

Smith+Nephew

S+N CMD  
2025  
LDN

8 December 2025





# 01 Introduction

**Deepak Nath Ph.D.**  
Chief Executive Officer





# Agenda

- 01 Introduction
- 02 Innovation
- 03 Sports Medicine
- 04 Ear, Nose and Throat
- 05 Advanced Wound Management
- 06 Orthopaedics
- 07 Our Way to Win
- 08 Financials
- 09 Q&A
- 10 Wrap-up



# Our 2028 ambition to accelerate growth and improve returns

**6–7%**

Organic revenue  
CAGR



**9–10%**

Trading profit  
CAGR



**> \$1bn**

2028 FCF



**12–13%**

ROIC in 2028





**Well positioned in attractive markets worth c.\$50bn,  
growing 6%<sup>1</sup>**

**Advanced Wound  
Management**



**\$13bn**

S+N #2 player  
13% share

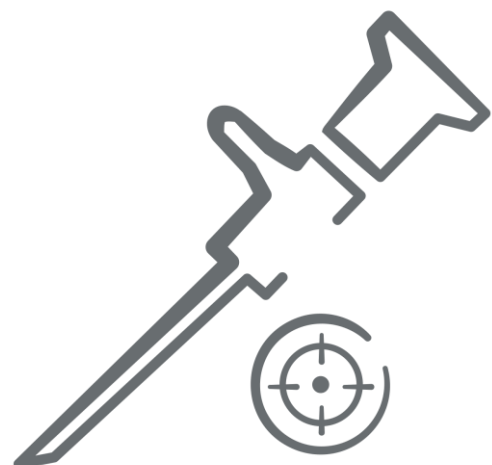
**Orthopaedics<sup>2</sup>**



**\$33bn**

S+N #4 player  
7% share

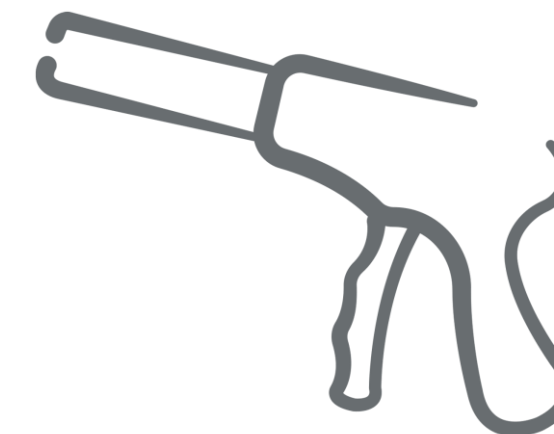
**Sports Medicine**



**\$7bn**

S+N #2 player  
25% share

**Ear, Nose and Throat**

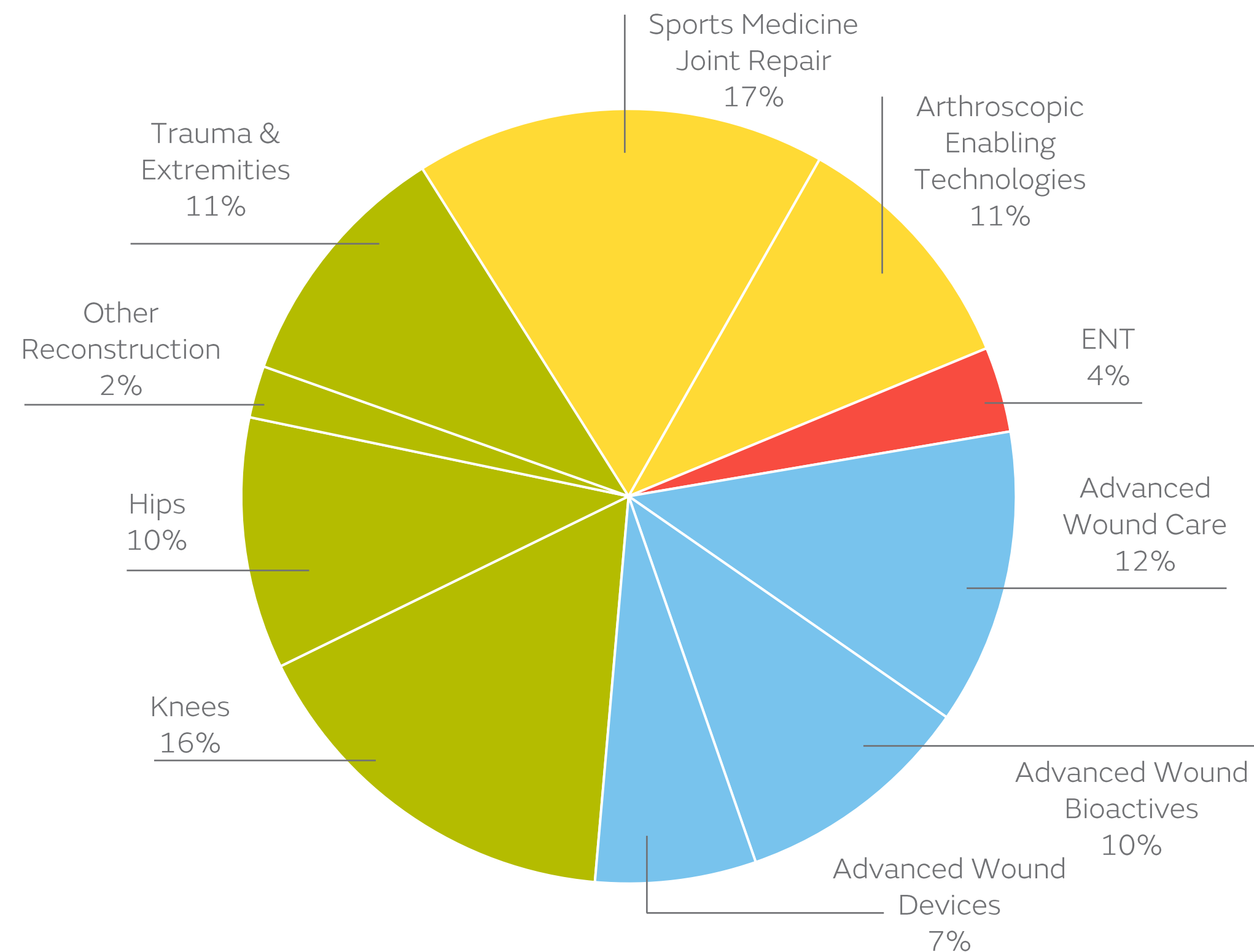


**\$2bn**

S+N joint #4 player  
9% share

# Strong, diversified portfolio across product categories

## Estimated revenue split in 2025



### Orthopaedics



39%

### Sports Medicine



28%

### Advanced Wound Management



29%

### Ear, Nose and Throat (ENT)



4%



# Strong track record of disruptive innovation



Arthroscopy

**COBLATION<sup>◇</sup>**  
**Technology**



Knee  
Replacement

**JOURNEY<sup>◇</sup> II**  
**OXINIUM<sup>◇</sup>**



Hip Fracture

**TRIGEN<sup>◇</sup>**  
**INTERTAN<sup>◇</sup>**



Negative  
Pressure

**PICO<sup>◇</sup>**

# Highly experienced leadership team



**John Rogers**  
Chief Financial Officer



**Elga Lohler**  
Chief Human Resources  
Officer



**Ajay Dhankhar, Ph.D.**  
Chief Corporate Strategy  
& Development Officer



**Paul Connolly**  
President,  
Global Operations



**Alison Parkes, Ph.D.**  
Chief Compliance Officer



**Mizanu Kebede**  
Chief Quality &  
Regulatory Affairs  
Officer



**Craig Gaffin**  
President, Global  
Orthopaedics



**Rohit Kashyap, Ph.D.**  
President, AWM and  
Global Commercial  
Operations



**Scott Schaffner**  
President, Global Sports  
Medicine



**Vasant Padmanabhan,  
Ph.D.**  
President, Global R&D,  
ENT & Emerging Markets



**Helen Barraclough**  
Group General Counsel  
and Company Secretary



# 12-Point Plan

# Delivered on 12-Point Plan actions

## Key achievements

### Fixing Orthopaedics

- Product availability issues addressed
- Capacity right-sized and Memphis facility significantly improved
- Operations re-wired
- Commercial engine revamped
- Accelerated hip, trauma & robotics pipeline

### Accelerating Sports & AWM

- Step up in growth delivered

### Improving productivity

- Productivity delivered - more than offsets additional headwinds



# Significantly strengthened the business

## Moved to a Business Unit led structure

- Simpler global structure
- Greater accountability
- Increased customer focus



## New ways of working

- Aligned performance measures
- Greater focus on KPIs
- Continuous improvement



## Increased focus on cash and capital returns

- Cost savings across the business
- Zero-based budgeting
- Disciplined capital allocation



# Successfully elevated our financial performance

**LSD to MSD**  
Revenue growth



**c.220bp**  
Increase in Group  
trading margin



**c.14x**  
Increase in FCF



**c.300bp**  
Increase in ROIC





# Our new strategy

# RISE: Our strategy to elevate Smith+Nephew

**E**

## Execute efficiently

Drive enterprise productivity and asset efficiency to expand margins and returns

**S**

## Scale through strategic investment

Allocate capital to high return and high growth opportunities aligned to our portfolio priorities

**I**

## Innovate to enhance the standard of care

Accelerate new product launches and rapidly scaling existing innovation platforms

**R**

## Reach more patients

Drive adoption of differentiated portfolio and take share across indications, settings and markets worldwide





# REACH more patients: 15m → 20m by 2028

- Expand indications and drive global adoption of our unique products (e.g. REGENETEN<sup>◇</sup> and AGILI-C<sup>◇</sup>)
- Take share by accessing new settings and patient populations (e.g. with ALLEVYN<sup>◇</sup> COMPLETE CARE and PICO)
- Use CORI<sup>◇</sup> (one platform for all joints) to drive adoption of recent orthopaedic launches, especially in ASCs
- Transform standard of care with disruptive products like TULA<sup>◇</sup>
- Increase participation in high-growth emerging markets



# INNOVATE to enhance the standard of care

- Maintain industry-leading innovation cadence through increased R&D spend
- Continue to invest in knees and create differentiation with launch of LANDMARK<sup>◇</sup> knee
- Accelerate our biologics platform to deliver breakthrough solutions across full continuum of care
- Launch revolutionary FIRST in INDUSTRY spatial surgery arthroscopic platform
- Deliver next-generation cloud-connected LEAF<sup>◇</sup> to prevent pressure injuries





# SCALE through strategic investment

- Build a world-class market access and clinical affairs engine
- Accelerate M-TECH platform capabilities (CORI, TESSA<sup>◇</sup>, LEAF, INTELLIO<sup>◇</sup>, LUMOS<sup>◇</sup>)
- Shift Orthopaedics capital allocation and inventory deployment to platforms with proven returns
- Deploy FCF into high-return, high growth categories and channels
- Leverage optionality to pursue strategic M&A in areas of strength





# EXECUTE efficiently

- Continue to strengthen Orthopaedics commercial engine discipline (Ortho 360)
- Rationalise portfolio complexity
- Continue to improve inventory health
- Adopt a single global ERP platform
- Deploy AI across supply chain, pricing, forecasting and customer service
- Reinvest productivity gains into innovation and commercial capabilities



# Our cultural framework for success



# Key messages

- + 12-Point Plan has delivered and provides a strong foundation for future
- + Ambitious new strategy, RISE, will reach 5m more patients in 2028
- + Innovation, with step up in R&D for SPM<sup>1</sup> and AWM<sup>2</sup>, and improved commercial execution, will drive revenue growth moving us to market leader in SPM and AWM
- + Positive actions taken to normalise supply and right-size capacity in Orthopaedics sets us on a clear path to 20% margin in that business unit by 2030
- + Continued focus on group wide productivity and further operational efficiencies will deliver trading profit growth
- + Strong cash generation provides optionality for strategic M&A to reinforce success





# Our 2028 ambition to accelerate growth and improve returns

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**12–13%**

ROIC in 2028



02

# Innovation

**Vasant Padmanabhan, Ph.D.**

President R&D, ENT  
and Emerging Markets

S+N



# Strong track record of disruptive innovation



Arthroscopy

**COBLATION**  
Technology



Knee  
Replacement  
**JOURNEY II**  
**OXINIUM**



Hip Fracture

**TRIGEN**  
**INTERTAN**



Negative  
Pressure  
**PICO**



## Strong track record of R&D investment and productivity

**\$1.2bn**

Total R&D investment  
2021-2024



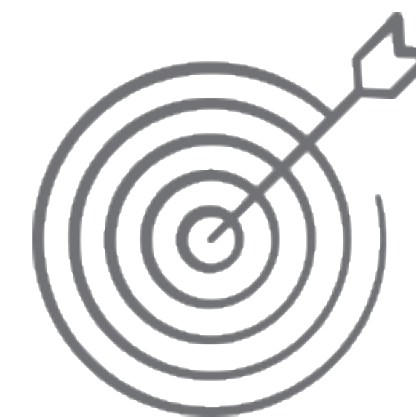
**5.6%**

Average R&D spend as  
proportion of sales  
2021-2024



**78**

New products launched  
2021-2025



**>50%**

Revenue growth from  
products launched in  
last five years



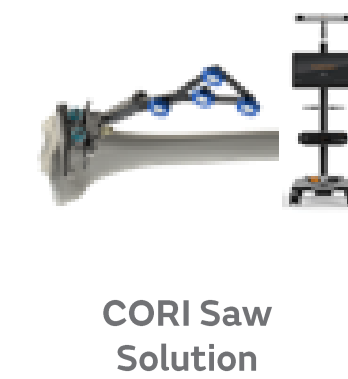
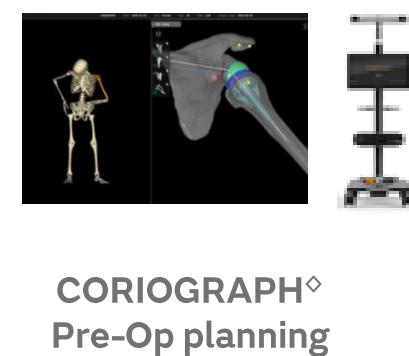
# New product launches balanced across incremental and transformative innovations

2023-2025 Major launches driving growth

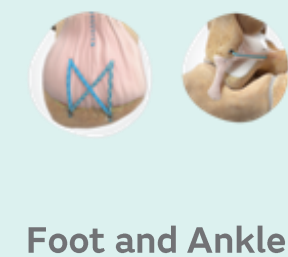
## Orthopaedics Implants



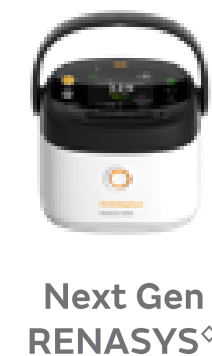
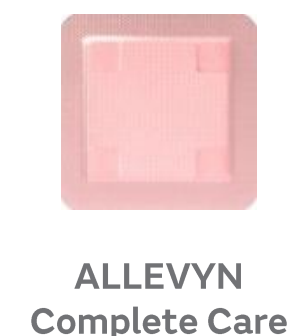
## Orthopaedics Enabling Tech



## Sports Medicine & ENT



## Advanced Wound Management



## 2026 and beyond



Round out **Ortho knee** implant portfolio



**M-TECH** including visualisation, AI based segmentation, navigation and robotics for surgical applications



**Biologics** transforming healing across wound and joint care

# Driving platform innovation across the enterprise

## M-TECH: Musculoskeletal Technologies for Enhanced Care and Healing



Build out existing differentiated, AI-enabled solutions

## Biologics



Expand on the foundational key technologies of REGENETEN, AGILI-C, SANTYL<sup>®</sup> and Next Gen wound biologics



# CORI – a unique robotic-assisted solution

## Intentionally designed to be different

- Flexible and scalable
- Handheld robotic precision
- Image-agnostic
- Competitive price point
- Well suited to range of settings, including ASC

**> 1100** Installed CORI<sup>◇</sup>  
systems worldwide



CORI<sup>◇</sup>  
**Surgical System**

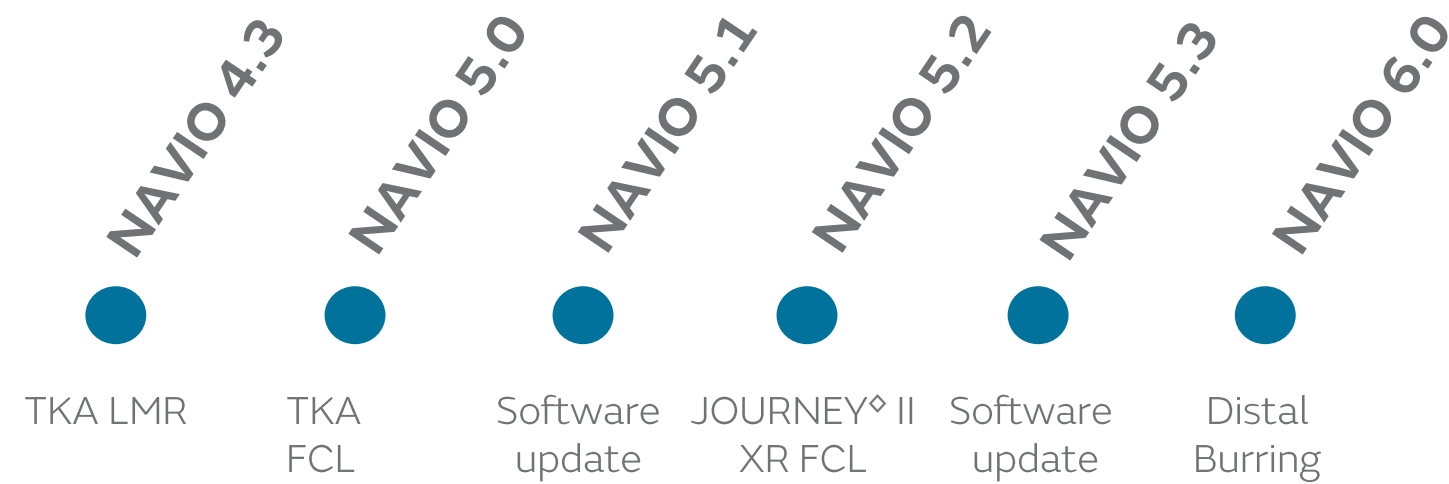


CORI XT<sup>◇</sup>  
**Surgical System**

# CORI – Continued cadence of new product development

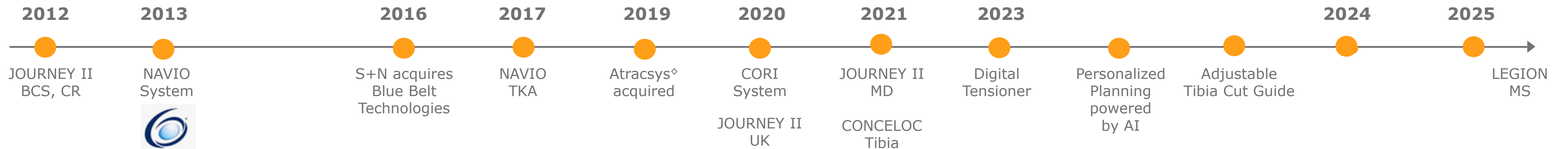
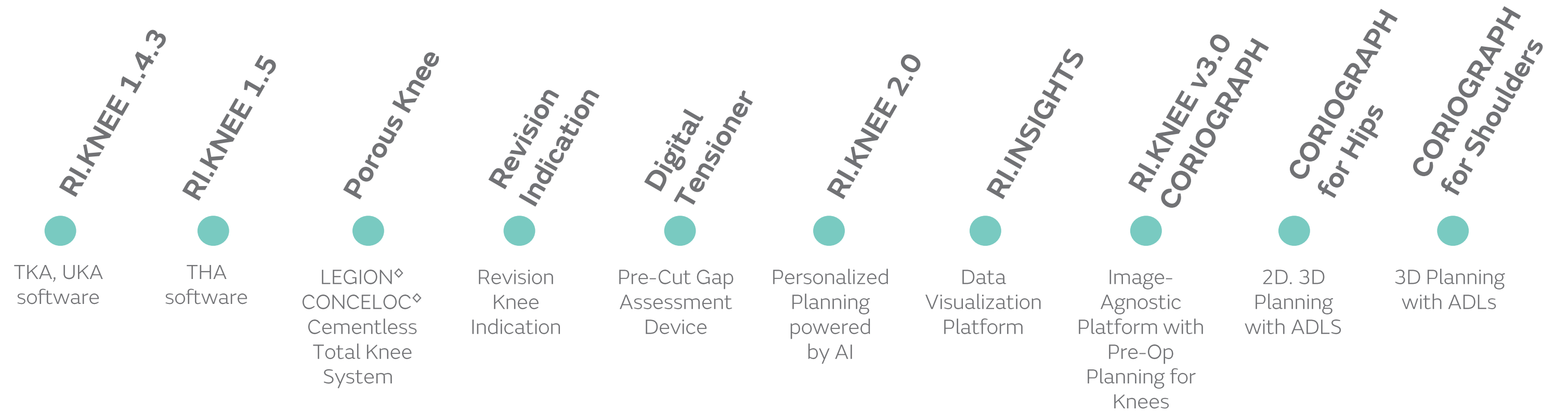
## 1<sup>st</sup> Generation Robotics

### NAVIO<sup>◇</sup> System



## 2nd Generation Robotics

### CORI<sup>◇</sup> System



# TESSA – Tracking-Enabled Spatial Surgery Assistant

## First of its kind arthroscopic video-based navigation

- Patient specific image-based planning
- Segmentation and 3D bone model creation utilising AI
- Seamless workflow integration



Under review  
with FDA





# LEAF – monitoring to prevent pressure injuries (PI)

## Incorporating sensors into dressings

- Designed to monitor patient turn to prevent PIs
- Next Generation system in development
- Cloud-based to drive more efficient installations
- Digital solutions deliver enhanced value

2.5m

Hospital acquired  
pressure injuries in  
the US annually

S+N



# Biologics – our scalable framework to enhance repair and regeneration

## Prevent



AGILI-C

- Change disease trajectory
- Slow, halt or reverse progression

## Prepare



GRAFIX

- Tissue optimisation
- Prime the wound for healing

## Promote



REGENETEN

- Accelerate healing
- Restore function faster
- Reduce re-injury risk

# Innovation complemented by compelling clinical evidence

## AGILI-C

- Established CAT 1 CPT code effective 1 Jan 2027
- Compendium of evidence showing superior outcomes at two and four years<sup>1,2</sup>



## PICO

- RWE study post C-section
- PICO significantly reduces incidence of surgical site infections and complications<sup>3</sup>



## CORI and JOURNEY II

- Level 1 RCT
- CORI assisted TKA significantly improved PROMS at two years<sup>4</sup>
- Significantly fewer patients required soft tissue releases



## TULA

- Established CAT 3 code 2021
- CMS set reimbursement payment in Oct 2025
- Important step towards widespread adoption





# S+N innovation engine enables our business to compete at scale

## Innovation that matters

Breadth of technical competencies staying close to the customer



## Flawless NPD execution

- Prioritisation of high value, high growth opportunities
- Execution efficiency with AGILE ways of working
- Partnership model for efficient program delivery

## Compelling evidence of clinical & economic value

- High quality evidence enabling market registration, access, and adoption
- Shaping new and improved standards of care
- Industry leading automation and AI for functional excellence



# Key messages

- + We have a rich history of delivering disruptive innovations that matter
- + Our innovation strategy is led by our Business Units and supported by our enterprise-wide Centres Of Excellence and clinical evidence capabilities
- + We have two key scalable enterprise-wide innovation platforms: M-TECH and Biologics
- + We will continue to deliver both incremental and transformative innovation and maintain a strong cadence of product launches across all business units
- + We are confident that our innovation engine will deliver our mid-term ambitions





03

# Sports Medicine

**Scott Schaffner**  
Global President

**S+N**

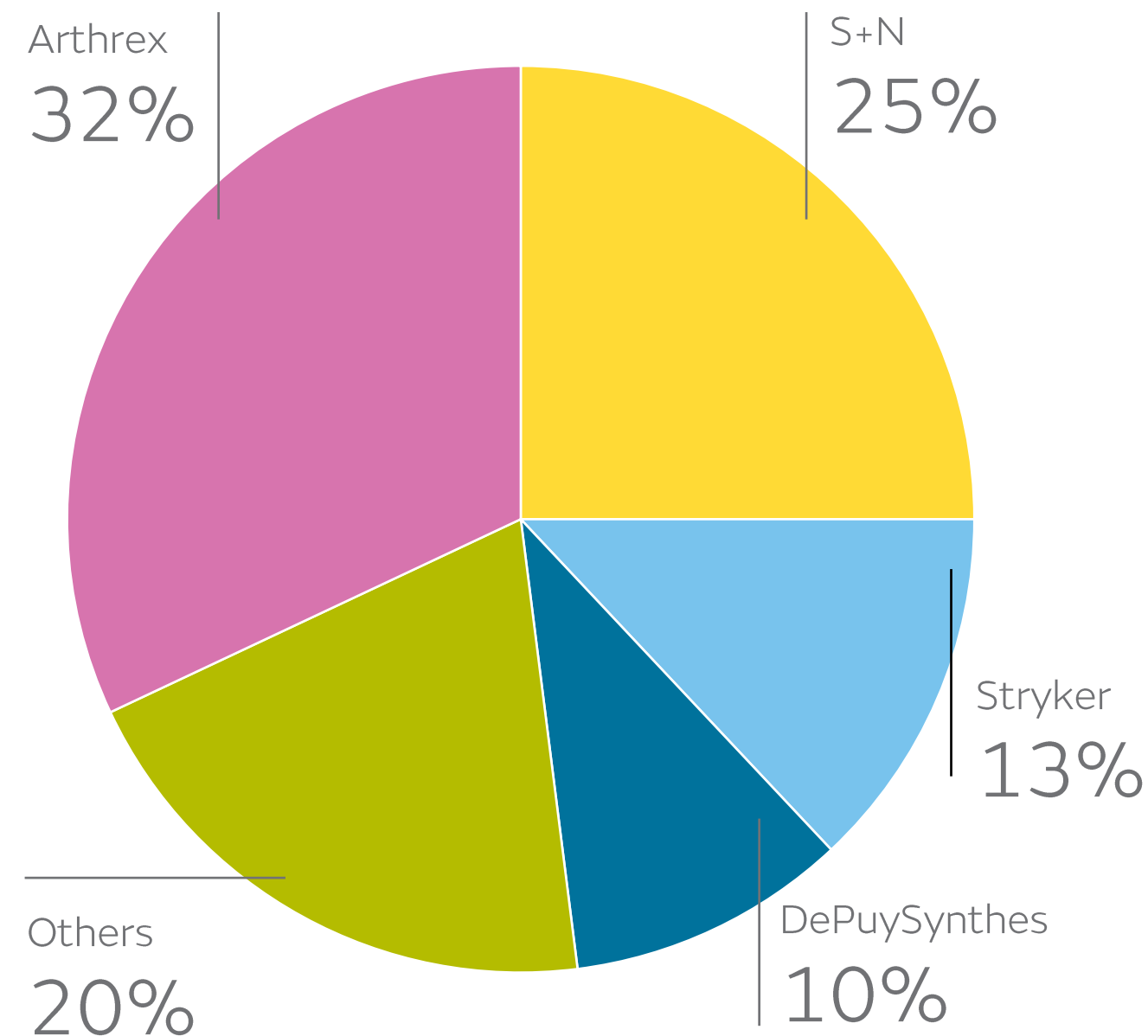




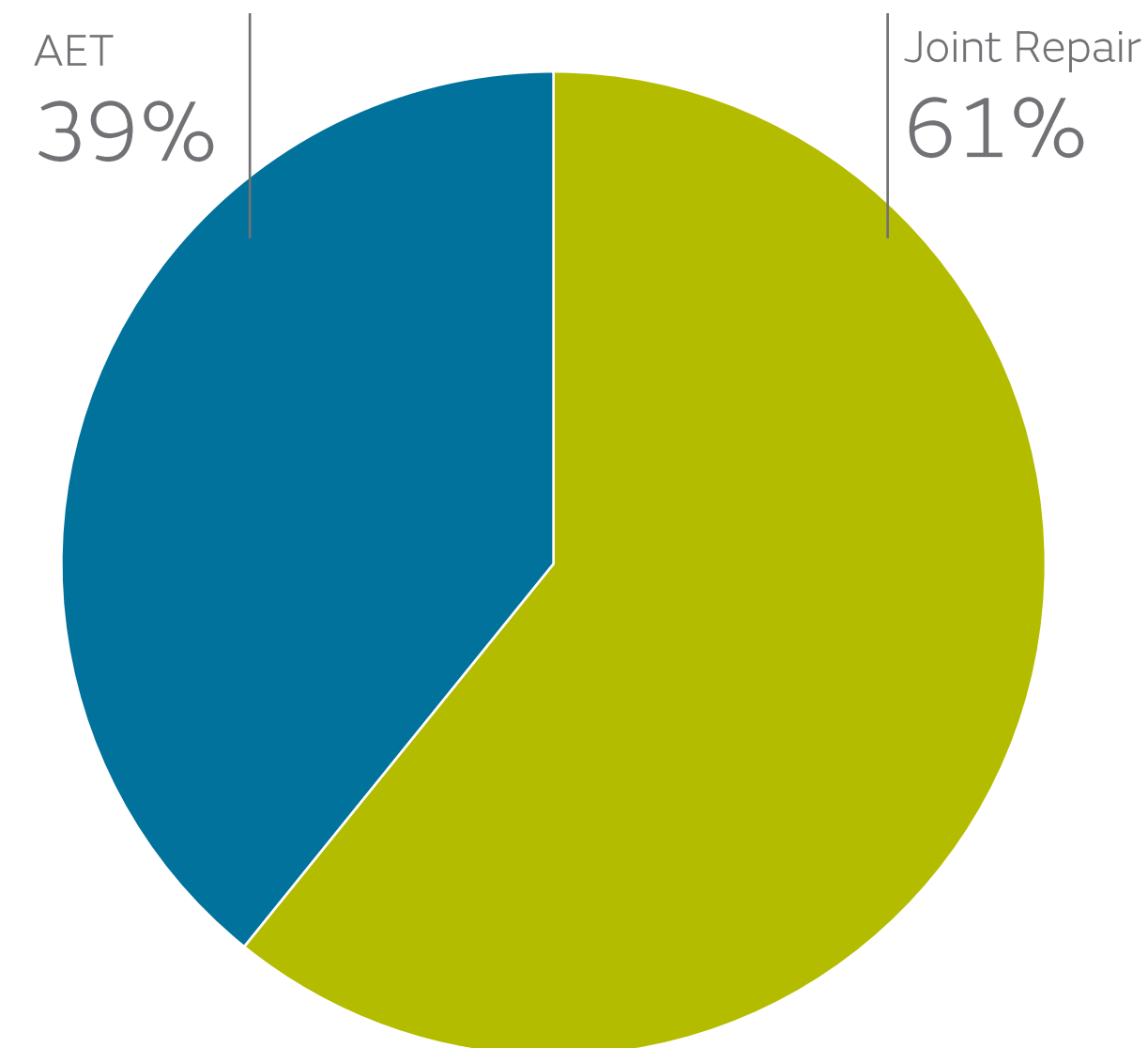
# Leading positions in large, attractive market

## S+N Total addressable market (c.\$6.6bn), growing 5%

Global Sports Medicine market share  
(c.\$6.6bn in 2024)



S+N Sports Medicine business  
(\$1.6bn in 2024)



## Leadership position by segment

#1

in Arthroscopic  
Enabling Tech

#2

in Knee Repair

#1

in Hip Repair

#2

in Shoulder Repair

# Pioneer in Sports Medicine



**Mechanical  
Resection**

**DYONICS<sup>◇</sup>**  
Powered  
Shaver



**Ligament  
Reconstruction**

**ENDOBUTTON<sup>◇</sup>**  
Fixation  
Device



**Radio-  
Frequency  
Resection**  
**COBLATION**  
Technology



**Hip  
Arthroscopy**

**Q-FIX**  
Family



**Meniscal  
Preservation**

**FASTFIX<sup>◇</sup>**  
Family



**Advanced  
Biomaterials**

**REGENETEN**  
Bioinductive  
Implant

# Strong growth over last 12 years

Gaining significant market share (7pp)

## Several successful acquisitions

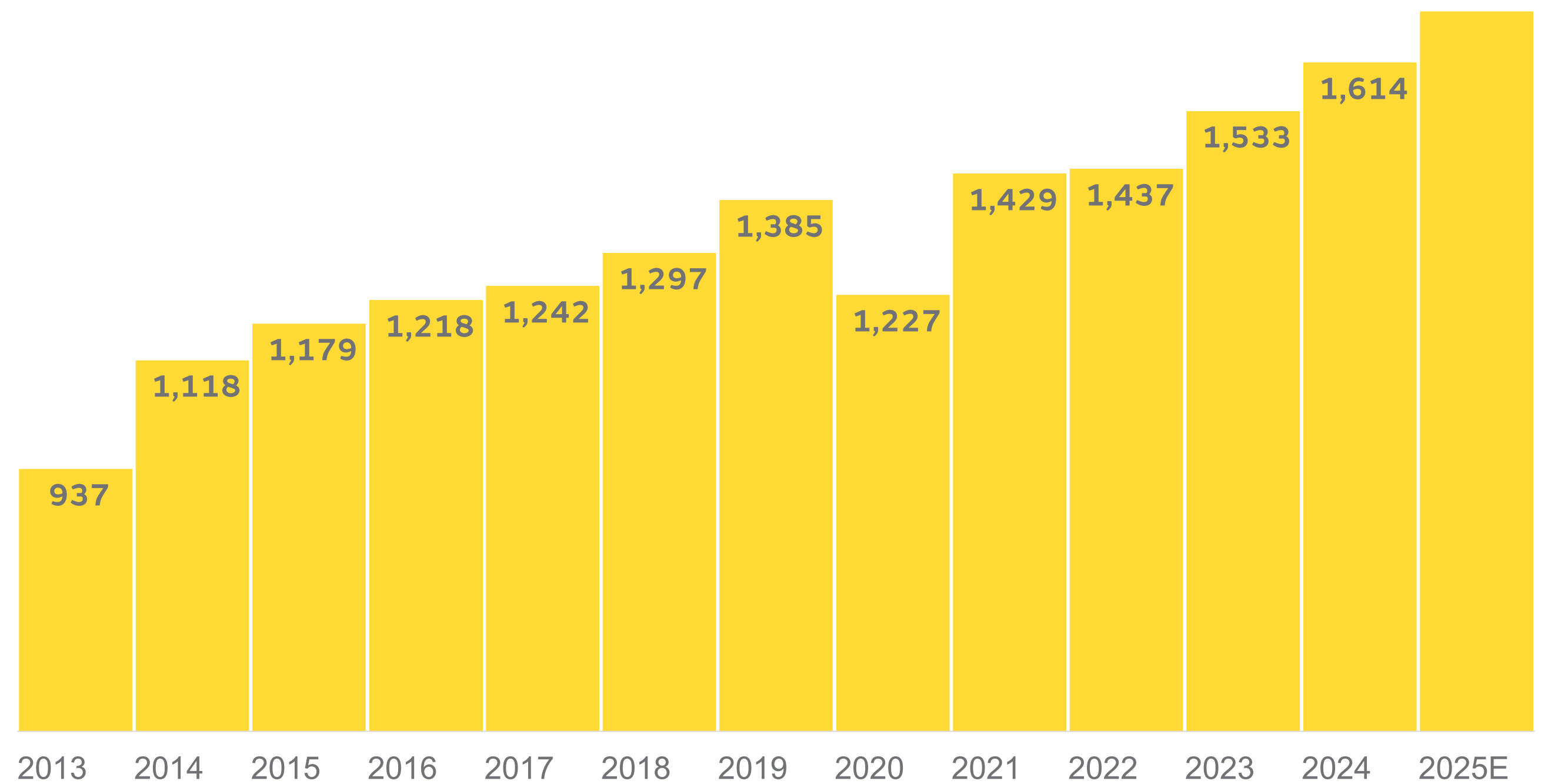
- Arthrocare in 2014
- Rotation Medical/REGENETEN in 2017
- CARTIHEAL/AGILI-C in 2023

Strengthened portfolio

Improved commercial execution

Invested in market development

## Revenue (\$m)





# Sports Medicine: RISE

E

- Continuous improvement and consistent delivery
- Reinvest productivity gains to fuel future growth

S

- Amplify digital marketing and medical education
- Expand dedicated commercial footprint
- Monitor opportunities that fit our criteria

I

- Launch revolutionary, first in class, TESSA
- Continued commitment to market development and clinical evidence

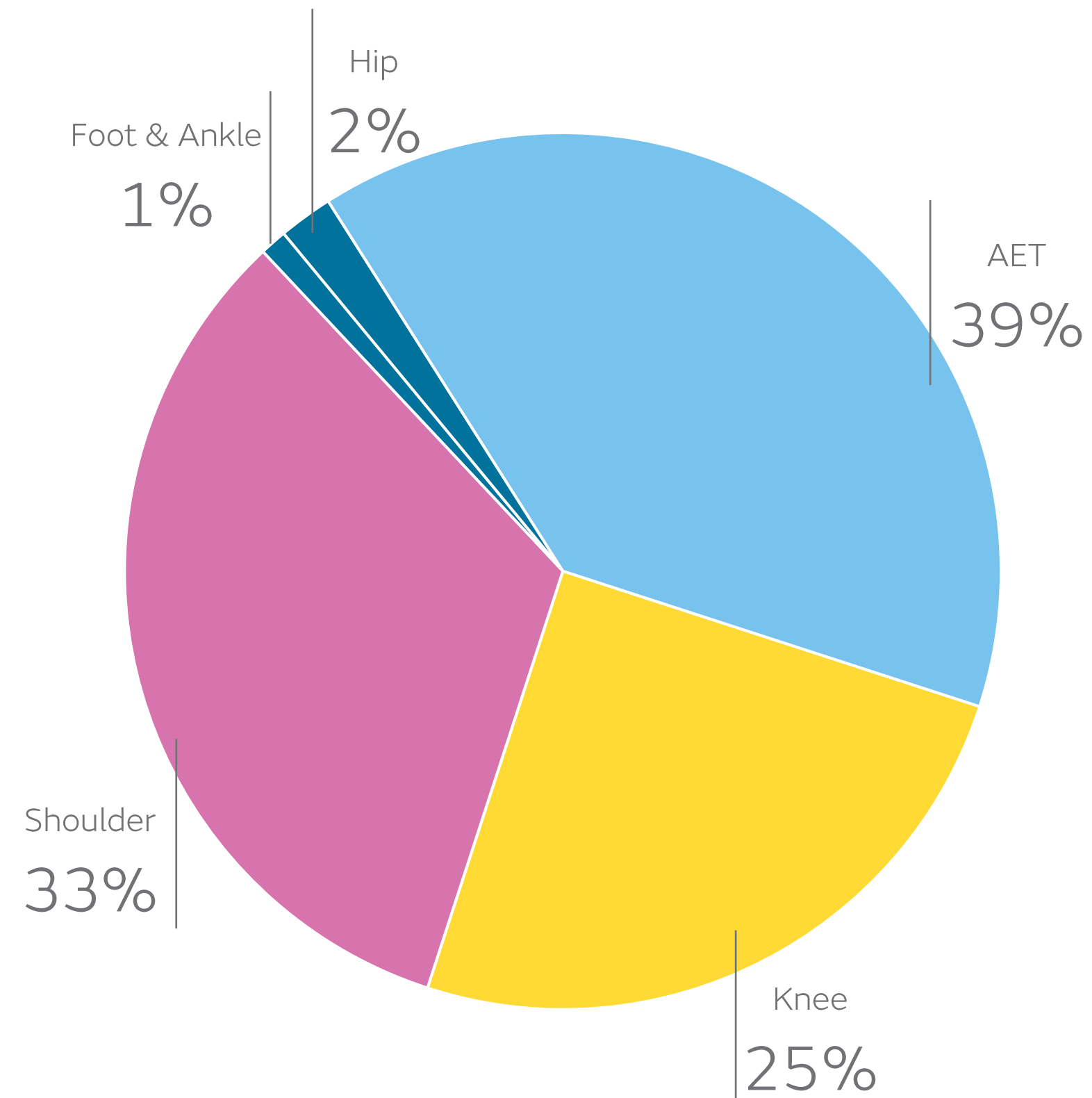
R

- Maintain portfolio strength across Core Segments
- Expand indications and drive global adoption of REGENETEN and AGILI-C



# Maintain strength in core portfolio

Revenue split in 2024



**\$0.5bn**

- Hip, Foot & Ankle segment
- Category leader in hips
- Well positioned with Biologics

**\$2.4bn**

- AET<sup>1</sup> segment
- Category creator in Resection and RF
- Expand global leadership

**\$2.2bn**

- Shoulder segment
- High-growth segment led by rotator cuff repair
- Continue to expand share

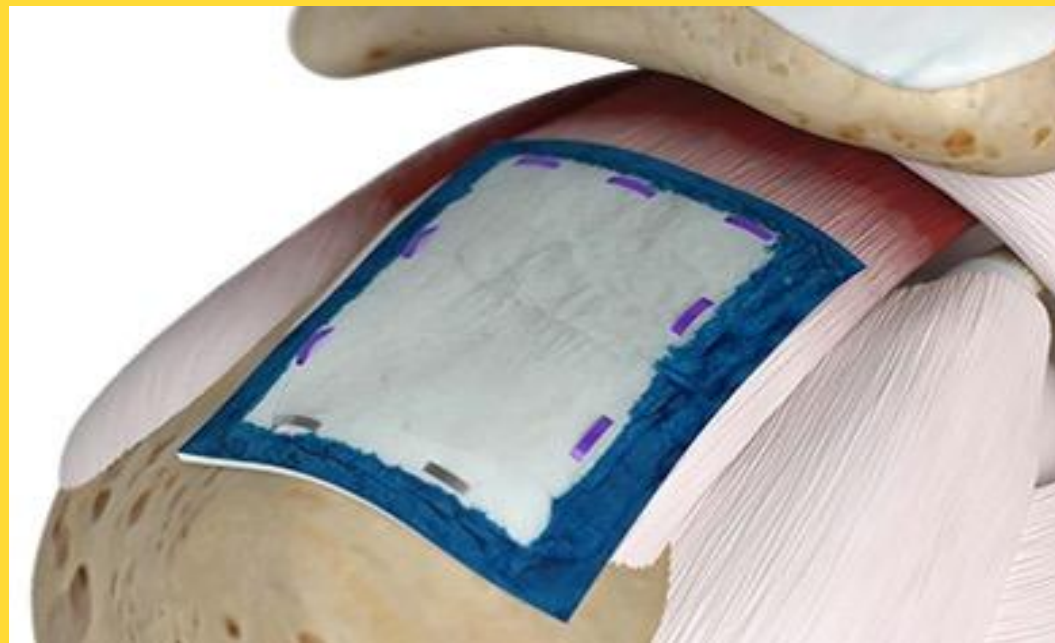
**\$1.5bn**

- Knee segment
- #1 or #2 globally in key segments
- Regain market leadership

# Create new categories with Big Three

## REGENETEN

Leading in global  
bioinductive tendon  
augmentation



## AGILI-C

Advancing cartilage  
repair with an off the  
shelf, one-step solution



## TESSA

Pioneering arthroscopic  
video-based patient  
specific navigation





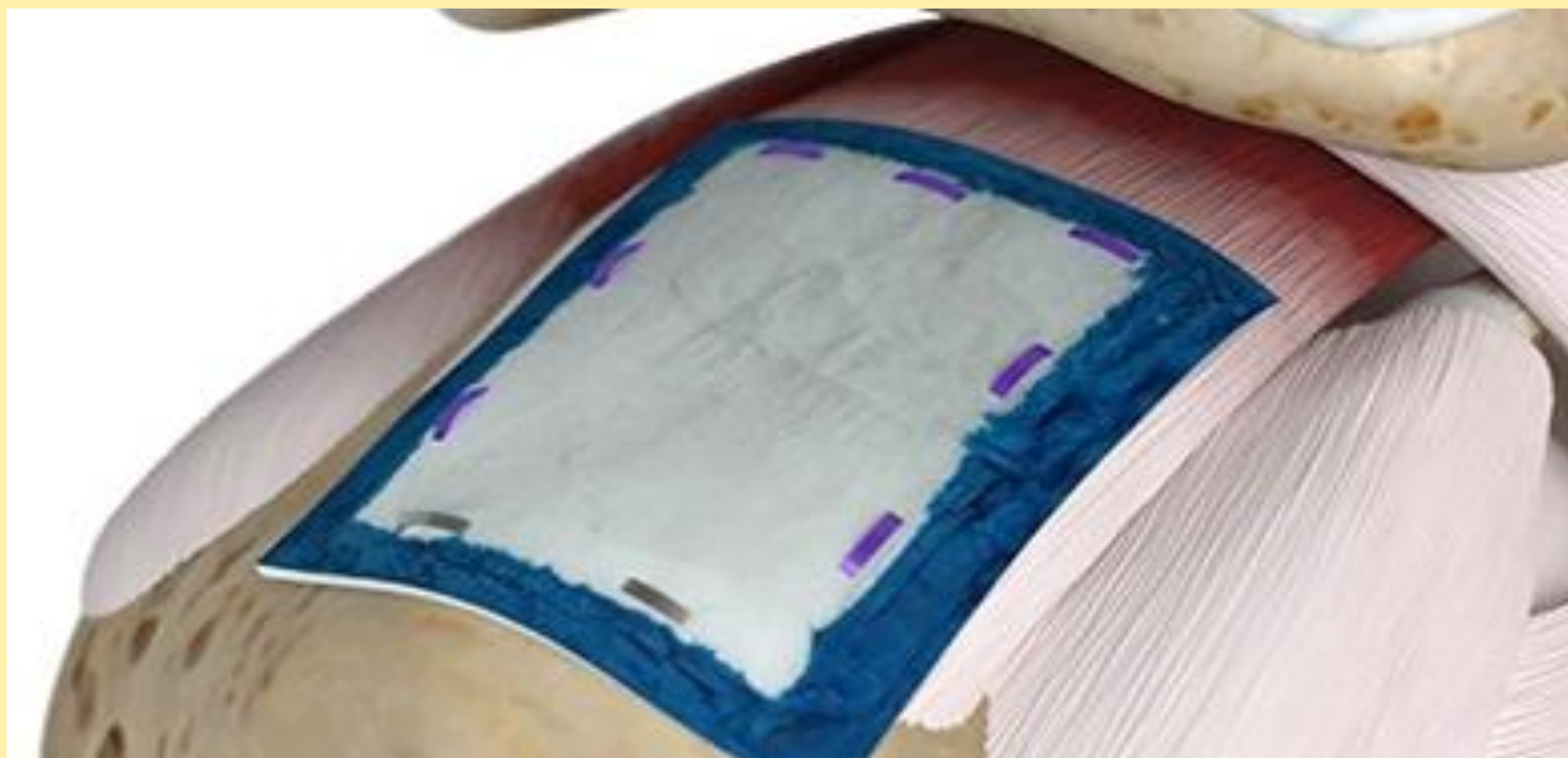
# REGENETEN – redefining healing potential

## 65%

Reduction in full-thickness  
tear rates demonstrated  
at two years<sup>1</sup>

## 200k

REGENETEN patients  
treated since 2014<sup>2</sup>



## Compelling clinical evidence drives growth

- 2026 new AAOS Clinical Practice Guidelines recommend use of REGENETEN in rotator cuff
- Building further body of evidence to drive adoption in rotator cuff and other tendons
- Opportunity for global expansion
- Further design enhancements in the pipeline
- Evidence clearly demonstrates:
  - Rapid recovery, improved function, reduced pain
  - Reduced re-tear rates, enhanced quality of life<sup>3-6</sup>

# AGILI-C – changing the paradigm in cartilage repair

## Novel treatment with huge unmet need

Promotes articular cartilage repair and restoration of subchondral bone<sup>1</sup>

### Breakthrough device designation:

- Only FDA approved device for treating cartilage and osteochondral lesions in the knee

### CPT Category 1 code granted in October

- Effective 1 January 2027
- Recognises clinical significance of AGILI-C
- Streamlines reimbursement for providers and payors

### Continue to build clinical and HEOR evidence

- Support global market access

# 700k

Cartilage procedures<sup>2</sup>  
performed each year,  
potential target market



# 87%

Reduction in the  
relative risk of TKA<sup>3</sup> or  
osteotomy compared  
to microfracture<sup>4</sup>



# TESSA – transforming procedures with smart visualisation

## Spatial Surgery Platform Differentiators

- Improves precision and accuracy of tunnel placement
- First-in-class planning capabilities for ACL surgery
- Provides real time intraoperative guidance through augmented reality
- Built to scale

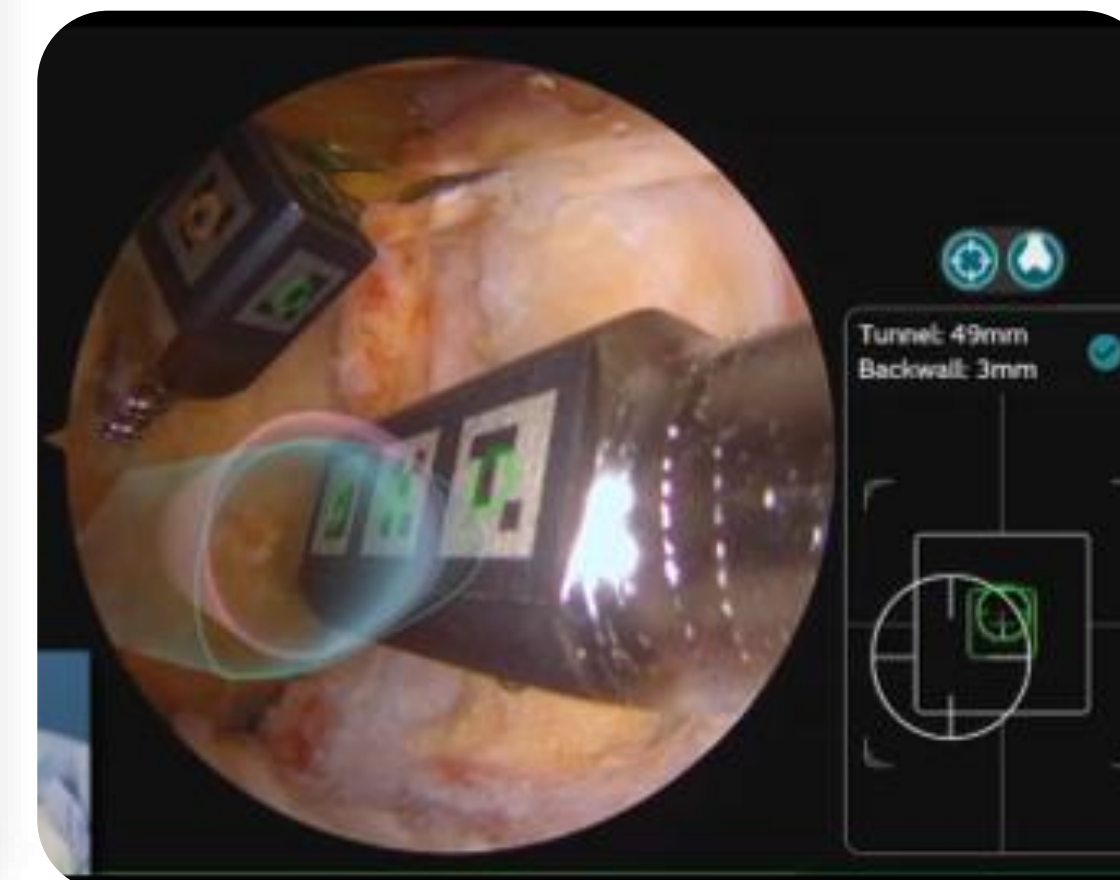
## Under FDA review

- DeNovo 510(k) pathway for ACL reconstruction
- Anticipated clearance in 2026
- Potential for use in broad spectrum of arthroscopic procedures creates large target market



~400k

ACL reconstructions<sup>1</sup> in US annually, of which 5-10% fail



34%

Of failures are due to tunnel malplacement



# Reinvesting in core competencies to drive further growth

- Reinvest productivity gains into commercial capabilities and Medical Education
- Leverage AI and analytics to drive performance and improve customer service
- Elevate customer engagement
- Increase digital and marketing presence, including ongoing partnerships
- Deploy productivity gains to step up investment in R&D



# Sports Medicine: Our ambition

**HSD CAGR  
2025-2028**



**Move from  
category to  
market leadership**



**Modest margin  
expansion**



# Key messages

- + We will move from category to market leadership in this large attractive space
- + We have a robust R&D pipeline to drive above market growth in our core portfolio
- + We will invest in our "Big Three" highly differentiated platforms (REGENETEN, AGILI-C, TESSA) to expand the market
- + We have a proven track record of developing early-stage assets to create new markets
- + We will reinvest productivity gains in R&D, commercial and market development to deliver our mid-term target of HSD revenue CAGR





04

# Ear, Nose and Throat

**Vasant Padmanabhan Ph.D.**

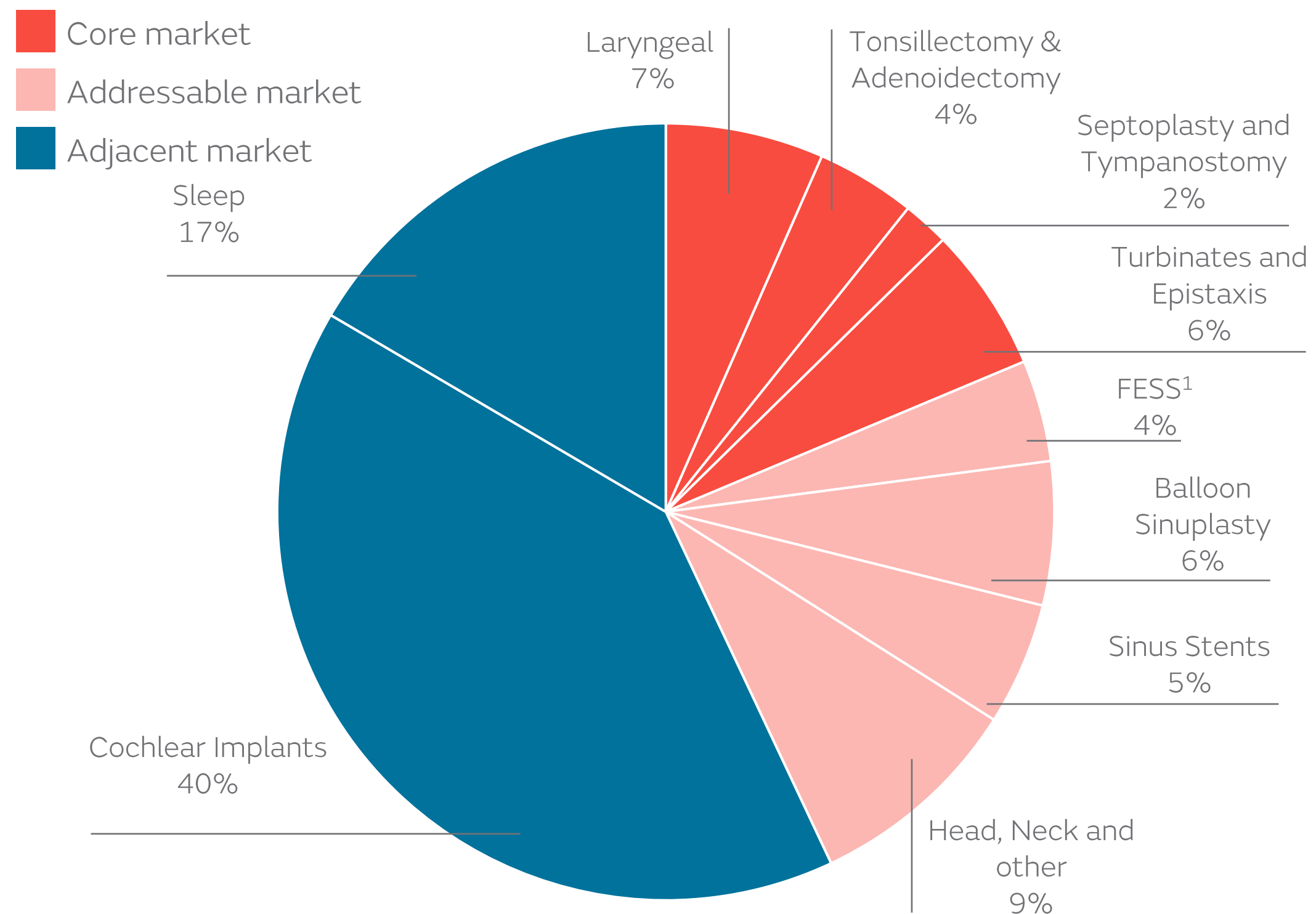
Global President

**S+N**



# Growing significantly ahead of core market

## Global market revenue distribution (\$5,440m)



### Core market value and growth

**\$1,015m**  
**c.1%**

### Addressable market value and growth

**\$1,325m**  
**c.3%**

### Adjacent market value and growth

**\$3,100m**  
**c.9%**

### Smith+Nephew revenue growth in 2025E

**c.3%**



# Ear, Nose and Throat: RISE

## E

- Channel optimisation
- Strengthen Go-To-Market model
- Add specialty sales team to support TULA

## S

## I

- Launch Next Gen COBLATION platform
- Continued investment in market development and clinical evidence

## R

- Transform standard of care with Coblation Intracapsular Tonsillectomies (CIT) and TULA





# Transforming tonsillectomies with COBLATION Intracapsular Tonsillectomy (CIT)

## 3m

Tonsillectomies and  
Adenoidectomies performed  
worldwide each year

## 20%

S+N procedural  
market share ambition



**CIT enhances the standard of care**

**S+N procedure innovation:**

- Leaves tonsillar capsule in place
- Precise ablation of tonsil tissue with COBLATION<sup>1,2</sup>
- Minimises damage to surrounding tissue<sup>1,2</sup>

**Proven improvement to patient outcomes<sup>3</sup>**

- Less pain, fewer days of analgesia medicine<sup>4</sup>
- 64% reduction in post-surgery haemorrhage risk Faster return to normal activity and diet<sup>4</sup>
- Low rate of revision<sup>5</sup>
- Supported by 17 clinical studies in >6500 patients



# Transforming ear-tube procedures with TULA

**c.650k**

Tympanostomy  
procedures performed  
in the US each year

**45%**

Estimated saving  
to healthcare  
system with shift  
from OR<sup>1</sup> to PO<sup>2</sup>

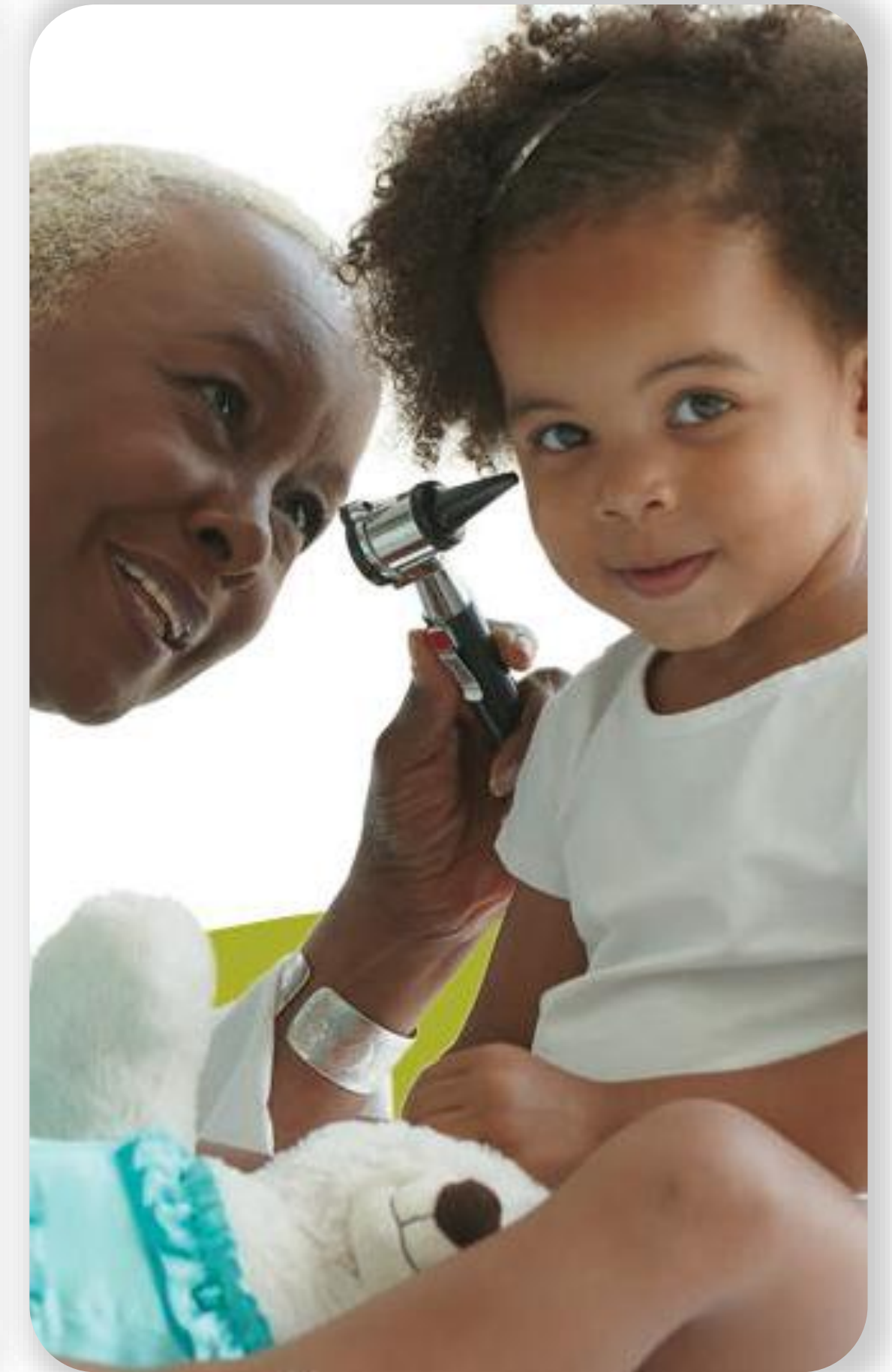
## TULA transforms the standard of care

### S+N procedure innovation:

- In-office ear tube placement for paediatric patients
- No general anaesthesia
- Child not separated from parent

### Significant breakthrough in reimbursement

- CMS payment rate and methodology published October 2025, effective 1 January 2026
- Private insurers use CMS rate to index to, and contract with physicians to determine payment



# Growth driven by innovation

## Throat

### COBLATION patient benefits:

- Less pain<sup>1</sup>
- Less post-surgery haemorrhage<sup>1,2</sup>
- Faster return to activity<sup>1</sup>



WEREWOLF  
COBLATION System



COBLATION for  
Adenotonsillectomy

## Nose

### COBLATION for Turbinate Reduction:

- Efficient procedure<sup>3</sup>

### Epistaxis benefits:

- Minimises recurrent bleeding during or after removal<sup>4</sup>



COBLATION for  
Turbinate Reduction



ENTACT Septal  
Stapler

## Ear

### Procedural transformation with TULA:

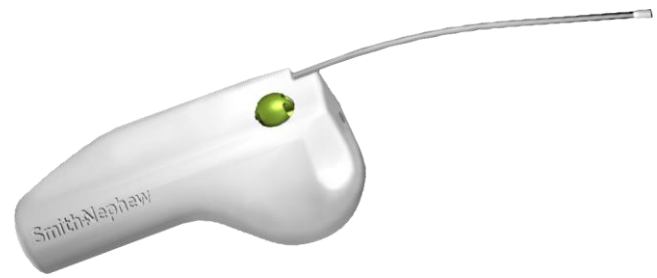
- Eliminates OR and Anaesthesia
- High patient satisfaction<sup>5</sup>
- Demonstrated safety and efficacy<sup>6</sup>

TULA Tympanostomy  
System





# ENT innovation pipeline



**TULA TDD**



**WEREWOLF<sup>◇</sup>  
LYNX<sup>◇</sup>  
Laryngeal**



**PHOENIX<sup>◇</sup>  
Next Gen ENT  
Controller**



**PHOENIX  
AURA<sup>◇</sup> CIT  
Wand**



**PHOENIX  
REFLEX<sup>◇</sup> 45**



**PHOENIX  
LYNX**



**PHOENIX  
HALO<sup>◇</sup>**



**PHOENIX ARIS<sup>◇</sup>  
Turbinate Wand**

2026

2027

2028

# ENT: Our ambition

**Above market  
revenue growth  
CAGR 2025-2028**



**Drive market  
expansion with  
new technology**



**Modest margin  
expansion<sup>1</sup>**



# Key messages

- + We have strong category leadership positions within the fragmented \$5.4bn global ENT market
- + We will continue to deliver above market revenue growth
- + We will transform standard of care with our disruptive products, CIT and TULA
- + We will launch PHOENIX, our new comprehensive COBLATION ENT platform, from 2027
- + We will reinvest productivity gains in R&D, market development and our commercial teams





# 05 Advanced Wound Management

Rohit Kashyap Ph. D, Global President

S+N



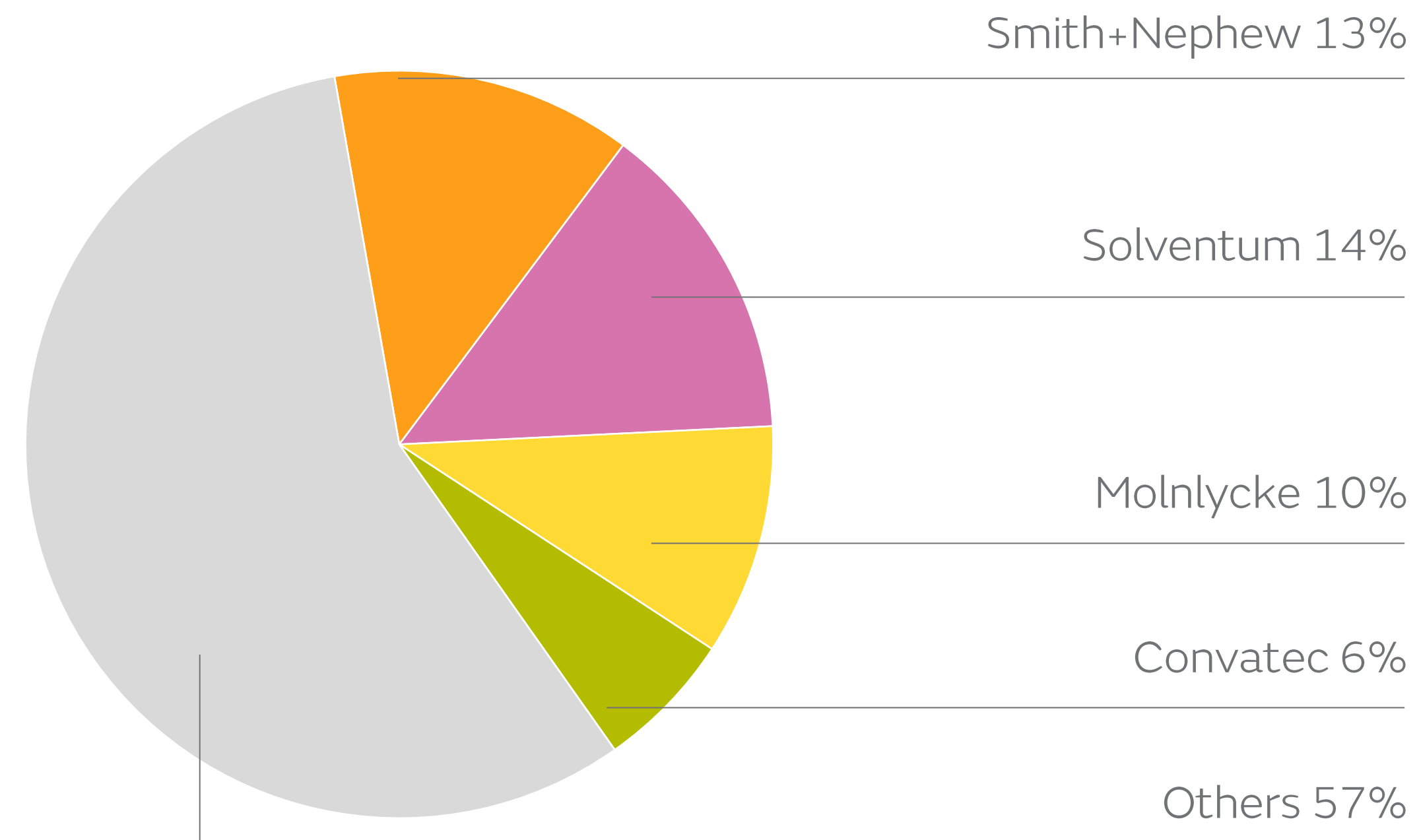


# Advanced Wound Management market

## \$13bn global market

- Large, fragmented market
- Comprises three different, distinct segments:
  - Advanced Wound Care
  - Advance Wound Devices
  - Advanced Wound Bioactives

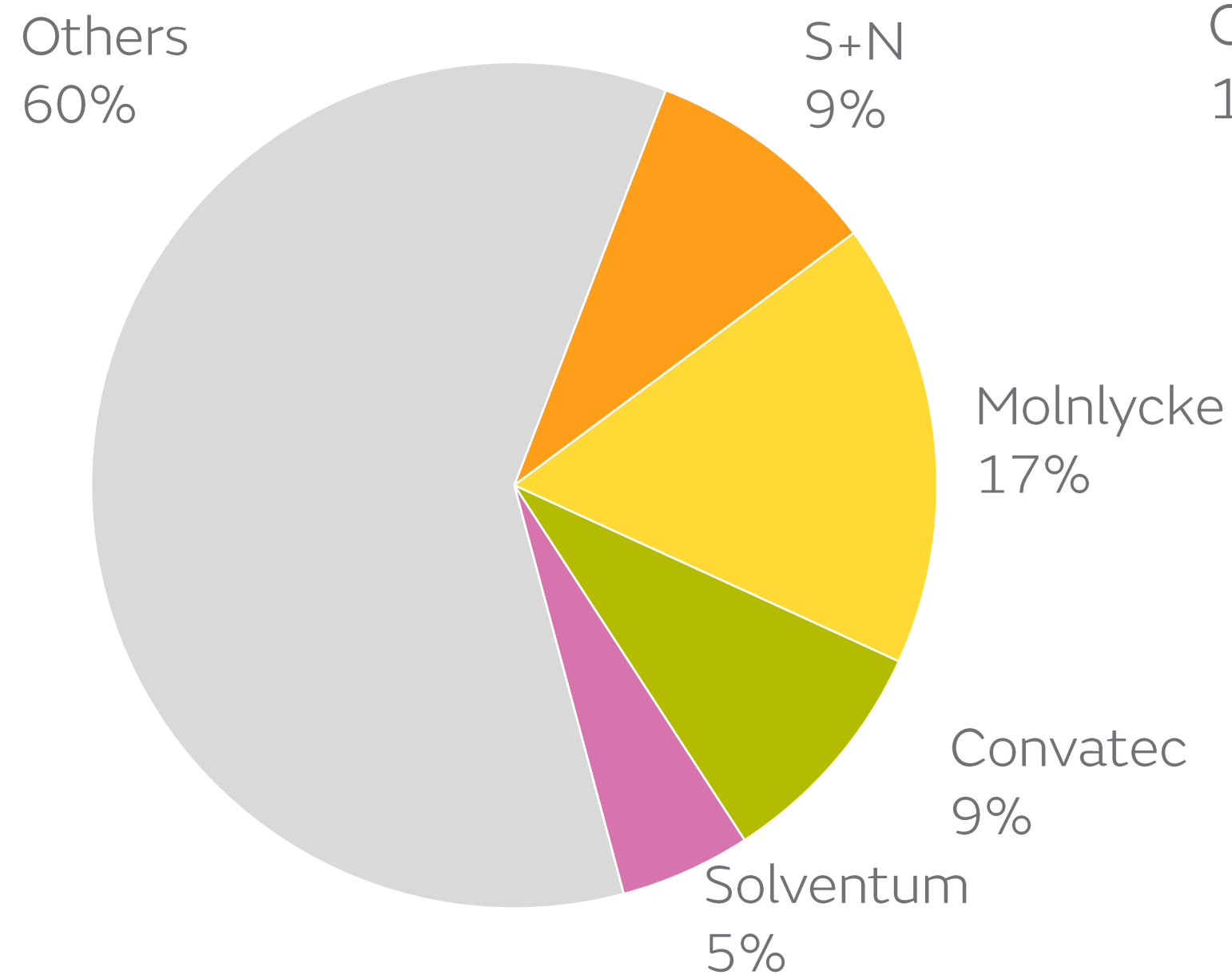
## Smith+Nephew #2 position



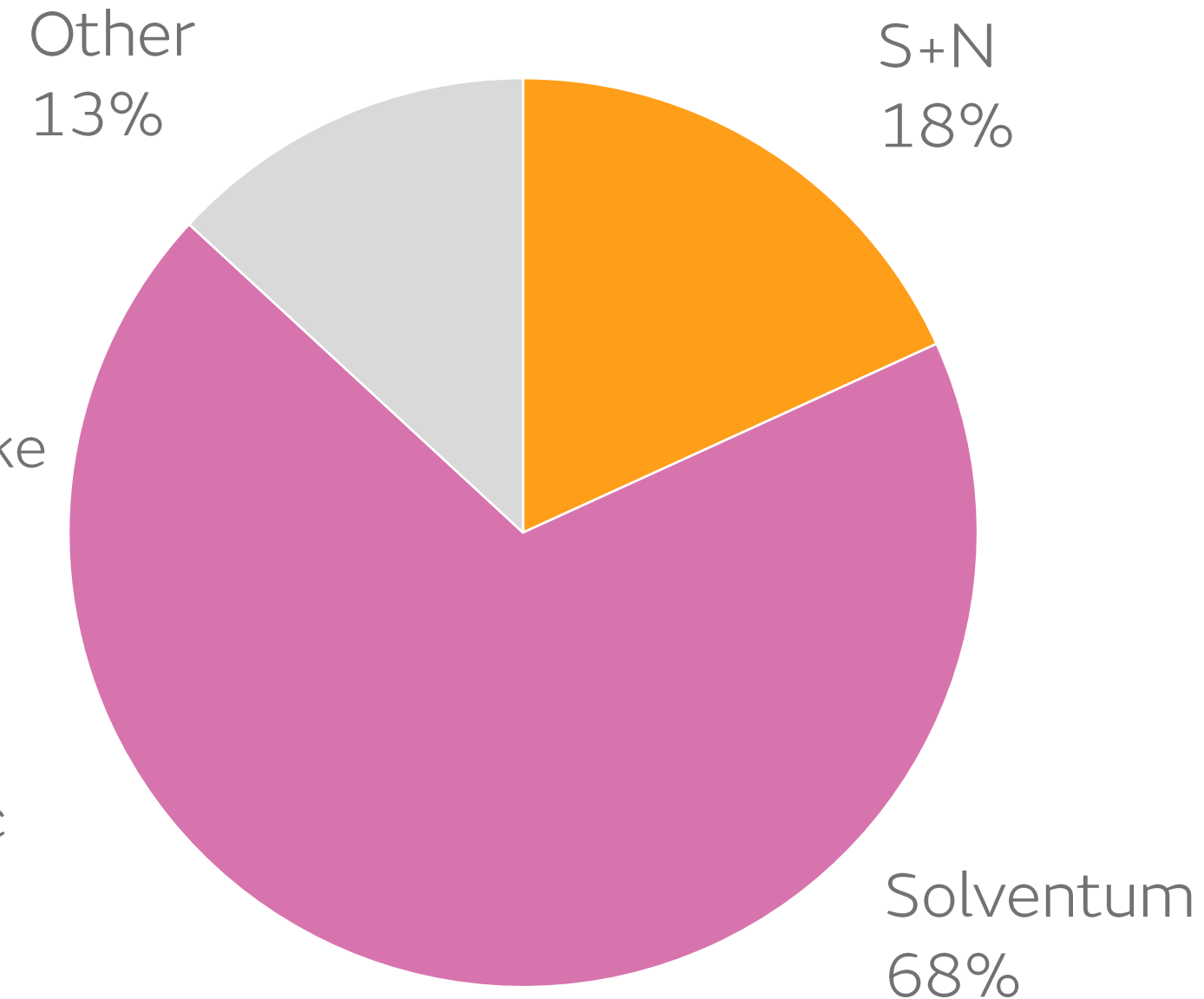
# Advanced Wound Management market

## Three distinct segments

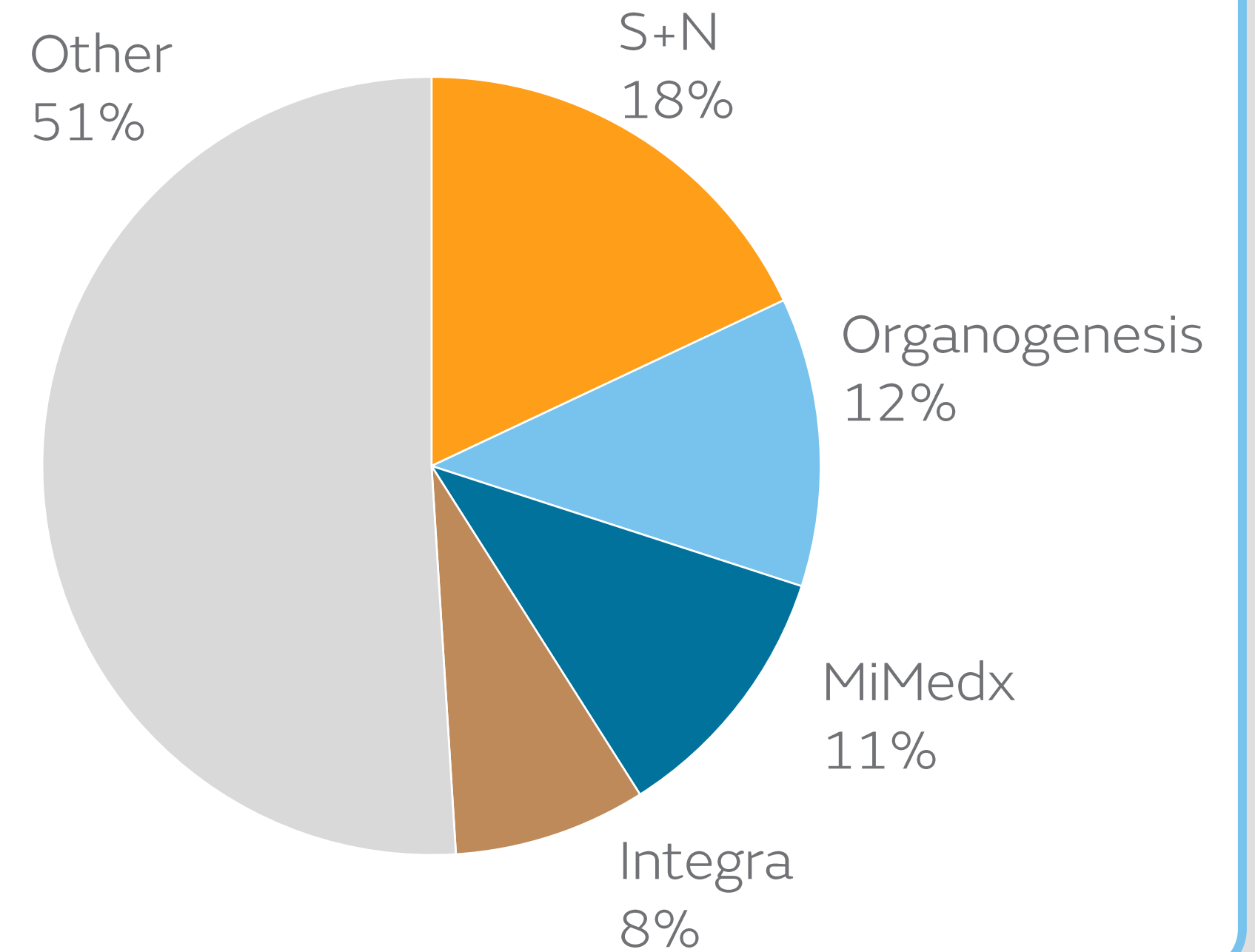
Global AWC segment share  
(c.\$7.6bn)



Global AWD segment share  
(c.\$2.1bn)



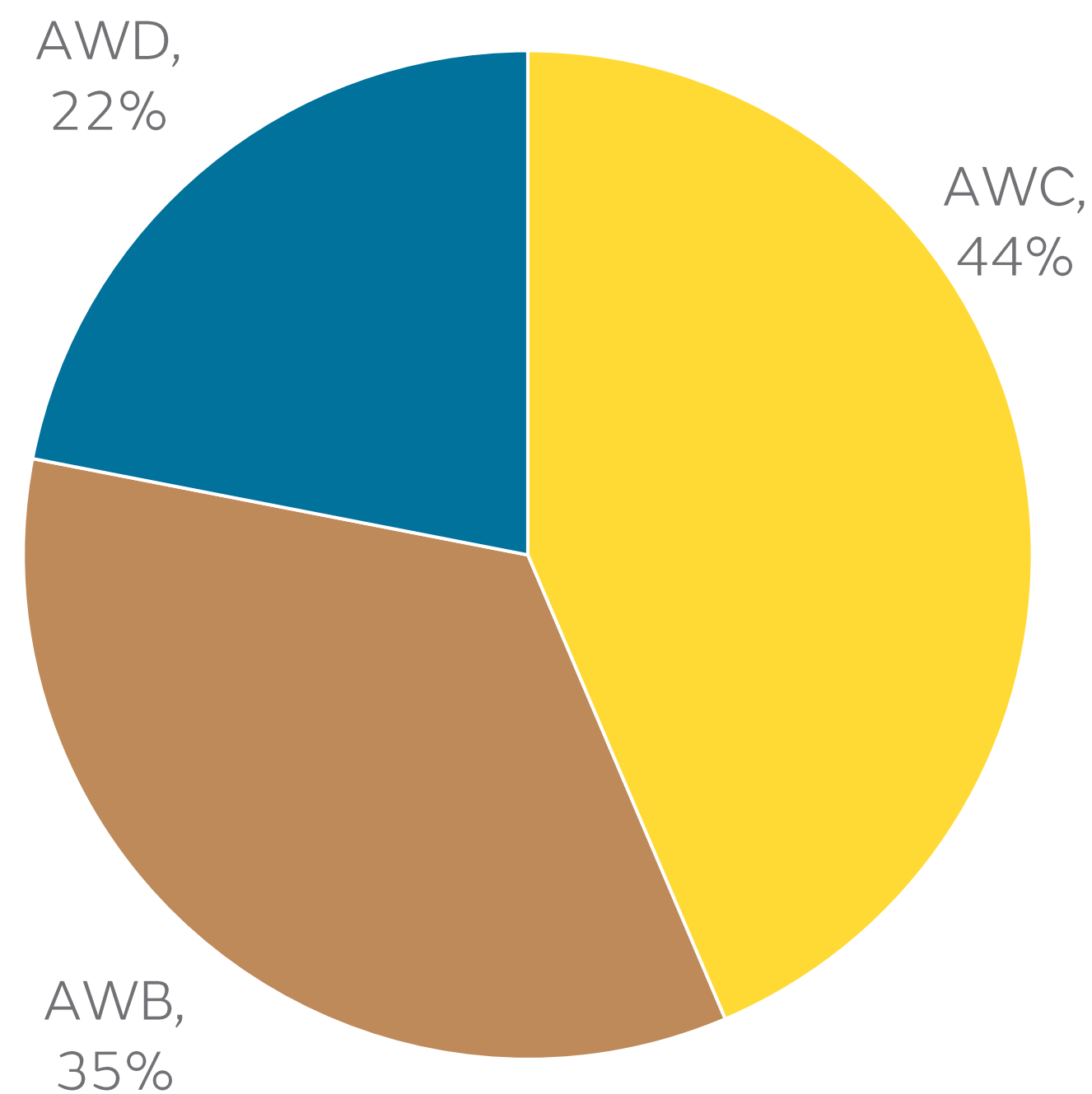
Global AWB segment share  
(c.\$3.2bn )





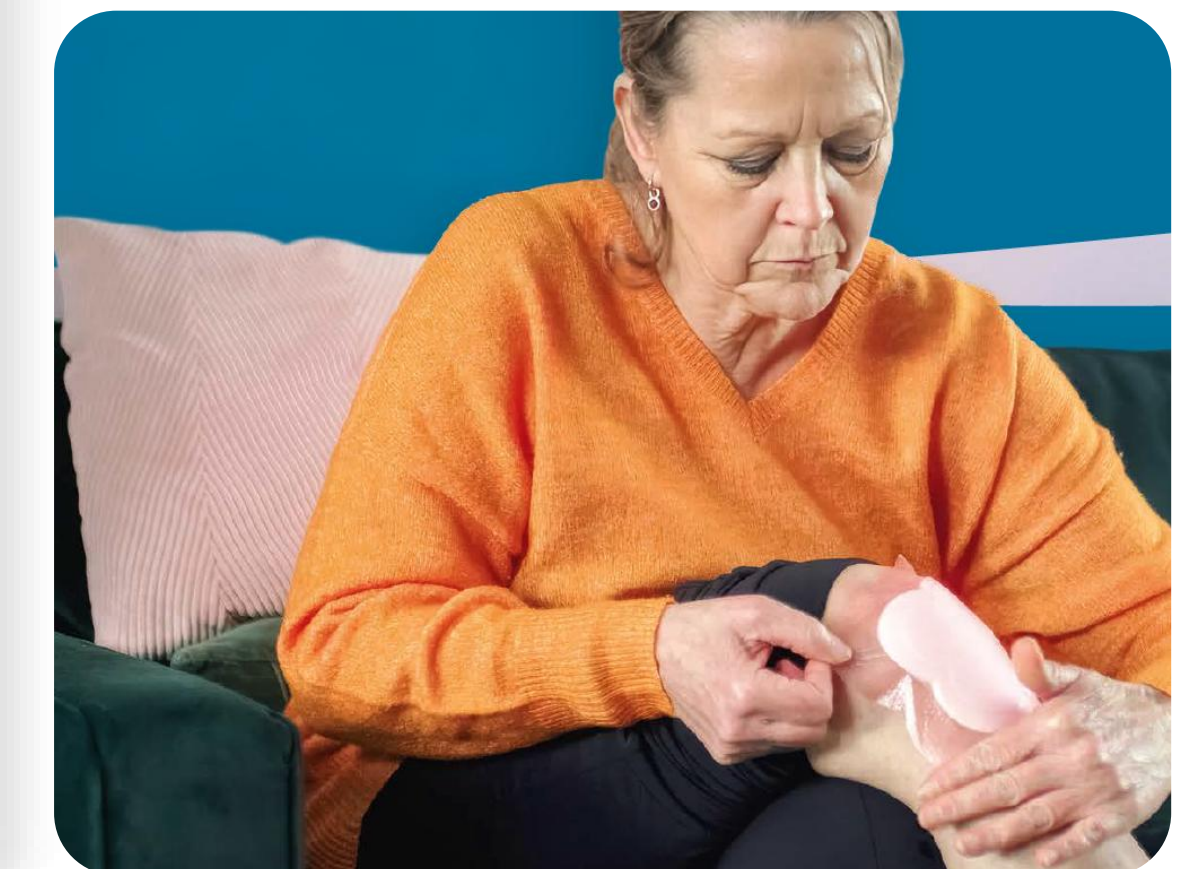
# Advanced Wound Management highlights

S+N revenue by segment in 2024



## S+N in a strong position

- #1 or #2 position in geography and segment
- Broad portfolio of differentiated products
- Experienced leadership team
- Invigorated business
- Expect to deliver c.6% revenue CAGR 2022-2025E (ex China)





# Advanced Wound Management: RISE

E

- Strengthen key account management capabilities
- Reinvest productivity gains to fuel growth
- Leverage digital tools to drive effectiveness

S

- Efficient capital deployment in high growth markets
- Channel expansion

I

- Set new standard of care in Surgical Site Complications, Pressure Injury Prevention and Chronic Wounds
- Generate compelling clinical and economic evidence

R

- Drive portfolio in high growth areas with unmet need
- Take share with ALLEVYN Complete Care and PICO
- Expand global reach





# Patient centric approach

## Portfolio breadth

- Leading brands in all segments
- 20 new products in last 5 years

## Leading education and support

- >110,000 clinicians trained in last 2 years
- 100+ people dedicated to clinical and reimbursement support







# Broad portfolio to participate in highest growth segments

	Potential Size <sup>1</sup>	Segment Growth <sup>1</sup>
Pressure injury prevention	>\$2.0bn	MSD
Chronic hard to heal wounds	>\$5.0bn	MSD
Prevent surgical site complications	>\$2.0bn	DD
Wound bed preparation	>\$1.5bn	MSD
Wound repair and regeneration	>\$5.0bn	DD <sup>2</sup>


S+N Portfolio




LEAF




ALLEVYN




PICO




RENASYS<sup>◇</sup>




ALLEVYN




ACTICOAT<sup>◇</sup>




PICO




ALLEVYN Ag+ Surgical




SANTYL




VERSAJET<sup>◇</sup>




STRAVIX<sup>◇</sup>



OASIS<sup>◇</sup>



RENASYS



GRAFIX

# Innovate to accelerate penetration in Pressure Injury Prevention

> \$2bn

Segment potential

\$27bn

Annual US economic burden of treating pressure injuries

## Commercial strategy

- Launch new ALLEVYN COMPLETE CARE (ACC) with novel SHEAR DEFENCE<sup>◇</sup> mechanism of action
- Expand market for LEAF and gain share with ACC
- Launch next Generation LEAF with Electronic Medical Records for early patient identification
- Establish contracting structures for LEAF and ACC

## Key evidence

- ALLEVYN - 66% reduction in hospital acquired pressure injuries vs standard of care<sup>1</sup>
- ALLEVYN – Up to 69% reduction in per patient cost<sup>2</sup>
- LEAF - 94% reduction in PI risk<sup>3</sup>





# Treating complex Chronic Wounds across the continuum of care

## Commercial strategy

- Capture share in Foam Dressings and Traditional NPWT
- Enhance our portfolio and capabilities with launch of ACC and NPWT pipeline
- Invest in commercial execution to strengthen position in existing geographies
- Expand into Emerging markets

## Key evidence

- ALLEVYN LIFE - 47% reduced frequency of dressing changes and 58% reduce costs compared to SOC<sup>2</sup>
- ALLEVYN CC - 51% superior exudate lock in<sup>3</sup>
- PICO - 51% increased wound closure at 12 weeks<sup>4</sup>

> \$5bn

Segment potential



1 in 5

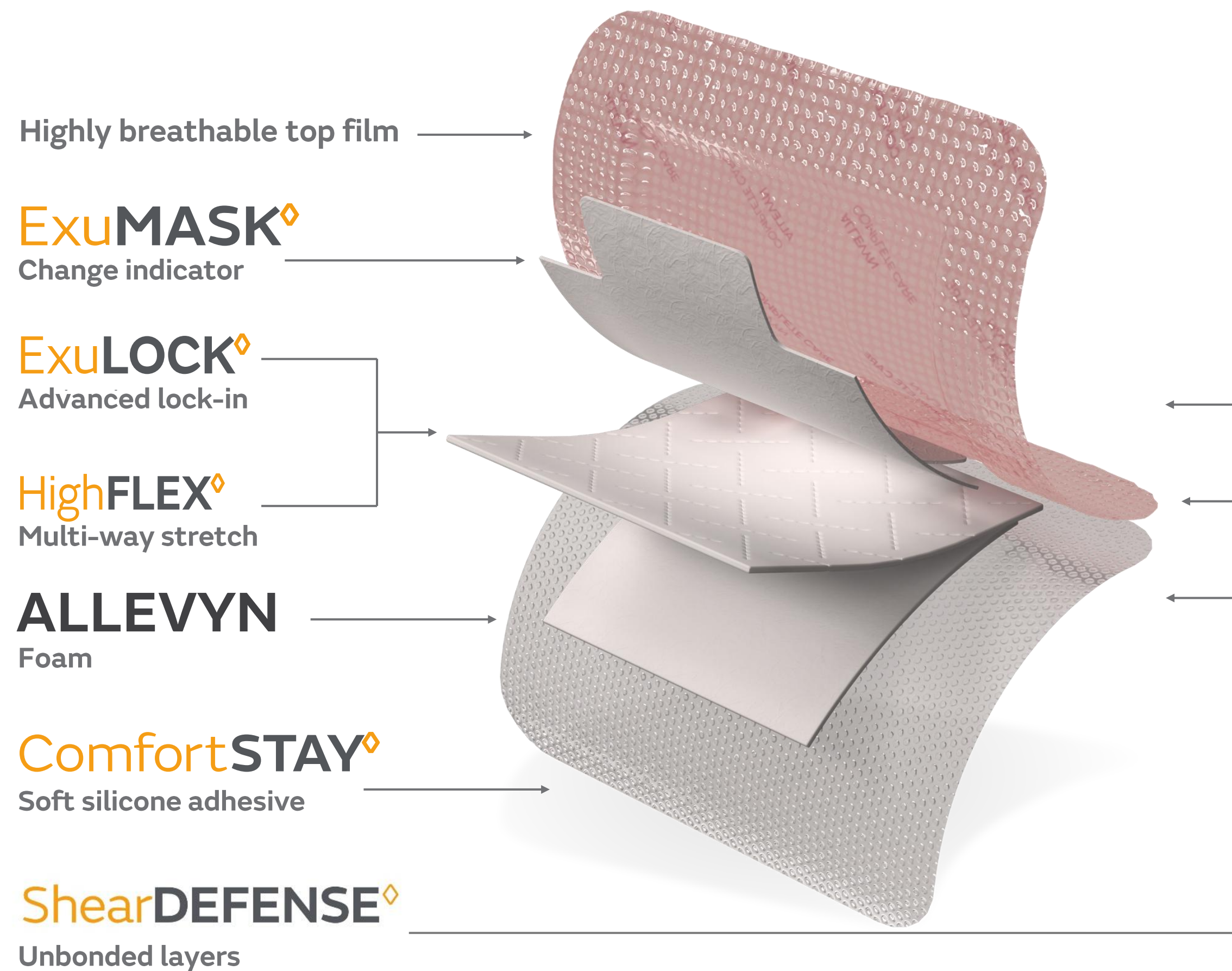
patients with chronic wounds readmitted after 30 days<sup>1</sup>





# Taking share in foams with ALLEVYN COMPLETE CARE

~\$2bn foam category



51%

superior lock-in of exudate than leading competitors

4x times

more flexible than leading competitors

<55% greater

reduction in soft tissue strain than Mepilex™ Border

95%

stayed in place compared to 91% Mepilex™  
Border Flex Dressings<sup>1</sup>

# Changing standard of care in Surgical Site Complications

> \$2bn

Segment potential



\$21k

Additional cost per case to deal with a surgical site infection



## Commercial strategy

- Expand to procedures and specialties beyond Orthopaedics and OBGYN
- Invest in PICO next generation and promote newly launched ALLEVYN AG+ SURGICAL
- Establish standard-of-care and protocol for partnering with KOLs to set guidelines
- Strengthen surgical selling capabilities

## Key evidence

- PICO - 63% reduction in the odds of SSIs and 1.75 shorter length of hospital stay,<sup>1</sup> 93% chance that use of device delivers cost savings<sup>2</sup>
- NICE guidance supports the case for adopting PICO for closed surgical incisions<sup>3</sup>



# Uniquely positioned in Wound Bed Preparation

## Commercial strategy

- Continue to build awareness for segment
- Leverage leadership and unique portfolio to drive growth
- Launch NOVIX<sup>◇</sup> cleanser to accelerate SANTYL adoption
- Invest in sales resources to drive Rx and digital marketing to inform prescribers / patients

## Key evidence

- SANTYL - 68% reduction in ulcer area<sup>2</sup>
- VERSAJET - 69% reduced odds of readmission with an SSI after debridement<sup>3</sup>

> \$1.5bn

Segment potential

<60%

chronic wounds receive sufficient debridement, causing unnecessary morbidity<sup>1</sup>





# Broadening portfolio in Wound Repair and Regeneration

> \$5bn

Segment potential

20-50%

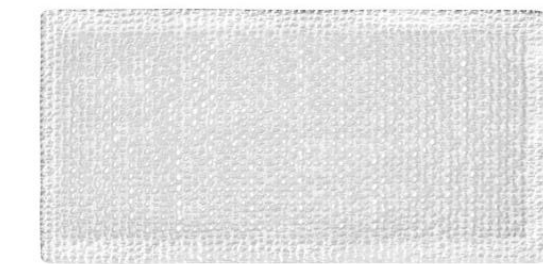
Patients with lower extremity amputations will not survive 5 years post surgery

## Commercial strategy

- Near term market disruption with reimbursement changes
- Portfolio well positioned to drive growth
- Launch CENTRIO<sup>◇</sup> platelet rich plasma system
- Pipeline of new products to expand reach in surgical wounds

## Key evidence

- GRAFIX PL PRIME - 72% greater probability of complete VLU<sup>1</sup> closure versus standard of care<sup>2</sup>
- OASIS ULTRA Tri-Layer - 54% complete closure at 12 weeks<sup>3</sup>



# Advanced Wound Management: Our ambition

Reliable HSD  
revenue growth,  
above the market  
rate



Move from  
category to  
market leadership



Modest margin  
expansion

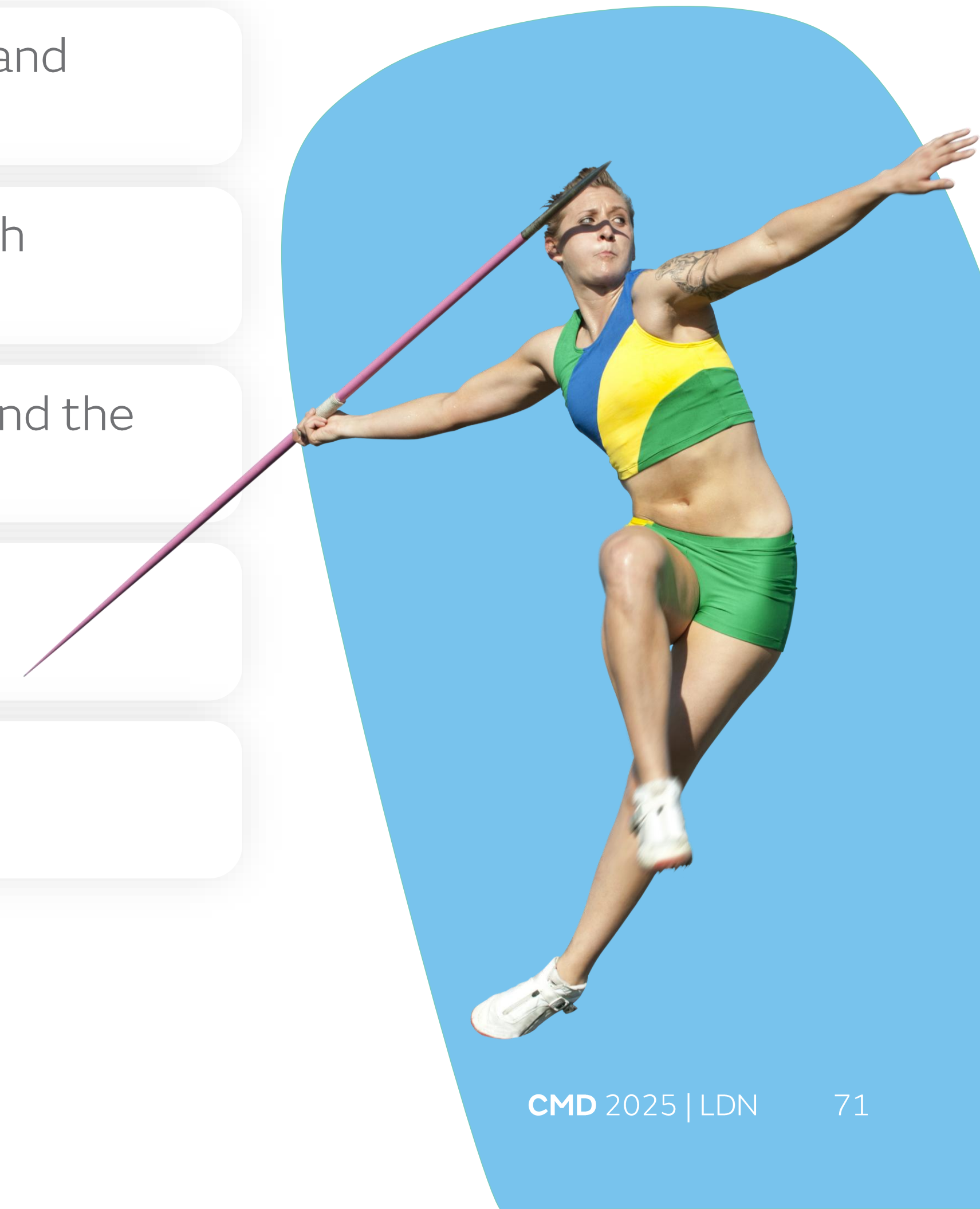


Further ROIC  
expansion



# Key messages

- + We are the only major player with leading positions in all 3 wound segments and covering full continuum of care
- + We will move from category to market leadership by focussing on high growth segments and emerging markets
- + Our broad portfolio and robust pipeline position us to capture share and expand the market (such as with ALLEVYN COMPLETE CARE, PICO and LEAF)
- + We will continue to strengthen our commercial engine through pricing excellence, key account management and digital tools
- + We will reinvest productivity gains in innovation, clinical evidence generation and market development





06

# Orthopaedics

**Craig Gaffin**  
Global President

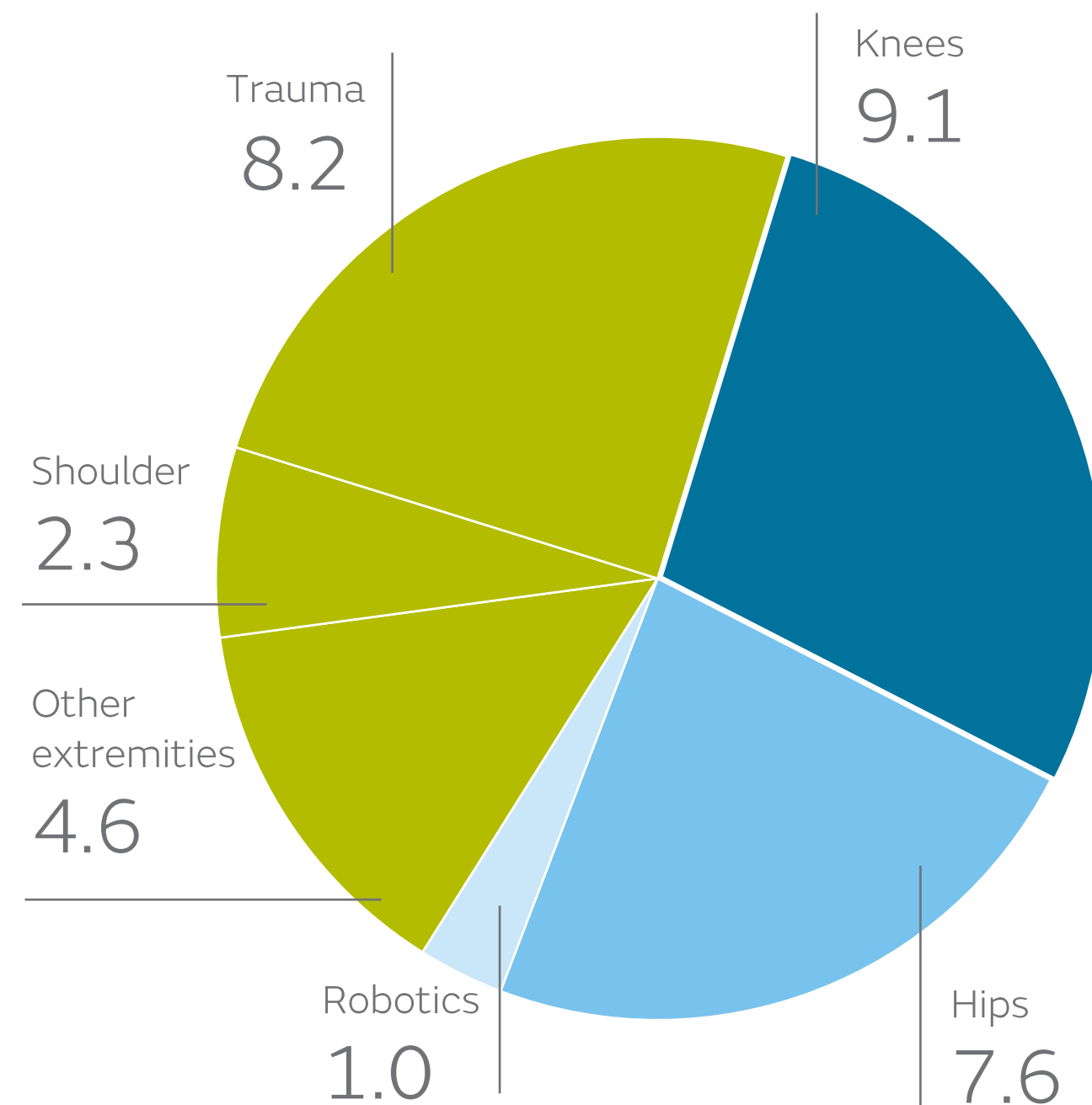
**S+N**



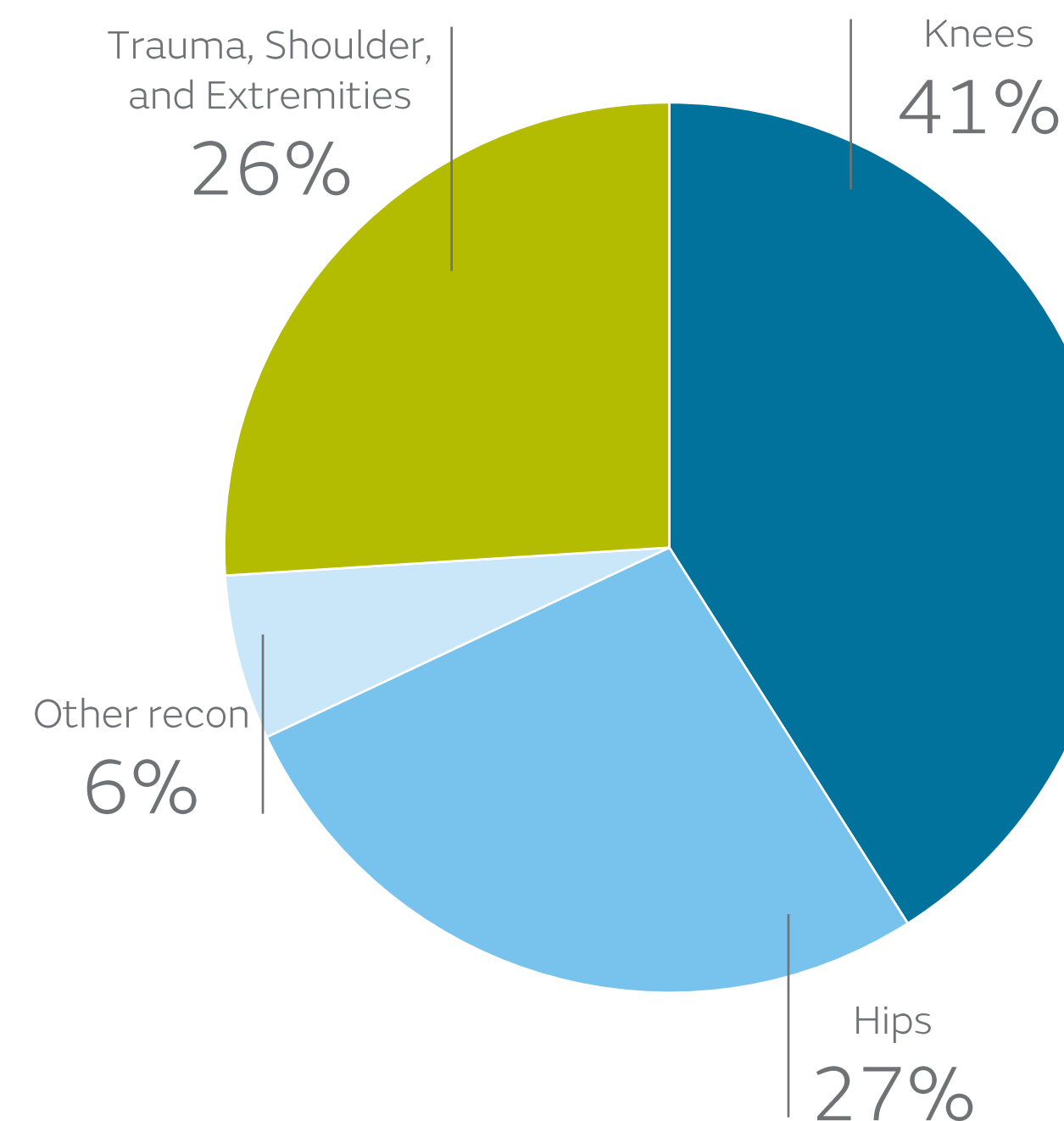
# Meaningful position in large, attractive market

## S+N Total addressable market (c.\$33bn), 6% market growth

### Global Orthopaedics market (c.\$33bn in 2024)



### S+N revenue distribution (\$2.3bn in 2024)



## Leadership position by segment

**#4** in Global Orthopaedics

**#2** in US Robotics penetration

### Segment growth rates

- Stepped up post COVID
- MSD Growth in Knees, Hips and Core Trauma
- HSD Growth in Shoulders, Foot & Ankle and Other Recon

# Our journey

## Stronger today

- Global BU alignment
- Operational transformation
- Rewired commercial engine
- Tighter performance management
- Refocused innovation and improved execution

## Last three years

- Revenue growth increased from 1.9% in 2022 to c.5% in 2025E
- Right-sized manufacturing capacity
- Inventory volumes reduced 10%
- Improved inventory health
- Established launch excellence process
- Launched differentiated, innovative products

**c300bps**

**Trading margin gain  
2022 to 2025E**

**>500bps**

**increase in ROIC  
2022 to 2025E<sup>1</sup>**



# Orthopaedics: RISE

E

- Enhanced operational model through Ortho360
- Target country portfolio mix and GTM strategy
- Continued improvement in inventory health and portfolio optimisation

S

- Shift capital allocation and inventory deployment to platforms with proven returns
- Drive growth in ASC channel

I

- New knee builds out portfolio and creates differentiation
- Develop unique CORI platform, one platform for all major joints

R

- Strengthened commercial execution
- Differentiate technologies to fuel growth through targeted global expansion



# Strengthened our global commercial engine

- Strengthened leadership and talent
- Enhanced performance management
- Compensation realigned for growth
- Streamlined launch process
- Sharpened focus on asset turns and redeployment





# Leading with handheld robotics to fuel procedural growth

**>65%**

Of US knee implants  
performed robotically  
in CORI accounts

**+850bps**

US Knee growth in  
CORI accounts vs  
non-CORI accounts

## Redefining surgery with handheld robotics

- 10+ years pioneering handheld robotics innovation
- Placing control in surgeons' hands
- One platform for Knee, Hip, and Shoulder robotic procedures



## Unique proposition

- Ideal size and mobility for space constrained settings
- Lower cost of ownership; fewer robots to serve more ORs
- Clinically differentiated digital tensioner





# Driving growth in Hips with CATALYSTEM

## >40%

Hips performed with Direct Anterior Approach in US, and growing

## >50%

Competitive conversions with CATALYSTEM

### Penetrating high growth Direct Anterior approach

- CATALYSTEM Driving US Hip growth, expanding globally
- Easy to perform surgical approach
- Surgical efficiency with single modular tray, simplified procedure, reduced sterilisation cost

### Differentiated enabling technology

- CORIOGRAPH Pre-op Planning
- Expanded robotic capabilities with new RI.HIP, and novel handheld robotic reaming and impaction

CATALYSTEM Hip System



Hip Robotic Reamer



Hip Auto Impactor



# Pivoting from defence to offence in US knees

Competitive solution today, market leading from Q3 2026

Market development		LEGION <sup>◇</sup>		JOURNEY II	LANDMARK (Q3 2026 onwards)
Cruciate retained <sup>1</sup>	55% in 2020 → 69% in 2024	✓		✓	✓
Cementless knees <sup>1</sup>	18% in 2020 → 31% in 2024	✓		✗	✓
Medial stabilised <sup>2</sup>	12% in 2020 → 43% in 2024	✗	Oct 2025 MS insert launched	✓	✓

# Transforming knees with LANDMARK Total Knee System

## Win today

- Continue with dual knee strategy
- LEGION Medial Stabilized inserts
- CORI Knee provides personalised solutions
- Digital Tensioner supports optimal ligament balancing<sup>1</sup>
- True differentiation with OXINIUM

## Leap-frog with LANDMARK tomorrow

- Built on JOURNEY II advanced kinematics expertise
- Cemented and cementless options
- Streamlined implantation and robotic workflow
- Market leading tray efficiency, using existing instrumentation
- Unlocks portfolio simplification, reducing Primary Knee SKUs by over 30%

**JOURNEY II**  
Total Knee System  
with OXINIUM  
Technology



**LEGION MEDIAL  
STABILIZED**  
Total Knee System



**CORI**  
Surgical System



**LANDMARK**  
Total Knee System





# Capturing share in shoulders with AETOS

**\$2bn**

Global shoulder arthroplasty segment

**12%**

Shoulder arthroplasty segment growth

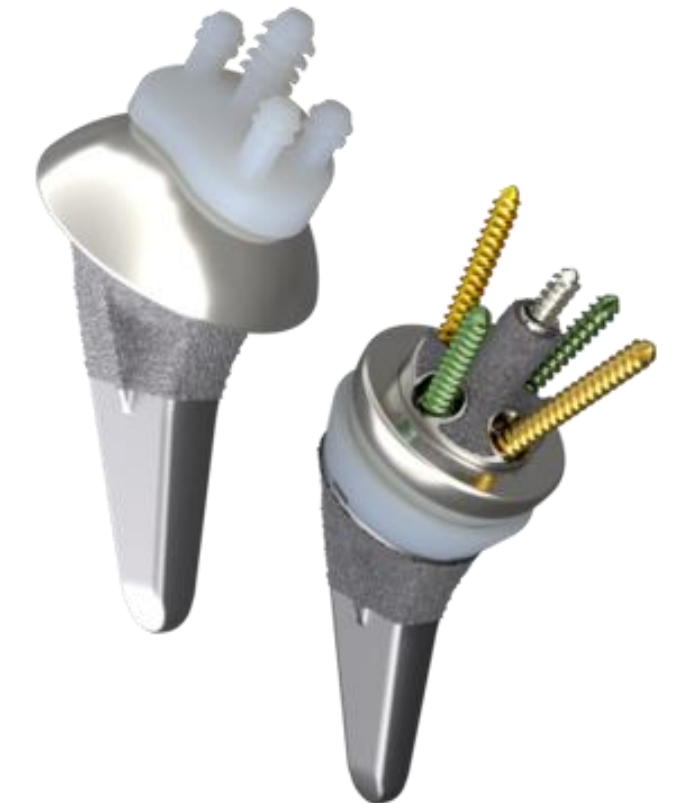
## Win today

- Leveraging channel strength across Ortho and Sports Medicine
- AETOS System covers all primary shoulder arthroplasty needs
- Market leading tray efficiency

## Accelerate tomorrow with AETOS + CORI

- Suite of pre-operative planning and data visualisation tools
- Launch of RI.SHOULDER intraoperative execution
- CORI perfectly suited for Shoulder anatomy

AETOS  
Shoulder  
System



CORIOGRAPH  
Shoulder

# Core Trauma driving growth and margin

## Execute efficiently

- Deliberate focus on priority markets and segments with innovative products
- Strategic investment in new product development
  - Large and Periprosthetic fracture market
  - Intramedullary nailing market
- Continued progress to reduce inventory and increase asset efficiency

**\$6.3bn**

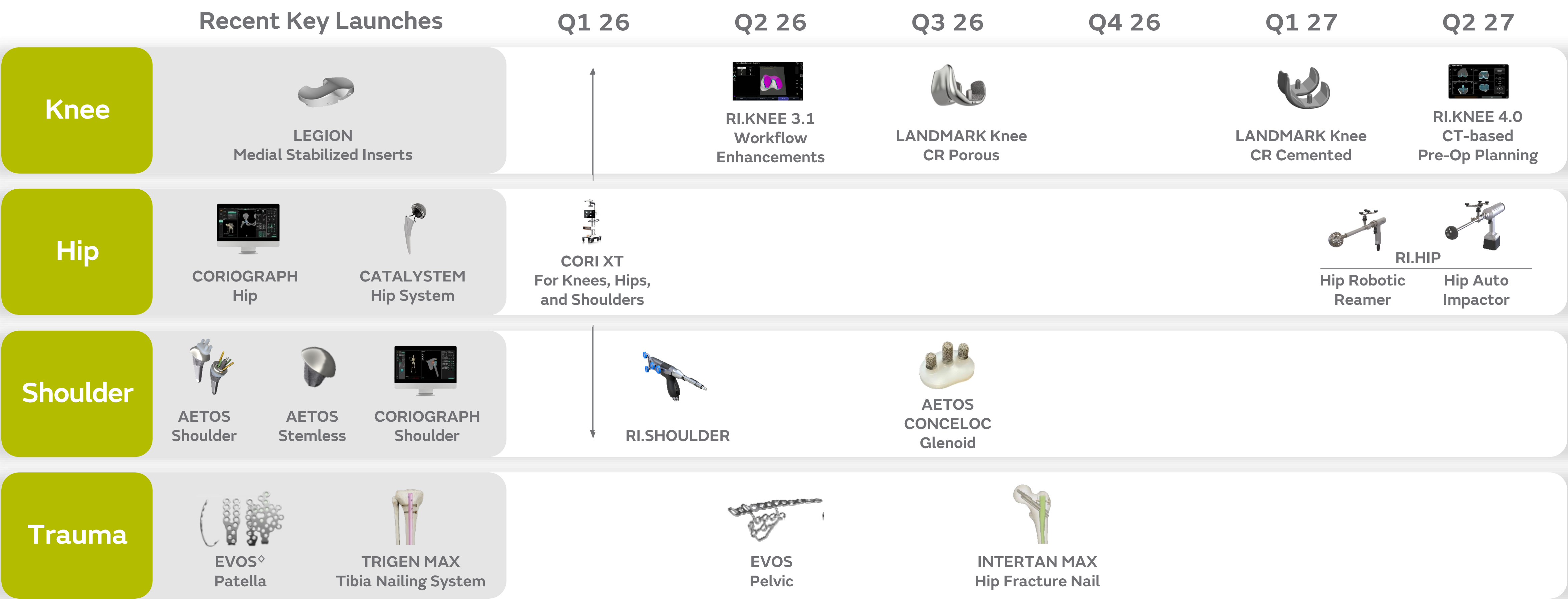
Priority market size

**8%**

S+N share of  
priority market



# Full line of leading tech-enabled implants over next 18 months





# Well positioned for ASC growth with differentiated and efficient solutions

## New flagship implant systems across Knee, Hip, Shoulder

- Designed for ASC efficiency

## Market leading capital efficient trays

- Streamlined tray configurations for CATALYSTEM, LANDMARK, and AETOS

## CORI Robotics System – one robot for all major joints

- Optimised footprint and mobility
- Lower cost of ownership, fewer robots serving more ORs

## Differentiated strategic partnerships

- Solutions for PROMs reporting and ASC performance analytics

## Sports channel enhances right-to-win

- SPM in 1600+ ASCs vs 500+ Ortho presence

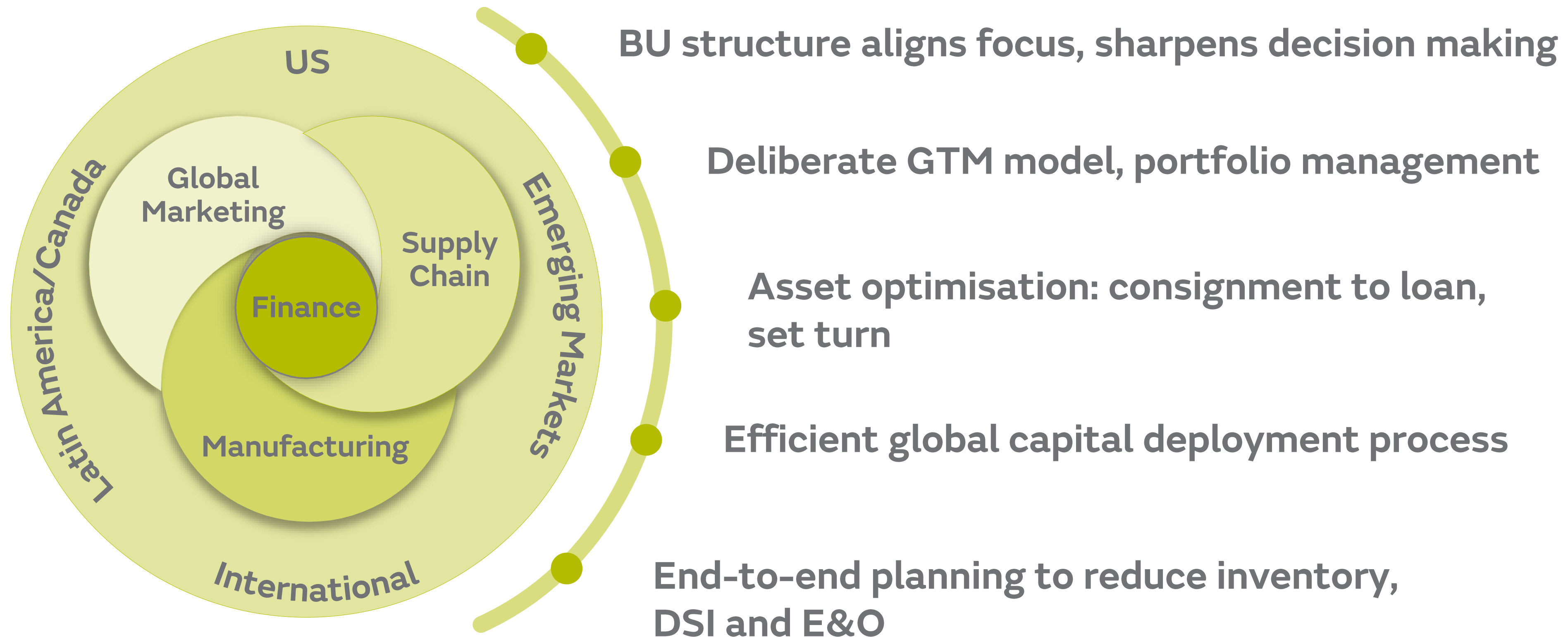
# Above market

Knees & Hips penetration in ASCs

# 25%

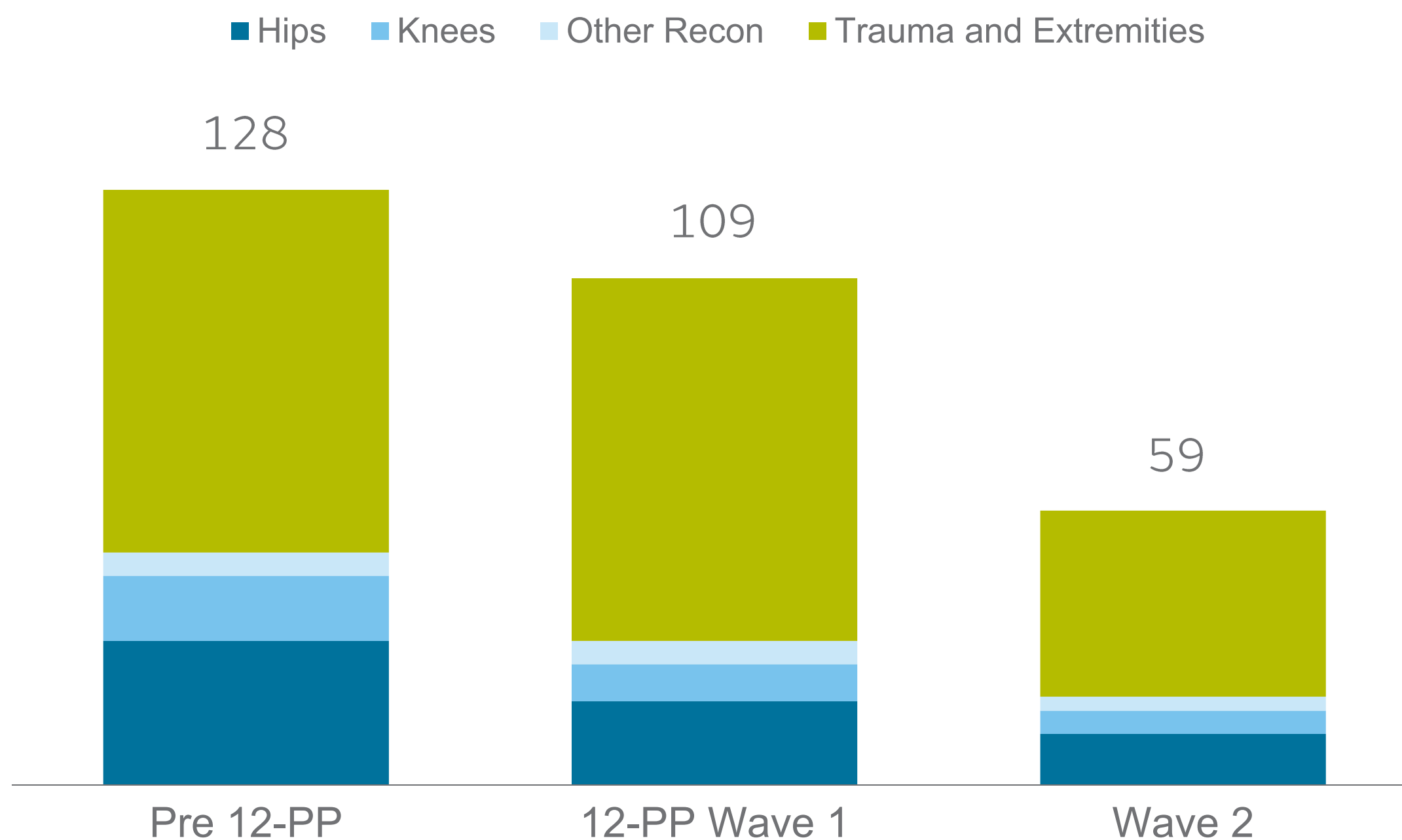
of CORI systems placed in ASCs, 35% in 2025

# Ortho360 operational model to drive efficiency and profitability



# Portfolio rationalisation will drive greater efficiency

## Planned reduction in number of product families



- 128 product families in Orthopaedics before 12-PP initiative commenced
- 19 identified for rationalisation under 12-PP (Wave 1)
- Controlled phase out process to protect revenue, c.50% completed by end 2025
- Ortho360 identified a further 50 identified for rationalisation (Wave 2)
- Expect to complete this process over three to five years

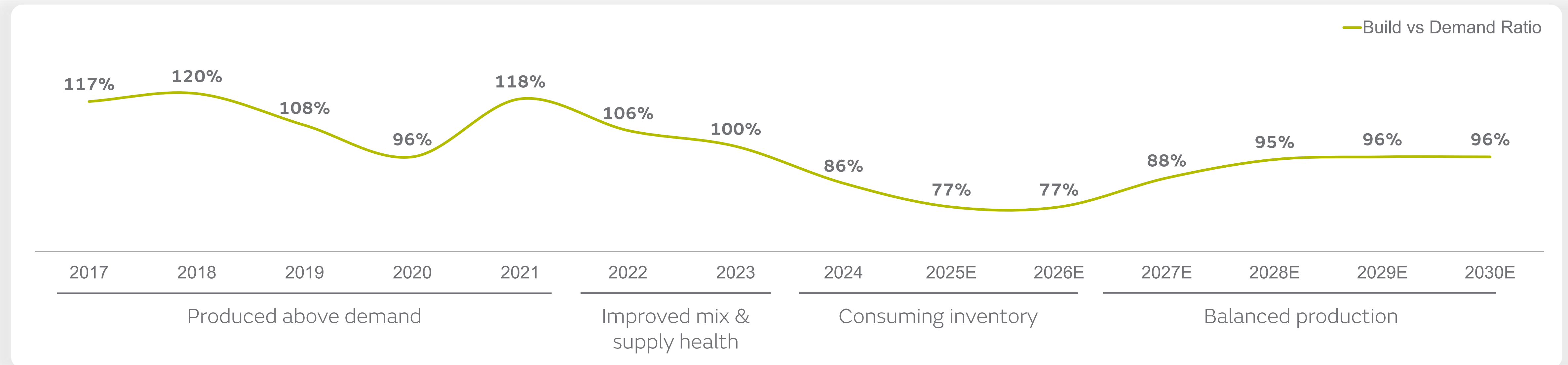


## Clear path to 20% margin and c.13% ROIC

- From 2017 to 2021, overproduction drove excess inventory
- Since 2022, production intentionally reduced below demand to correct this, creating temporary margin headwind
- While absolute inventory units declined, unabsorbed overhead increased standard costs leading to inventory revaluation upwards from 2022.
- Supply and demand are now synchronised, resulting in benchmark product availability and improved inventory health
- Capacity right-sized by closing five sites, reducing overhead and headcount. Ongoing productivity initiatives now offset inflation. Combined impact results in lower standard costs
- Resulting downward inventory revaluation creates short-term margin headwinds but sets stage for upside from 2027
- These actions, combined with portfolio rationalisation and the O360 operating model will drive growth, profitability, and asset efficiency

**Growth, impact of actions already taken and Ortho 360 will deliver significant margin and ROIC expansion**

# Historical over-production addressed starting 2022



- 2017-2022 build volumes greater than demand (c.10% p.a) leading to excess inventory
- 2022: Introduction of SIOP<sup>1</sup>, a better alignment of demand and supply and an improvement in product availability
- 2024-2026: Aggressive burn down of inventory, selling ~15% of our requirement from excess inventory
- 2027 -2030: Sales and production aligned as inventory is at target level

# Removed excess capacity and overhead to align with demand

↓33%

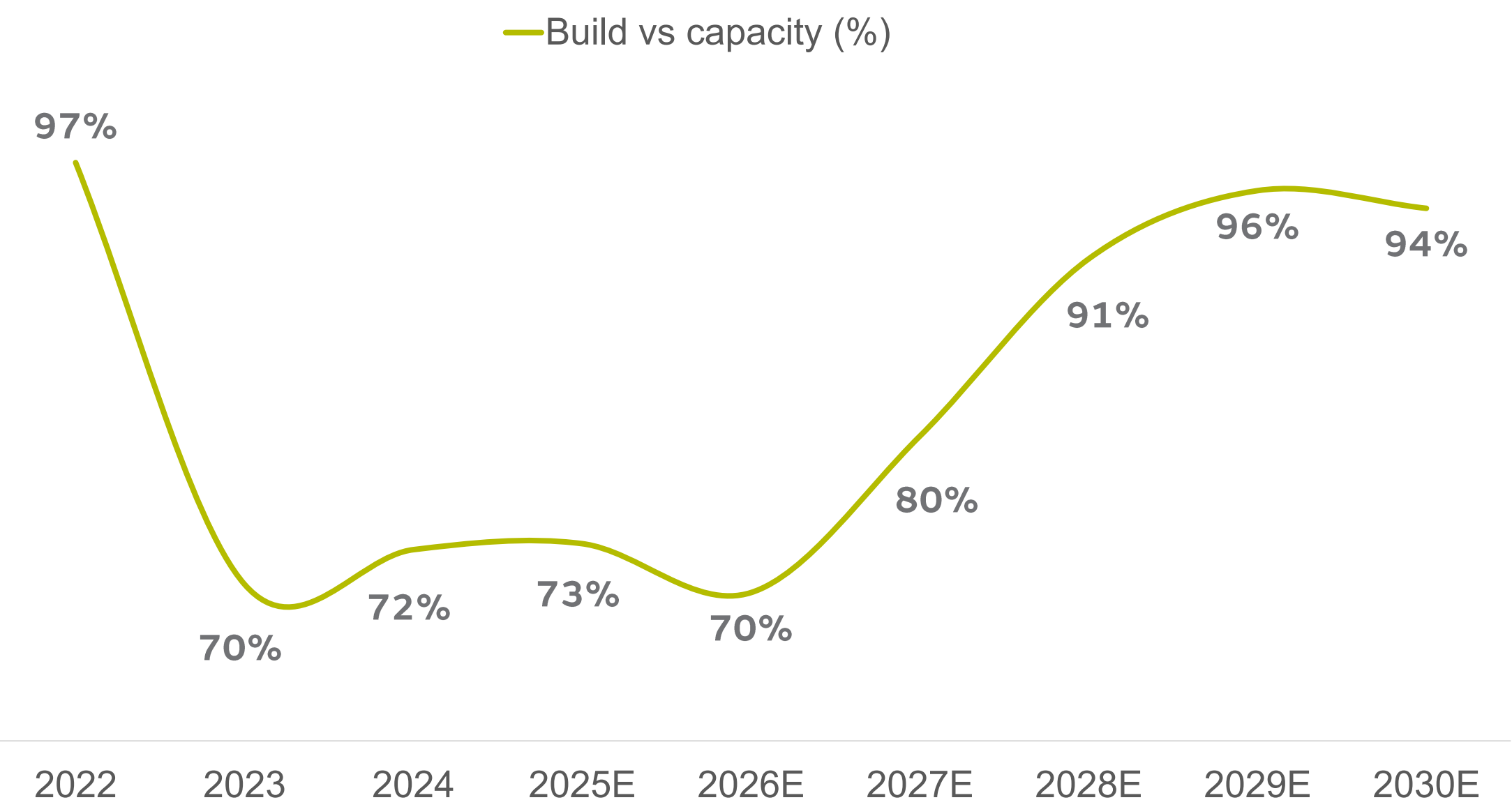
Decreased  
Manufacturing  
Footprint

↓30%

Reduced  
Production  
Headcount

- Under absorbed overhead through 2025
- Five sites closed at accelerated pace, reducing overhead
- 30% reduction in headcount, further lowering costs
- Move from 5% to 35% of global production from lower cost site in Malaysia
- Sufficient capacity for supply needs through 2030

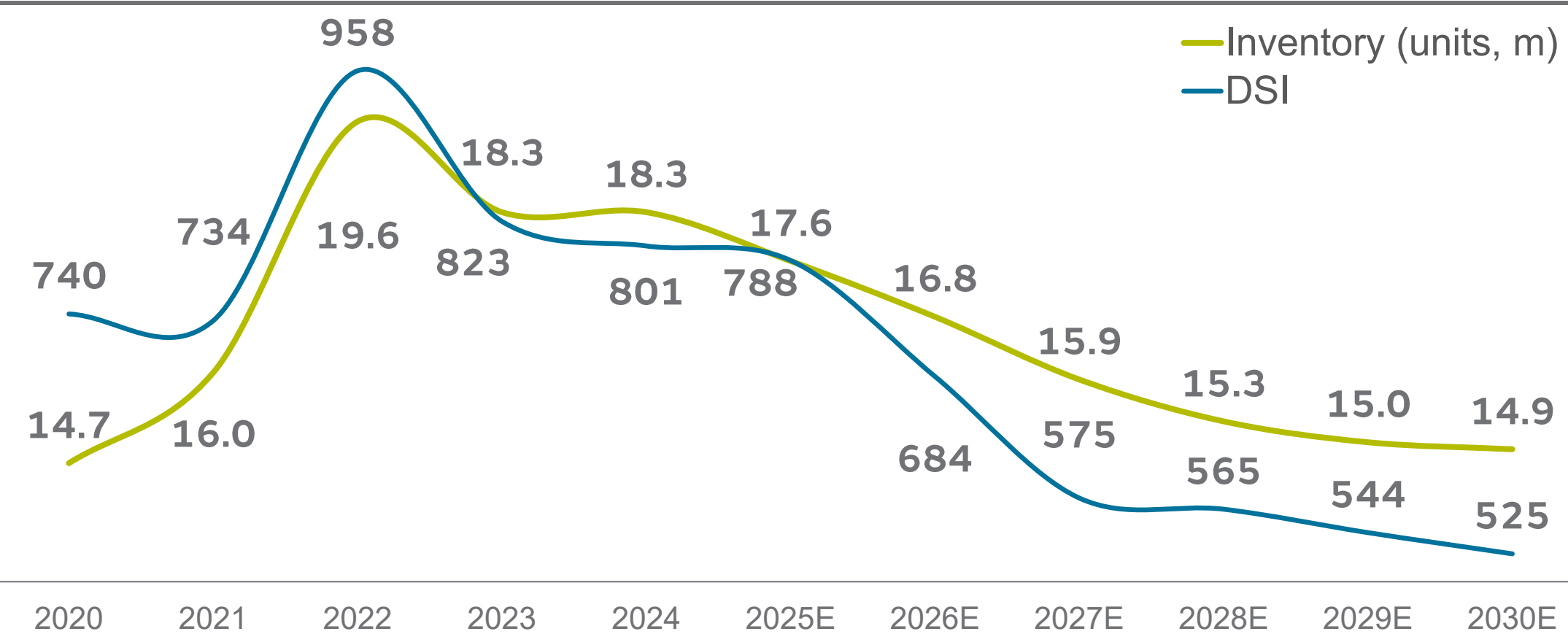
## Capacity utilisation



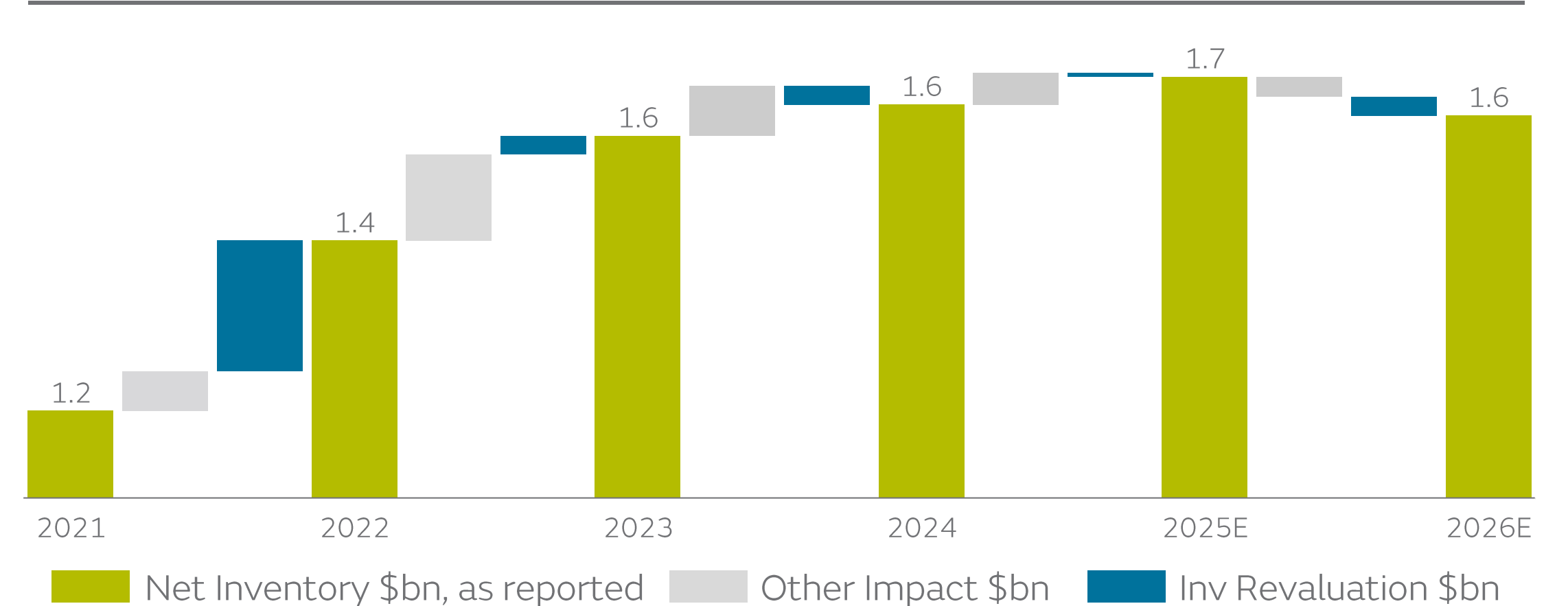


# Actions significantly reduce inventory units, value fall to follow

## Decreasing DSI and gross finished goods inventory



## Inventory revaluation headwind unwinding

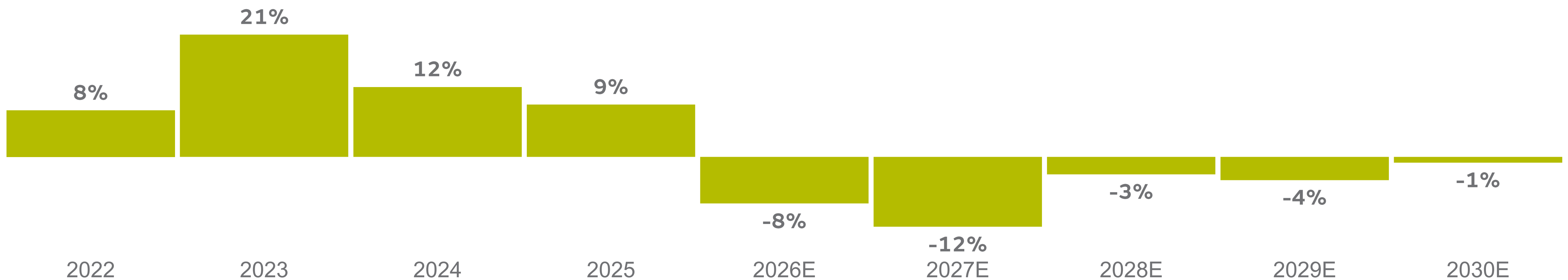


- 2022 accelerated rise in inventory due to EVOS Small launch and Integra acquisition
- Slow moving inventory reduced by 22%

- Inventory value increases due to standard cost increases in 2022-2025.
- Standard cost reduction in 2026 will be a tailwind to inventory valuation for the first time

# Standard cost reduction from 2026 will drive margin improvement

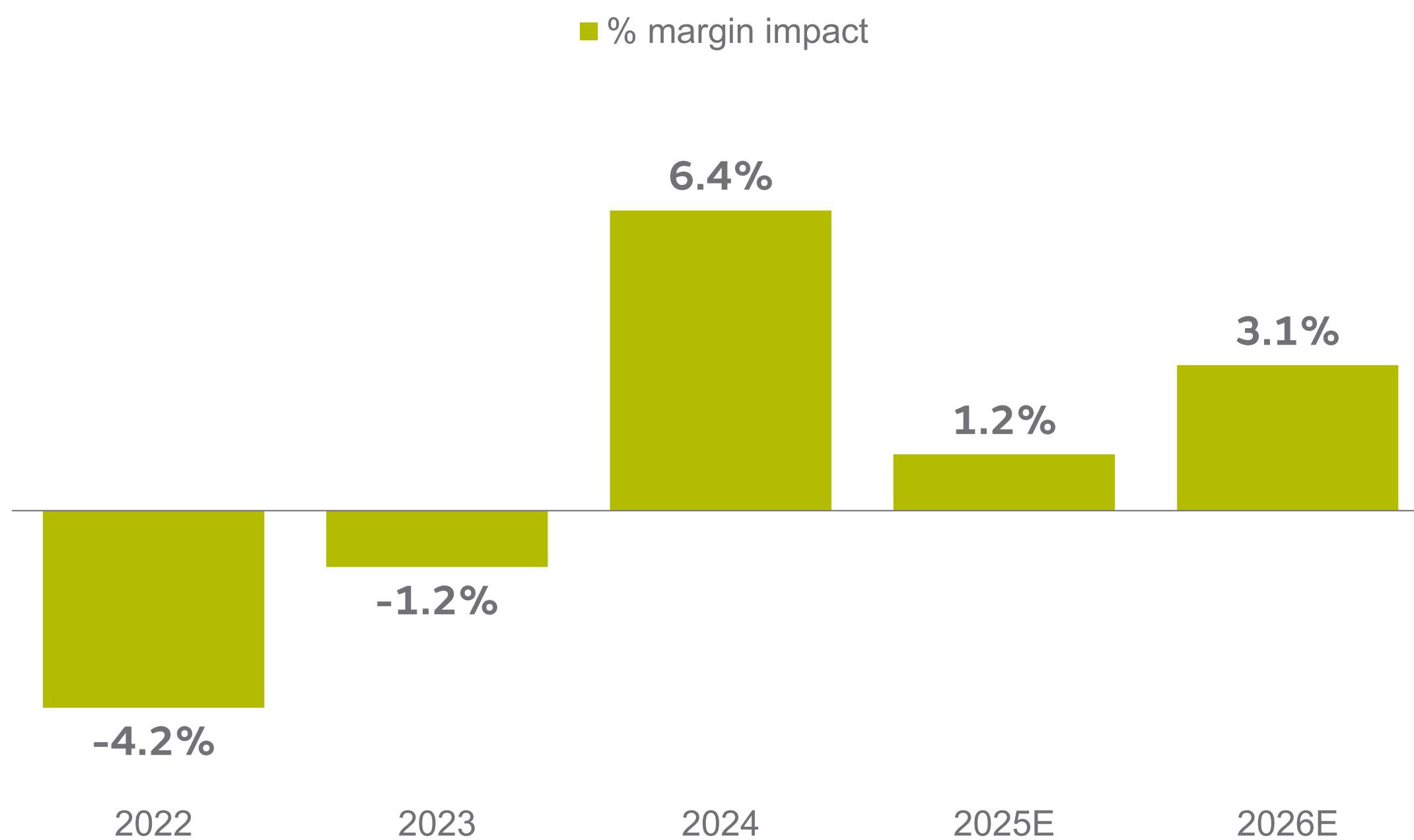
Orthopaedics % Standard Cost Change



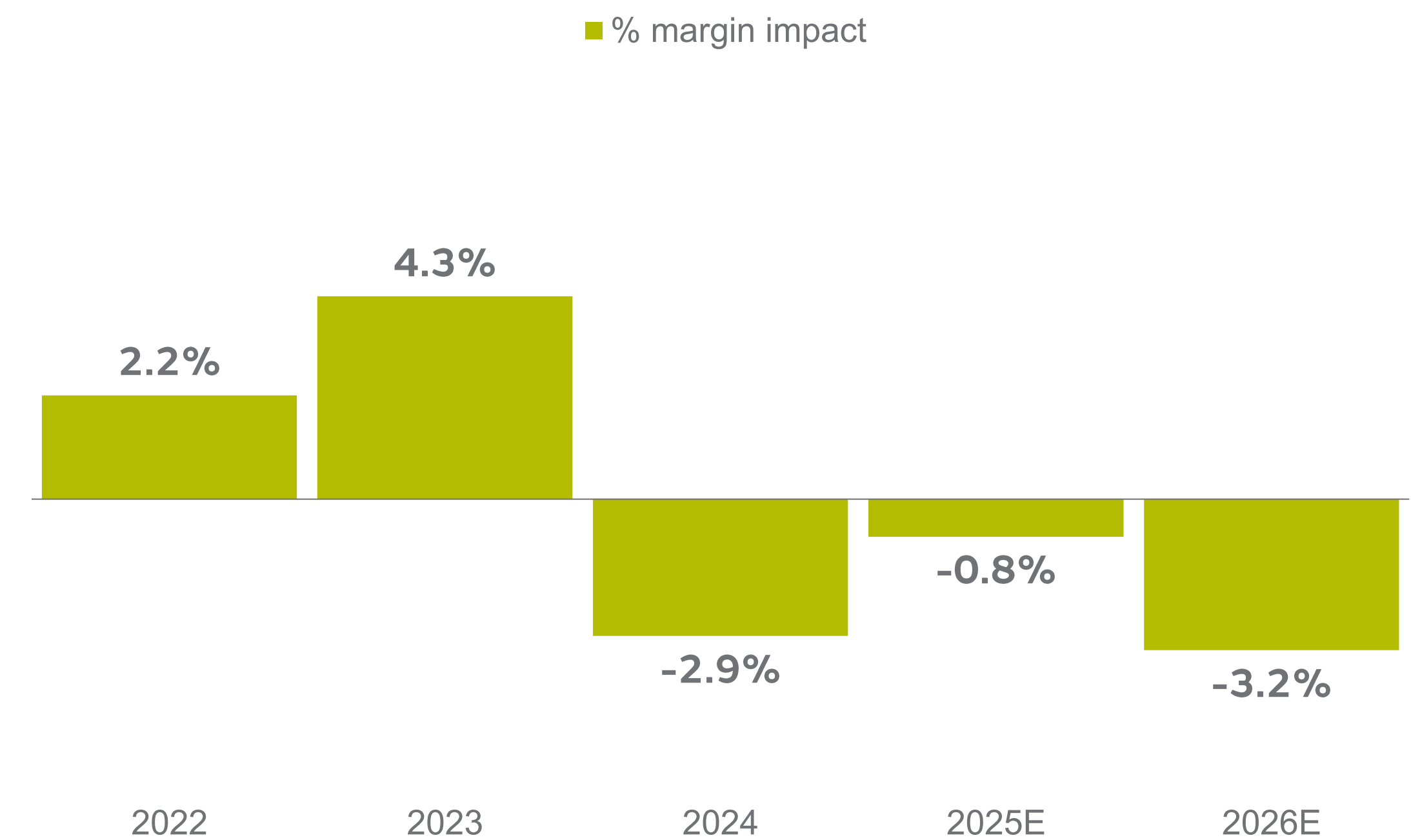
- 2022, productivity improvements initiative began
- 2023-2025: Reduced production volume faster than we could remove capacity, leading to under absorption which combined with inflation led to a standard cost increase
- From 2026, standard costs will reduce as we utilise available capacity and improve standard cost absorption

# Productivity driven margin gains masked by inventory revaluation

## Net productivity improvement impact on margin



## Inventory revaluation impact on margin





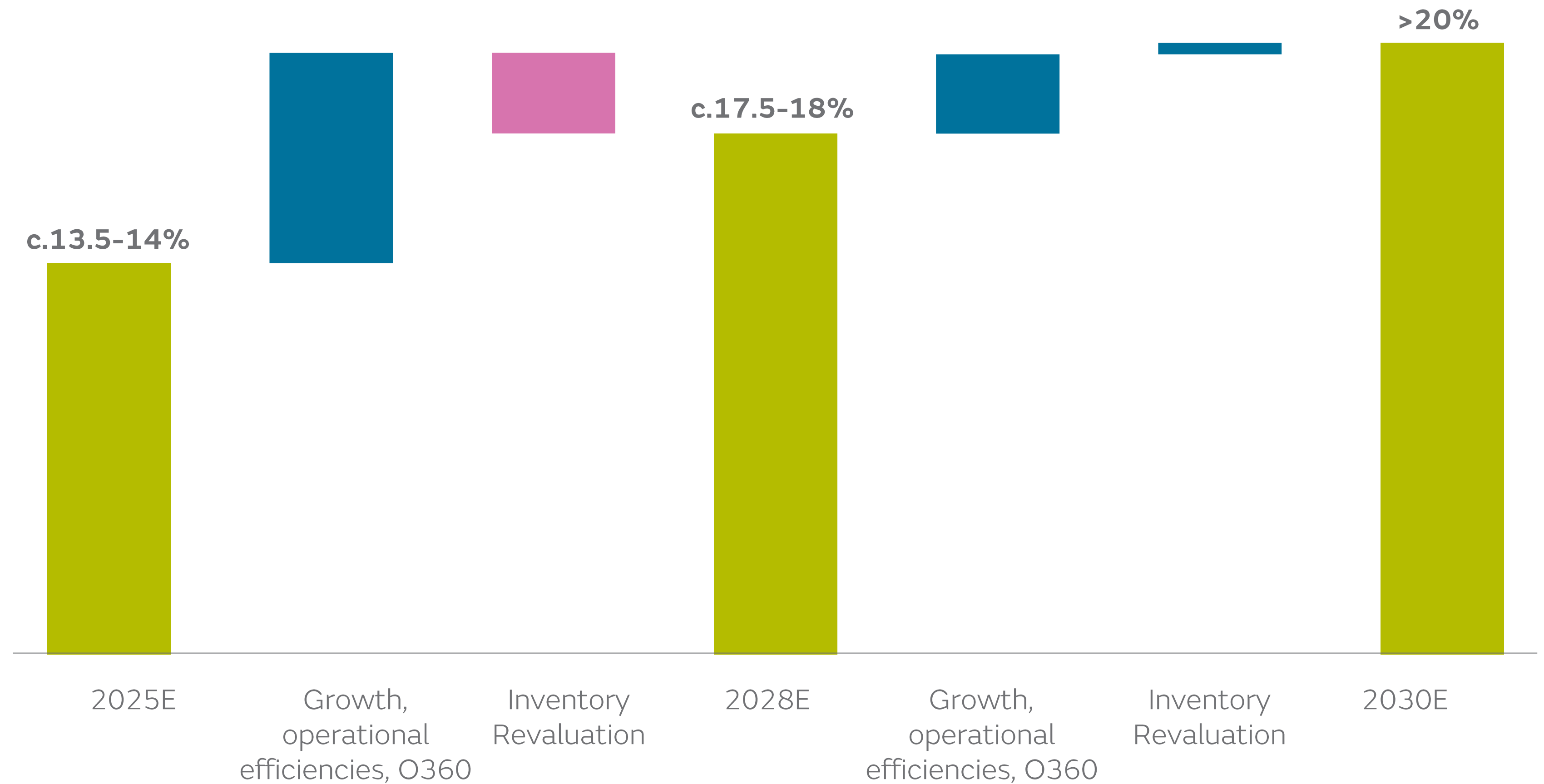
## Clear path to 20% margin

**300-  
400bps**

Margin improvement  
through 2028

**750-  
850bps**

ROIC<sup>1</sup> improvement  
through 2028



## Our 2028 ambition

Return knees to  
market growth



Maintain growth at  
or above market in  
Hips, Shoulder, and  
Trauma



300-400bp margin  
expansion from  
2025 to 2028

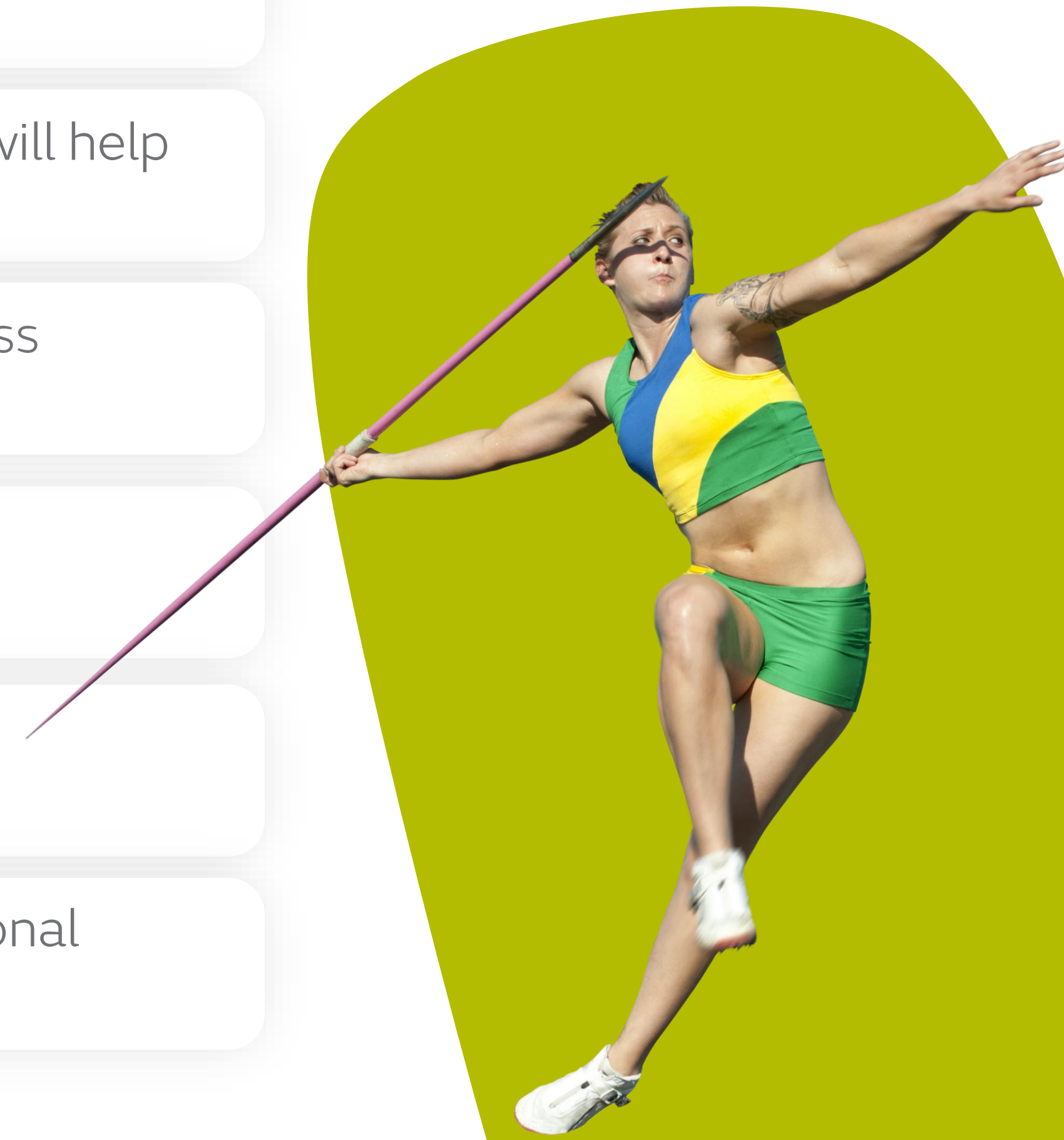


Continued ROIC  
expansion



# Key messages

- + We have strengthened and upgraded our commercial engine, and significantly improved growth
- + Our differentiated portfolio, exciting pipeline and launch excellence process will help us reach more patients
- + Our unique CORI platform will fuel procedural growth, offering solutions across all large joints
- + We will transform knee growth with our LANDMARK system, replicating the success seen in hips and trauma
- + We will win in ASC's with our efficient, tailored, CORI driven solutions
- + Our Ortho 360 Operational Model is the powerhouse to drive further operational efficiencies





07

# Our Way to Win

**Elga Lohler**  
Chief HR Officer

**S+N**



# Our cultural framework for engagement and performance





# Our cultural framework for success

## Pre 12-PP

- Complex and consensus based
- Reactive
- Inconsistent execution
- Unclear accountability
- Mixed engagement outcomes

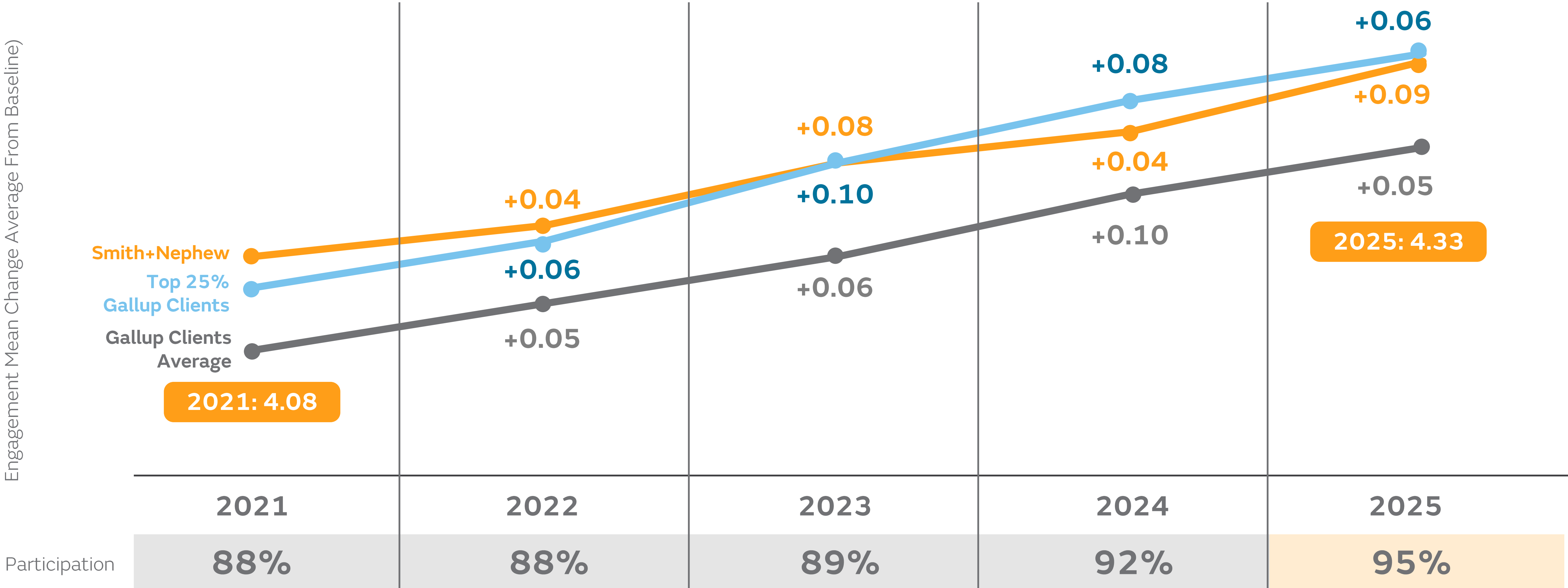
## Today

- Decisive and fact-driven
- Anticipatory
- Disciplined Results + KPI focus
- Single points of accountability through BU verticalization
- Strengthened engagement capabilities and measurement
- Strong talent, stable leadership





# Gallup exceptional workplace award recipient



Note: Comparisons are based on Gallup's (2022) Q12 Company-Level Change Analysis 2000-2021. Gallup Clients Average is defined as 50<sup>th</sup> percentile change, and Top 25% Gallup Clients is defined as 75<sup>th</sup> percentile change.

# Our Way to Win



## Our enabler

## Our Way to Win

- ✓ Programmatic Continuous Improvement
- ✓ Embedding and building the discipline of the 12-PP
- ✓ Tools, mindset, and behaviours consistent with our culture

**Be better, every day, through continuous improvement, mindset and behaviours**





08

# Financials

**John Rogers**

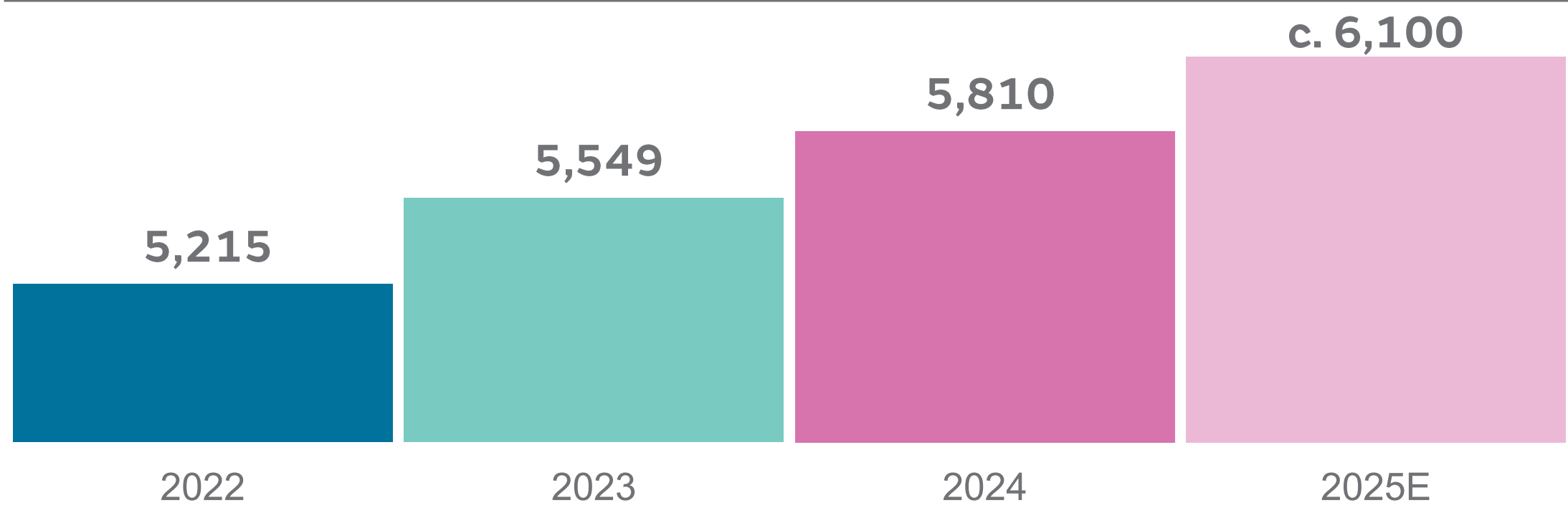
Chief Financial Officer



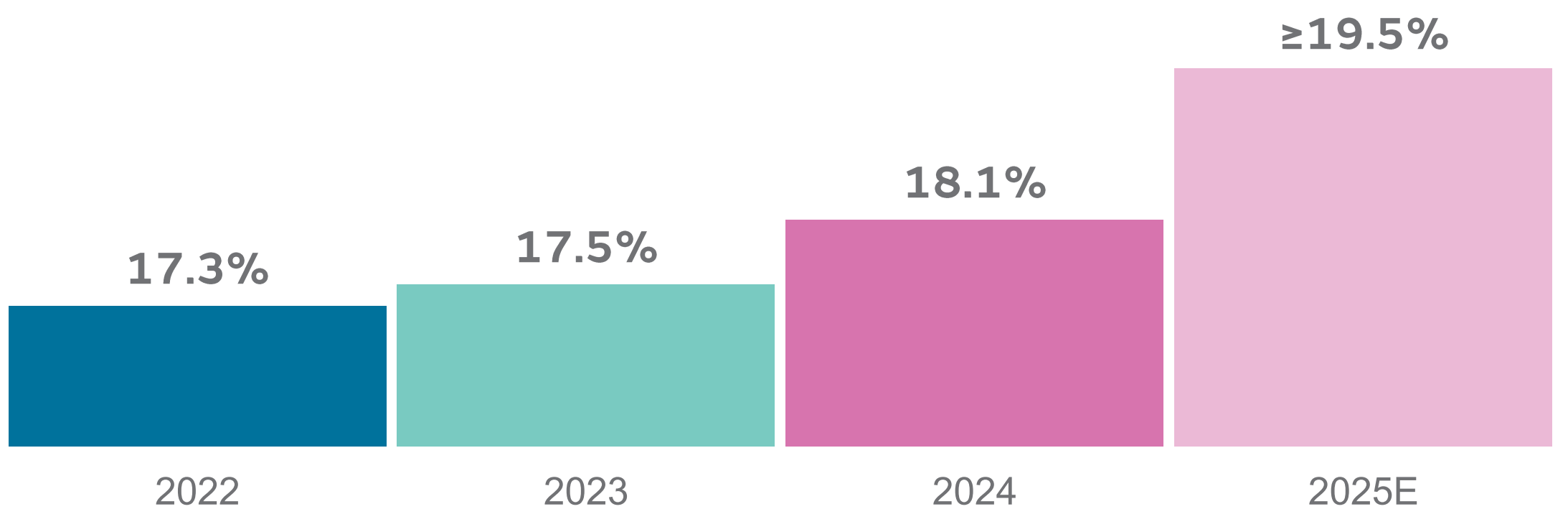


# 12-PP elevated our financial performance

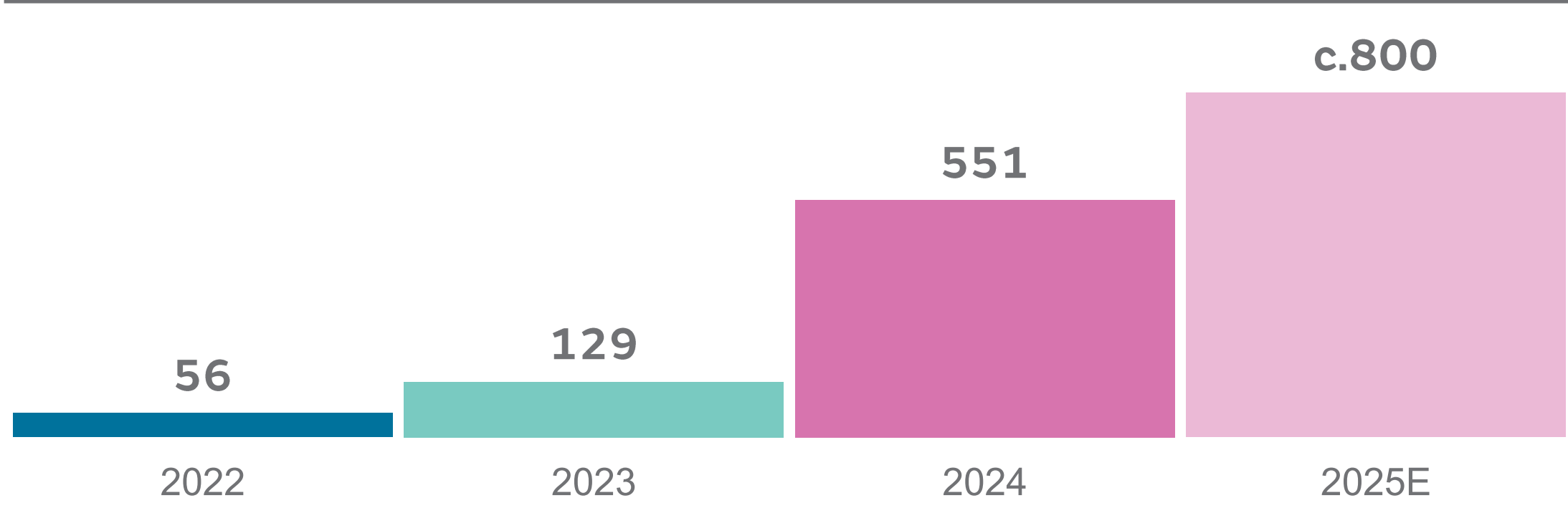
Revenue progression (\$m)



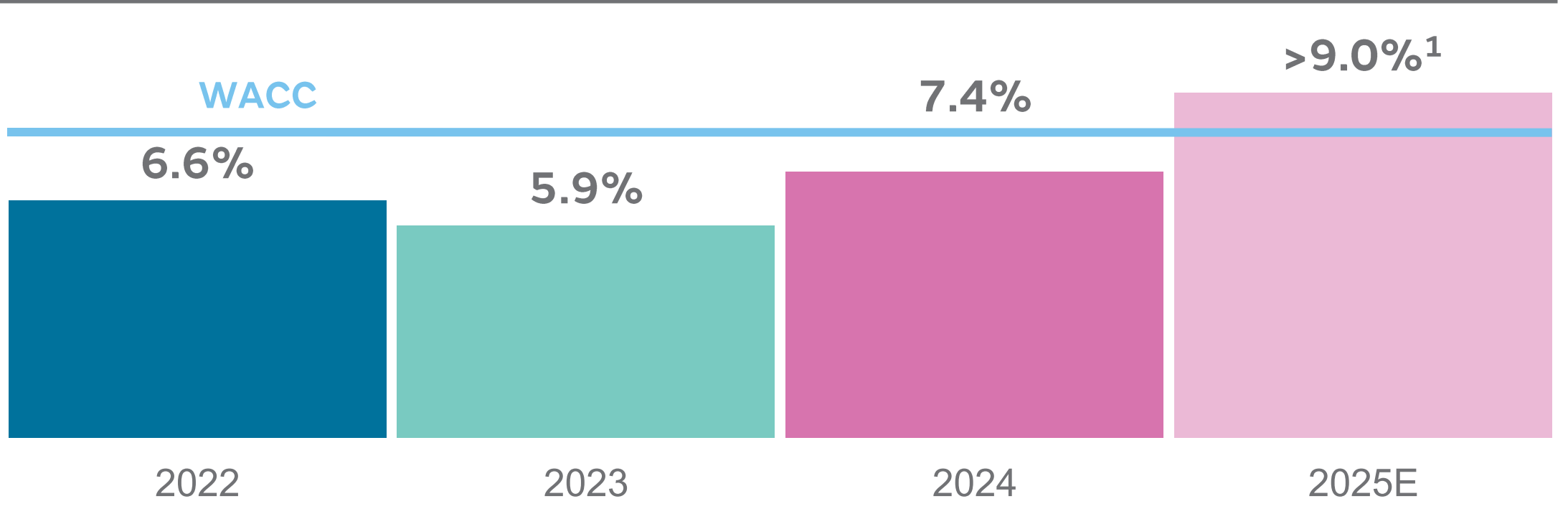
Trading margin progression



FCF progression (\$m)

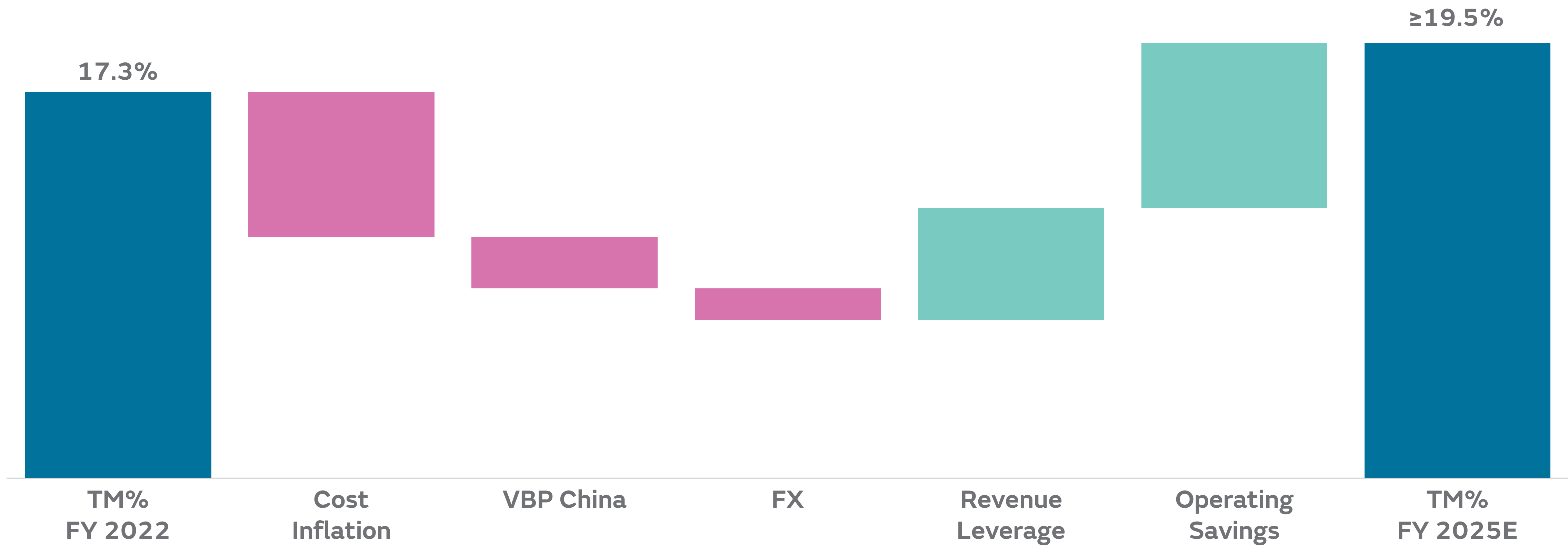


ROIC progression

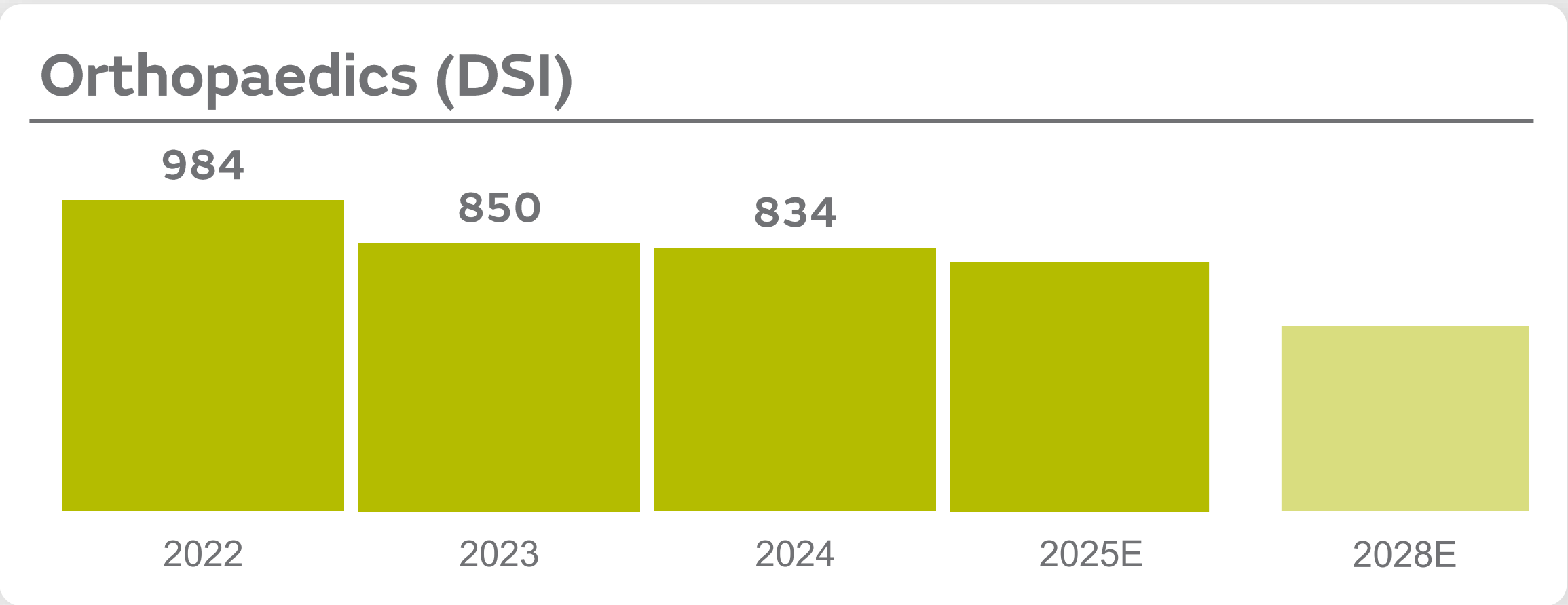
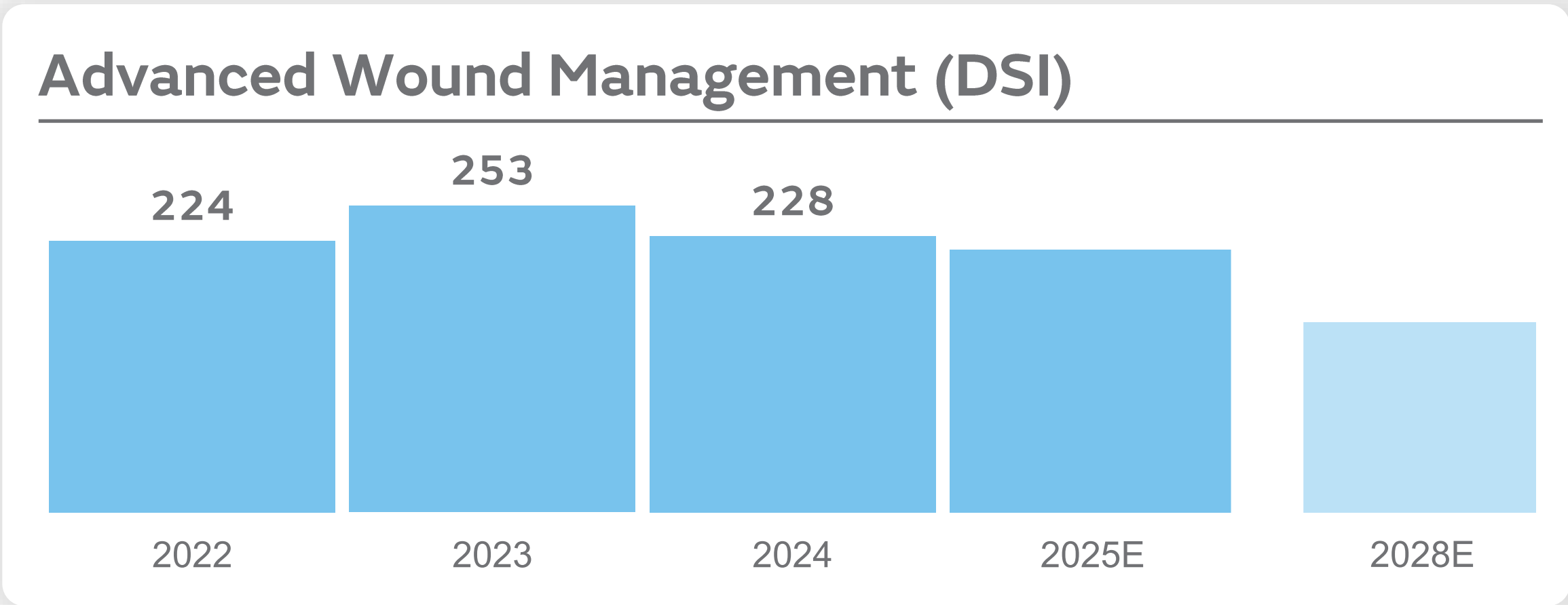
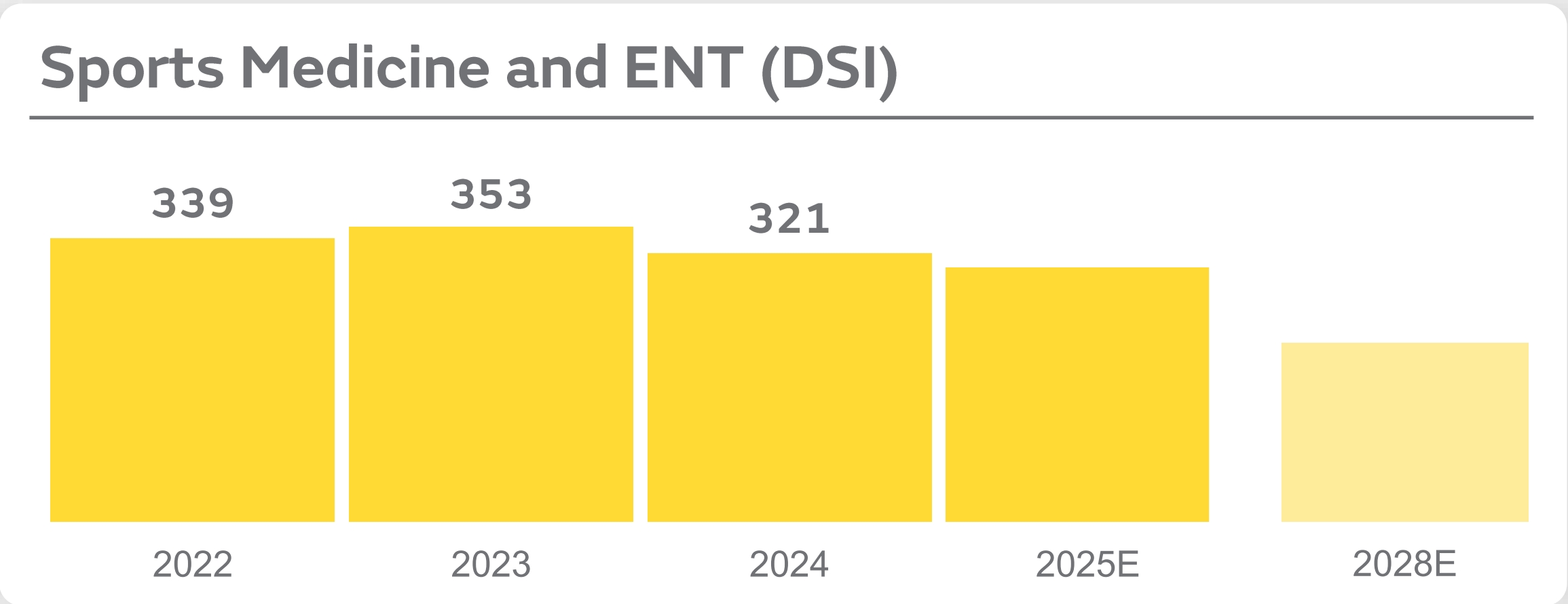
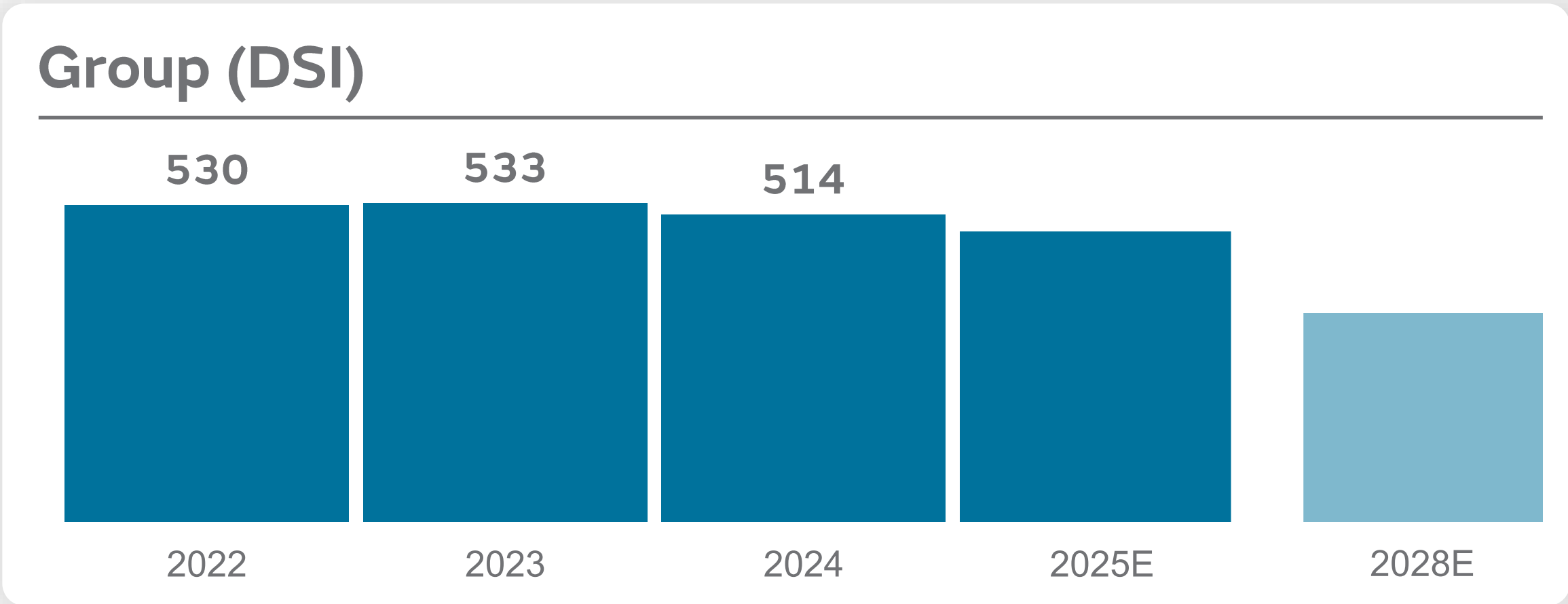


1. Excludes impact of portfolio rationalisation

# 12-PP delivered c.220bp margin expansion despite significant headwinds



# Inventory volumes down, inventory health improved and reduction in DSI by BU<sup>1</sup>



1. Excludes impact of portfolio rationalisation



## On track to meet 2025 guidance, narrowed margin range and raised FCF

**c.5%**

revenue growth



**$\geq 19.5\%$**

trading margin



**c.\$800m**

FCF



**$> 9\%$**

Increased ROIC<sup>1</sup>  
(above WACC)



## Provisional 2026 guidance

**c.6%**  
revenue growth



**Profit growth  
ahead of revenue  
growth**



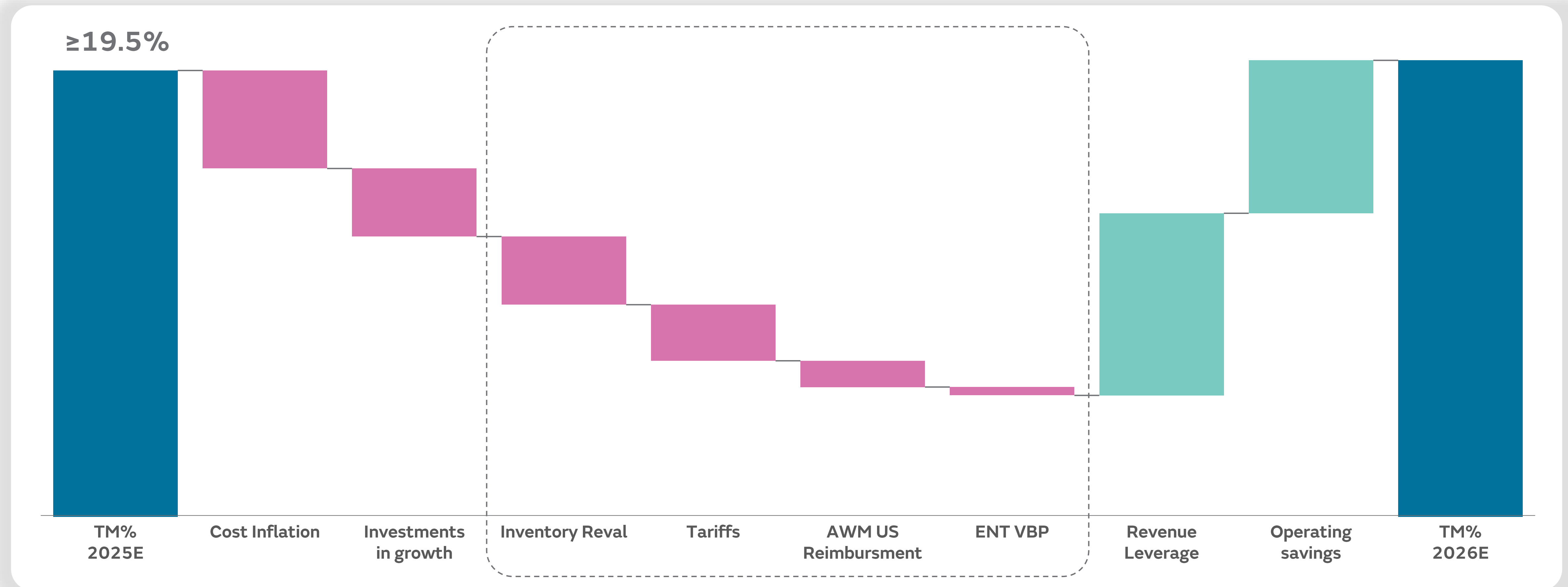
**c.\$800m**  
FCF



**>10%**  
ROIC



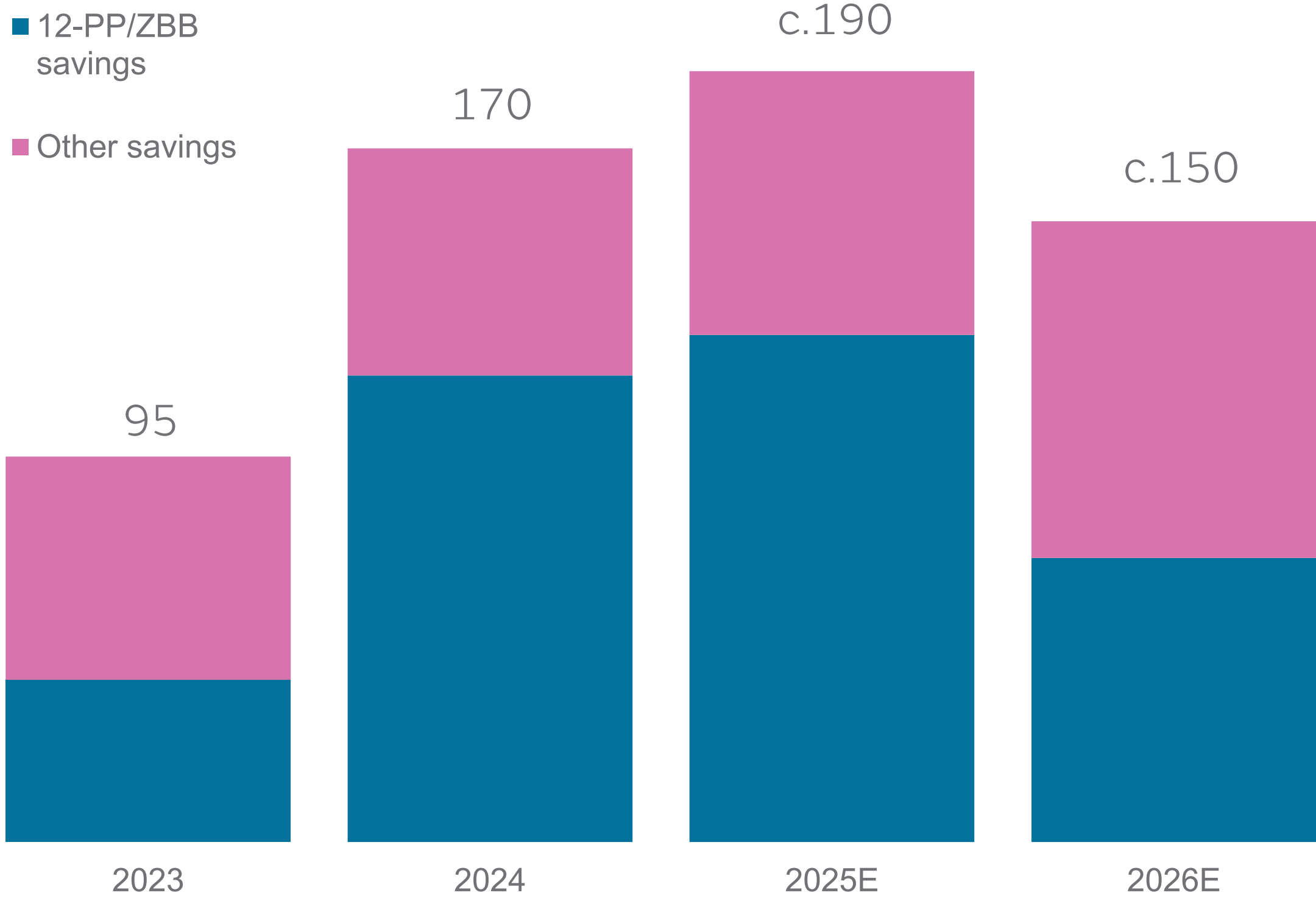
# Anticipated margin expansion in 2026 despite significant headwinds



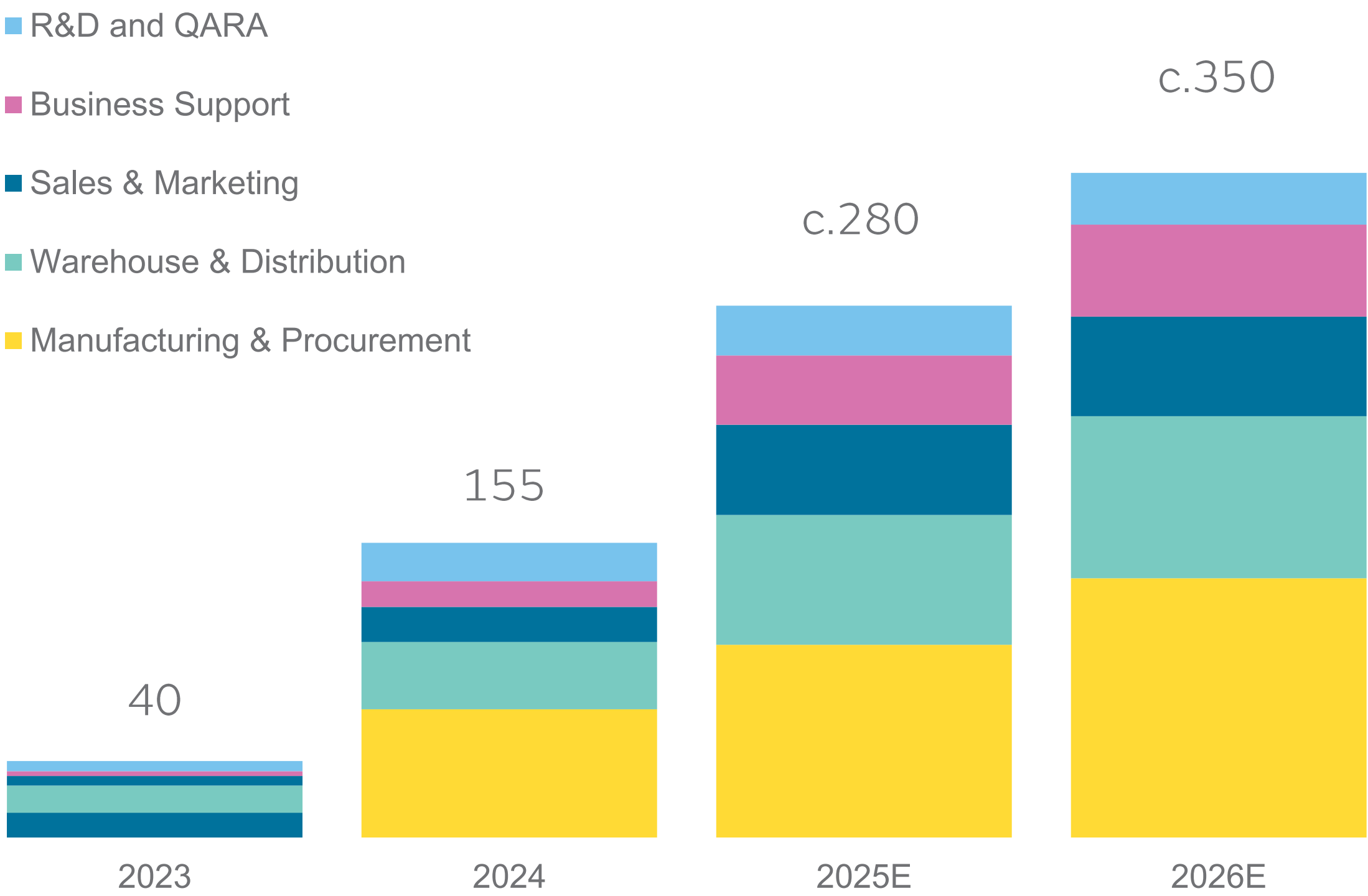


# On track to deliver \$325-375m 12PP/ZBB

Annual savings (\$m)



Cumulative run-rate savings 12-PP/ZBB (\$m)



## Our 2028 ambition to accelerate growth and improve returns

**6–7%**

Organic revenue  
CAGR



**9–10%**

Trading profit  
CAGR



**> \$1bn**

2028 FCF



**12–13%**

ROIC in 2028



# New strategy will drive revenue, profit and ROIC expansion across all BUs

## Sports Medicine

HSD revenue growth  
Move to market leader  
Modest margin expansion

## Ear, Nose and Throat

Above market growth  
Modest margin expansion<sup>1</sup>

## Advanced Wound Management

HSD revenue growth  
Modest margin expansion  
Further ROIC expansion

## Orthopaedics

Return to market growth  
300-400bps margin step-up  
Significant ROIC expansion<sup>2</sup>



# Our capital allocation framework

## 1. Invest

- Innovation to drive a step-up in organic growth

## 4. Return

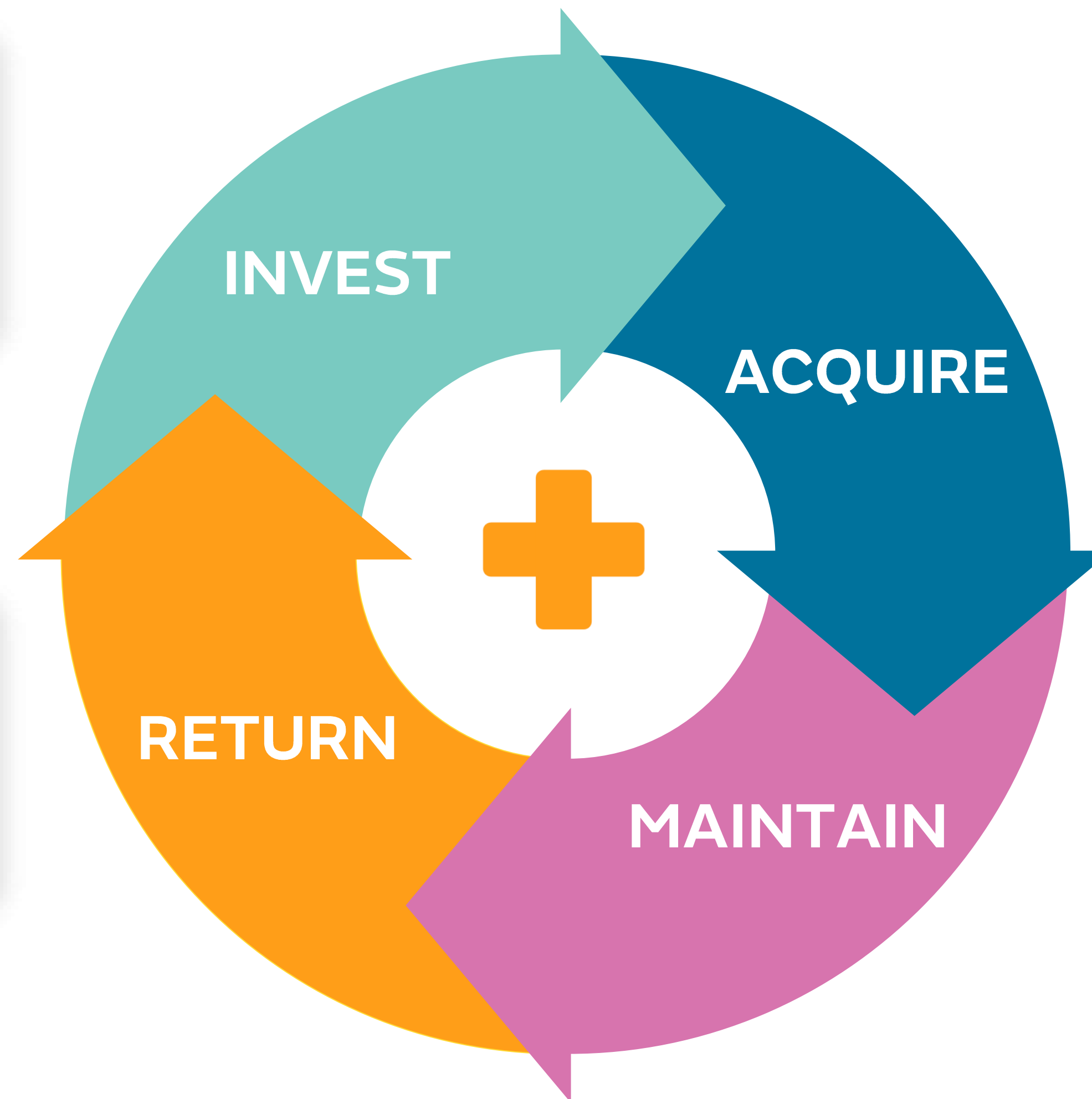
- Surplus capital to shareholders
- \$500m share buyback in 2025

## 2. Acquire

- New technologies and expand in high growth segments with strong strategic fit that meet our financial criteria
- Accretive to group revenue growth
- NPV positive

## 3. Maintain

- Optimal balance sheet position
- Investment grade credit ratings
- Target leverage ratio of around 2x
- Willing to accept higher leverage for acquisitions, returning to target within 18-24 months
- Dividend: Progressive with a payout ratio of around 35% - 40%



# 09 Q&A





10

# Wrap up





# Key messages

- + 12-Point Plan has delivered and provides a strong foundation for future
- + Ambitious new strategy, RISE, will reach 5m more patients in 2028
- + Innovation, with step up in R&D for SPM<sup>1</sup> and AWM<sup>2</sup>, and improved commercial execution, will drive revenue growth moving us to market leader in SPM and AWM
- + Positive actions taken to normalise supply and right-size capacity in Orthopaedics sets us on a clear path to 20% margin in that business unit by 2030
- + Continued focus on group wide productivity and further operational efficiencies will deliver trading profit growth
- + Strong cash generation provides optionality for strategic M&A to reinforce success



# Appendix

# Leadership team experience and education

**John Rogers**  
**Chief Financial Officer**

MEng Imperial, MBA INSEAD  
Non-Executive Director of  
Grab Holdings Limited  
CFO WPP and Sainsbury's  
CEO Argos

**Elga Lohler**  
**Chief Human Resources Officer**

M.A., Org. Psychology,  
University of Witwatersrand  
10 years as CHRO  
S+N – 10 years  
S+N experience across  
business units, operations,  
corporate services

**Ajay Dhankhar, Ph.D.**  
**Chief Corporate Strategy & Development Officer**

Ph.D. Biophysics &  
Biochemistry, Yale  
Managing Director, Global  
Head Of MedTech Lazard  
Sr. Partner McKinsey, Global  
Head of Strategy

**Paul Connolly**  
**President, Global Operations**

MSc. Manufacturing Mgmt.,  
University of Ulster  
20 years at J&J– Director of  
European Ops, DePuy,  
VP, Global Ops, ASP,  
VP Manufacturing and GBS  
Head of Global Manufacturing  
Strategy, Goodyear Tire

**Alison Parkes, Ph.D.**  
**Chief Compliance Officer**

Ph.D., Molecular Genetics,  
University of Sheffield  
CCO S+N – 4 years  
S+N experience across  
Quality, Risk Management,  
Vigilance and Compliance  
roles globally

**Mizanu Kebede**  
**Chief Quality & Regulatory Affairs Officer**

M.Sc, Microbiology and  
Immunology, Murray State; Sr.  
VP Global Quality, Regulatory  
& Product Safety, Avanos  
VP, Global Quality &  
Regulatory, Kimberly Clark;  
VP, Privacy & Compliance, J&J  
Global Medical Devices &  
Diagnostics

**Craig Gaffin**  
**President, Global Orthopaedics**

MBA, Wash U at St Louis  
Director of Sales and  
Marketing, Stryker

**Rohit Kashyap, Ph.D.**  
**President, AWM and Global Commercial Operations**

Ph.D., Biomedical Engineering,  
Case Western  
MBA Northwestern  
President, Wound Care and  
Surgical, Mimedix  
President, Global Commercial,  
Acelity

**Scott Schaffner**  
**President, Global Sports Medicine**

MBA, Stanford University  
Medtronic,  
President Abbott Spine, Sr.  
VP Zimmer, GM ArthroCare  
Sports Medicine

**Vasant Padmanabhan, Ph.D.**  
**President, Global R&D, ENT & Emerging Markets**

MBA, University of Minnesota  
Ph.D., Biomedical Engineering,  
Rutgers University  
SVP Technical Ops, Thoratec  
VP R&D, Medtronic

**Helen Barraclough**  
**Group General Counsel and Company Secretary**

M.A., Law, Cambridge  
Sr. Legal Counsel, WPP  
VP, Corporate/Transactional  
Legal, Nomura Int'l