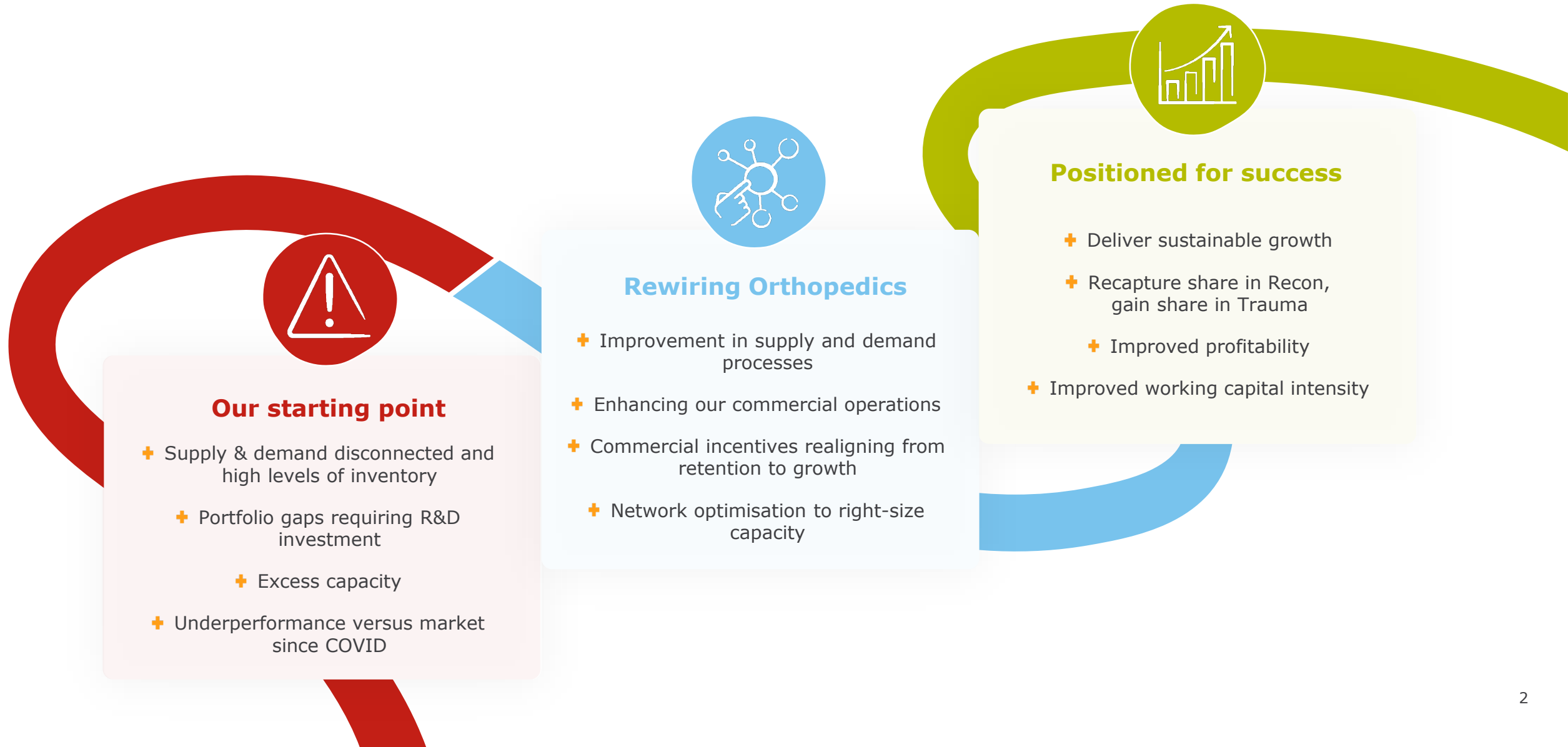


Meet the Management 2023

Orthopaedics
29 November



Our journey to rewire Orthopaedics for sustainable growth and improved profitability



Our starting point

- + Supply & demand disconnected and high levels of inventory
- + Portfolio gaps requiring R&D investment
- + Excess capacity
- + Underperformance versus market since COVID

Rewiring Orthopedics

- + Improvement in supply and demand processes
- + Enhancing our commercial operations
- + Commercial incentives realigning from retention to growth
- + Network optimisation to right-size capacity

Positioned for success

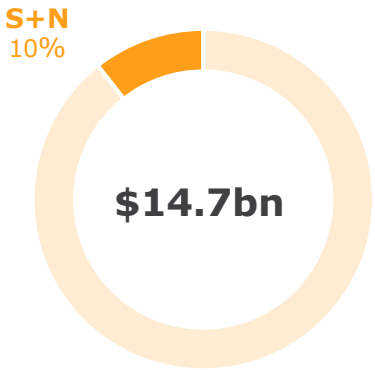
- + Deliver sustainable growth
- + Recapture share in Recon, gain share in Trauma
- + Improved profitability
- + Improved working capital intensity



Sizeable \$27bn global Orthopaedics market opportunity



Global Hip & Knee implants segment 2022



+4% Market Growth
+2% 2017-19
average growth

Sub-segments

Knee

Primary

Partial

Revision

Hip

Primary

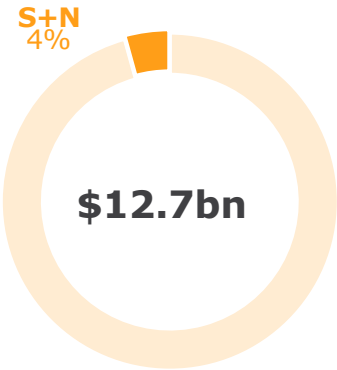
Partial

Revision

Resurfacing

Robotics

Global Trauma & Extremities segment 2022



+3% Market Growth
+5% 2017-19
average growth

Sub-segments

Trauma

Plates & Screws

IM Nails

Hip Fracture

Temporary Fixation
Limb Restoration

TSA

Shoulder

Extremities

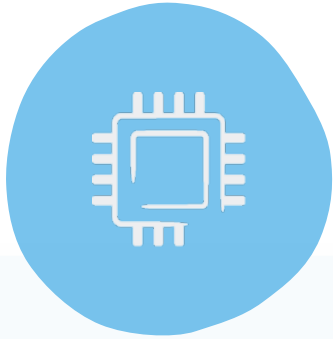
Total Ankle

Lower Extremities

Upper Fixation

Hand/Wrist & Elbow

Market trends impacting Orthopaedics



Robotics technology

New surgical capabilities
AI enhanced decision-making



Physician

Increasing adoption of enabling technology
Prioritising tech that offers surgical efficiency and flexibility



Patient

Patients living longer at higher levels of activity



Providers

Pervasive price pressure, staffing, payer delays
Continued site-of-care shift to ASC/short-stay market

Our new value proposition supports a unified strategy



Precision in motion

**An uncompromising commitment
to freedom of movement**

✓ Strategic Pillars

Surgery Personalized

Efficiency Advanced

Performance Optimized



Levers to execute near-term strategies



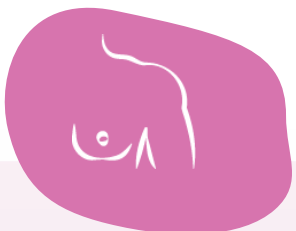
Scale Robotics platform



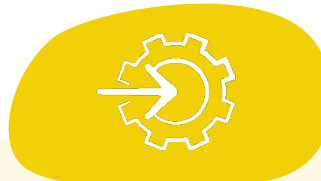
Grow differentiated Knee and Hip surgical solutions



Accelerate EVOS



Build Shoulder presence



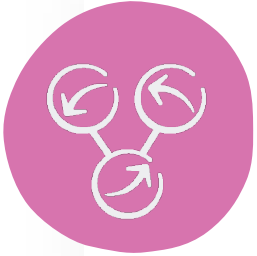
Operations & logistics



Global commercial excellence



Leading procedural transformation with CORI[◇]



✓ CORI unlocks the value of robotics

- New AI enabled surgical techniques
- Closed-loop data capture
- Novel implant designs
- Less capital required



✓ Differentiated robotics platform

- Most versatile system with procedural flexibility
- Suitable for any surgical location: "One OR, One CORI"
- Most scalable platform
- Market development and commercial execution



✓ Demonstrated success

- CORI penetration in leading Academic Centers and ASCs
- First to market with knee revision, AI, and soft-tissue balancing
- Increase in multi-facility deals
- 25% utilisation in US knee procedures
- Market leading installations in EMEA
- ~50% YoY increase in new global installs



CORI is the most novel, flexible and scalable solution



Key Features	Smith+Nephew	Competitor #1	Competitor #2	Competitor #3
Robotic-assisted capabilities	✓	✓	✓	✓
Small OR footprint Suitable for ORs with limited space	✓ Small 9.1 kg	Large 400kg	Large 500kg	Medium > 75kg*
Portability Easily moved between operating theatres	✓ High	Low 3 separate carts	Low 2 separate carts	Low 2 separate carts
Quick set up time Minimises procedure time	✓ 5 minutes	30 - 45 minutes	20+ minutes	15+ minutes
Pre-surgical imaging protocol	✓ Available, Not Required 3D Intra-operative mapping	Required	Required	✓ Not Required
Total Knee Resection options	✓ Precision Milling & Tibial Saw Enablement	Saw only	Saw only	Saw only
AI enablement (intra-op)	✓ Personalised Planning	X	X	X
Balancing solutions	✓ Digital Tensioner Pre-cut tensioning device	Requires bone cuts before use	Manual	Manual Mechanical tensor post tibia cut
Indications as of 2023	Knee: Partial, Primary, XR, Revision Hip: Primary	Knee: Partial, Primary, PFJ Hip: Primary	Knee: Partial, Primary Hip: Primary	Knee: Primary

✓ New since 2021 Investor Day

Sources:

Smith+Nephew: Internal Documentation – Data on file with S+N

Other competitors: manufacturers websites, and instructions for use.

*complete system weight.

Industry leading designs, materials, and robotics technology S+N

Superior kinematics

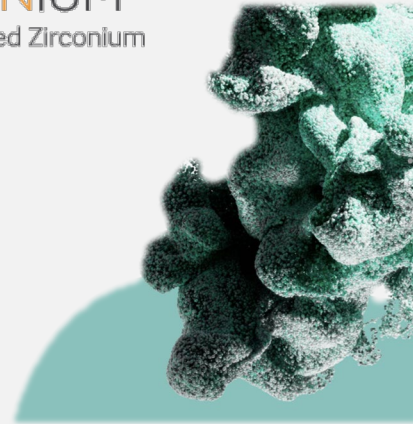


JOURNEY II
TOTAL KNEE ARTHROPLASTY

JOURNEY II replicates normal knee shape, position & motion

Proprietary material advantage

OXINIUM
Oxidized Zirconium



OXINIUM delivers superior performance with improved survivorship

Joint fixation options



JOURNEY II
ROX



LEGION
CONCELOC

Offering both cemented and porous fixation with the patented 3D printed structure of CONCELOC

AI powered, robotic enablement



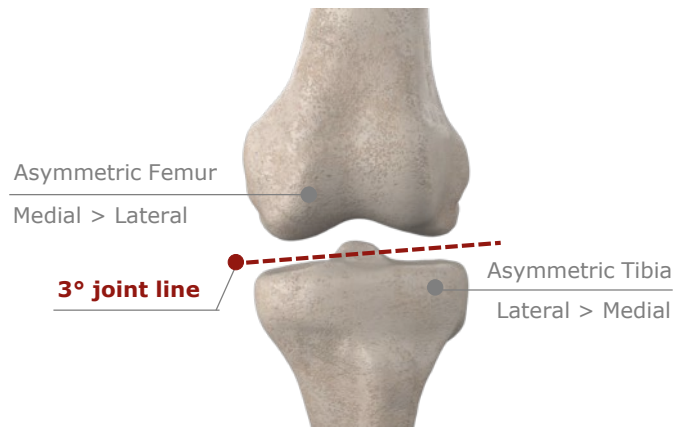
RI.KNEE ROBOTICS
Personalised Planning Powered by AI

Delivers personalised and consistent surgical solutions

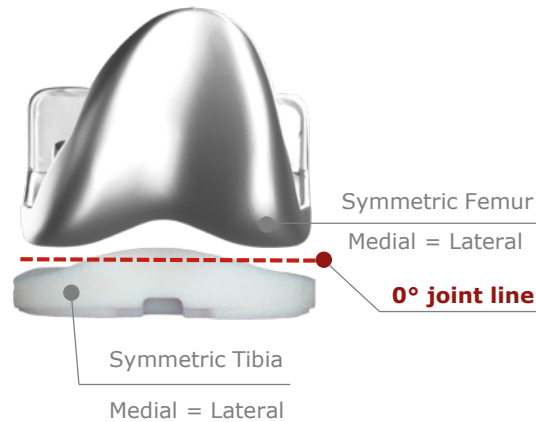
Highly differentiated in largest segment of knees



Normal knee



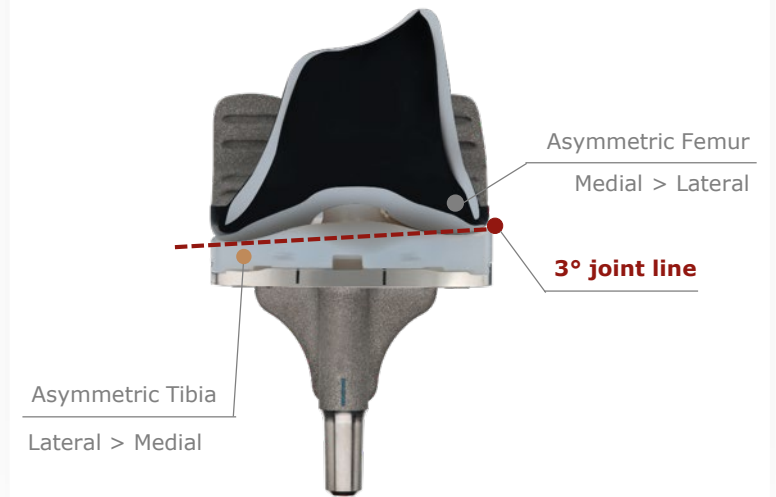
Conventional knee design



Innovation that replicates the normal knee position, shape and motion



JOURNEY II TKA



Differentiated performance

Leverageable OXINIUM[◇] Material and Kinematics

CORI[◇] + JOURNEY II + OXINIUM delivers premium mix and **performance** advantage

Personalised surgeries with CORI knee Tensioner and JOURNEY design

Advancing hip with best-in-class bearing surface and advanced technologies

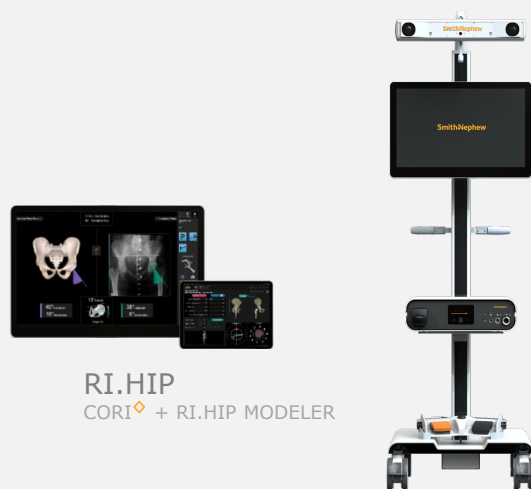
Best in class bearing performance and hip stability

Validated by registry data



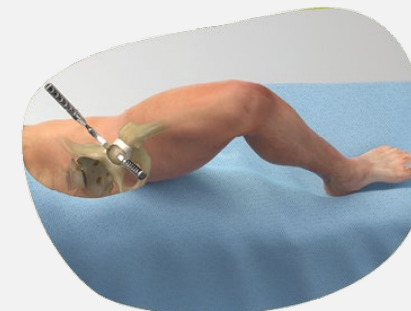
Personalised, technology enabled hip procedures

Procedures enabled with CORI platform



Strengthening portfolio

Launching Catalyst Short Stem in 2024 for Direct Anterior Approach



Differentiated EVOS[◇] system driving growth in \$4.7bn Plate & Screw sub-segment



EVOS Plating System

Simplicity

Comprehensive plating system that addresses all fragment surgical needs

Efficiency

Streamlined instrument design and advanced implant solutions that benefit the surgeon and hospital system



**2014
EVOS MINI**

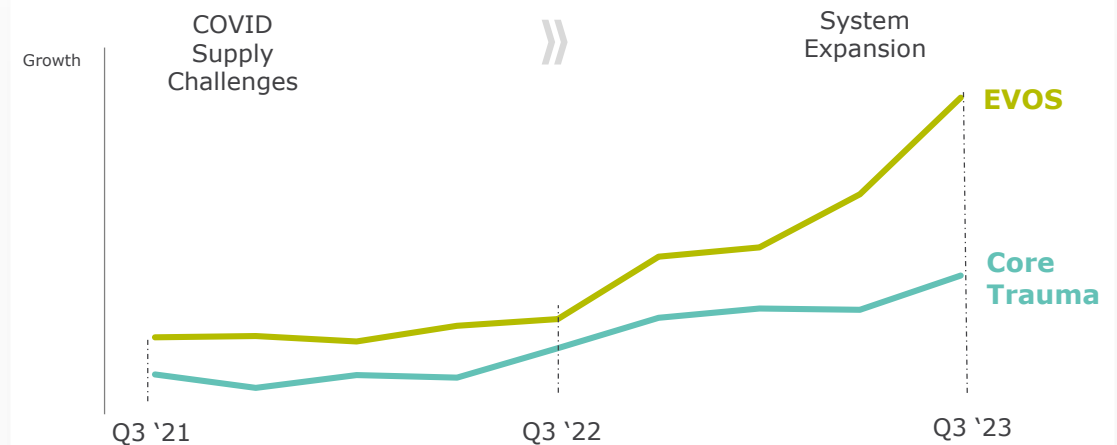


**2017
EVOS SMALL**



**2022
EVOS LARGE**

EVOS system is driver of core trauma



- Enhanced SIOP* process improves service levels
- Acceleration of set deployments
- EVOS LARGE provides full portfolio to capture share
- Strong commercial execution on robust pipeline

*SIOP: Sales, Inventory and Operations Planning

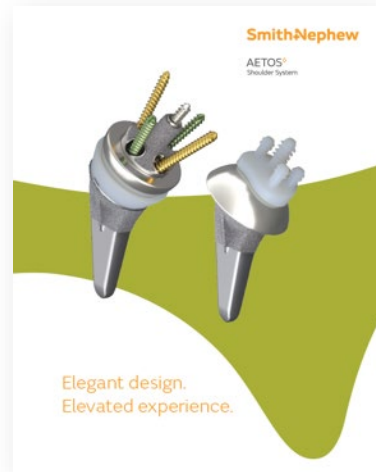


AETOS[◇] offers differentiators to drive share gain

Entry into \$1.7bn Shoulder Market with 9.5% CAGR



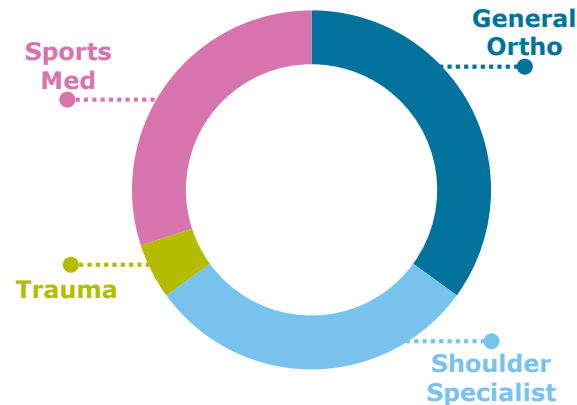
Robust system design



Unique stem designed for metaphyseal fixation, **fit and stability**

Tray optimisation **simplifies OR flow** in Hospital or ASC segment

Leveraging synergy of S+N customer & channel



S+N channel **currently calls on 2/3** of target customer base

Expand direct focus with shoulder specialists

Synergy with Sports Medicine and Recon

Investing to increase procedural competitiveness

Expanding offering to compete in all shoulder segments

Accessible shoulder market with S+N portfolio



2023
Market Entry
AETOS Launch



2025
+ Stemless
+ Hybrid Glenoid
Half Wedge
+ Robotic Enablement

CORI is well suited for total shoulder replacements





Our starting point

- + Ineffective and poorly understood SIOP* process
 - + Over ordering inventory
 - + Capability gaps leading to poor decision making
- + Building capacity too far ahead of market demand



Building market back

- + Established new SIOP process and launched supporting systems capability
- + New team members hired for industry and functional knowledge
- + Balanced scorecard thinking, focused on Revenue, Cost and Cash
 - + Completed full network review



Positioned for success

- + Significant production cut burning down excess inventory, with >70% reduction to overdue orders
- + Headcount actions in every facility, 2 plant closures in execution stage
- + Reduced budgeted ops capex by >40% in 2 years, no quality impact
- + Rolling out a comprehensive Lean / Operations excellence program



Significant progress to evolve our commercial execution



Key enhancements:

- + Shifted to business unit led model
- + Incentives are growth-oriented rather than retention-oriented
- + Rebalanced territories, mapped to opportunity
- + General Managers leading integrated Recon and Trauma business units in the US
- + New leadership and dedicated team for Ambulatory Surgery Center strategy
- + Reallocated inventory to optimise asset utilisation





Brad Cannon

President, Orthopaedics

- Over 30 years of experience across medical devices and medtech
- Undertaken a number of executive roles at S+N, including leading the Sports Medicine and ENT franchise
- Previously responsible for Medtronic's Spine division
- MBA from The Wharton School, University of Pennsylvania



Paul Connolly

President, Global Operations

- Over 30 years of experience in global manufacturing and supply chain with a strong track record in delivering operational excellence and transformation programmes
- Held senior roles at Goodyear, DePuy, and other Johnson & Johnson family companies
- MSc in Manufacturing Management from Ulster University



Craig Gaffin

SVP and General Manager,
Trauma and Extremities

- 25 years of experience in medical devices and biotechnology
- Held a number of commercial leadership roles, including at Stryker and Amgen prior to joining S+N in 2019
- MBA from the Olin School of Business at Washington University, St. Louis



Andy Russell

Chief Financial Officer,
Orthopaedics

- Joined S+N in 2013 following a 17-year career at KPMG in London, with a focus on Healthcare M&A
- Held a range of senior finance roles across S+N, in Corporate and Commercial Finance, and as CFO of EMEA
- Most recently served as interim President of the EMEA region



Smith+Nephew