FDA reviews. This is an 18 month program that is planned for completion in the second quarter of 2023.

We have made significant investments in QMS remediation and upgrades over the past several years. While these enhancements continue, they have already resulted in a significant reduction in FDA product recalls compared to previous years, as well as a successful FDA inspection at the Warsaw West Campus facility in 2022. The Warsaw West Campus facility is the largest and most complex facility in the Zimmer Biomet network and completed the 2022 FDA inspection with no observations.

Year	Class 1 Recalls	Class 2 Recalls	Class 3 Recalls	Forms 483 Received	Warning Letters Received
2016	1	40	1	3	1
2017	1	62	0	7	0
2018	1	48	0	3	1
2019	1	24	0	3	0
2020	0	21	0	1	0
2021	1	4	0	0	0
2022	0	9	0	0	0
Note: The recall quantities are based on the calendar year that Zimmer Biomet reported the recall to FDA					

Zimmer Biomet also participates in the Medical Device Single Audit Program (MDSAP), which enables medical device manufacturers to be audited once by a notified body for compliance with the standard and regulatory requirements of up to five different medical device markets: Australia, Brazil, Canada, Japan and the U.S. The MDSAP audit results are shared with the regulatory agencies in the participating countries, such as the FDA. In 2022, 14 MDSAP audits were conducted across the Zimmer Biomet network resulting in continued MDSAP certification from our notified bodies.

We are advancing automation in manufacturing, quality systems and inspection and measurement methods such as Manufacturing Execution System (MES), Design Controls and Risk Management Software (The Vault), and InfinityQS. A Product Lifecycle Management tool, Windchill, is amid global implementation to simplify regulatory compliance while increasing new product speed to market. Use of this tool allow resources to work together across the network seamlessly and develop a unified approach to completing deliverables.

In addition to the Quality Begins With Me program launched in 2020, an upgraded compliance hotline process was launched in 2021 with a campaign called “Speak Up.” Both the program and the hotline enable us to continue promoting a “blame free” culture where we drive appropriate behaviors, empower team members to promote operational excellence and maintain focus on quality and compliance.

We have continued with Green Belt and Black Belt certification programs so team members learn and apply LEAN tools to reduce waste, drive out variation (by applying Define, Measure, Analyze, Improve and Control problem-solving) and make data-driven decisions through proven quality tools and statistical methods.

We are also working toward compliance and certification with the European Union Medical Device Regulation standards, with significant progress in 2022 submitting files to our Notified Bodies for review. While it appears that there will be an extension of the 2024 compliance date, we will continue an aggressive submission schedule in 2023 to our Notified Bodies.

Supplier Code of Conduct

We are committed to achieving and maintaining the highest standards of corporate integrity and ethical behavior, and we expect our suppliers to conduct business with the same high standards. Zimmer Biomet has instituted a [Code of Supplier Conduct](#).

At a minimum, suppliers must conduct business in accordance with all applicable country, state, and local laws and regulations covering the jurisdictions in which they operate, including, without limitation, laws relating to employment, human rights, the environment, health and safety, and trade. Each supplier must comply with the commercial best practices of the supplier's industry. Zimmer Biomet reserves the right to decline to deal with suppliers who do not comply with the law or our standards.

We have also taken steps to ensure that slavery and human trafficking are not taking place in our supply chains or any part of our business operations through the UK Modern Slavery Act of 2015 and the California Transparency in [Supply Chains Act of 2010](#).

Supplier Social Responsibility Audits

Zimmer Biomet conducts Social Responsibility audits with all new suppliers in high-risk regions and on existing suppliers every three years. The audit investigates child labor; forced labor and human trafficking; disciplinary practices; working hours and compensation; environmental protection; health and safety; and management practices. Thirty suppliers were audited in 2022 with two major findings which are now remediated.

Supplier Diligence

For all new proposed international suppliers, the Zimmer Biomet Compliance team conducts due diligence investigations to make sure the third-party is not on a blocked person list, a specially designated national watchlist or otherwise a prohibited party. This global due diligence review starts at the front end of the request process. Ongoing due diligence is conducted periodically for existing suppliers.

Supplier Quality Audits

New and existing supplier audit plans are established based on the applicable QMS requirement for the product or service the supplier provides. The applicable QMS requirements focus on FDA and International Organization for Standardization (ISO) standards. These standards include FDA 21 CFR 820 and ISO 13485.

Zimmer Biomet has three global documents detailing the process: 1) the Supplier Questionnaire is used to collect a variety of information on the supplier, including an overview of the supplier's quality system; 2) the Supplier Qualification Report determines which audit plan will be followed and the supplier's risk classification; and 3) the Supplier Audit Report details the information found during the audit and the attendees.

All information gathered from the auditing process is stored in a global system and accessible to all Zimmer Biomet businesses.

We believe that a diverse supply chain strengthens our ability to carry out our mission and improve the communities in which we live and work. Our Supplier Diversity Policy in the U.S. assists in establishing and maintaining business relationships with suppliers that are either certified in diverse categories by the Small Business Administration or self-certified, where applicable.

We assign a Small Business Liaison Officer (SBLO) as an administrator for the Supplier Diversity Program. The SBLO ensures that documentation of procurement levels, broken down by supplier classification, is prepared as requested by government agencies and contract groups. Annual Summary Subcontract Reports and Year End Supplementary Small Disadvantaged Business (SDB) Reports are submitted according to the Department of Defense.

Zimmer Biomet's diversity reporting obligations to the U.S. Federal Government include spending in the U.S. and Puerto Rico in the following six diverse supplier categories annually:

1. Historically Underutilized Business Zone Small Business
2. Service-Disabled Veteran-Owned Small Business
3. Small Business
4. Small Disadvantaged Business
5. Veteran-Owned Small Business
6. Women-Owned Small Business

In addition, we report our supplier diversity spend to customers in proportion to their value of Zimmer Biomet's total U.S. sales, as requested. These additional categories include:

1. Minority Owned Business
2. Woman Owned (Large and Small) Business

In 2022, approximately 18% of our U.S. supplier spend was with U.S. small and diverse suppliers.

Management of Risks Associated with Use of Critical Materials

Zimmer Biomet has a Global Supply Risk Management process. We have established a systematic approach to:

- Ensure continuity of supply for goods and services
- Proactively manage (identify, assess, mitigate and monitor) potential supply risks which may result in product delays and/or revenue impact to the business
- Ensure that a global process is being utilized across the Zimmer Biomet Global Sourcing Organization

A key component in risk monitoring is the financial impact that might occur in raw material scarcity and/or physical disruptions of Zimmer Biomet's own operations or in the operations of our supply chain. To mitigate these risks, we use a third-party to rank our top suppliers against 73 financial ratios on a scale of 1-100 to understand the overall financial health of these suppliers. It is considered to have substantive strategic impact on our business if suppliers score below 20.

Through a third-party vendor, we obtain international private company financial statements and have a greater than 85% success rate (and above 90% in certain markets) to measure the core health of a supplier out to 36 months and predicting probability of default over 12 to 18 months via a quantitative model to generate a rating.

Animal Testing Policy

Zimmer Biomet's use of animal testing is consistent with animal welfare acts around the world. We use animal testing when required to demonstrate biological safety for our products that cannot be demonstrated by laboratory benchtop tests or when required to demonstrate compliance with medical device regulations.

The laboratories we engage for animal testing typically have American Association for Accreditation of Laboratory Animal Care (AAALAC) certification or have their own animal research committee (i.e., an independent review

committee) to ensure compliance with national animal welfare acts. Zimmer Biomet does not perform animal testing directly; the work is contracted to approved laboratories.

Clinical Trial Program

We operate a robust global clinical research program that strives to collect meaningful clinical evidence to support our vast portfolio of products and technologies. Our clinical research programs support the safety and effectiveness of our products, services and technologies in a compliant and transparent manner. Zimmer Biomet-supported clinical trials are conducted across many different programs, including sponsored multi-center global clinical trials, as well as company-supported smaller investigator initiated clinical trials.

Zimmer Biomet conducts studies worldwide that are managed by our global Clinical Affairs teams. These teams manage our regulated and post-market studies and are located in key locations across the globe. In all instances, these programs and teams adhere to Zimmer Biomet policies and procedures that incorporate the standards set forth in the International Conference on Harmonization, the Declaration of Helsinki, Good Clinical Practice guidelines and the AdvaMed Code of Ethics.

To protect the rights, privacy, safety and well-being of clinical trial participants, Zimmer Biomet has an overarching global procedure for conducting clinical research involving human subjects. This procedure ensures that the clinical research from our clinical trials is qualified and reliable and can be used by regulatory authorities globally. As part of our procedures, clinical trials are reviewed and approved by several cross-functional internal committees, including a Clinical Investigation Review Committee and a Clinical Research Review Committee.

Clinical trials are only approved if they are scientifically sound, meet a well-defined business need and are within fair market value calculations. Clinical trial support can range from monetary funding, providing in-kind product or even the loaning of specialized instrumentation and equipment. In addition to the internal Zimmer Biomet review and approval processes, all clinical studies are required to be reviewed and approved by an Institutional Review Board or Ethics Committee that is independent of both Zimmer Biomet and the participating investigational centers.

Clinical Trial Transparency

We support clinical research to foster advances in clinical knowledge and furthering medical device development related to our products and programs. Clinical trial transparency is required to appropriately contribute to and comply with the International Committee of Medical Journal Editors (ICMJE) initiative and Food and Drug Administration Amendments Act (FDAAA) requirements by utilizing ClinicalTrials.gov to register our active clinical studies and study results once they are available. All study results are posted, regardless of whether the trial is deemed successful or failed to meet the primary end point. A sample listing of Zimmer Biomet clinical trials can be found at [ClinicalTrials.gov](https://clinicaltrials.gov).

Grants, Donations and Funding

Zimmer Biomet is committed to our guiding principle of giving back to our communities and people in need.

Zimmer Biomet Corporate Grants

In 2022, we provided grants, donations and funding for numerous educational and philanthropic projects. These included grants to support orthopedic post-graduate medical education by providing funding to the following organizations:

[American Association of Hip and Knee Surgeons \(AAHKS\)](#) – AAHKS has a mission to advance hip and knee patient care through education, advocacy and research. AAHKS has established the Fellowship Education Improvement and Innovation Program to award grants to Adult Reconstruction Fellowship Programs and was created to help programs address various areas of improvement that range from advances in technology, research or patient care.

[American Shoulder and Elbow Surgeons Foundation – ASES Foundation](#) was established by the American Shoulder and Elbow Surgeons (ASES) to assist in carrying out charitable and educational functions of ASES. Each year the ASES Foundation accepts applications for the ASES Foundation Fellowship Education Grant Program from ASES-recognized fellowship programs.

[OMeGA Medical Grants Association – OMeGA](#) is an independent legal entity with a singular mission: to award and administer grants for graduate orthopedic medical education through an open, accessible process designed to safeguard against potential conflicts of interest and to ensure transparency in the allocation of resources.

Zimmer Biomet also provided educational grants to support independent medical education conferences that promote scientific knowledge, medical advancement and the delivery of effective healthcare. In addition, we provided grants to third-party organizations for independent research to advance patient treatment designed for improved outcomes.

Zimmer Biomet Product Donations/ Medical Missions

Zimmer Biomet donated orthopedic products to support 30 philanthropic medical mission trips in 2022 to help patients in need around the globe. The number of trips in 2022 was significantly higher than the previous year as several trips planned for 2021 were postponed due to the pandemic. We continued our unique, long-term partnership with Faith in Practice by donating implant inventory to continually perform charitable surgeries in Guatemala. Faith in Practice (www.faithinpractice.org) is committed to serving the poor of Guatemala through short-term medical mission trips that take an integrated approach to care that strives to reach those in the greatest need. We supported many other organizations, including One World Surgery, Bayside Medical Missions, Operation Walk, Operation Stand Walk Run and more—to care for underprivileged patients in need in Dominican Republic, Honduras, Cuba, Ecuador, Nigeria and beyond.

We continue to support charitable surgeries in the U.S. by donating implants through Americares. In 2022, Americares was able to support approximately 40 charitable surgeries in the U.S. with Zimmer Biomet implants. This includes the support towards [Operation Walk USA's](#) annual campaign to restore mobility. [Americares](#) saves lives and improves health for people affected by poverty or disaster so they can reach their full potential.



ZIMMER BIOMET FOUNDATION

The Zimmer Biomet Foundation is an independent, philanthropic, nonprofit organization established in 2018 to address the needs of our global community. The mission of the Zimmer Biomet Foundation is to improve the quality of life for our communities by providing resources to build healthy communities; advance Science, Technology, Engineering and Math (STEM) education; provide disaster relief; and address healthcare disparities while advancing diversity, equity and inclusion. Zimmer Biomet continued to fund the Zimmer Biomet Foundation with a large contribution in 2022, allowing for continued charitable work globally.

From supporting Zimmer Biomet team members' charitable programs, to funding community efforts in line with its pillars, the Zimmer Biomet Foundation donated nearly \$6.7 million in charitable grants in 2022.

Zimmer Biomet Team Member Programs

The Zimmer Biomet Foundation continued the Team Member Relief Fund to support team members facing financial hardship due to personal or catastrophic reasons, including Hurricanes Fiona and Ian. Since its inception, the Fund has provided more than \$1.7 million in relief grants to team members.

In addition, the Zimmer Biomet Foundation matched team member donations to nonprofit organizations with a dollar-for-dollar match. Over \$900,000 combined from team member contributions and the Foundation match was contributed to over 600 charities in 2022. This combined giving total was more than double that in 2021.

We proudly support team members volunteering in their communities and abroad by offering resources to match team members with volunteer opportunities and work policies that allow them to take the time to support their community. In 2022, Zimmer Biomet introduced the "Dollars for Doers" program, which enabled team members to earn Zimmer Biomet Foundation grants to charities by logging their volunteer hours. Team members who took advantage of this program earned over \$17,000 for the charities of their choice.

Overall, Zimmer Biomet team members logged over 6,700 community volunteer hours, helping over 150 unique charities in 2022. Some of those organizations include Feed

My Starving Children, Prospect Hospice Limited, Habitat for Humanity International, Big Brothers Big Sisters and the United Way. In addition, team members organized several collection drives to provide needed items for back-to-school efforts and provide assistance to those in need during the holidays.

The Zimmer Biomet Foundation continued the Zimmer Biomet Scholarship Fund for dependents of team members in the U.S. For the second year, 15 recipients were selected to receive \$2,500 each for educational costs toward college expenses.

Healthy Communities

Zimmer Biomet Foundation and Zimmer Biomet support a number of activities and initiatives to improve the health and wellness of our communities. At our headquarters located in Warsaw, Indiana, the Zimmer Biomet Foundation committed up to \$2.5M in 2022 and 2023 to underwrite a complete remodel of the Warsaw Central Park Pavilion, which will continue to serve as a hub for community health initiatives, family reunions, wedding receptions, corporate meetings and more. Planned to re-open in 2023, the "Zimmer Biomet" Pavilion renovation is adjacent to a new walk/run trail along Center Lake Beach. Zimmer Biomet and the Foundation support numerous other organizations making a positive impact in the Warsaw area and in other communities in which Zimmer Biomet team members live and work, including Cardinal Services, Prospect Hospice, Boys and Girls Club, YMCA, United Way and many more.

STEM Education

The Zimmer Biomet Foundation continued support of the Indiana Chamber Foundation's Accelerating Indiana Vision 2025 program. The initiative includes several dimensions, including broadband access, urban development, K-12 STEM curricula and advancing Diversity, Equity and Inclusion. The Foundation continued support of STEM-related activities through the local school system in Warsaw, Indiana, home of Zimmer Biomet's global headquarters.

Disaster Relief

The Foundation gave \$50,000 in grants to organizations (\$20,000 to AmeriCares, \$20,000 to Direct Relief and \$10,000 to the Red Cross) providing valuable response and relief efforts to those affected by the conflict in Ukraine. Zimmer Biomet donated \$1.2 million of products from our trauma and overall portfolio to support patient care and healthcare provider needs in the conflict zone. Our humanitarian aid package included:

- FastFrame™ Fixation System – stabilizes bones
- A.T.S 2200 Tourniquets Systems – stops bleeding, enables safe operations
- Skin Graft Mesher – to help with skin grafts, especially for burns victims
- Instruments and implants to repair long bones

Additionally, thousands of team members across multiple countries responded by fundraising, donating money, and offering goods and services.

The Foundation also provided \$20,000 to charitable organization Akhuwat to support its efforts in helping those impacted by the devastating flooding in Pakistan in the summer and fall of 2022.

Advancing Diversity, Equity and Inclusion

The Zimmer Biomet Foundation has partnered with many nonprofit organizations to advance diversity, equity and inclusion, particularly related to disparities and career development in healthcare. Continued collaboration with Zimmer Biomet's global employee resource groups helped identify non-profit organizations aligned with the focus of each group and were included within the Foundation's grant giving in 2022.

As part of the large-scale partnership with the National Association for the Advancement of Colored People (NAACP), our continued funding supported the Black Progress Index, published in September 2022, that explores the quality of life for Black Americans. This data analysis includes an interactive dashboard examining the impact of social and neighborhood conditions on life expectancy in cities and counties across the U.S. This data will empower communities with information to improve the lives of Black-majority cities.

Funding was also provided to support programs that promote diversity and multiculturalism in medical schools and in surgeon professional development, as well as industry minority initiatives to raise orthopedic treatment awareness and support higher education. One example of diversity-related funding is the support we provide to The Perry Initiative, which is committed to inspiring young women to be leaders in the fields of orthopedic surgery and engineering.

Zimmer Biomet is the Founding Sponsor of Nth Dimensions, an educational nonprofit organization created to help increase diversity of women and underrepresented minorities in the field of orthopedics, including pre-medical students, medical students and residents. We are a corporate partner

of the J. Robert Gladden Orthopaedic Society, a multi-cultural organization with a mission to increase diversity within the orthopedic profession. We also provide support to the Ruth Jackson Orthopaedic Society, which is dedicated to advancing the science and practice of orthopedic surgery among women, as well as the American Association of Latino Orthopaedic Surgeons, which represents not only members of Latino descent, but all orthopedists who treat members of the Latino and Hispanic communities.

NAACP www.naACP.org	Nth Dimensions www.nthdimensions.org
Perry Initiative www.perryinitiative.org	
Ruth Jackson Orthopaedic Society www.rjos.org	
J. Robert Gladden Orthopaedic Society www.gladdensociety.org	
American Association of Latino Orthopaedic Surgeons www.aalos.org	

Access to Healthcare

Movement is Life™

In June 2022, Zimmer Biomet announced the creation of an Independent 501(c)(3) for Movement is Life, Inc., a philanthropic, multi-disciplinary coalition founded by the Company in 2010, that seeks to decrease musculoskeletal health disparities among women, racial and ethnic minorities and women living in rural communities. The new non-profit organization will continue its focus on raising awareness of the impact of disparities on chronic disease management and quality of life through programs that focus on early intervention, education, behavior change and advocacy.

The Zimmer Biomet Foundation made a multi-year, multi-million-dollar commitment to continue to support operating costs of the new organization, while enabling it to establish an independent coalition and scale its programs.

Movement is Life held its National Caucus on November 10-11, 2022, in Washington, DC. This event brought together patients, community leaders, healthcare providers and other key stakeholders to develop measurable action plans that move the needle on critical factors and to identify social and structural barriers for people living with joint pain. Several Zimmer Biomet team members attended the Caucus in support of efforts towards the elimination of health disparities.

Patient Privacy and Data Security

At Zimmer Biomet, the patient is always the patient, and never the product. Patient data is used to improve outcomes and create value for patients and their care teams through our algorithms, systems and products in order to support our commitment to the highest standards of patient safety, quality and integrity.

Our commitment to protecting patient and customer data is embodied in our four Privacy and Data Security Pillars:

- **Privacy.** Privacy is a fundamental human right and we maintain robust practices to ensure that privacy is protected. Patients and customers decide what they share with us.
- **Security.** Zimmer Biomet ensures the protection of patient and customer data through robust safeguards. Among other measures, we apply encryption in transit and conduct annual security risk assessments and penetration testing by third parties.
- **Data usage.** We only use customer and patient data to provide the services we have agreed upon, and for purposes that are compatible with providing those services.
- **Ownership.** We put patients and customers in control of their data and have established tools and processes that give patients easy options to exercise their rights with respect to their personal data.

Privacy

There have never been more opportunities to use information collected during treatment to create innovative solutions to improve patient outcomes. At the same time, the importance of protecting patient privacy has never been higher.

Privacy is built into our products and services by design and by default. By taking this approach, we accommodate privacy in an effective and user-friendly way.

We want to make it as easy as possible for patients to communicate their privacy preferences. For example, our mymobility® platform is supported with a dedicated portal powered by OneTrust for individuals to exercise their privacy rights. OneTrust is an industry-leading privacy management solution.

Security

Zimmer Biomet implements and verifies stringent security requirements to protect data we hold for patients and customers. These include a broad array of controls, including encryption, third-party penetration testing, malware defenses, data loss prevention, access limitations and auditing. We comply with security requirements under the Health Insurance Portability and Accountability Act (HIPAA), General Data Protection Regulation (GDPR), California Consumer Privacy Act (CCPA), LGPD (Brazil), China's Personal Information Protection Law (PIPL) and other key data protection regulations reviewed and verified by third-party experts. We are transparent regarding our security controls so that patients and customers can understand and document the ways in which their information is protected.

Data Usage

Zimmer Biomet ensures that information is only collected, used and disclosed for permissible purposes. Through our contracts with customers, notice and consent forms, and other means, we are transparent about the ways we use information to create value for patients and providers. We have implemented robust policies, procedures and trainings designed to ensure that information about patients and customers is handled consistent with those statements.

Ownership

The patient, provider and Zimmer Biomet each have rights and responsibilities regarding data collected during treatment.

Zimmer Biomet's customer engagements, patient consents and notices, and other privacy and information security practices are designed to ensure that these rights and responsibilities are respected.



Digital Health Product Security

Zimmer Biomet's Global Digital Health Product Security Program is centered on enabling and shepherding the efficient and effective continuous improvement of our Total Product Life Cycles (TPLCs) and Software/System Development Life Cycles (SDLCs) for our increasing portfolio of digital health technologies, medical devices, products and services by integrating Secure- TPLC/SDLC leading practices at the forefront and throughout the lifecycles in support of our commitment to the highest standards of patient safety, quality and integrity; and, in alignment with the guidance and expectations of the FDA and other governing bodies and agencies around the world. Additionally, in partnership with key cross-functional stakeholders across the global enterprise, we have achieved and sustained ISO/IEC 27001 Certification for our Surgery Planning Ecosystem for the past two years. ISO/IEC 27001 is a globally recognized and accepted industry standard for information security management systems (ISMS); and an increasing expectation of our global customer healthcare delivery organizations (HDOs). Our certification includes the Drive Case Management System (DCMS), DICOM images we receive from our customers and several facilities in three countries (with planned expansion) for Patient-Specific Instruments (PSI) and Patient-Matching Implants (PMI) (e.g., patient-specific surgical plans for our ROSA® Recon).

Cybersecurity

A strong cybersecurity program is essential in today's business landscape, and we have continued to invest in people, processes and next generation cybersecurity technology solutions to combat this evolving risk. Cyber threats are emerging and evolving daily so we continue to manage these cyber-risks in alignment with industry best practices and frameworks.

Our commitment to cybersecurity includes a programmatic approach aiming to protect the confidentiality, integrity and availability of our systems, data and products. This continuous process ensures that measures are in place to improve and update our cybersecurity program using key methods such as independent assessments, penetration testing, vulnerabilities scanning and maintaining key industry certifications. Zimmer Biomet strives to ensure all third-party vendor management, governance and data protection programs are aligned to best practices, regulations and standards to reduce organizational risk.

We have a dedicated global security operations team that executes the cybersecurity incident response plan and threat management, and conducts regular exercises to ensure our preparedness and effectiveness. Our global cybersecurity awareness program has increased awareness of cyber threats for users, and we continue to share best practices with all team members.

The cybersecurity program is led by Zimmer Biomet's Chief Information Security Officer and the Chief Information Officer, and regular progress updates are presented to the Audit Committee of the Board of Directors.

GOVERNANCE

Corporate Governance

We are committed to effective corporate governance, adhering to the highest ethical standards and acting as a responsible member of our communities. Our business is managed under the direction of our Board of Directors, which has responsibility for establishing broad corporate policies and for our overall performance.

As of March 1, 2023, our Board is made up of 10 directors who have been nominated based on their skills, experiences, backgrounds and the needs of the Board and our Company. Every director must stand for election annually. At all

times, a majority of the Board of Directors must meet the criteria for independence established by applicable laws and regulations and the New York Stock Exchange. All of our directors, except our Chairman, President and Chief Executive Officer, are independent. Directors are recruited to strengthen the Board's diversity and ensure that the Board reflects and understands the diverse perspectives of Zimmer Biomet's stakeholders around the globe. Three of our ten directors (30%) are women, three (30%) are ethnically diverse, one (10%) identifies as LGBTQ+ and four (40%) were born outside the U.S. Additionally, of our four Board committees, one (25%) is chaired by a woman.

2023 Director Nominees	Begley	Bernard	Farrell	Hagemann	Hanson	Higgins	Hilado	Jafry	Kolli	Michelson
Skills and Experience										
Sitting CEO of Medical Device Company			•		•					
Sitting CEO or Global Business Head			•		•					
Prior CEO or Global Business Head	•	•			•	•		•		
Operations Experience	•	•	•	•	•	•		•	•	•
Healthcare Industry Experience	•		•	•	•	•	•	•	•	•
Medical Device Industry Experience	•		•	•	•	•			•	•
International Expertise	•		•	•	•	•	•	•	•	
FDA Experience	•		•	•	•	•			•	
R&D Experience	•		•	•	•	•			•	
Government / Regulatory Affairs / Health Economics Experience	•	•	•		•	•		•	•	
Brand / Marketing Experience	•	•	•		•	•		•	•	
M&A Experience	•	•	•	•	•	•	•	•		•
Financial Expertise	•	•	•	•	•	•	•	•		•
Digital Technology Expertise									•	
Cybersecurity Expertise									•	
Demographics										
Gender	M	F	M	M	M	M	F	M	F	M
Racially/Ethnically Diverse							•	•	•	
LGBTQ+		•								

Race, ethnicity, gender and LGBTQ+ status are self-reported by directors in their annual directors' and officers' questionnaires. Diversity, equity and inclusion data is not standardized and director responses are not required.



One of the key responsibilities of the Board is to have a leadership structure that allows it to provide effective oversight of management and maximize the contributions of its members. Our Board values the flexibility to decide whether having the same person as CEO and Chairman or having separate individuals in each role would best serve the company and shareholders. Our Corporate Governance Guidelines and Restated Bylaws allow for this flexibility. Under our Corporate Governance Guidelines, the Board appoints a Lead Independent Director when the CEO and Chairman roles are combined. At various times in the past, the Board has used both approaches, selecting the approach that best serves the interests of the company and our shareholders at that time.

Among other duties and responsibilities, the Lead Independent Director convenes and presides at meetings of the independent directors (including executive sessions of the independent directors held in conjunction with each regularly scheduled Board meeting), reviews and provides input on meeting agendas for the Board and its committees, and provides feedback on the flow of information from management to the Board. The Lead Independent Director is also available, as appropriate, for direct communication with shareholders.

Zimmer Biomet has developed risk management processes designed to promote long-term shareholder value with oversight by the Board of Directors. Sustainability topics are incorporated into our risk management processes, and various executive leadership team members have responsibility for implementing processes designed to identify, evaluate, mitigate and monitor risks. Reviews of key risks occur at regularly scheduled meetings of the Board of Directors and its committees. The Board executes its oversight responsibility for risk management directly and through its committees:

Audit Committee

Oversight Areas:

- The integrity of our financial statements
- The performance of our Internal Audit function
- Our compliance with legal and regulatory requirements
- Our Corporate Compliance Program
- Privacy, data security, business continuity and cybersecurity-related risk exposures

Compensation and Management Development Committee

Oversight Areas:

- The compensation of our senior executives
- Our incentive and equity-based compensation plans and programs
- Senior management talent and development plans (in conjunction with the full Board)
- Our policies and strategies relating to human capital management (in conjunction with the full Board)

Corporate Governance Committee

Oversight Areas:

- Our public policy, government relations and advocacy activities
- Our sustainability activities, including initiatives related to the environment and climate change
- Our community relations activities and charitable contributions, including the underlying philosophy, goals and purposes of our contribution activities
- Our initiatives related to promoting access to healthcare and other social responsibility issues

Quality, Regulatory and Technology Committee

Oversight Areas:

- Product quality and safety
- Risks relating to our compliance with product quality and safety laws and regulations enforced by the U.S. Food and Drug Administration (FDA) and comparable regulators for other countries
- Research, innovation and technology initiatives

Executive Compensation

Our executives receive fixed compensation (base salary), as well as short-term and long-term performance-based compensation and other compensation. Applicable performance metrics and targets align executives' interests with those of Zimmer Biomet shareholders and are approved by the Compensation and Management Development Committee of our Board of Directors.

As a medical device company, our most important ESG measure is quality. We are committed to the highest standards of patient safety and quality in our products and services and to world-class integrity and ethical business practices. In support of this commitment, and to drive accountability for compliance with, and sustained improvements in, our global quality system, the Compensation and Management Development Committee included a global quality bonus modifier component to executives' annual cash incentive plan in 2021. The modifier was designed such that, based on the achievement of specified global quality metrics related to our FDA inspection results, it could result in a decrease (but not an increase) to executives' 2021 bonus payouts by up to 5%. In 2022, across our global network, we received no new FDA Warning Letters and our average number of Form 483 observations per inspection was less than 3.0. As a result, the global quality bonus modifier had no impact on our executives' 2022 bonus payouts.

For more information on our executive compensation philosophy and programs, please see our [2022 proxy statement](#).

Ethical Business Conduct

We are committed to being a leader in ethics and compliance. Our commitment to the highest standards of patient safety, quality and integrity is a guiding principle that reflects in our robust compliance program.

Whether working with surgeons, regulators, distributors, partners or fellow team members, we know that how we contribute to our mission is as important as what we do.

A Comprehensive Compliance Program

We have implemented a best-in-class Global Compliance Program to prevent and detect potential violations of applicable laws, regulations and industry codes. The Global Chief Compliance Officer leads the function responsible for the management of the program and reports directly to the Chairman, President and Chief Executive Officer, co-equal with other functional department leaders.

Our global Compliance team comprises 80 highly skilled and dedicated lawyers and compliance professionals, located in countries around the world. The four regional compliance teams support the business in the U.S. & Canada; Asia Pacific (APAC); Europe, Middle East & Africa (EMEA); and Latin America, while global compliance teams are responsible for proactive risk assessments, compliance operations, investigations, audit and monitoring, third-party due diligence, trade compliance and overall compliance program management. We ensure all team members receive the training, tools, guidance and resources necessary to perform their jobs in a legal, ethical and compliant manner.

Our compliance program governance framework ensures that the Board, executive management and functional leadership have a shared purpose and role in sustaining, implementing and enhancing the program.

This includes a Global Compliance Steering Committee, composed of senior executive leaders, who develop and oversee the execution of a multi-year Compliance Strategy and Sustainability Plan. Cross-functional sub-committees dedicated to finance, IT and policies ensure broad engagement in Compliance matters. The Board of Directors and senior leadership provide program oversight and are actively engaged during quarterly Audit Committee and executive leadership meetings.

Additional governance structures help advance the Compliance Strategy globally and serve to prevent and detect violations of our business standards. These committees include:

- The Global Arrangements Review Committee works to ensure that all engagements with healthcare professionals (HCP) are free from potential conflicts of interest.
- The Product Development and Evaluation Review Committee is responsible for the review of all proposals related to HCP involvement in new technologies.
- The Clinical Research Review Committee evaluates proposals and determines the needs of the company with respect to the ongoing clinical evaluation and clinical science of our products, in compliance with applicable laws and regulations.

Code of Business Conduct and Ethics

We expect every team member and business partner to conduct their work with honesty, integrity and world-class ethical standards. Comprehensive compliance policies and procedures help team members and business partners navigate the applicable laws, regulations and industry codes, as well as Zimmer Biomet's own ethical standards.

The Zimmer Biomet Code of Business Conduct and Ethics (the Code) defines our expectations that each team member and business partner deliver high performance with high integrity – and articulates the ethical standards to which we hold ourselves and each other accountable. It also guides and inspires our interactions with customers and people in the communities where we live and work.

To ensure every team member understands the Code and is held accountable to it, we:

- Provide the Code in 30 languages online at zimmerbiomet.com
- Train all newly hired or acquired team members within the first 60 days of employment
- Retrain all team members annually, with training available in 16 languages



In 2022:

- **100%** of team members and Zimmer Biomet's Board of Directors successfully completed the Code of Business Conduct and Ethics training

The Code training is regularly refreshed to improve the training experience and ensure content relevancy. In 2022, we enhanced the course to be more interactive, streamlined and time-efficient, while still providing up-to-date content on company policies, laws, regulations, and applicable industry codes of ethics. The course also covers how to handle ethical dilemmas. The Conflicts of Interest training and certification was also incorporated as part of the Code training module.

Fostering a Culture of Ethics and Integrity

All team members play an important role in upholding our ethical standards. Our approach in conducting all aspects of business with the utmost integrity is reflected and discussed during the start of every presentation we conduct, whether internal or external. Our "commit slide" emphasizes the importance of winning the right way by prioritizing patient safety and adhering to our global business policies, laws, regulations, and industry codes of ethics.

Some of the initiatives that help raise awareness and understanding about ethics and compliance globally include:

Compliance Week: Each year, we host "Compliance Week" to demonstrate our commitment to ethical business practices and promote our compliance program. Through engaging activities and communications, we aim to strengthen our compliance culture and inform team members about available resources.

In 2022, the theme of "Winning with Integrity" underscored the importance of doing the right thing every day to ensure we deliver on our mission and business goals compliantly. Team members participated in discussions with leaders and external speakers, meet-and-greet events with compliance team members, competitive compliance contests across various countries and educational trivia contests.

Integrity in Action Awards Program: We regularly recognize team members globally who lead with integrity and go above and beyond to uphold our standards. Each quarter, we recognize team members who have been selected by our regional compliance teams, in consultation with the respective region or business unit leadership teams, for their ethical actions to make the right decisions or speak up when something isn't right. The Leadership Team selects one winner annually as the global winner.

Compliance Team of the Year: Team efforts are celebrated annually with the Compliance Team of the Year award, recognizing a region or business team for their efforts to role model the company's commitment to world-class integrity and ethical business practices; complete certain compliance strategic priorities, such as training completion and timely remediation; and other team actions that go above and beyond the compliance program requirements.

We measure the effectiveness of our efforts to increase awareness and understanding by including targeted questions in the annual Zimmer Biomet Team Member Engagement Survey. Responses provide insight into team members' experiences and identify strengths and areas of opportunity. In 2022, 82% of survey respondents gave a favorable rating for how the company communicates our commitment and expectations around ethical responsibilities and conduct.

Consistent Global Approach to Policy Management

Zimmer Biomet has an established, consistent approach for creating, structuring and maintaining company policies and procedures.

All proposed policies, procedures, work instructions and forms must be reviewed and approved by the cross-functional Policy Committee. This applies to new policy documents and changes to existing policy documents. This committee also reviews the roll-out plans and any other guidance, communication or training that is in scope for each respective document, with a special focus on gatekeeper functions.

All non-QMS policies are stored in a central repository on Zimmer Biomet's intranet where they are organized by function. Each document is translated, as needed, to avoid linguistic barriers.

As a result of these efforts, our document control systems have become better organized with fewer version-control issues and improved alignment with policy training and communications.

Continuous Improvement of the Compliance Program

Our compliance program is dedicated to continuous improvement in line with our growth and evolving environment. We have established a formal continuous improvement protocol built into the overall Compliance Strategy and Sustainability Plan that defines, monitors and executes improvement projects across the compliance landscape.

Each year, we conduct a self-assessment of the compliance program's strength against the U.S. Department of Justice (DOJ) guidance on effective compliance programs. Additionally, every other year the program undergoes specific reviews at the direction and oversight of the management team and Global Compliance Steering Committee.

With the continuous improvement protocol in place, we ensure the sustainability of our compliance program and stay agile in responding to identified areas of risk as well as lessons learned.

Countering Corruption

The cornerstone of our compliance program is Zimmer Biomet's commitment to ensuring that team members and business partners conduct themselves ethically and in compliance with all applicable laws, regulations, industry codes, and our own policies, including refraining from any bribery, kickback, or corruption-related activities.

We have established anti-bribery, anti-corruption and conflicts of interest policies and procedures that cover, among other things, interactions with healthcare professionals, healthcare providers and government officials. These policies and procedures are reinforced by a robust, interactive, annual training program as well as periodic auditing and monitoring. Zimmer Biomet has a zero-tolerance policy when it comes to bribery and corruption.



100% of Zimmer Biomet Team Members Completed Anti-Bribery and Anti-Corruption training in 2022

The Global Third-Party Compliance team supports and monitors business partners, such as distributors, to ensure they adhere our ethical standards. The team reports to the Vice President and Deputy Chief Compliance Officer and is comprised of experienced compliance professionals focused on supporting and managing the due diligence process for all business partners in the regions for which they are responsible, leveraging relevant language expertise and market knowledge to identify and evaluate compliance risks identified through our due diligence process.

We also perform anti-corruption due diligence prior to engaging certain types of high-risk third parties, and periodically during our relationship with those third parties, in addition to third-party compliance audits. Our due diligence process integrates input from our commercial, finance and compliance stakeholders, as well as third-party partners and background reports. The level of depth in the reports is determined by a risk matrix, which also dictates how often partners must undergo renewal due diligence.

Business partners certify to adhere to the Zimmer Biomet Code of Business Conduct and Ethics, complete an anti-corruption certification, and complete mandatory compliance training as part of every due diligence process.

We strengthen these trusted relationships and ensure our partners are meeting our high ethical standards through the execution of the annual Third-Party Check-In program. This program provides greater visibility into changes that may affect our assessment of third-party risks and identifies important updates to our business partners' records.

We also have instituted an audit program that assesses and evaluates compliance with Zimmer Biomet policies and procedures, as well as any applicable laws and regulations, by our third-party business partners, including distributors, sales agents, customs brokers, and travel agents.

A dedicated Compliance Audit team comprised of experienced forensic examiners conduct the audits pursuant to standardized protocols for conducting such audits and reports findings to the relevant regional and global functions. The reports include observations, findings, and root cause analysis, as well as management action plans to mitigate any identified risk. The audit team works with our third-party business partners as well as team members responsible for managing the relationships to ensure completion of the remediation items. Additionally, the Audit Committee of the Board of Directors receives all audit reports, updates on audit findings and the status of action plans.

30
THIRD-PARTY
AUDITS
CONDUCTED

- Third-party audits were conducted, with a particular focus on high-risk business partners

SPEAK UP: ZIMMER BIOMET'S WHISTLEBLOWER PROGRAM

Team members and business partners have a responsibility, as outlined in the Code, to speak up when they become aware of behavior that may be in violation of Zimmer Biomet's policies, applicable laws or industry practices.

Team members and business partners can use our Speak Up Hotline confidentially and anonymously to ask questions or report a concern about a known or potential violation, concerns about safety in the workplace, potential discrimination or harassment, unethical behavior by another team member or a third-party vendor or distributor, falsification of documents, or misuse of Zimmer Biomet resources.

The Speak Up Hotline is available 24 hours a day, 7 days a week. Global direct-dial telephone numbers and local language website capabilities, along with texting options in some geographic locations, empower team members and business partners to report in a language that they are most comfortable.

In addition to the Speak Up Hotline, concerns can be raised directly to managers, Compliance or HR business partners.

Retaliation against anyone who makes a good faith report of a known or suspected compliance or legal issue is prohibited. Retaliation in any form is unacceptable and not tolerated.

The Speak Up Hotline and our commitment to non-retaliation is regularly promoted through global, regional and local communications, leadership messages and on signage at Zimmer Biomet facilities.



In 2022:

- **100 percent** of required Third-Party Check-Ins completed

The Global Compliance Investigations team, reporting to the Vice President and Deputy Chief Compliance Officer, is led by experienced anti-corruption investigators who manage and conduct all compliance investigations. As part of this team there is a dedicated manager to triage and track all reported compliance concerns from investigation to resolution.

We have instituted a robust process to cover the entire lifecycle of an investigation—from initiation through fact finding and remediation. Global and regional remediation committees are responsible for recommending and implementing disciplinary measures and remediation actions resulting from . These committees use a disciplinary matrix to ensure fair and equal application of disciplinary measures across the company. In addition, the Audit Committee of our Board of Directors receives regular reports on hotline complaints, investigations and corrective actions.



100% of all corrective actions assigned were in line with the guidance of Zimmer Biomet's disciplinary matrix

This process ensures that remediation is rooted in a thorough analysis of underlying causes and is implemented in a manner that yields benefits across the entire organization.



100% of remediation activities from compliance investigations, audits and monitoring were successfully completed

Ethical Marketing

We are committed to marketing our products and services truthfully, responsibly and professionally. We engage in marketing activities to announce the availability of new products and services, reinforce existing customer choices, differentiate our products and services from others in the marketplace and increase awareness of medical technologies and treatments among healthcare professionals (HCPs), patients and others. Advertisement and promotion of our products are subject to internal preapproval processes, including approval by Legal and Regulatory Affairs.

We do not engage in activities that promote HCPs or their institutions. Activities related to HCPs must comply with applicable legal and regional practices and meet fair market value requirements. Marketing activities that are conducted must have a commercially reasonable and legitimate business purpose, and cannot involve

cash, fees or other forms of compensation provided directly or indirectly to HCPs or public officials. Marketing activities are also expected to be separate from company-sponsored training or education programs. We do not use marketing to improperly influence purchasing, leasing, recommendation, use, prescription or coverage decisions associated with our products and services.

Compliance with Industry Codes

In addition to adhering to the advertising and marketing practices outlined in our Code of Business Conduct and Ethics and in our Global Procedure on Marketing, we also comply with widely recognized industry codes designed to ensure that relationships with HCPs and other customers are conducted in accordance with the highest ethical standards and transparency.

These codes each acknowledge that upholding high ethical standards and complying with laws are critical to the industry's ability to preserve and promote its collaboration with HCPs. They also serve to clarify and distinguish between appropriate and inappropriate conduct between HCPs and companies.

We strongly endorse the spirit and the letter of the codes for the following associations where Zimmer Biomet is a member:

- ABHI (UK)
- ABIMED Code of Conduct (Brazil)
- ABIMO (Brazil)
- ABRAIDI (Brazil)
- AdvaMed China (China)
- AdvaMed Code of Ethics (United States)
- American Medical Devices and Diagnostics Manufacturers' Association (Japan)
- AMID (Mexico)
- APOMED (Portugal)
- ARTED (Turkey)
- Austromed: Verhaltenskodex (Austria)
- beMedTech (Belgium)
- BVMed: Kodex Medizinprodukte (Germany)
- CANIFARMA (Mexico)
- Confindustria dispositivi medici (Italy)
- CZECHMED (Czech Republic)
- Fenin Code of Ethics (Spain)
- Greek National Organization for Medicines - EOF (Greece)
- IMEDA (CIS)
- Instituto Ética Saúde (Brazil)

- Japan Fair Trade Council of the Medical Devices Industry (Japan)
- Japan Federation of Medical Devices Associations (JFMDA) (Japan)
- Korea Medical Devices Industry Association (Korea)
- Mecomed Code of Ethical Business Practice (Middle East)
- Medical Technology Association of India (India)
- Medical Technology Association of Japan (Japan)
- Medical Technology Industry Group (Singapore)
- Medicoindustrien (Denmark)
- Medtech Committee of American Chamber of Commerce, India (AMCHAM, India)
- MedTech Europe: Code of Ethical Business Practice
- MedTech Sweden (Sweden)
- Malaysia Medical Device Association Code of Ethics (Malaysia)
- MTAA Code of Practice (Australia)
- MTANZ Code of Ethics (New Zealand)
- Nefemed (Netherlands)
- ORDER (Turkey)
- Salib-MedTech (Finland)
- SAMED: Medical Device Code of Ethical Marketing and Business Practice (South Africa)
- SNITEM (France)
- Swiss Medtech (Switzerland)
- Taiwan Advanced Medical Technology Association Code of Ethics (TAMTA, Taiwan)
- Thai Medical Device Technology Industry Association (Thailand)

Zimmer Biomet's Statement of Engagement on Public Policy Issues

We operate in a heavily regulated global marketplace, and it is important to be able to express our views on a variety of proposals to policymakers and other stakeholders in a transparent manner. These efforts include monitoring public policy proposals, analyzing these proposals and advocating for those policies that enhance patient and healthcare provider access to innovative technologies to treat debilitating joint pain and musculoskeletal conditions.

Zimmer Biomet is committed to participating meaningfully and responsibly in the public policy process. Government policy proposals to regulate the healthcare system may directly affect our business and the incentives for innovation. There are also important policy proposals that can further our business interests, including those of our shareholders.

We actively seek to inform the debate on these proposals in the domestically and internationally. We also support policies that advance the interests of patients, improve public health and promote innovation and access to healthcare.

Our engagement in the political process is focused on the following areas:

- Access to musculoskeletal care
- Transparent, timely and scientifically-based regulatory decision-making
- Market-based payment or reimbursement
- Strong protection of patents and other intellectual property rights
- Open and competitive access to international markets
- Tax policies that support innovation and global competitiveness
- Sensible medical malpractice reform

Specific policies of interest:

- **Corporate Tax Policy** – We support tax policies around the world that ensure a globally competitive system for U.S. businesses.
- **Stability in Payment Policies** – As innovation in medical technology changes the way care is delivered, we support payment and reimbursement policies that ensure stability and access for patients, providers, innovators and the entire healthcare ecosystem.
- **Diversity, Equity and Inclusion** – We support policies that strengthen a diverse and inclusive medical technology workforce and ensure equitable patient access to innovative devices and therapies.
- **Medical Device User Fee Amendments (MDUFA)** We support a well-resourced and well-functioning U.S. Food and Drug Administration (FDA). The long-standing user fee program has helped FDA make significant improvements to the regulatory approval process for new medical devices. In 2022, Zimmer Biomet and its industry trade group concluded negotiations with FDA and Congress regarding changes to MDUFA, including a new era of transparency and accountability in the program.
- **Support for International Trade Agreements** – We support trade policy initiatives that seek to improve access to medical devices in overseas export markets.

How Zimmer Biomet Engages in Public Policy

Our primary approach to participating in public policy debate involves communicating information to government officials, public policy makers and their staffs. Our Government Affairs office in Washington, D.C. is responsible for advocacy activities with the U.S. Congress and the Executive Branch, as well as advocacy at the state level. The Government Affairs office, which also has staff outside the U.S., reports to the Senior Vice President and General Counsel.

To assist with this work, we occasionally contract with private firms specializing in government affairs advocacy. These firms provide the organization with expertise on issues that are important to our business and our shareholders.

In compliance with the [U.S. Lobbying Disclosure Act](#), Zimmer Biomet files quarterly reports with the U.S. Congress describing our advocacy activities in Washington, D.C. and the amount of money spent each quarter to support these activities. These reports also include the cost of maintaining the Government Affairs office in Washington, D.C. and the portion of our trade association dues associated with advocacy activities. To view our quarterly lobbying expenditures, click on the link above and search for Zimmer Biomet under registrant.

All ZB team members and agents must abide by our Code of Business Conduct and Ethics. This Code covers a wide range of business practices and procedures and is designed to deter wrongdoing and promote the highest ethical standards. Among other things, the Code makes clear that illegal payments of any kind (monetary or otherwise) to an individual or entity—including officials or employees of national, state, local or foreign governments or national or foreign political candidates—at any time or under any circumstances, are prohibited.

Industry Groups and Trade Associations

We are members of several industry and trade groups, with whom we work on a variety of issues of importance to us and the medical device industry. These groups can help facilitate industry consensus on policy issues and enhance effectiveness in issue advocacy.

With Zimmer Biomet representatives on the boards and committees of industry groups and associations, we can affect policy or related activities. At times, we may not agree fully with the views of these associations or their individual member companies; in such instances, we reserve the right to remove our company from related association or industry group activities, as appropriate .

Following is a list of U.S. industry and trade groups of which Zimmer Biomet is a member and for which we pay at least \$25,000 per year in membership fees, with the percentage of fees attributable to non-tax deductible, federal lobbying expenditures noted in italics:

- Advanced Medical Technology Association (*AdvaMed*) – 10%
- Medical Device Competitiveness Coalition (*MDCC*) – 100%
- U.S. Chamber of Commerce – 20-25%

Political Contributions

Our policies prohibit contributions of corporate funds to candidates, political party committees and political action committees. Contributions by Zimmer Biomet's Political Action Committee (Z-PAC) – which is supported entirely by voluntary contributions made by eligible employees and non-employee directors – support candidates, parties or committees whose views on specific issues are consistent with our priorities. The Z-PAC is governed by an Advisory Committee consisting of representatives from across the Company's U.S. business units and business functions. The Advisory Committee reviews Z-PAC activities and establishes policies and priorities.

The Z-PAC contributes to candidates and political committees on a bi-partisan basis and does not make contributions in connection with U.S. Presidential Elections. Contribution decisions are not made to reflect the personal political views or interests of senior management. In deciding whom to support, consideration is given to candidates who represent the communities Zimmer Biomet serves, those who serve on relevant committees or in leadership and those who have shown support for policies and initiatives of importance to the U.S. In addition, when considering contributions to candidates who fit the above criteria, we consider our corporate values, such as our position on diversity, equity and inclusion.

Contributions made by the Z-PAC are, as required by law, reported in filings with the Federal Election Commission (FEC). The most recent FEC report is available [here](#).



Report of Independent Accountants

To the Board of Directors of Zimmer Biomet Holdings, Inc.

We have reviewed the accompanying management assertion of Zimmer Biomet Holdings, Inc. (the “Company”) that the Scope 1 and Scope 2 greenhouse gas (GHG) emissions metrics (metrics) for the year ended December 31, 2022 in management’s assertion are presented in accordance with the assessment criteria set forth in management’s assertion. The Company’s management is responsible for its assertion and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the metrics. Our responsibility is to express a conclusion on management’s assertion based on our review.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants (AICPA) in AT-C section 105, *Concepts Common to All Attestation Engagements*, and AT-C section 210, *Review Engagements*. Those standards require that we plan and perform the review to obtain limited assurance about whether any material modifications should be made to management’s assertion in order for it to be fairly stated. The procedures performed in a review vary in nature and timing from, and are substantially less in extent than, an examination, the objective of which is to obtain reasonable assurance about whether management’s assertion is fairly stated, in all material respects, in order to express an opinion. Accordingly, we do not express such an opinion. Because of the limited nature of the engagement, the level of assurance obtained in a review is substantially lower than the assurance that would have been obtained had an examination been performed. We believe that the review evidence obtained is sufficient and appropriate to provide a reasonable basis for our conclusion.

We are required to be independent and to meet our other ethical responsibilities in accordance with relevant ethical requirements related to the engagement.

The firm applies the Statements on Quality Control Standards established by the AICPA and, accordingly, maintains a comprehensive system of quality control.

The procedures we performed were based on our professional judgment. In performing our review, we performed inquiries, performed tests of mathematical accuracy of computations on a sample basis, read relevant policies to understand terms related to relevant information about the metrics, and reviewed supporting documentation in regard to the completeness and accuracy of the data in the metrics on a sample basis.

GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.

As discussed in management’s assertion, the Company has estimated GHG emissions for certain emissions sources for which no primary usage data is available.

Based on our review, we are not aware of any material modifications that should be made to the Company’s management assertion in order for it to be fairly stated.

A stylized, handwritten-style signature of "PricewaterhouseCoopers LLP" in a dark grey or black ink.

Florham Park, New Jersey
July 27, 2023

PricewaterhouseCoopers LLP, 400 Campus Drive, Florham Park, NJ 07932
T: (973) 236 4000, www.pwc.com/us



ZIMMER BIOMET MANAGEMENT ASSERTION

Overview

With respect to the Scope 1 and Scope 2 greenhouse gas (GHG) emissions metrics (metrics) reported by Zimmer Biomet Holdings, Inc. (the “Company”) for the year ended December 31, 2022 and presented in Table 2 below, the Company’s management asserts that such metrics are presented in accordance with the assessment criteria set forth below.

Management is responsible for the completeness, accuracy, and validity of the metrics and for the selection of the criteria, which management believes provide an objective basis for measuring and reporting on the metrics.

Organizational Boundary

The Company uses the operational control approach (as discussed in the GHG Protocol Corporate Accounting and Reporting Standard, see footnote 1 below) to account for and report its metrics. This approach includes sites identified in Table 1 below. The following type of sites are excluded from the metrics: commercial or sales, storage of non-product materials, field inventory storage (node 2), third-party logistics facilities, residential structures, and sub-leased facilities. See footnote 7 below for the methodology used for acquired and divested sites.

Table 1: Description of Company sites

Site Type	Site Activities
Manufacturing	Manufacture products, including orthopedic implants, orthopedic instruments, surgical equipment, surgical products and tools, and robotics.
Distribution (Node 1)	Store and distribute products and materials.
Warsaw, Indiana North and West Campuses	All buildings constituting part of our Warsaw, Indiana North Campus and West Campus that manufacture, distribute and or store products and materials, as well as building structures that support manufacturing, distribution, product and material storage, office structures, hotel and hangar.

Table 2: Metrics – GHG Emissions

GHG Emissions Metric ^{1,2,3,6,7}	Quantity
Scope 1 GHG Emissions ⁴ Direct GHG emissions from natural gas, propane and diesel consumption at the sites defined in Table 1.	11,294 Metric Tons CO ₂ e
Scope 2 GHG Emissions (location-based) ⁵ Indirect GHG emissions from the generation of electricity purchased by the Company for use at the sites defined in Table 1.	105,803 Metric Tons CO ₂ e
Scope 2 GHG Emissions (market-based) ⁵ Indirect GHG emissions from the generation of electricity purchased by the Company for use at the sites defined in Table 1.	78,507 Metric Tons CO ₂ e

GHG Emissions Disclosures

1. The Company considers the principles and guidance of the World Resources Institute (WRI) and the World Business Council for Sustainable Development's (WBCSD) *The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard, Revised Edition*, and *GHG Protocol Scope 2 Guidance: An amendment to the GHG Protocol Corporate Standard* (together the "GHG Protocol") to guide the criteria to assess, calculate and report GHG emissions.
2. GHG emissions quantification is subject to significant inherent measurement uncertainty because of such things as GHG emissions factors that are used in mathematical models to calculate GHG emissions, and the inability of these models, due to incomplete scientific knowledge and other factors, to accurately measure under all circumstances the relationship between various inputs and the resultant GHG emissions. Environmental and energy use data used in GHG emissions calculations are subject to inherent limitations, given the nature and the methods used for measuring such data. The selection by management of different but acceptable measurement techniques could have resulted in materially different amounts or metrics being reported.
3. Actual or estimated energy and fuel usage from emissions sources is utilized for calculating emissions. The usage is multiplied by the relevant emission factor and global warming potential (GWP). A general formula for calculating emissions is:
 - Usage x Emission Factor x Global Warming Potential = Metric Tons CO₂e Emissions.
 - GHG emissions are calculated in metric tons of CO₂ equivalents (or "CO₂e") using the GWP taken from the Intergovernmental Panel on Climate Change (IPCC) Fifth Assessment Report (AR5 – 100 year) published in 2014. CO₂e emissions are calculated by multiplying actual or estimated energy and fuel usage by the relevant emission factor and GWP of the subject gases. All emission factors are updated annually where applicable. Carbon dioxide equivalent (CO₂e) emissions are inclusive of carbon dioxide (CO₂), nitrous oxide (N₂O), and methane (CH₄). Hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs) are emitted but excluded from our reporting. Sulfur hexafluoride (SF₆) and nitrogen trifluoride (NF₃) are not emitted by the Company.
4. Related to Scope 1 GHG emissions:
 - **Natural gas:**
 - a. Combustion from stationary equipment and machinery at the Company's sites.
 - b. Global natural gas usage data was collected from monthly utility invoices obtained from third-party providers or based on an annual summary report obtained from said third-party providers.
 - c. Where a monthly utility invoice or an annual summary report was not available, the Company estimated natural gas usage by determining an average monthly natural gas usage rate based on available monthly invoices for other months for the site.
 - **Propane and diesel:**
 - a. Combustion from emergency and portable generators, powered industrial vehicles (e.g., forklifts), and temporary space heaters used at sites.
 - b. Global propane and diesel usage data was collected from invoices and fuel reports obtained from third-party providers or based on an annual summary report obtained from said third-party providers.
 - c. No estimates were necessary for global propane and diesel usage as actual usage data was available for each site.
 - Estimated emissions from the sources above account for approximately 1% of the reported Scope 1 GHG emissions.
 - Scope 1 GHG emissions excluded:
 - a. Mobile combustion: Combustion from the operation of the Company's diesel and gasoline global vehicle fleet and aviation fuel from the operation of aircraft used for Company business
 - b. Fugitive emissions (e.g., refrigerants)

5. Related to Scope 2 GHG emissions:

- **Purchased Electricity:**
 - a. GHG emissions from the generation of electricity purchased by the Company for use at the Company's sites.
 - b. Global electricity usage data was collected from monthly utility invoices obtained from third-party providers or based on an annual summary report obtained from said third-party providers.
 - c. Where a monthly utility invoice or an annual summary report was not available, the Company estimated electricity usage by determining an average monthly electricity usage rate based on available monthly invoices for other months for the site.
- Estimated emissions from purchased electricity account for less than 1% of the reported Scope 2 GHG location-based and market-based emissions.
- Scope 2 GHG emissions excluded:
 - a. Emissions from steam, heating, and cooling

6. The Company used the following emission factors per emission type and source in the calculation of GHG emissions:

- Scope 1 GHG emissions: United States (U.S.) Environmental Protection Agency (EPA) Center for Corporate Climate Leadership, Emissions Factors for Greenhouse Gas Inventories (April 2022).
- Scope 2 GHG emissions (location-based):
 - U.S.: U.S. EPA Emissions & Generation Resource Integrated Database (eGrid) subregion emission factors for 2021 (January 2023)
 - All other countries: International Energy Agency (IEA) Emissions Factors 2022 (September 2022)
- Scope 2 GHG emissions (market-based):
 - The Company has two contractual instruments for renewable electricity procurement: 1) Virtual Power Purchase Agreement (VPPA) to purchase renewable energy credits (RECs) to be applied to cover electricity usage at U.S. sites and 2) Green Power Contract for one specific location for the period June 25, 2021 through June 24, 2022 for which the kilowatt hours (KWh) have been applied to electricity usage for the year ended December 31, 2022. The RECs applicable to 2022 associated with the VPPA and Green Power Contract have been retired as of the date of this management assertion. Any remaining electricity usage was converted to emissions using the grid-average emission factors as described below.
 - i. The Company uses supplier specific emission factors for electricity when available
 - ii. Europe: Association of Issuing Bodies (AIB) European Residual Mixes Emission Factors 2021 (May 2022)
 - iii. The Company uses the location-based emission factors if a supplier specific or residual mix emission factor is not available

7. The methodology used for acquired/divested sites is as follows:

- In 2022, there have been no acquisitions.
- In 2022, the Company has divested of ZimVie Inc. (ZimVie), its Dental and Spine business, as of March 1, 2022. Emissions for the sites related to the ZimVie business have been included for the period prior to the divestiture (January and February 2022).

2022 Sustainability Accounting Standards Board Index

We are proud to publish Zimmer Biomet's first Sustainability Accounting Standards Board (SASB) Index. This reflects our continued commitment to our sustainability efforts and increased transparency in our sustainability disclosures.

Topic	Code	SASB Metric	2022 Reporting
Affordability & Pricing	HC-MS-240a.2	Description of how price information for each product is disclosed to customers or to their agents	In the United States, a customer will typically engage with a local sales representative who will work with their local office to provide pricing for products the customer is interested in purchasing. Larger systems issue RFPs, which Zimmer Biomet responds and then enters into a formal agreement. Pricing is communicated during the contract process and can either be shared by hard copy (local, state or federal government accounts), email or through electronic interchanges.
Product Safety	HC-MS-250a.1	Number of recalls issued, total units recalled	9 recalls in 2022
Product Safety	HC-MS-250a.3	Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	None
Product Safety	HC-MS-250a.4	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	None
Ethical Marketing	HC-MS-270a.1	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	None
Ethical Marketing	HC-MS-270a.2	Description of code of ethics governing promotion of off-label use of products	Please see page 26
Product Design & Lifecycle Management	HC-MS-410a.1	Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	N/A
Product Design & Lifecycle Management	HC-MS-410a.2	Total amount of products accepted for takeback and reused, recycled, or donated, broken down by: 1) devices and equipment and 2) supplies	None

Topic	Code	SASB Metric	2022 Reporting
Supply Chain Management	HC-MS-430a.1	Percentage of 1) entity's facilities and 2) tier I suppliers' facilities participating in third-party audit programs for manufacturing and product quality	100% of Zimmer Biomet manufacturing sites are audited by a third-party and are ISO certified. 50% of Tier 1 suppliers are audited by a third-party. The highest risk suppliers are audited by a third-party as part of their ISO certification or are audited by a Zimmer Biomet facility. Those suppliers not participating in third-party audit programs have been vetted as the lowest risk, given the minimal likelihood of severity to the Zimmer Biomet quality system based on a failure of the product or service to meet specifications.
Supply Chain Management	HC-MS-430a.2	Description of efforts to maintain traceability within the distribution chain	Zimmer Biomet and all distributors, including all sales and office staff, are required to implement identification and traceability controls. Distribution records must include the customer's name, address, part number, control number, date and quantity shipped. The distribution record is maintained by Zimmer Biomet from the time of receipt through storage, handling and distribution until the product is implanted into a patient, permanently retired from use or permanently disposed.
Supply Chain Management	HC-MS-430a.3	Description of the management of risks associated with the use of critical materials	Please see page 18
Business Ethics	HC-MS-510a.1	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	None
Business Ethics	HC-MS-510a.2	Description of code of ethics governing interactions with health care professionals	Please see page 27

For ESG surveys please contact surveys@zimmerbiomet.com

For ESG inquiries please contact Keri Mattox at keri.mattox@zimmerbiomet.com or Willard McCloud at willard.mccloudiii@zimmerbiomet.com

SAFE HARBOR STATEMENT UNDER THE PRIVATE SECURITIES LITIGATION REFORM ACT OF 1995

This report contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995, including statements regarding expectations, plans, intentions, strategies or prospects. We generally use the words “may,” “will,” “expects,” “believes,” “anticipates,” “plans,” “estimates,” “projects,” “assumes,” “guides,” “targets,” “forecasts,” “sees,” “seeks,” “should,” “could,” “would,” “predicts,” “potential,” “strategy,” “future,” “opportunity,” “work toward,” “intends,” “guidance,” “confidence,” “positioned,” “design,” “strive,” “continue,” “look forward to” and similar expressions to identify forward-looking statements. All statements other than statements of historical or current fact are, or may be deemed to be, forward-looking statements. Such statements are based upon the current beliefs, expectations and assumptions of management and are subject to significant risks, uncertainties and changes in circumstances that could cause actual outcomes and results to differ materially from the forward-looking statements. These risks, uncertainties and changes in circumstances include, but are not limited to: the effects of business disruptions such as the COVID-19 pandemic, either alone or in combination with other risks on our business and operations; the risks and uncertainties related to our ability to successfully execute our restructuring plans; control of costs and expenses; our ability to attract, retain and develop the highly skilled employees, senior management, independent agents and distributors we need to support our business; the possibility that the anticipated synergies and other benefits from mergers and acquisitions will not be realized, or will not be realized within the expected time periods; the risks and uncertainties related to our ability to successfully integrate the operations, products, employees and distributors of acquired companies; the effect of the potential disruption of management’s attention from ongoing business operations due to integration matters related to mergers and acquisitions; the effect of mergers and acquisitions on our relationships with customers, suppliers and lenders and on our operating results and businesses generally; the ability to form and implement alliances; dependence on a limited number of suppliers for key raw materials and other inputs and for outsourced activities; the risk of disruptions in the supply of materials and components used in manufacturing or sterilizing our products; supply and prices of raw materials and products; breaches or failures of our information technology systems or products, including by cyberattack, unauthorized access or theft; challenges relating to changes in and compliance with governmental laws and regulations affecting our U.S. and international businesses, including regulations of the U.S. Food and Drug Administration

(FDA) and foreign government regulators, such as more stringent requirements for regulatory clearance of products; the outcome of government investigations; dependence on new product development, technological advances and innovation; shifts in the product category or regional sales mix of our products and services; competition; pricing pressures; changes in customer demand for our products and services caused by demographic changes or other factors; the impact of healthcare reform and cost containment measures, including efforts sponsored by government agencies, legislative bodies, the private sector and healthcare purchasing organizations through reductions in reimbursement levels and otherwise; the impact of substantial indebtedness on our ability to service our debt obligations and/or refinance amounts outstanding under our debt obligations at maturity on terms favorable to us, or at all; changes in tax obligations arising from examinations by tax authorities and from changes in tax laws in jurisdictions where we do business, including those expected to occur as a result of the “base erosion and profit shifting” project undertaken by the Organisation for Economic Co-operation and Development and otherwise; challenges to the tax-free nature of the ZimVie Inc. (“ZimVie”) spinoff transaction and the subsequent liquidation of our retained interest in ZimVie; the risk of additional tax liability due to the recategorization of our independent agents and distributors to employees; the risk that material impairment of the carrying value of our intangible assets, including goodwill, could negatively affect our operating results; changes in general domestic and international economic conditions, including interest rate and currency exchange rate fluctuations; changes in general industry and market conditions, including domestic and international growth, inflation and currency exchange rates; the domestic and international business impact of political, social and economic instability, tariffs, trade restrictions and embargoes, sanctions, wars, disputes and other conflicts, including on our ability to operate in, export from or collect accounts receivable in affected countries; challenges relating to changes in and compliance with governmental laws and regulations affecting our U.S. and international businesses, including regulations of the FDA and foreign government regulators relating to medical products, healthcare fraud and abuse laws and data privacy and security laws; the success of our quality and operational excellence initiatives; the ability to remediate matters identified in inspectional observations or warning letters issued by the FDA and other regulators, while continuing to satisfy the demand for our products; product liability, intellectual property and commercial litigation losses; and the ability to obtain and maintain adequate intellectual

property protection. A further list and description of these risks and uncertainties and other factors can be found in our Annual Report on Form 10-K for the year ended December 31, 2022, including in the sections captioned “Cautionary Note Regarding Forward-Looking Statements” and “Item 1A. Risk Factors,” and our subsequent filings with the Securities and Exchange Commission (SEC). Copies of these filings are available online at www.sec.gov, www.zimmerbiomet.com or on request from us. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in our filings with the SEC. Forward-looking statements speak only as of the date they are made, and we expressly disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Recipients of this report are cautioned not to rely on these forward-looking statements since there can be no assurance that these forward-looking statements will prove to be accurate. This cautionary note is applicable to all forward-looking statements contained in this report.

