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

FORM 10-K

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

For the fiscal year ended December 31, 2025

OR

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

Commission file number: 001-13149

stryker

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

Michigan	**38-1239739**
(State of incorporation)	(I.R.S. Employer Identification No.)
1941 Stryker Way, Portage, Michigan	**49002**
(Address of principal executive offices)	(Zip Code)

(269) 385-2600
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $.10 Par Value	**SYK**	**New York Stock Exchange**
2.125% Notes due 2027	**SYK27**	**New York Stock Exchange**
3.375% Notes due 2028	**SYK28**	**New York Stock Exchange**
0.750% Notes due 2029	**SYK29**	**New York Stock Exchange**
2.625% Notes due 2030	**SYK30**	**New York Stock Exchange**
1.000% Notes due 2031	**SYK31**	**New York Stock Exchange**
3.375% Notes due 2032	**SYK32**	**New York Stock Exchange**
3.625% Notes due 2036	**SYK36**	**New York Stock Exchange**

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

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

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

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

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

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

Large accelerated filer	☒	Accelerated filer	☐	Emerging growth company	☐
Non-accelerated filer	☐	Small reporting company	☐		

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

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

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

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

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

The aggregate market value of the voting stock held by non-affiliates of the registrant was approximately $144,306,436,547 at June 30, 2025. There were 382,688,675 shares outstanding of the registrant's common stock, $0.10 par value, on January 31, 2026.

DOCUMENTS INCORPORATED BY REFERENCE

Portions of the proxy statement to be filed with the U.S. Securities and Exchange Commission relating to the 2026 Annual Meeting of Shareholders (the 2026 proxy statement) are incorporated by reference into Part III.

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PART I

ITEM 1. BUSINESS.

Stryker Corporation (Stryker or the Company) is a global leader in medical technologies and, together with our customers, we are driven to make healthcare better. We offer innovative products and services in MedSurg, Neurotechnology and Orthopaedics that help improve patient and healthcare outcomes. Alongside our customers around the world, we impact more than 150 million patients annually.

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

Mission

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

Values

Integrity	Accountability	People	Performance
We do what's right	We do what we say	We grow talent	We deliver

Stryker was incorporated in Michigan in 1946 as the successor company to a business founded in 1941 by Dr. Homer H. Stryker, a prominent orthopaedic surgeon and inventor of several medical products. Our products are sold in approximately 61 countries through company-owned subsidiaries and branches as well as third-party dealers and distributors, and include surgical equipment and surgical navigation systems; endoscopic and communications systems; patient handling, emergency medical equipment and intensive care disposable products; clinical communication and artificial intelligence-assisted virtual care platform technology; products for traditional brain and open skull-based surgical procedures; minimally invasive products for the treatment of acute ischemic and hemorrhagic stroke and venous thromboembolism; implants used in joint replacement and trauma surgeries; Mako robotic-arm assisted technology; as well as other products used in a variety of medical specialties. Most of our products are marketed directly to doctors, hospitals and other healthcare facilities.

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

Business Segments and Geographic Information

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

Net Sales by Reportable Segment

	2025		2024		2023	
MedSurg and Neurotechnology	$ 15,647	62 %	$ 13,518	60 %	$ 12,163	59 %
Orthopaedics	9,469	38	9,077	40	8,335	41
Total	**$ 25,116**	**100 %**	**$ 22,595**	**100 %**	**$ 20,498**	**100 %**

MedSurg and Neurotechnology

MedSurg and Neurotechnology products include surgical equipment, patient and caregiver safety technologies, and navigation systems (Instruments), endoscopic and communications systems (Endoscopy), and patient handling, emergency medical equipment, intensive care disposable products, clinical communication and artificial intelligence-assisted virtual care platform technology (Medical), minimally invasive products for the treatment of acute ischemic and hemorrhagic stroke and venous thromboembolism (Vascular) and a comprehensive line of products for traditional brain and open skull-based surgical procedures, orthobiologic and biosurgery products, including synthetic bone grafts and vertebral augmentation products (Neuro Cranial).

We are one of five leading global competitors in Instruments; the other four being Zimmer Biomet Holdings, Inc. (Zimmer), Medtronic plc (Medtronic), Johnson & Johnson MedTech (a subsidiary of Johnson & Johnson) and ConMed Linvatec, Inc. (a subsidiary of CONMED Corporation). We are one of seven leading global competitors in Endoscopy; the other six being Karl Storz GmbH & Co., Olympus Optical Co. Ltd., Smith & Nephew plc (Smith & Nephew), ConMed Linvatec, Arthrex, Inc. and STERIS plc. We are one of five leading global competitors in Medical; the other four being Baxter International Inc., Zoll Medical Corporation, Medline Industries and Ferno-Washington, Inc. We are one of five leading global competitors in Vascular and Neuro Cranial; the other four being Medtronic, Johnson & Johnson MedTech, Terumo Corporation and Penumbra, Inc.

Composition of MedSurg and Neurotechnology Net Sales

	2025		2024		2023	
Instruments	$ 3,183	20 %	$ 2,834	21 %	$ 2,534	21 %
Endoscopy	3,807	24	3,389	25	3,068	25
Medical	4,204	27	3,852	28	3,459	28
Vascular	1,968	13	1,307	10	1,226	11
Neuro Cranial	2,485	16	2,136	16	1,876	15
Total	**$ 15,647**	**100 %**	**$ 13,518**	**100 %**	**$ 12,163**	**100 %**

In 2025 Instruments launched Steri-Shield 8 which is a lighter, more comfortable, and more customizable operating room personal protection system, with improved visibility, cooling, and battery performance versus prior generations. In addition, we completed the acquisition of Guard Medical Inc., whose primary focus is on Negative Pressure Wound Therapy for surgical patients. The acquisition of Guard Medical, Inc. is complementary to our Orthopaedic Instruments business as we continue to focus on the surgical wound care market.

Endoscopy continued to deliver its 4K 1788 Camera platform to the market in addition to the launch of the Connected OR IP BRAVoE integration portfolio. Our 1788 Camera platform features several enhancements for a broader range of clinical applications and specialties, including urology, neurology, ear, nose, throat and arthroscopy and can be used to visualize indocyanine green and CYTALUX. The Connected OR IP BRAVoE launch expands the connected capabilities of iSuite.

Medical continued the global launch of the LIFEPAK 35 monitor/defibrillator, our next generation platform designed to optimize care with new clinical features such as the new Glasgow 30.4 algorithm, cprINSIGHT, 15-lead monitoring capabilities, and STJ insight and mapping. LIFEPAK 35 combines a modern intuitive touch screen display and increased processing power with Bluetooth and WiFi data connectivity. We also launched the Vocera Sync Badge this year, a trusted clinician handsfree communication endpoint that provides real-time communication and alerts while extending Smart Hospital workflows directly into

Dollar amounts in millions except per share amounts or as otherwise specified. 1

daily clinical practice. Medical also completed the acquisition of Advanced Medical Balloons (AMB), an indwelling fecal management system that specializes in solutions that help enhance care delivery by combining intelligent design with the exceptional properties of ultra-thin polyurethane. AMB Medical adds complementary technology to the Stryker Sage incontinence portfolio and will help address problems in the market that include hospital-acquired infections, pressure injuries, staff satisfaction and retention.

In 2025 we changed the name of our Neurovascular business to Vascular with the acquisition of Inari Medical, Inc. (Inari) whose product portfolio includes minimally invasive products for the treatment of venous thromboembolism. Neurovascular and Inari are jointly now Vascular. Vascular launched the Broadway System in the United States, a fully integrated stroke solution that provides a new level of access and support in large- and super-bore catheter procedures. Additionally, Vascular accelerated the launch of the Surpass Elite Flow Diverting Stent (FDS) in the United States, Europe, and parts of Asia-Pacific. Surpass Elite FDS is designed to reduce thrombin generation when compared to unmodified stents.

Neuro Cranial launched OptaBlate BVN in 2025 which is a radiofrequency nerve ablation system used to access and ablate the basivertebral nerve to treat vertebrogenic pain.

Orthopaedics

Orthopaedics products primarily include implants used in total joint replacements, such as hip, knee and shoulder, ankle, and trauma and extremities surgeries. We bring patients and physicians advanced implant designs and specialized instrumentation that make orthopaedic surgery and recovery simpler, faster and more effective. We support surgeons with the technologies, products and services they need to support each patient's clinical challenge.

We are one of four leading global competitors for joint replacement and trauma and extremities products and robotics; the other three being Zimmer, Johnson & Johnson MedTech and Smith & Nephew.

Composition of Orthopaedics Net Sales

	2025		2024		2023	
Knees	$ 2,656	28 %	$ 2,447	27 %	$ 2,273	27 %
Hips	1,865	20	1,704	19	1,544	18
Trauma and Extremities	3,948	42	3,507	39	3,147	38
Spinal Implants	185	2	707	8	713	9
Other	815	9	712	8	658	8
Total	**$ 9,469**	**100 %**	**$ 9,077**	**100 %**	**$ 8,335**	**100 %**

In 2025 we continued to expand the global footprint of Mako SmartRobotics, which is now available in more than 45 countries. To date, over one million robotic Mako Total Knee procedures and more than two million robotic procedures across Mako Total Knee, Mako Total Hip, and Mako Partial Knee have been performed worldwide.

2025 also marked a significant period of product launches and new application development. Most notably, we introduced the Mako 4 platform, a meaningful advancement for both newly established and existing Mako sites. This platform is built around our Q-Guidance system—an advanced guidance technology designed to enable new hardware and software capabilities across a broad range of subspecialties.

The first application released on the Mako 4 platform is the Total Hip Advanced Primary and Revision application. We received 510(k) clearance for Mako Total Hip with Advanced Primary and Revision with full market release in the third quarter of 2025. Complex primary and revision total hip arthroplasty procedures often present challenges such as bone loss and absent anatomical landmarks. With our advanced Mako Total Hip solution, we aim to extend the benefits of Mako SmartRobotics™ to simplify these demanding cases. Mako Total Hip with Advanced Primary and Revision represents Stryker's first-to-market, robotically enabled revision hip arthroplasty procedure.

We also introduced Mako Shoulder, which expands the SmartRobotics suite of applications. Mako Shoulder integrates three market-leading technologies: Tornier implants, Blueprint planning software, and Mako SmartRobotics. The application offers haptically guided preparation for Tornier Perform Reversed Glenoid and Tornier Reversed Augmented Glenoid implants for primary shoulder arthroplasty. We completed the first Mako Shoulder cases in 2024, and the application remained in limited market release throughout 2025. Full commercial launch in the United States is planned for the first quarter of 2026.

Raw Materials and Inventory

Raw materials essential to our business are generally readily available from multiple sources; however, certain of our raw materials are currently sourced from single suppliers. Substantially all products we manufacture are stocked in inventory, while certain MedSurg products are assembled to order.

Patents and Trademarks

Patents and trademarks are significant to our business to the extent that a product or an attribute of a product represents a unique design or process. Patent protection of such products restricts competitors from duplicating these unique designs and features. We seek to obtain patent protection on our products whenever appropriate for protecting our competitive advantage. On December 31, 2025 we owned approximately 5,600 United States patents and approximately 9,000 patents in other countries.

Seasonality

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

Competition

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

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

Regulation

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

In the United States the Medical Device Amendments of 1976 to the Federal Food, Drug and Cosmetic Act and its subsequent

Dollar amounts in millions except per share amounts or as otherwise specified. 2

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

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

The European Union enacted the European Union Medical Device Regulation in May 2017 with an original effective date of May 2022, which imposes stricter requirements for the marketing and sale of medical devices, including in the areas of clinical evaluation requirements, quality systems, labeling and post-market surveillance. Extended transition timelines were published in 2023 which range from May 2026 through December 2028 depending on the type of device and we are on track to meet these timelines.

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

Environment

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

Employees

On December 31, 2025 we had approximately 56,000 employees globally, with approximately 28,000 employees in the United States. Our talented employees are an integral reason for our standing as a global leader in medical technologies where, together with our customers, we are driven to make healthcare better. Our company values of integrity, accountability, people and performance are a key component of that mission. Our people, as one of our core values, continue to be a key focus.

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

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

Employee Development

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

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

Employee Engagement

An engaged workplace culture that drives performance and business outcomes is central to our mission. Listening to and learning from our employees forms the foundation of an engaging culture. More than 90% of our employees participate in our annual engagement survey, which provides a valued platform for listening and allows us to act on the feedback collected.

We supplement our annual engagement survey with targeted pulse surveys to gather feedback on topics relevant to the current climate.

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

Inclusion

We believe our individual strengths, experiences, and perspectives are essential for delivering on our mission. By caring for each other, we foster a culture where everyone feels heard and valued. How we work together is critical to our success, and we believe it takes everyone. Every voice. Every person. Every connection.

Attracting and Hiring

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

Health and Safety

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

Competitive Pay and Benefits

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

We offer market-competitive base pay and benefits to our employees in countries around the world. We regularly evaluate

our compensation and benefit offerings and levels, using recognized outside consulting firms to ensure internal fairness and competitiveness in our offerings.

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

Our proxy statement provides more detail on the competitive compensation programs we offer to our executive officers.

Information about our Executive Officers

As of January 31, 2026

Name	Age	Title	First Became an Executive Officer
Kevin A. Lobo	60	Chair and Chief Executive Officer	2011
William E. Berry Jr.	60	Vice President, Chief Accounting Officer	2014
Dylan B. Crotty	49	Group President, Orthopaedics	2026
M. Kathryn Fink	56	Vice President, Chief Human Resources Officer	2016
Robert S. Fletcher	55	Vice President, Chief Legal Officer	2019
Debra King	54	Vice President, Chief Digital and Information Officer	2025
Viju S. Menon	58	Group President, Global Quality and Operations	2018
Kimberly A. Montagnino	38	Vice President, Chief Communications Officer	2025
J. Andrew Pierce	52	Group President, MedSurg and Neurotechnology	2021
Spencer S. Stiles	49	President and Chief Operating Officer	2021
Preston W. Wells	49	Vice President, Chief Financial Officer	2025

Each of our executive officers held the position above or served Stryker in various executive or administrative capacities for at least five years, except for Ms. King and Ms. Montagnino. Prior to joining Stryker in May 2025, Ms. King served as the Chief Technology Officer at Bunge for two years and as the Chief Information Officer at Corteva, Inc. from 2017 to 2021. Prior to joining Stryker in June 2024, Ms. Montagnino held multiple corporate affairs leadership roles with Johnson & Johnson during the previous eight years, most recently as Senior Director, Communications Johnson & Johnson MedTech. While at Stryker, Ms. Montagnino previously served as Vice President, Global Communications.

Available Information

Our main corporate website address is *www.stryker.com.* The information on our website is not incorporated by reference into this report. Copies of our filings with the United States Securities and Exchange Commission (SEC) are available free of charge on our website within the "Investors Relations" section as soon as reasonably practicable after having been electronically filed or furnished to the SEC. All SEC filings are also available at the SEC's website at www.sec.gov.

Forward-Looking Statements

This report contains statements that are not historical facts and are considered "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements are based on current projections about operations, industry conditions, financial condition and liquidity. Words that identify forward-looking statements include, without limitation, words such as "may," "could," "will," "should," "possible," "plan," "predict," "forecast," "potential," "anticipate," "estimate," "expect," "project," "intend," "believe," "may impact," "on track," "goal," "strategy" and words and terms of similar substance used in connection with any discussion of future operating or financial performance, an acquisition or our businesses. In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances, including any underlying assumptions, are forward-looking statements. Those statements are not guarantees and are subject to risks, uncertainties and assumptions that are difficult to predict. Therefore, actual results could differ materially and adversely from these forward-looking statements, historical experience or our present expectations. Some important factors that could cause our actual results to differ from our expectations in any forward-looking statements include:

- weakening of economic conditions, or the anticipation thereof, that could adversely affect the level of demand for our products;
- geopolitical risks, including from international conflicts and tariffs, which could, among other things, lead to increased market volatility;
- pricing pressures generally, including cost-containment measures that have adversely affected and could in the future adversely affect the price of or demand for our products;
- changes in foreign currency exchange markets;
- legislative and regulatory actions;
- unanticipated issues arising in connection with clinical studies and otherwise that affect approval of new products by the FDA and foreign regulatory agencies;
- inflationary pressures;
- increased interest rates or interest rate volatility;
- supply chain disruptions;
- changes in labor markets;
- changes in coverage and reimbursement levels from third-party payors;
- changes in the competitive environment;
- breaches, failures or other disruptions of our or our vendors' or customers' information technology systems or products, including by cyber-attack, data leakage, unauthorized access or theft;
- a significant increase in product liability claims;
- the ultimate total cost with respect to recall-related and other regulatory and quality matters;
- the impact of investigative and legal proceedings and compliance risks;
- resolution of tax audits;
- changes in tax laws and regulations;
- the impact of legislation to reform the healthcare system in the United States or other countries;
- costs to comply with medical device regulations;
- changes in financial markets;
- changes in our credit ratings;
- our ability to integrate and realize the anticipated benefits of acquisitions in full or at all or within the expected timeframes, including our acquisition of Inari Medical, Inc. ("Inari");
- our ability to realize any anticipated cost savings;
- potential negative impacts resulting from climate change or other environmental, social and governance and sustainability related matters;
- the impact on our operations and financial results of any public health emergency and any related policies and actions by governments or other third parties; and
- other risks detailed in our filings with the SEC.

While we believe that the assumptions underlying such forward-looking statements are reasonable, there can be no assurance that future events or developments will not cause such statements to be inaccurate. All forward-looking statements

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

Trademarks

All trademarks or trade names referred to in this report are the property of the Company, or, to the extent trademarks or trade names belonging to other companies are referenced in this report, the property of their respective owners. Solely for convenience, the trademarks and trade names in this report are referred to without the ® and ™ symbols, but such references should not be construed as any indicator that the Company or, to the extent applicable, their respective owners will not assert, to the fullest extent under applicable law, the Company's or their rights thereto. We do not intend the use or display of other companies' trademarks and trade names to imply a relationship with, or endorsement or sponsorship of us by, any other companies.

ITEM 1A. RISK FACTORS.

Our operations and financial results are subject to various risks and uncertainties discussed below that could materially and adversely affect our business, cash flows, financial condition and results of operations. Additional risks and uncertainties not currently known to us or that we currently deem not to be material or that could apply to any company may also materially and adversely affect our business, cash flows, financial condition or results of operations. If any of the risks discussed below or other risks actually occur or continue to occur, our business, financial condition, operating results or cash flows could be materially adversely affected. Accordingly, you should carefully consider the following risk factors, as well as other information contained in or incorporated by reference in this report.

BUSINESS AND OPERATIONAL RISKS

We use a variety of raw materials, components, devices and third-party services in our global supply chains, production and distribution processes; significant shortages, price increases or unavailability of third-party services have in the past increased, and could in the future increase, our operating costs and could require significant capital expenditures or adversely impact the competitive position of our products: Our reliance on certain suppliers to secure raw materials, components and finished devices, and on certain third-party service providers, such as sterilization service providers, exposes us to the risk of product shortages and unanticipated increases in prices, whether due to inflationary pressure, regulatory changes, litigation exposure, tariffs, geopolitical tensions or otherwise. For example, in the past we have experienced limited product availability due to an electronic component shortage in certain product lines. If a similar shortage occurs in the future with respect to any raw materials or components, we may not be able to obtain them from our suppliers on a timely basis, or at all, or identify alternative suppliers. In addition, several raw materials, components, finished devices and services are procured from a sole source due to, among other things, the quality considerations, unique intellectual property considerations or constraints associated with regulatory requirements. If sole-source suppliers or service providers are unable or unwilling to deliver these materials or services as a result of financial difficulties, business disruptions, acquisition by a third party, natural disasters, embargoes, tariffs or otherwise, we may not be able to manufacture or have available one or more products during such period of unavailability and our business could suffer, possibly materially. In certain cases, we may not be able to establish additional or replacement suppliers for such materials or service providers for such services in a timely or cost-effective manner, often as a result of FDA and other regulations that require, among other things, validation of materials, components and services prior to their use in or with our products. In certain instances we have been unable to meet demand due to supply chain challenges, which has led to loss of sales. Although the impacts have not been material to date, an inability to meet demand due to supply chain challenges in the future could materially adversely impact our reputation, the competitive position of our products and our business. In addition, recently enacted tariffs by the United States government and retaliatory measures by other governments could adversely impact our supply chain or the availability of certain components. Any of the foregoing risks could have a material adverse impact on our profitability and results of operations.

In addition, in recent years, the market has experienced inflationary pressures in part due to global supply chain disruptions, labor shortages and other impacts following the COVID-19 pandemic. Inflation in the United States and in many of the countries where we conduct business has resulted in, and may in the future result in, high interest rates and increased capital, energy, shipping and labor costs, weakening or strengthening exchange rates against the United States Dollar and other similar effects. We have continued to experience, and may in the future experience, inflationary increases in manufacturing costs and operating expenses, as well as negative impacts from weakening or strengthening exchange rates against the United States Dollar. Although we have been able to pass certain cost increases on to our customers, we have not been able to pass along all cost increases and we cannot guarantee that we will be able to do so in the future, including in connection with proposed or enacted tariffs. Inflation, high interest rates, interest rate volatility or proposed or enacted tariffs may also cause our customers to reduce or delay orders for our products and services. Any of the foregoing could have a material adverse impact on our sales, profitability and results of operations.

We are subject to pricing pressures as a result of cost containment measures in the United States and other countries and other factors, including changes in reimbursement practices and coverage policies and third-party payor cost containment measures: Initiatives to limit the growth of general healthcare expenses and hospital costs are ongoing and gaining increased attention in the markets in which we do business. These initiatives are sponsored by government agencies, legislative bodies and the private sector and include price regulation and competitive pricing. For example, China has implemented a volume-based procurement process designed to decrease prices for medical devices and other products. Pricing pressure has also increased due to pressures on healthcare budgets, continued consolidation among healthcare providers, trends toward managed care, the shift toward governments becoming the primary payers of healthcare expenses, reduction in coverage or reimbursement levels and medical procedure volumes and government laws and regulations relating to sales and promotion, reimbursement and pricing generally. Coverage policies and reimbursement levels can vary across the payer community globally, regionally, and locally, and may affect which products customers purchase, the market acceptance rate for new technologies and the prices customers are willing to pay for

those products in a particular jurisdiction. Furthermore, any changes to the coverage or reimbursement landscape, or adverse decisions relating to our products by administrators of these systems could significantly reduce reimbursement for procedures using our products or result in denial of reimbursement for those products, which could adversely affect customer demand, or the price customers are willing to pay for such products. Public and private payers have challenged, and are expected to continue to challenge, prices charged for medical products and services. Such downward pricing pressures from any or all of these payers may result in an adverse effect on our business, results of operations, financial condition and cash flows. We have also reduced prices for certain products due to increased competition and if we further reduce prices, we could become less profitable. In addition, due to healthcare industry consolidation in recent years, competition to provide goods and services to industry participants has become, and may continue to become, more intense, and this consolidation has produced, and may continue to produce, larger enterprises with more bargaining power. Pricing pressures related to any of the foregoing or other factors have impacted and could in the future impact our results of operations and profitability.

We operate in a highly competitive industry in which competition and the regulatory burden in the development and improvement of new and existing products is significant: The markets in which we compete are highly competitive, and a significant element of our strategy is to increase revenue growth by focusing on innovation, new product development and improvement of existing products, including connectivity solutions. New business models, products and surgical procedures, as well as improvements to existing products, are introduced on an ongoing basis and our present or future products could be rendered obsolete or uneconomical by internal or external technological advances, including by our existing competitors and new market entrants, which could adversely impact demand for certain of our existing products. The success of our products and services depends on, among other things, our ability to properly identify customer needs and predict future needs, including connectivity solutions; innovate and develop new technologies, services and applications at an accelerated pace; and appropriately allocate our research and development spending to products and services with higher growth. Our existing competitors and new market entrants may respond more quickly to or integrate new or emerging technologies such as robotics, artificial intelligence (AI) and machine learning in their product offerings, undertake more extensive marketing campaigns, have greater access to clinical information to support ongoing product position in the market, have greater financial, marketing and other resources or be more successful in attracting potential customers, employees and strategic partners. There can be no assurance that any products now in development, or that we may seek to develop in the future, will achieve technological feasibility, obtain regulatory approval or gain market acceptance. If we are unable to develop and launch new products, our ability to maintain or expand our market position in the markets in which we participate may be negatively impacted.

We may be unable to maintain adequate working relationships with healthcare professionals: We work with healthcare professionals in a transparent and responsible manner and seek to maintain these relationships with respected physicians and medical personnel in healthcare organizations, such as hospitals and universities, who assist in product research and development. We rely on these professionals to assist us in the development and improvement of proprietary products. If we are unable to maintain these relationships due to regulatory restrictions, hospital access restrictions for non-patients or for other reasons, our ability to develop, market and sell new and improved products could be adversely affected.

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

We are subject to risks associated with our extensive global operations: We develop, manufacture and distribute our products globally. Our global operations are subject to risks and costs related to, among other things, changes in coverage or reimbursement levels from third-party payors in the United States and other countries; changes in regulatory requirements (such as the staggered phase-in period for manufacturers to comply with the European Union Medical Device Regulation (MDR) through December 2028); differing local product preferences and product requirements; diminished protection of intellectual property in some countries; tariffs and other trade protection measures, as well as increasing localization and protectionism policies in certain jurisdictions; international trade disputes and import or export requirements; difficulty in staffing and managing foreign operations; introduction of new internal business structures and programs; political and economic instability and uncertainty; current or potential geopolitical conflicts, such as the tensions between China and Taiwan and the wars in Ukraine and the Middle East, and related sanctions and other developments; disruptions of transportation, including port closures, increased border controls or border closures or reduced transportation availability, due to military conflicts, a global pandemic of contagious diseases; increased energy or transportation costs; fluctuations in currency exchange rates and financial markets; and increased security threats to our supply chain. For example, the United States has recently enacted and proposed to enact new tariffs. These developments, the perception they could occur, or changes to the existing exemption framework may have a material adverse effect on global economic conditions and may significantly reduce global trade. Many of these risks are rapidly evolving and subject to an accelerating pace of change. Our business could be adversely impacted if we are unable to successfully manage these and other risks of global operations in an increasingly volatile environment. In addition, in many countries, the laws and regulations applicable to us or our industry are evolving, and we have in certain cases become subject to divergent and conflicting laws and regulations across our operations, which has increased the risks we are subject to.

We may be unable to capitalize on previous or future acquisitions: In addition to internally developed products, we invest in new products and technologies through acquisitions, including our acquisition of Inari in 2025. Such investments are inherently risky, and we cannot guarantee that any acquisition will be successful or will not have a material unfavorable impact on us. The risks include the activities required and resources allocated to integrate new businesses, a slower pace of integration than initially projected, diversion of management time that could adversely affect management's ability to focus on other

projects, the inability to realize the expected benefits, savings or synergies from the acquisition, the loss of key personnel, litigation resulting from the acquisition and exposure to unexpected liabilities of acquired companies. Certain acquisitions are subject to antitrust and competition laws, and antitrust scrutiny by regulatory agencies and changes to the regulatory approval process in the United States and foreign jurisdictions may cause approvals to take longer than anticipated to obtain, not be obtained at all, or contain burdensome conditions, which may jeopardize, delay or reduce the anticipated benefits of acquisitions to us and could impede the execution of our business strategy. In addition, we cannot be certain that the businesses we acquire will become or remain profitable.

We, our business partners or our third-party vendors could experience a material failure or breach of a key information technology system, network, process or site: We rely extensively on information technology (IT) systems to conduct business. In addition, we rely on networks and services, including internet sites, cloud and software-as-a-service solutions, data hosting and processing facilities and tools and other hardware, software (including open-source software) and technical applications and platforms, some of which are managed, hosted, provided and/or used by third parties or their vendors, to assist in conducting our business. Furthermore, numerous and evolving cybersecurity threats have posed, and will continue to pose, risks to the security of our IT systems, networks and product offerings, as well as the confidentiality, availability and integrity of our data. Emerging technologies such as generative AI may be used by malicious actors to create more targeted phishing narratives, spread disinformation about us or our products or otherwise strengthen social engineering capabilities. An increasing risk of civil unrest, political tensions, wars or other military conflicts may also impact the cybersecurity threat risk landscape. Some of our products, services, and information technology systems contain or use open-source software which poses particular risks, including potential security vulnerabilities, licensing compliance issues and quality issues. We, our customers and third-party hosting services have experienced, and expect to continue to experience, security breaches of, unauthorized access to, and disruptions of, products or systems. While such breaches, unauthorized access and disruptions have not had a material effect on us to date, we cannot guarantee that any future breach or unauthorized access will not be material and any breach or unauthorized access could impact the use of such products and systems and the security of information stored therein. Although we have made investments and expect to continue to make investments seeking to address these threats, including monitoring of networks and systems, use of AI, hiring of experts, employee training, security policies for employees and third-party providers and designing, developing and maintaining processes and procedures to come into compliance with regulatory and legal enactments such as Section 524B of the Federal Food, Drug, and Cosmetic Act in the United States, the techniques used in these attacks change frequently and may be difficult to detect for periods of time and we may face difficulties in anticipating and implementing adequate preventative measures.

When cybersecurity or other technology related incidents occur, we follow our incident response protocols and address them in accordance with applicable governmental regulations and other legal requirements. Our response to these incidents and our investments to protect our product offerings and information technology infrastructure and data may not shield us from significant losses and potential liability or prevent any future interruption or breach of our systems. Moreover, given the increasing complexity and sophistication of the techniques used by threat actors to obtain unauthorized access or disable or degrade systems, a cyberattack could occur and persist for an extended period of time before being detected, and we may not anticipate these acts or mitigate them adequately or timely, which may compound damages before the incident is discovered or remediated. The extent of a particular cyber incident and the steps that we may need to take to investigate the incident may not be immediately clear, and it may take a significant amount of time before such investigation can be completed and full and reliable information about the incident is known. New regulations may require us to disclose information about a material cybersecurity incident before it has been resolved or fully investigated. Additionally, as threats continue to evolve and increase, and as the regulatory environment and customer requirements related to information security, data collection and use, and privacy become increasingly rigorous, we may be required to devote significant additional resources to modify and enhance our security controls and to identify and remediate any security vulnerabilities, which could adversely impact our net income. In addition, a significant number of our employees working remotely has exposed us, and may continue to expose us, to greater risks related to cybersecurity and cyber-liability.

Hardware and software failures or delays in our key information technology systems, networks, processes or sites could disrupt our operations, cause the loss of confidential information or otherwise adversely impact our business. Our systems, networks, processes and sites may be vulnerable to damage, disruptions and shutdown from a variety of sources, including malfunctions in maintenance updates or security patches, design defects, the age of the technology, network failures, modernization or other initiatives, human acts and natural disasters. For example, some of our information technology systems contain legacy third-party software components for which we depend on a layered security approach to protect against exploitation, which may not be effective. Any such damage or disruptions could also compromise the security of our information systems and networks. These issues can also arise as a result of failures by, or in the software or hardware of, third parties, including networks or service providers, with whom we do business and over whom we have limited or no control. Any disruption or failure of our systems, networks, processes or sites could have a material impact on our business and operations.

If our IT systems, networks or processes are damaged or cease to function properly for any reason, the networks, service providers, hardware or software we rely upon fail to function properly, or we or one of our third-party providers suffer a loss or disclosure of our business or stakeholder information due to any number of causes ranging from catastrophic events or power outages to improper data handling or security breaches or unauthorized access and our business continuity plans do not effectively address these failures on a timely basis, we may be exposed to reputational, competitive and business harm as well as litigation and regulatory action and fines, penalties and expenses related thereto.

An inability to successfully manage the implementation of our new commercial global enterprise resource planning (ERP) system could adversely affect our operations and operating results: We are in the process of implementing a new commercial ERP system. This system will replace many of our existing operating and financial systems. The implementation is a major undertaking, both financially and from a management and personnel perspective. Any material disruptions, delays or deficiencies in the design and implementation of our new ERP

system could adversely affect our ability to process orders, ship products, provide services and customer support, send invoices and track payments, fulfill contractual obligations or otherwise operate our business.

We may be unable to attract, develop and retain executives and key employees: Our sales, technical and other key personnel play an integral role in the development, marketing and selling of new and existing products. Our future performance also depends in large part on the continued services of our senior management. If we are unable to recruit, hire, develop and retain a talented, competitive workforce in our highly competitive industry, or if we are unable to plan effective succession for the future, we may not be able to meet our strategic business objectives. Inflationary pressures, labor demand and shortages and other macroeconomic factors have increased and could further increase the cost of labor and could harm our ability to recruit, hire and retain talented employees. In addition, increased unionization could negatively impact our labor costs and ability to create an engaging, connected culture, which could adversely affect our ability to recruit, hire, develop and retain a talented, competitive workforce. Further, if we are unable to maintain competitive and equitable compensation and benefit programs, including incentive programs which reward financial and operational performance, our ability to recruit, hire, engage, motivate and retain talent could be negatively affected. Additionally, if we are unable to maintain an inclusive culture that aligns our workforce with our mission and values, it could adversely impact our ability to recruit, hire, develop and retain key talent. Further, our remote and hybrid work practices, and ability to provide flexible and alternative work arrangements may not meet the needs or expectations of our employees, including senior management or other key employees, which could negatively impact our ability to attract and retain highly skilled employees, or may harm our culture and/or decrease employee engagement, which could adversely impact our ability to recruit, hire, develop and retain a talented, competitive workforce.

Effective succession planning is also important to our long-term success. Failure to ensure effective transfer of knowledge and smooth transitions involving executives and other key employees could hinder our strategic planning and execution. Changes in our management team may be disruptive to our business, and any failure to successfully integrate key new hires or promoted employees could adversely affect our business and results of operations. The loss of the services of any of our senior management or other key personnel, or our inability to attract highly qualified senior management and other key personnel, could harm our business. Our ability to execute our business strategy could be impaired if we are unable to replace such persons timely. In addition, recent legal and regulatory changes affect our ability to enforce post-termination obligations from certain employees with respect to non-competition, non-solicitation and protection of confidential information. This may negatively impact our ability to retain employees and protect our information and relationships with customers and other third parties.

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

Our insurance program may not be adequate to cover future losses: We maintain third-party insurance to cover our exposure to certain property and casualty losses and are self-insured for claims and expenses related to other property and casualty losses, including product liability, intellectual property infringement and enforcement, environmental, and cybersecurity and data privacy losses. We manage a portion of our exposure to self-insured losses through a wholly-owned captive insurance company. Insurance coverage limits provided by third-party insurers and/or our captive insurance company may not be sufficient to fully cover certain losses we may experience.

We have experienced, and may continue to experience, a significant and unpredictable need to adjust our operations as market demand for certain of our products has shifted and continues to shift or as may be mandated by governmental authorities: Some of our products are particularly sensitive to reductions in elective medical procedures. It is not possible to predict whether elective medical procedures will be suspended or reduced in the future and, to the extent individuals and customers are required to delay or cancel elective procedures, our business, cash flows, financial condition and results of operations could be negatively affected. Further, our customers have experienced, and may continue to experience, staffing shortages that may result in decreased demand for our products, which could negatively affect our business and financial results.

Unpredictable increases in demand for certain of our products have exceeded in the past, and could exceed in the future, our capacity to meet such demand timely, which could adversely affect our customer relationships and result in negative publicity. In this regard, the accelerated development and production of products and services to address medical and other requirements could increase the risk of regulatory enforcement actions, product defects or related claims or reputational harm, among other things.

Our use of AI and other emerging technologies could adversely impact our business and financial results: We have begun to deploy AI and other emerging technologies in various facets of our operations and products and we continue to explore further use cases. The rapid advancement of these technologies presents opportunities for us in research, manufacturing, commercialization, and other business endeavors, but also entails risks, including that AI-generated content, analyses, or recommendations we utilize could be deficient, that our competitors may more quickly or effectively adopt AI capabilities, or that our use of AI or other emerging

technologies increases regulatory, cybersecurity and other significant risks. In addition, any disruption or failure in the AI functionality we incorporate into our business activities, products or services could adversely impact our business or result in delays or errors in our product offerings. The legal and regulatory landscape surrounding AI technologies is rapidly evolving and uncertain, including in the areas of intellectual property, cybersecurity and privacy and data protection. Compliance with new or changing laws, regulations or industry standards relating to AI may impose significant costs on us and limit our ability to effectively develop, deploy or use AI technologies. Furthermore, if we are unable to effectively manage the use of AI technologies by our employees and service providers, our confidential information, intellectual property and reputation could be put at risk. Failure to appropriately respond to this evolving landscape may result in reputational, competitive and business harm as well as litigation and regulatory action and fines, penalties and expenses related thereto.

Pandemics and public health emergencies, and the fear thereof, have in the past materially adversely affected and could in the future materially adversely affect, our operations, supply chain, manufacturing, product distribution, customers and other business activities:

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In connection with prior pandemics, governmental authorities and private enterprises implemented, and may in the future implement in connection with another pandemic or public health emergency (or in response to the fear thereof), measures, such as travel bans and restrictions, quarantines, shelter-in-place orders and shutdowns. Our customers, global suppliers, distributors and manufacturing facilities have in the past been, and could in the future be, materially affected by restrictive measures implemented in response to a pandemic or public health emergency, which has in the past caused and could in the future cause them to be unable to hire and retain employees, distribute or use our products or provide required services. We have as a result experienced, and could in the future experience, delays in, or the suspension of, our manufacturing operations, sales activities, research and product development activities, regulatory work streams, clinical development programs and other important commercial functions, which may result in our inability to satisfy consumer demand for our products in a timely manner or at all and which could harm our reputation, future sales and profitability. The extent of any future pandemic or public health emergency's effect on our business and industry will depend on, among other things, the severity of the disease, the successful development, distribution and acceptance of vaccines for diseases, future resurgences and/or the spread of disease variants, all of which are uncertain and difficult to predict. The COVID-19 pandemic materially impacted us, and any future pandemic or public health emergency could materially impact us and would heighten many of the other risks described in this report.

LEGAL AND REGULATORY RISKS

Current economic and political conditions make tax rules in jurisdictions subject to significant change: Our future results of operations could be affected by changes in the effective tax rate as a result of changes in tax laws, regulations and judicial rulings. We are continuing to evaluate the impact of tax reform in the countries in which we operate as new guidance is published and new regulations are adopted. In addition, further changes in the tax laws could arise, including as a result of the base erosion and profit shifting project undertaken by the Organisation for Economic Cooperation and Development (OECD). The OECD, which represents a coalition of member countries, has put forth two proposed frameworks that revise the existing profit allocation and nexus rules (Pillar 1) and ensure a minimal level of taxation (Pillar 2), respectively, and several countries enacted tax legislation based on these frameworks. In January 2026 the OECD released Administrative Guidance containing the Side-by-Side system (SbS System) and introduced two new Pillar 2 safe harbors for multinationals headquartered in jurisdictions including the United States with eligible tax systems. The safe harbors must now be legislated domestically by each country with enacted Pillar 2 legislation impacted by the new OECD Administrative Guidance. These tax law changes and any additional contemplated tax law changes could impact tax expense in future periods.

We could be negatively impacted by future changes in the allocation of income to each of the income tax jurisdictions in which we operate: We operate in multiple income tax jurisdictions both in the United States and internationally. Accordingly, our management must determine the appropriate allocation of income to each jurisdiction based on current interpretations of complex income tax regulations. Income tax authorities regularly perform audits of our income tax filings. Income tax audits associated with the allocation of income and other complex issues, including inventory transfer pricing and cost sharing, product royalty and foreign branch arrangements, may require an extended period to resolve and may result in significant income tax adjustments including the assessment of additional income taxes, interest and penalties. For example, we received a final audit report and assessments from the German Federal Central Tax Office ("FCTO") related to audits of tax years 2010 through 2017. Although we intend to defend our filing positions through the FCTO independent appeals process and, if necessary, litigation, there can be no assurance that we will be successful. If the resolution of this matter results in additional German income taxes, we intend to seek associated foreign tax credits, but such credits may not be available on a timely basis or at all, or may not fully offset any additional liability. Any such outcome could materially adversely affect our business, financial condition and results of operations. See Note 11 to our Consolidated Financial Statements for more information.

The impact of healthcare reform legislation on our business remains uncertain: Several markets where we sell our products are making efforts to expand access to healthcare or health insurance coverage while decreasing costs. These efforts may have a direct or unintended negative impact on access to medical technology and could have a significant effect on our business. Both in the United States and internationally, governmental authorities may make legislative or administrative reforms to existing reimbursement programs, make adverse decisions relating to our products' coverage or reimbursement, or make changes to patient access to healthcare, all of which could adversely impact the demand for and usage of our products or the prices that our customers are willing to pay for them. We cannot predict what healthcare programs and regulations could ultimately be implemented at the federal or state level or the effect that any future legislation or regulation in the United States may have on our business. Similarly, we cannot predict the impact that healthcare reform legislation in other countries where we sell our products may have on our business.

We are subject to extensive governmental regulation relating to the classification, manufacturing, sterilization, licensing, labeling, marketing and sale of our products: The classification, manufacturing, sterilization, licensing, labeling, marketing and sale of our products are subject to extensive and evolving regulations and rigorous regulatory enforcement by the FDA, state governments, European Union and other governmental authorities in the United States and internationally. These governmental authorities may impose additional requirements or limits on the methods, procedures or agents we use to manufacture and sterilize our products, which could have a negative impact on our business. For example, governmental authorities in the United States and internationally have or are considering adopting regulations on the use of per- and polyfluoroalkyl substances. In addition, the process of obtaining licenses, regulatory clearances and/or approvals to market and sell our products can be costly and time consuming and the clearances and/or approvals might not be granted timely. We have ongoing responsibilities under the laws and regulations applicable to the manufacturing of products within our facilities and those contracted by third parties that are subject to periodic inspections by the FDA, state Boards of Pharmacy and other governmental authorities to determine compliance with the quality system, medical device reporting regulations and other requirements. We may also be subject to legal obligations in some countries that require disclosure or sharing of proprietary information. We incur significant costs to comply with regulations, including the MDR. If we fail to comply with applicable regulatory requirements, we may be subject to a range of sanctions, including substantial fines, warning letters that require corrective action, product seizures, recalls, import restrictions, the suspension of product manufacturing or sales, revocation of approvals, exclusion from future participation in government healthcare programs, substantial fines and criminal prosecution.

We are subject to federal, state and foreign healthcare regulations, including anti-bribery, anti-corruption, anti-kickback and false claims laws, globally and could face substantial penalties if we fail to comply with such regulations and laws: The relationships that we, and third parties that market and/or sell our products, have with healthcare professionals, such as physicians, hospitals, healthcare organizations and others, are subject to scrutiny under various state and federal laws often referred to collectively as healthcare fraud and abuse laws. In addition, the United States and foreign government regulators have increased the enforcement of the Foreign Corrupt Practices Act (FCPA) and other anti-bribery and anti-kickback laws. We also must comply with a variety of other laws that impose extensive tracking and reporting related to all transfers of value provided to certain healthcare professionals and others. These laws and regulations are broad in scope and are subject to evolving interpretation and we have in the past been, and in the future could be, required to incur substantial costs to investigate, audit and monitor compliance or to alter our practices. Violations or alleged violations of these laws have in the past resulted and could in the future result in investigations, litigation or government proceedings, and we have been and may in the future be subject to criminal or civil penalties and sanctions, including substantial fines, imprisonment of current or former employees and exclusion from participation in governmental healthcare programs. For example, in 2013 and 2018 we settled claims brought by the SEC related to the FCPA. Pursuant to these settlements, we paid fines and penalties and retained an independent compliance consultant. We continue to implement recommendations that resulted from the independent compliance consultant's review of our commercial practices to enhance our commercial business practices. In addition, as disclosed in our prior filings, we were previously contacted by the SEC, the United States Department of Justice, and other regulatory authorities involving whether certain business activities in certain foreign countries violated provisions of the FCPA and analogous local laws. We have completed our investigation into these matters. On April 1, 2025, and December 16, 2025, we were informed by the DOJ and SEC, respectively, that each agency had closed its inquiry. We are currently responding to inquiries by certain foreign authorities arising in the normal course of business, however, we do not expect these matters to have a material effect, if any, on our financial statements.

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

We may be adversely affected by product liability claims, unfavorable court decisions or legal settlements: We are exposed to potential product liability risks inherent in the design, manufacture and marketing of medical devices, many of which are implanted in the human body for long periods of time or indefinitely. We are currently defendants in a number of product liability matters, including those relating to our Rejuvenate and ABGII Modular-Neck hip stems, LFIT Anatomic CoCr V40 Femoral Heads and the product liability lawsuits and claims relating to Wright Medical Group N.V. (Wright) legacy hip products discussed in Note 7 to our Consolidated Financial Statements. These matters are subject to uncertainties and outcomes are not predictable. Further, the European Representative Actions Directive (the Collective Redress Directive) mandates a class action regime in each EU member

state to facilitate domestic and cross-border class actions in a wide range of areas, including product liability claims with medical devices. The European Product Liability Directive was revised in 2024 and will become fully adopted into each member state's national laws by December 9, 2026. The revised Product Liability Directive and Collective Redress Directive exposes us to additional litigation risks and could result in significant legal expenses. In addition, we may incur significant legal expenses or reputational damage for product liability claims regardless of whether we are found to be liable.

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

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

MARKET RISKS

We have exposure to exchange rate fluctuations on cross border transactions and translation of local currency results into United States Dollars: We report our financial results in United States Dollars and approximately 24% of our net sales are denominated in foreign currencies, including the Australian Dollar, British Pound, Canadian Dollar, Euro and Japanese Yen. Cross border transactions with external parties, financing transactions in currencies other than the United States Dollar and intercompany relationships result in increased exposure to foreign currency exchange effects. While we use derivative instruments to manage the impact of currency exchange, our hedging strategies may not be successful, and our unhedged exposures continue to be subject to currency fluctuations. In addition, the weakening or strengthening of the United States Dollar results in favorable or unfavorable translation effects when the results of our foreign locations are translated into United States Dollars. Currency exchange rates continue to be volatile, and these currency fluctuations have affected, and may continue to affect, our results of operations.

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

ENVIRONMENTAL, SOCIAL AND GOVERNANCE RISKS

We could be negatively impacted by evolving requirements and expectations related to corporate responsibility and sustainability-related matters, including those related to climate: Governments, investors, customers, employees and other stakeholders have been focused on corporate responsibility practices and disclosures, and expectations in this area continue to rapidly evolve, including in diverging directions. On occasion, we announce new initiatives and make disclosures, including goals, relating to various corporate responsibility matters. Implementation of these initiatives involves risks and uncertainties, requires investments and depends in part on third-party performance or data that is outside our control. We cannot guarantee that we will achieve our announced corporate responsibility initiatives. If we fail or are perceived to have failed to achieve previously announced initiatives or goals, comply with corporate responsibility laws and regulations, meet evolving expectations or accurately disclose our progress, we could face legal and regulatory proceedings and our reputation, business, financial condition and results of operations could be adversely impacted. Furthermore, there is no guarantee that we will satisfy the evolving and diverging expectations of our various stakeholders on corporate responsibility matters, and a failure to satisfy the expectations of any key stakeholder group could result in, among other things, reduced demand for our products, reduced profits, increased investigations and litigation and an increased risk of reputational damage. If we are unable to satisfy evolving and diverging expectations on these matters, certain investors and other stakeholders may conclude that our policies and/or actions with respect to corporate responsibility matters are inadequate or undesirable.

Physical weather events, as well as legal, regulatory or market measures related to environmental, climate and other sustainability matters, could adversely affect our operations and operating results: Weather-related events and evolving environmental conditions may result in operational, supply chain and infrastructure disruptions. Such events, including hurricanes, tornadoes, wildfires, droughts, extreme temperatures, flooding, and other natural disasters, could damage our facilities and products, or those of our suppliers, disrupt manufacturing and distribution, reduce workforce availability, increase raw material and component costs, increase liabilities, or adversely affect the operations of hospitals, medical care facilities and other customers, any of which could negatively impact our results of operations. In addition, sustainability-related matters continue to be the subject of regulatory, legal and market attention. Regulatory requirements and enforcement approaches may evolve, differ by jurisdiction, or change over time, including through the adoption, modification, interpretation, or enforcement

of environmental laws and regulations. Such developments may increase compliance costs, create uncertainty, affect raw material availability and sourcing, require operational changes, or otherwise adversely affect our manufacturing, supply chain, distribution activities or operating results.

ITEM 1B. UNRESOLVED STAFF COMMENTS.

None.

ITEM 1C. CYBERSECURITY.

RISK MANAGEMENT AND STRATEGY

We review cybersecurity risk as part of our overall enterprise risk management program. This ensures that cybersecurity risk management remains a top priority in our business strategy and operations.

MANAGEMENT'S ROLE IN MANAGING RISK

Primary management responsibility for assessing, monitoring and managing our cybersecurity risks rests with our chief information security officer ("CISO"). Our current CISO has over 30 years of experience in information technology and cybersecurity in the United States military, retail and healthcare sectors and oversees our team of cybersecurity professionals. The CISO is regularly informed about recent developments in cybersecurity, including potential threats and innovative risk management techniques.

The CISO implements and oversees processes for the regular monitoring of our information systems. We use various tools and methodologies to manage cybersecurity risk that are tested regularly. We also monitor and evaluate our cybersecurity posture and performance on an ongoing basis through regular vulnerability scans, penetration tests and threat intelligence feeds. In addition, we engage third-party consultants to conduct annual cybersecurity assessments and to conduct audits for compliance with regulatory, Sarbanes-Oxley Act, Service Organization Control Type 2 and International Organization for Standardization standards. We also engage third parties to assess our cybersecurity maturity and risk management programs.

We use a cross-departmental approach to addressing cybersecurity risk, with our cybersecurity, product security and legal teams presenting quarterly on key topics to a committee of leaders in technology, legal, finance, regulatory and corporate affairs functions. This leadership committee meets quarterly to ensure that we have input and oversight from critical stakeholders into our cybersecurity program and evolving issues.

The CISO oversees a training and awareness program for employees to take part in protecting the Company against cybersecurity risks. We have implemented annual mandatory security education to help employees understand cybersecurity risks and comply with our cybersecurity policies. Additionally, we provide frequent communications around pertinent cybersecurity topics and policies to all employees. We also provide additional cybersecurity and data protection training to employees in certain roles.

As part of our cybersecurity risk management program, we also conduct cybersecurity, data protection, and privacy assessments on all third parties who integrate with Stryker’s data, network, systems and products. We use a combination of internal and external tools to confirm that these third parties meet our security requirements. We leverage standard industry threat model and privacy impact assessment concepts to confirm that data minimization and adequate data protections are in place. We perform supplemental reviews as necessary, commensurate with the risk associated with each vendor.

In the event of a cybersecurity incident, we have an incident response plan that includes immediate actions to mitigate the impact and long-term strategies for remediation and prevention of future incidents. The cybersecurity and product security teams routinely practice this plan with functions across the organization. We conduct tabletop exercises with senior management, during which we practice the procedures in place to ensure that potentially material cybersecurity risks and incidents are escalated to management and the Board of Directors where applicable.

GOVERNANCE

Cybersecurity risks are overseen by the full Board of Directors and the Audit Committee. The Audit Committee is central to the Board of Directors’ oversight of cybersecurity risks and bears the primary responsibility for overseeing cybersecurity risk. The Audit Committee actively participates in strategic decisions related to cybersecurity, offering guidance and approval for major cybersecurity initiatives. This involvement ensures that cybersecurity considerations are integrated into our broader strategic objectives.

Our CISO provides comprehensive updates to the Audit Committee at least three times a year and the full Board of Directors periodically. These briefings include a range of topics, including:

- Current cybersecurity landscape and emerging threats;
- Status of ongoing cybersecurity initiatives and strategies;
- Incident reports and learnings from any cybersecurity events;
- Metrics demonstrating company and industry-standard prevention of common threats; and
- Regulatory changes impacting cybersecurity requirements and strategy.

The Board of Directors is aware of the critical nature of managing risks associated with cybersecurity threats and is actively engaged in our cybersecurity risk management strategy.

RISKS FROM CYBERSECURITY THREATS

Although cybersecurity risks have not materially affected us, including our business strategy, results of operations or financial condition, to date, we face numerous and evolving cybersecurity threats in our business. For more information about the cybersecurity risks we face, see the risk factor entitled "We, our business partners or our third-party vendors could experience a material failure or breach of a key information technology system, network, process or site" in Item 1A. Risk Factors.

ITEM 2. PROPERTIES.

We have approximately 27 company-owned and 306 leased locations worldwide including 55 manufacturing locations. We believe that our properties are in good operating condition and adequate for the manufacture and distribution of our products. We do not anticipate difficulty in renewing existing leases as they expire or in finding alternative facilities.

ITEM 3. LEGAL PROCEEDINGS.

We are involved in various ongoing proceedings, legal actions and claims arising in the normal course of our business, including proceedings related to product, labor, tax, intellectual property and other matters. Refer to Notes 7 and 11 to our Consolidated Financial Statements for further information.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

PART II

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

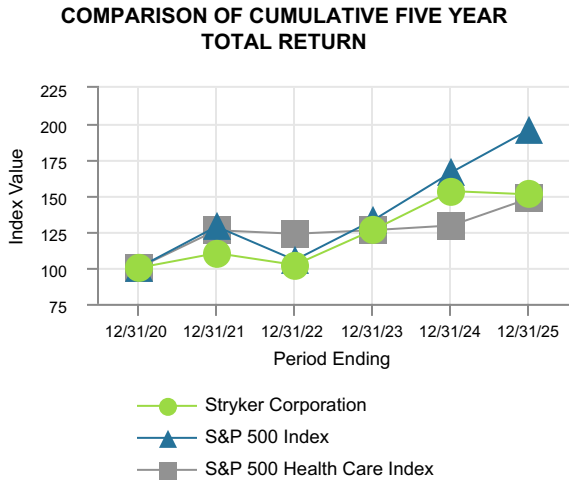
Our common stock is traded on the New York Stock Exchange under the symbol SYK.

Our Board of Directors considers payment of cash dividends at its quarterly meetings. On January 31, 2026 there were 2,323 shareholders of record of our common stock.

We did not repurchase any shares in the three months ended December 31, 2025 and the total dollar value of shares that could be acquired under our authorized repurchase program at December 31, 2025 was $1,033.

In the fourth quarter 2025 we did not issue shares of our common stock as performance incentive awards to employees. When issued, these shares are not registered under the Securities Act of 1933 based on the conclusion that the awards are not events of sale within the meaning of Section 2(a)(3) of the Act.

The following graph compares our total returns (including reinvestment of dividends) against the Standard & Poor's (S&P) 500 Index and the S&P 500 Health Care Index. The graph assumes $100 (not in millions) invested on December 31, 2020 in our common stock and each of the indices.



Company / Index	2020	2021	2022	2023	2024	2025
Stryker Corporation	**$100.00**	**$110.22**	**$102.05**	**$126.33**	**$153.30**	**$151.03**
S&P 500 Index	$100.00	$128.71	$105.40	$133.10	$166.40	$196.16
S&P 500 Health Care Index	$100.00	$126.13	$123.67	$126.21	$129.46	$148.36

ITEM 6. SELECTED FINANCIAL DATA.

Statement of Earnings Data	2025	2024	2023	2022	2021
Net sales	**$ 25,116**	**$ 22,595**	**$ 20,498**	**$ 18,449**	**$ 17,108**
Cost of sales	9,051	8,155	7,440	6,871	6,140
Gross profit	**$ 16,065**	**$ 14,440**	**$ 13,058**	**$ 11,578**	**$ 10,968**
Research, development and engineering expenses	1,623	1,466	1,388	1,454	1,235
Selling, general and administrative expenses	8,651	7,685	7,111	6,386	6,266
Amortization of intangible assets	732	623	635	627	619
Goodwill and other impairments	170	977	36	270	264
Total operating expenses	$ 11,176	$ 10,751	$ 9,170	$ 8,737	$ 8,384
Operating income	**$ 4,889**	**$ 3,689**	**$ 3,888**	**$ 2,841**	**$ 2,584**
Interest expense	(607)	(409)	(363)	(341)	(354)
Other income	232	212	148	183	51
Earnings before income taxes	**$ 4,514**	**$ 3,492**	**$ 3,673**	**$ 2,683**	**$ 2,281**
Income taxes	1,268	499	508	325	287
Net earnings	**$ 3,246**	**$ 2,993**	**$ 3,165**	**$ 2,358**	**$ 1,994**
Net earnings per share of common stock:					
Basic	$ 8.49	$ 7.86	$ 8.34	$ 6.23	$ 5.29
Diluted	$ 8.40	$ 7.76	$ 8.25	$ 6.17	$ 5.21
Dividends declared per share of common stock	**$ 3.400**	**$ 3.240**	**$ 3.050**	**$ 2.835**	**$ 2.585**
Balance Sheet Data					
Cash, cash equivalents and current marketable securities	$ 4,100	$ 3,743	$ 3,053	$ 1,928	$ 3,019
Accounts receivable, net	4,039	3,987	3,765	3,565	3,022
Inventories	5,310	4,774	4,843	3,995	3,314
Property, plant and equipment, net	3,876	3,448	3,215	2,970	2,833
Total assets	**$ 47,844**	**$ 42,971**	**$ 39,912**	**$ 36,884**	**$ 34,631**
Accounts payable	1,799	1,679	1,517	1,413	1,129
Total debt	15,859	13,597	12,995	13,048	12,479
Shareholders' equity	**$ 22,420**	**$ 20,634**	**$ 18,593**	**$ 16,616**	**$ 14,877**
Cash Flow Data					
Net cash provided by operating activities	**$ 5,044**	**$ 4,242**	**$ 3,711**	**$ 2,624**	**$ 3,263**
Purchases of property, plant and equipment	761	755	575	588	525
Depreciation	461	427	393	371	371
Acquisitions, net of cash acquired	4,960	1,628	390	2,563	339
Amortization of intangible assets	732	623	635	627	619
Payments of dividends	1,284	1,219	1,139	1,051	950
Other Data					
Number of shareholders of record	2,334	2,520	2,518	2,533	2,551
Approximate number of employees	56,000	53,000	52,000	51,000	46,000

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

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

About Stryker

Stryker is a global leader in medical technologies and, together with our customers, we are driven to make healthcare better. We offer innovative products and services in MedSurg, Neurotechnology, and Orthopaedics that help improve patient and healthcare outcomes. Alongside our customers around the world, we impact more than 150 million patients annually. Our goal is to achieve sales growth at the high-end of the medical technology (MedTech) industry and maintain our long-term capital allocation strategy that prioritizes: (1) Acquisitions, (2) Dividends and (3) Share repurchases.

We segregate our operations into two reportable business segments: (i) MedSurg and Neurotechnology and (ii) Orthopaedics. MedSurg and Neurotechnology products include surgical equipment and navigation systems (Instruments), endoscopic and communications systems (Endoscopy), patient handling, emergency medical equipment and intensive care disposable products (Medical), minimally invasive products for the treatment of acute ischemic and hemorrhagic stroke and venous thromboembolism (Vascular), a comprehensive line of products for traditional brain and open skull-based surgical procedures; orthobiologic and biosurgery products, including synthetic bone grafts and vertebral augmentation products (Neuro Cranial). Orthopaedics products consist primarily of implants used in hip and knee joint replacements and trauma and extremity surgeries.

Macroeconomic Environment

In 2025 the United States government has announced new tariffs on goods imported into the United States from dozens of countries, including China and the European Union member states. In response, governments have threatened or imposed reciprocal tariffs or taken other measures, and the United States is in the process of negotiating with certain governments. We continue to monitor and evaluate the situation. Tariffs are expected to continue to result in an increase in certain product costs or have adverse impacts on, among other things, demand for our products and supply chains. The overall macroeconomic and geopolitical environment, including tariffs or changes in trade policies, slower economic growth or recession, market volatility and inflation, and uncertainty regarding all of the foregoing, pose risks that could impact our business and results of operations. For more information about these risks, see Item 1A. "Risk Factors."

Overview of 2025

In 2025 we achieved reported net sales growth of 11.2%. Excluding the impact of acquisitions and divestitures, sales grew 10.3% in constant currency. We reported net earnings of $3,246 and net earnings per diluted share of $8.40. Excluding the impact of certain items, we achieved adjusted net earnings[(1)] of $5,267 and adjusted net earnings per diluted share[(1)] of $13.63 representing growth of 11.8%.

We continued our capital allocation strategy by investing $4,960 in acquisitions and paying $1,284 in dividends to our shareholders.

In 2025 we completed various acquisitions for total consideration of $4,960, net of cash acquired. Refer to Note 6 to our Consolidated Financial Statements for further information.

In February 2025 we entered into a new revolving credit agreement that replaces our previous agreement dated October 2021. The primary changes included increasing the aggregate principal amount of the facility by $750 to $3,000 and extending the maturity date to February 25, 2030. On December 31, 2025 there were no borrowings outstanding under our revolving credit facility or our commercial paper program which allows for maturities up to 397 days from the date of issuance. The maximum amount of our commercial paper that can be outstanding at any time is $3,000.

In February 2025 we issued $500 of 4.550% senior unsecured notes due February 10, 2027, $700 of 4.700% senior unsecured notes due February 10, 2028, $800 of 4.850% senior unsecured notes due February 10, 2030 and $1,000 of 5.200% senior unsecured notes due February 10, 2035. In the second quarter 2025 we repaid $650 of 1.150% senior unsecured notes and in the fourth quarter 2025 we repaid $750 of 3.375% senior unsecured notes.

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

CONSOLIDATED RESULTS OF OPERATIONS

				Percent Net Sales			Percentage Change	
	2025	2024	2023	2025	2024	2023	2025 vs. 2024	2024 vs. 2023
Net sales	**$ 25,116**	**$ 22,595**	**$ 20,498**	**100.0 %**	**100.0 %**	**100.0 %**	**11.2 %**	**10.2 %**
Gross profit	16,065	14,440	13,058	64.0	63.9	63.7	11.3	10.6
Research, development and engineering expenses	1,623	1,466	1,388	6.5	6.5	6.8	10.7	5.6
Selling, general and administrative expenses	8,651	7,685	7,111	34.4	34.0	34.7	12.6	8.1
Amortization of intangible assets	732	623	635	2.9	2.8	3.1	17.5	(1.9)
Goodwill and other impairments	170	977	36	0.7	4.3	0.2	nm	nm
Interest expense	(607)	(409)	(363)	(2.4)	(1.8)	(1.8)	48.4	12.7
Other income	232	212	148	0.9	0.9	0.8	9.4	43.2
Income taxes	1,268	499	508	nm	nm	nm	154.1	(1.8)
Net earnings	**$ 3,246**	**$ 2,993**	**$ 3,165**	**12.9 %**	**13.2 %**	**15.4 %**	**8.5 %**	**(5.4)%**
Net earnings per diluted share	**$ 8.40**	**$ 7.76**	**$ 8.25**				**8.2 %**	**(5.9)%**
Adjusted net earnings per diluted share[(1)]	**$ 13.63**	**$ 12.19**	**$ 10.60**				**11.8 %**	**15.0 %**

nm - not meaningful

Geographic and Segment Net Sales

				Percentage Change			
				2025 vs. 2024		2024 vs. 2023	
	2025	2024	2023	As Reported	Constant Currency	As Reported	Constant Currency
Geographic:							
United States	$ 19,006	$ 16,943	$ 15,257	12.2 %	12.2 %	11.0 %	11.0 %
International	6,110	5,652	5,241	8.1	6.4	7.9	9.8
Total	**$ 25,116**	**$ 22,595**	**$ 20,498**	**11.2 %**	**10.7 %**	**10.2 %**	**10.7 %**
Segment:							
MedSurg and Neurotechnology	$ 15,647	$ 13,518	$ 12,163	15.7 %	15.4 %	11.1 %	11.6 %
Orthopaedics	9,469	9,077	8,335	4.3	3.8	8.9	9.4
Total	**$ 25,116**	**$ 22,595**	**$ 20,498**	**11.2 %**	**10.7 %**	**10.2 %**	**10.7 %**

Supplemental Net Sales Growth Information

				Percentage Change									
				2025 vs. 2024					2024 vs. 2023				
						United States	International				United States	International	
	2025	2024	2023	As Reported	Constant Currency	As Reported	As Reported	Constant Currency	As Reported	Constant Currency	As Reported	As Reported	Constant Currency
MedSurg and Neurotechnology:													
Instruments	$ 3,183	$ 2,834	$ 2,534	12.3 %	11.9 %	13.0 %	9.5 %	7.5 %	11.9 %	12.1 %	12.5 %	9.5 %	10.6 %
Endoscopy	3,807	3,389	3,068	12.3	12.3	12.2	12.8	12.4	10.5	11.0	11.1	7.7	10.7
Medical	4,204	3,852	3,459	9.1	8.8	10.0	4.8	2.8	11.4	11.7	14.6	(2.0)	(0.3)
Vascular	1,968	1,307	1,226	50.6	50.0	107.5	14.8	13.4	6.6	8.2	4.7	7.9	10.5
Neuro Cranial	2,485	2,136	1,876	16.3	15.9	16.5	15.5	13.1	13.9	14.1	15.0	8.7	10.2
	$15,647	**$13,518**	**$12,163**	**15.7 %**	**15.4 %**	**17.0 %**	**11.3 %**	**9.7 %**	**11.1 %**	**11.6 %**	**12.7 %**	**5.9 %**	**7.9 %**
Orthopaedics:													
Knees	$ 2,656	$ 2,447	$ 2,273	8.5 %	8.2 %	7.6 %	11.0 %	9.7 %	7.6 %	8.2 %	6.7 %	10.4 %	12.2 %
Hips	1,865	1,704	1,544	9.5	8.9	7.4	12.9	11.2	10.3	11.3	7.2	15.9	18.4
Trauma and Extremities	3,948	3,507	3,147	12.6	11.8	13.1	11.0	8.2	11.4	11.6	12.6	8.3	9.1
Other	815	712	658	14.5	14.0	18.2	5.3	3.6	8.1	9.6	7.3	10.1	15.4
	9,284	8,370	7,622	10.9 %	10.3 %	10.9 %	11.0 %	9.0 %	9.8 %	10.4 %	9.3 %	10.9 %	12.8 %
Spinal Implants	185	707	713	(73.9)	(73.9)	(76.0)	(69.3)	(69.2)	(0.7)	(0.3)	(2.1)	2.5	3.8
	$ 9,469	**$ 9,077**	**$ 8,335**	**4.3 %**	**3.8 %**	**4.3 %**	**4.4 %**	**2.6 %**	**8.9 %**	**9.4 %**	**8.4 %**	**10.2 %**	**12.0 %**
Total	**$25,116**	**$22,595**	**$20,498**	**11.2 %**	**10.7 %**	**12.2 %**	**8.1 %**	**6.4 %**	**10.2 %**	**10.7 %**	**11.0 %**	**7.9 %**	**9.8 %**

Consolidated Net Sales

Consolidated net sales in 2025 increased 11.2% as reported and 10.7% in constant currency, as foreign currency exchange rates positively impacted net sales by 0.5%. Excluding the 0.4% impact of acquisitions and divestitures, net sales in constant currency increased by 9.9% from increased unit volume and 0.4% due to higher prices. The unit volume increase was primarily due to higher shipments across all businesses.

Consolidated net sales in 2024 increased 10.2% as reported and 10.7% in constant currency, as foreign currency exchange rates negatively impacted net sales by 0.5%. Excluding the 0.5% impact of acquisitions and divestitures, net sales in constant currency increased by 9.1% from increased unit volume and 1.1% due to higher prices. The unit volume increase was due to higher shipments across all MedSurg and Neurotechnology businesses and most Orthopaedics businesses.

Dollar amounts in millions except per share amounts or as otherwise specified. 16

MedSurg and Neurotechnology Net Sales

MedSurg and Neurotechnology net sales in 2025 increased 15.7% as reported and 15.4% in constant currency, as foreign currency exchange rates positively impacted net sales by 0.3%. Excluding the 4.7% impact of acquisitions and divestitures, net sales in constant currency increased by 10.0% from increased unit volume and 0.7% due to higher prices. The unit volume increase was due to higher shipments across all MedSurg and Neurotechnology businesses.

MedSurg and Neurotechnology net sales in 2024 increased 11.1% as reported and 11.6% in constant currency, as foreign currency exchange rates negatively impacted net sales by 0.5%. Excluding the 0.4% impact of acquisitions and divestitures, net sales in constant currency increased by 9.5% from increased unit volume and 1.7% due to higher prices. The unit volume increase was due to higher shipments across all MedSurg and Neurotechnology businesses.

Orthopaedics Net Sales

Orthopaedics net sales in 2025 increased 4.3% as reported and 3.8% in constant currency, as foreign currency exchange rates positively impacted net sales by 0.5%. Excluding the 5.7% impact of acquisitions and divestitures, net sales in constant currency increased by 9.6% from increased unit volume partially offset by 0.1% due to lower prices. The unit volume increase was due to higher shipments across most Orthopaedics businesses.

Orthopaedics net sales in 2024 increased 8.9% as reported and 9.4% in constant currency, as foreign currency exchange rates negatively impacted net sales by 0.5%. Excluding the 0.7% impact of acquisitions and divestitures, net sales in constant currency increased by 8.7% from increased unit volume. The unit volume increase was due to higher shipments across all Orthopaedics businesses.

Gross Profit

Gross profit was $16,065, $14,440 and $13,058 in 2025, 2024, and 2023. The key components of the change were:

	Gross Profit Percent Net Sales
2023	**63.7 %**
Sales pricing	40 bps
Volume and mix	60 bps
Manufacturing and supply chain costs	(40) bps
Inventory stepped up to fair value	(20) bps
Structural optimization and other special charges	(20) bps
2024	**63.9 %**
Sales pricing	10 bps
Volume and mix	70 bps
Manufacturing and supply chain costs	0 bps
Inventory stepped up to fair value	(60) bps
Structural optimization and other special charges	(10) bps
2025	**64.0 %**

Gross profit as a percentage of net sales increased to 64.0% in 2025 from 63.9% in 2024 primarily due to higher sales pricing and favorable volume partially offset by higher amortization of inventory stepped up to fair value.

Gross profit as a percentage of net sales increased to 63.9% in 2024 from 63.7% in 2023 due to higher sales pricing and favorable volume offset by higher manufacturing and supply chain costs primarily due to inflationary pressures impacting fixed and variable manufacturing costs as well as higher amortization of inventory stepped up to fair value.

While segment mix was not a significant driver of the change in gross profit as a percent of net sales between 2025, 2024 and 2023, we generally expect segment mix to have an unfavorable impact for the foreseeable future as we anticipate more rapid sales growth in our lower gross margin MedSurg and Neurotechnology segment than our Orthopaedics segment.

Research, Development and Engineering Expenses

Research, development and engineering expenses as a percentage of net sales in 2025 of 6.5% remained flat with 2024.

Research, development and engineering expenses as a percentage of net sales in 2024 decreased to 6.5% from 6.8% in 2023 primarily due to lower spend on medical device regulations in the European Union.

Selling, General and Administrative Expenses

Selling, general and administrative expenses as a percentage of net sales in 2025 increased to 34.4% from 34.0% in 2024 primarily due to higher acquisition-related costs and continued investments to support our growth. A charge of $139 for share-based awards for Inari employees that vested upon our acquisition is included in 2025.

Selling, general and administrative expenses as a percentage of net sales in 2024 decreased to 34.0% from 34.7% in 2023 primarily due to continued spend discipline and lower charges for structural optimization and certain legal matters partially offset by higher acquisition-related costs.

Amortization of Intangible Assets

Amortization of intangible assets was $732, $623 and $635 in 2025, 2024 and 2023. These amounts include amortization related to intangible assets acquired in 2025 from Inari, 2024 from various acquisitions and 2023 from Cerus Endovascular Limited (Cerus). Refer to Notes 6 and 8 to our Consolidated Financial Statements for further information.

Goodwill and Other Impairments

Goodwill and other impairments of $170, $977 and $36 were recorded in 2025, 2024 and 2023.

In 2024 we recorded goodwill impairment charges of $456 related to our Spine business and recognized an estimated loss of $362 as a result of classifying certain assets in our Spinal Implants business as held for sale. Refer to Notes 8 and 16 to our Consolidated Financial Statements for further information.

In 2025, 2024 and 2023 we recorded other impairments of $109, $159 and $36. Refer to Note 15 to our Consolidated Financial Statements for further information.

Operating Income

Operating income was $4,889, $3,689 and $3,888 in 2025, 2024 and 2023. Operating income increased as a percentage of sales to 19.5% in 2025 from 16.3% in 2024 and increased from 19.0% in 2023. Refer to the comments above for discussion of the primary drivers of the change.

MedSurg and Neurotechnology operating income as a percentage of net sales increased to 29.9% in 2025 from 29.6% in 2024. MedSurg and Neurotechnology operating income as a percentage of net sales increased to 29.6% in 2024 from 28.5% in 2023. Orthopaedics operating income as a percentage of net sales increased to 29.8% in 2025 from 28.5% in 2024. Orthopaedics operating income as a percentage of net sales increased to 28.5% in 2024 from 27.2% in 2023. The key components of the change were:

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	Operating Income Percent Net Sales	
	MedSurg and Neurotechnology	Orthopaedics
2023	**28.5 %**	**27.2 %**
Sales pricing	70 bps	0 bps
Volume	40 bps	70 bps
Manufacturing and supply chain costs	(40) bps	(20) bps
Research, development and engineering expenses	0 bps	10 bps
Selling, general and administrative expenses	40 bps	70 bps
2024	**29.6 %**	**28.5 %**
Sales pricing	30 bps	0 bps
Volume	90 bps	30 bps
Manufacturing and supply chain costs	80 bps	(90) bps
Research, development and engineering expenses	(30) bps	50 bps
Selling, general and administrative expenses	(140) bps	140 bps
2025	**29.9 %**	**29.8 %**

The increase in MedSurg and Neurotechnology operating income as a percentage of net sales in 2025 from 2024 was primarily driven by higher unit volumes and prices, and lower manufacturing and supply chain costs partially offset by higher selling, general and administrative expenses due to the acquisition of Inari.

The increase in MedSurg and Neurotechnology operating income as a percentage of net sales in 2024 from 2023 was primarily driven by higher unit volumes, higher prices and a decrease in selling, general and administrative expenses as a percentage of sales partially offset by higher manufacturing and supply chain costs.

The increase in Orthopaedics operating income as a percentage of net sales for 2025 from 2024 was primarily by driven lower selling, general and administrative expenses and higher unit volumes partially offset by higher manufacturing and supply chain costs.

The increase in Orthopaedics operating income as a percentage of net sales for 2024 from 2023 was primarily driven by higher sales volumes and a decrease in selling, general and administrative expenses as a percentage of sales partially offset by higher manufacturing and supply chain costs.

Interest Expense

Interest expense was $607, $409 and $363 in 2025, 2024 and 2023. The increase in 2025 from 2024 was due to increased interest expense from our 2025 debt issuances. The increase in 2024 from 2023 was primarily due to the impact of additional interest expense from our 2024 debt issuances.

Other Income

Other income was $232, $212 and $148 in 2025, 2024 and 2023. The increase in 2025 from 2024 was primarily due to higher interest income in 2025. The increase in 2024 from 2023 was primarily due to higher interest income.

Income Taxes

Our effective tax rate was 28.1%, 14.3% and 13.8% for 2025, 2024 and 2023. The effective income tax rate for 2025 increased from 2024 due to the 2025 tax effect of transfers of intellectual property between tax jurisdictions and the 2024 tax effect of the sale of the Spinal Implants business. The effective income tax rate for 2024 increased from 2023 due to the 2023 tax effect of transfers of intellectual property between tax jurisdictions offset by the 2024 tax effect of the sale of the Spinal Implants business.

Our future results of operations could be affected by changes in the effective tax rate as a result of changes in tax laws, regulations and judicial rulings. We are continuing to evaluate the impact of tax reform in the countries in which we operate as new guidance is published and new regulations are adopted. In addition, further changes in the tax laws could arise, including as a result of the base erosion and profit shifting project undertaken by the Organisation for Economic Cooperation and Development (OECD). The OECD, which represents a coalition of member countries, has put forth two proposed frameworks that revise the existing profit allocation and nexus rules (Pillar 1) and ensure a minimal level of taxation (Pillar 2), respectively, and several countries enacted tax legislation based on these frameworks. In January 2026, the OECD released Administrative Guidance containing the SbS System and introduced two new Pillar 2 safe harbors for multinationals headquartered in jurisdictions including the United States with eligible tax systems. The safe harbors must now be legislated domestically by each country with enacted Pillar 2 legislation impacted by the new OECD Administrative Guidance. These tax law changes and any additional contemplated tax law changes, could impact tax expense in future periods.

Net Earnings

Net earnings for 2025 increased to $3,246 or $8.40 per diluted share from $2,993 or $7.76 per diluted share in 2024 and $3,165 or $8.25 per diluted share in 2023. Refer to the comments above for discussion of the primary drivers of the change.

Non-GAAP Financial Measures

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

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exclude certain items that affect the comparability of operating results and the trend of earnings. The income tax effect of each adjustment was determined based on the tax effect of the jurisdiction in which the related pre-tax adjustment was recorded. These adjustments are irregular in timing and may not be indicative of our past and future performance. The following are examples of the types of adjustments that may be included in a period:

1. *Acquisition and integration-related costs*. Costs related to integrating recently acquired businesses (e.g., costs associated with the termination of sales relationships, employee retention and workforce reductions, manufacturing integration costs and other integration-related activities), changes in the fair value of contingent consideration, amortization of inventory stepped-up to fair value, specific costs (e.g., deal costs and costs associated with legal entity rationalization) related to the consummation of the acquisition process and legal entity rationalization and acquisition-related tax items.
2. *Amortization of purchased intangible assets*. Periodic amortization expense related to purchased intangible assets.
3. *Structural optimization and other special charges.* Costs associated with employee retention and workforce reductions, the closure or transfer of manufacturing and other facilities (e.g., site closure costs, contract termination costs and redundant employee costs during the work transfers), product line exits (primarily inventory, long-lived asset and specifically-identified intangible asset write-offs), certain long-lived and intangible asset write-offs and impairments and other charges.
4. *Medical device regulations.* Costs specific to updating our quality system, product labeling, asset write-offs and product remanufacturing to comply with the new medical device reporting regulations and other requirements of the European Union.
5. *Recall-related matters*. Changes in our best estimate of the probable loss, or the minimum of the range of probable losses when a best estimate within a range is not known, to resolve the Rejuvenate, LFIT V40, Wright legacy hip products and other product recalls.
6. *Regulatory and legal matters*. Changes in our best estimate of the probable loss, or the minimum of the range of probable losses when a best estimate within a range is not known, to resolve certain regulatory or other legal matters and the amount of favorable awards from settlements.
7. *Tax matters*. Impact of accounting for certain significant and discrete tax items.

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

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

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

2025	Gross Profit	Selling, General & Administrative Expenses	Research, Development & Engineering Expenses	Operating Income	Other Income (Expense), Net	Income Taxes	Net Earnings	Effective Tax Rate	Diluted EPS
Reported	**$ 16,065**	**$ 8,651**	**$ 1,623**	**$ 4,889**	**$ (375)**	**$ 1,268**	**$ 3,246**	**28.1 %**	**$ 8.40**
Acquisition and integration-related costs:									
Inventory stepped-up to fair value	173	—	—	173	—	42	131	0.3	0.34
Other acquisition and integration-related (a)	24	(296)	(15)	335	—	36	299	(0.3)	0.78
Amortization of purchased intangible assets	—	—	—	732	—	151	581	0.9	1.49
Structural optimization and other special charges (b)	74	(113)	(4)	191	(27)	24	140	—	0.37
Goodwill and other impairments (c)	—	—	—	170	—	50	120	0.5	0.31
Medical device regulations (d)	1	—	(37)	38	—	8	30	0.1	0.08
Recall-related matters (e)	54	(4)	—	58	—	10	48	—	0.12
Regulatory and legal matters (f)	—	(17)	—	17	—	5	12	—	0.03
Tax matters (g)	—	—	—	—	—	(660)	660	(14.5)	1.71
Adjusted	**$ 16,391**	**$ 8,221**	**$ 1,567**	**$ 6,603**	**$ (402)**	**$ 934**	**$ 5,267**	**15.1 %**	**$ 13.63**

2024	Gross Profit	Selling, General & Administrative Expenses	Research, Development & Engineering Expenses	Operating Income	Other Income (Expense), Net	Income Taxes	Net Earnings	Effective Tax Rate	Diluted EPS
Reported	**$ 14,440**	**$ 7,685**	**$ 1,466**	**$ 3,689**	**$ (197)**	**$ 499**	**$ 2,993**	**14.3 %**	**$ 7.76**
Acquisition and integration-related costs:									
Inventory stepped-up to fair value	46	—	—	46	—	12	34	0.2	0.09
Other acquisition and integration-related (a)	—	(107)	(1)	108	—	23	85	0.2	0.22
Amortization of purchased intangible assets	—	—	—	623	—	128	495	1.0	1.28
Structural optimization and other special charges (b)	59	(77)	(2)	138	1	29	110	0.3	0.29
Goodwill and other impairments (c)	—	—	—	977	—	125	852	(0.6)	2.21
Medical device regulations (d)	9	—	(49)	58	—	14	44	0.1	0.11
Recall-related matters (e)	11	(29)	—	40	—	10	30	0.1	0.08
Regulatory and legal matters (f)	—	(36)	—	36	—	7	29	0.1	0.08
Tax matters (g)	—	—	—	—	—	(28)	28	(0.9)	0.07
Adjusted	**$ 14,565**	**$ 7,436**	**$ 1,414**	**$ 5,715**	**$ (196)**	**$ 819**	**$ 4,700**	**14.8 %**	**$ 12.19**

2023	Gross Profit	Selling, General & Administrative Expenses	Research, Development & Engineering Expenses	Operating Income	Other Income (Expense), Net	Income Taxes	Net Earnings	Effective Tax Rate	Diluted EPS
Reported	**$ 13,058**	**$ 7,111**	**$ 1,388**	**$ 3,888**	**$ (215)**	**$ 508**	**$ 3,165**	**13.8 %**	**$ 8.25**
Acquisition and integration-related costs:									
Inventory stepped-up to fair value	—	—	—	—	—	—	—	—	—
Other acquisition and integration-related (a)	—	(20)	—	20	—	(25)	45	(0.8)	0.12
Amortization of purchased intangible assets	—	—	—	635	—	132	503	1.2	1.31
Structural optimization and other special charges (b)	39	(130)	(1)	170	—	38	132	0.4	0.34
Goodwill and other impairments (c)	—	—	—	36	—	9	27	0.1	0.08
Medical device regulations (d)	2	—	(94)	96	—	22	74	0.2	0.19
Recall-related matters (e)	—	(18)	—	18	—	4	14	—	0.04
Regulatory and legal matters (f)	—	(92)	—	92	—	29	63	0.4	0.16
Tax matters (g)	—	—	—	—	(8)	(51)	43	(1.2)	0.11
Adjusted	**$ 13,099**	**$ 6,851**	**$ 1,293**	**$ 4,955**	**$ (223)**	**$ 666**	**$ 4,066**	**14.1 %**	**$ 10.60**

(a) Charges represent certain acquisition and integration-related costs associated with acquisitions, including:

	2025	2024	2023
Termination of sales relationships	$ —	$ 4	$ 5
Employee retention and workforce reductions	60	22	6
Changes in the fair value of contingent consideration	21	8	(1)
Manufacturing integration costs	19	3	2
Stock compensation payments upon a change in control	140	22	—
Other integration-related activities	95	49	8
Adjustments to Operating Income	**$ 335**	**$ 108**	**$ 20**
Charges for acquisition-related tax provisions	—	—	—
Other income taxes related to acquisition and integration-related costs	36	23	(25)
Adjustments to Income Taxes	**$ 36**	**$ 23**	**$ (25)**
Adjustments to Net Earnings	**$ 299**	**$ 85**	**$ 45**

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(b) Structural optimization and other special charges represent the costs associated with:

	2025	2024	2023
Employee retention and workforce reductions	$ 55	$ 23	$ 69
Closure/transfer of manufacturing and other facilities	31	31	50
Product line exits	13	37	22
Termination of sales relationships	7	8	—
Other charges	85	39	29
Adjustments to Operating Income	**$ 191**	**$ 138**	**$ 170**
Adjustments to Other Income (Expense), Net	**$ (27)**	**$ 1**	**$ —**
Adjustments to Income Taxes	**$ 24**	**$ 29**	**$ 38**
Adjustments to Net Earnings	**$ 140**	**$ 110**	**$ 132**

(c) Goodwill and other impairments represent the costs associated with:

	2025	2024	2023
Goodwill impairments	$ —	$ 456	$ —
Certain long-lived and intangible asset write-offs and impairments	114	466	26
Product line exits (e.g., long-lived asset and specifically-identified intangible asset write-offs)	56	55	10
Adjustments to Operating Income	**$ 170**	**$ 977**	**$ 36**
Adjustments to Income Taxes	**$ 50**	**$ 125**	**$ 9**
Adjustments to Net Earnings	**$ 120**	**$ 852**	**$ 27**

(d) Charges represent the costs specific to updating our quality system, product labeling, asset write-offs and product remanufacturing to comply with the medical device reporting regulations and other requirements of the new medical device regulations in the European Union.

(e) Charges represent changes in our best estimate of the probable loss, or the minimum of the range of probable losses when a best estimate within a range is not known, to resolve certain recall-related matters.

(f) Charges represent changes in our best estimate of the probable loss, or the minimum of the range of probable losses when a best estimate within a range is not known, to resolve certain regulatory or other legal matters and the amount of favorable awards from settlements.

(g) Benefits / (charges) represent the accounting impact of certain significant and discrete tax items, including:

	2025	2024	2023
Adjustments related to the transfer of certain intellectual properties between tax jurisdictions	$ (718)	$ (185)	$ (89)
Certain tax audit settlements	—	(1)	24
Deferred tax benefit on outside basis related to the anticipated sale of the Spinal Implants business	—	170	—
Other tax matters	58	(12)	14
Adjustments to Income Taxes	**$ (660)**	**$ (28)**	**$ (51)**
Benefits for certain tax audit settlements	—	—	(9)
Other tax related adjustments	—	—	1
Adjustments to Other Income (Expense), Net	**$ —**	**$ —**	**$ (8)**
Adjustments to Net Earnings	**$ 660**	**$ 28**	**$ 43**

FINANCIAL CONDITION AND LIQUIDITY

Net cash provided by (used in):	2025	2024	2023
Operating activities	$ 5,044	$ 4,242	$ 3,711
Investing activities	(4,866)	(3,000)	(962)
Financing activities	113	(525)	(1,594)
Effect of exchange rate changes	68	(36)	(28)
Change in cash and cash equivalents	**$ 359**	**$ 681**	**$ 1,127**

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

Operating Activities

Cash provided by operating activities was $5,044, $4,242 and $3,711 in 2025, 2024 and 2023. The increase in 2025 was primarily due to higher cash earnings and working capital improvements. The increase in 2024 from 2023 was primarily due to higher cash earnings partially offset by changes in working capital.

Investing Activities

Cash used in investing activities was $4,866, $3,000 and $962 in 2025, 2024 and 2023. Cash used in 2025 included cash paid for the acquisition of Inari, purchases of property, plant and equipment, partially offset by proceeds from the sale of short term investments and our Spinal Implants business. Cash used in 2024 included cash paid for various acquisitions and purchases of short-term investments partially offset by proceeds from other investing activities.

Financing Activities

Cash provided by financing activities in 2025 was $113 and used in financing activities in 2024 and 2023 was $525 and $1,594. Cash provided by 2025 was primarily driven by dividend payments of $1,284 and repayments of $1,400 to pay off maturing senior unsecured notes. These repayments were offset by net proceeds of $2,979 from the issuance of senior unsecured notes as described in Note 10 to our Consolidated Financial statements. Cash used in 2024 was primarily driven by dividend payments of $1,219 and repayments of $2,039 to pay off maturing senior unsecured notes. These repayments were offset by net proceeds of $3,011 from issuance of senior unsecured notes.

We maintain debt levels that we consider appropriate after evaluating a number of factors including cash requirements for ongoing operations, investment and financing plans (including acquisitions and share repurchase activities) and overall cost of

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capital. Refer to Note 10 to our Consolidated Financial Statements for further information.

	2025	2024	2023
Dividends paid per common share	$ 3.36	$ 3.20	$ 3.00
Total dividends paid to common shareholders	$ 1,284	$ 1,219	$ 1,139

Liquidity

Cash, cash equivalents and marketable securities were $4,100 and $3,743, and our current assets exceeded current liabilities by $6,961 and $7,231 on December 31, 2025 and 2024. We anticipate being able to support our short-term liquidity and operating needs from a variety of sources including cash from operations, commercial paper and existing credit lines. We also have a revolving credit agreement maturing in February 2030 with an aggregate principal amount of $3,000.

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

Our cash, cash equivalents and marketable securities held in locations outside the United States was approximately 20% on December 31, 2025 and 2024.

Guarantees and Other Off-Balance Sheet Arrangements

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

CONTRACTUAL OBLIGATIONS AND FORWARD-LOOKING CASH REQUIREMENTS

In 2025 we recorded charges for various legal matters as further described in Note 7 to our Consolidated Financial Statements. Recorded reserves represent the best estimate of the probable loss, or the minimum of the range of probable losses when a best estimate within the range is not known. The final outcome of these matters is dependent on many variables that are difficult to predict. The ultimate cost to entirely resolve these matters may be materially different from the amount of the current estimates and could have a material adverse effect on our financial position, results of operations and cash flows. We are not able to reasonably estimate the future periods in which payments will be made.

As further described in Note 11 to our Consolidated Financial Statements, on December 31, 2025 we had a reserve for uncertain income tax positions of $403. Due to uncertainties regarding the ultimate resolution of income tax audits, we are not able to reasonably estimate the future periods in which any income tax payments to settle these uncertain income tax positions will be made.

As further described in Note 12 to our Consolidated Financial Statements, on December 31, 2025 our defined benefit pension plans were underfunded by $269, of which approximately $268 related to plans outside the United States. Due to the rules affecting tax-deductible contributions in the jurisdictions in which the plans are offered and the impact of future plan asset performance, changes in interest rates and potential changes in legislation in the United States and other foreign jurisdictions, we are not able to reasonably estimate the amounts that may be required to fund defined benefit pension plans.

Contractual Obligations	**Total**	**2026**	**2027-2028**	**2029-2030**	**After 2030**
Debt repayments	$15,973	$1,000	$3,988	$4,256	$6,729
Interest payments	4,287	536	957	670	2,124
Minimum lease payments	524	164	212	93	55
Other	85	6	28	27	24
Total	**$20,869**	**$1,706**	**$5,185**	**$5,046**	**$8,932**

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

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

Income Taxes

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

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

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

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

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

We received a final audit report and assessments from the German Federal Central Tax Office (FCTO) related to the years 2010 through 2017 of $754 and expect to receive additional assessments of $11 based on the final audit report. We intend to defend our filing positions through the FCTO independent appeals process and/or litigation as necessary. If the resolution of this matter results in additional German income taxes, we expect to pursue a claim for associated foreign tax credits. Our unrecognized tax benefits associated with this matter remain unchanged from 2024. Refer to Note 11 to our Consolidated Financial Statements for further discussion.

Acquisitions, Goodwill and Intangibles, and Long-Lived Assets

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

Significant judgment is required in estimating the fair value of intangible assets and in assigning their respective useful lives. Accordingly, we typically obtain the assistance of third-party valuation specialists for significant items. The fair value estimates are based on available historical information and on future expectations and assumptions deemed reasonable by management but are inherently uncertain. We typically use an income method to estimate the fair value of intangible assets, which is based on forecasts of the expected future cash flows attributable to the respective assets. Significant estimates and assumptions inherent in the valuations reflect a consideration of other marketplace participants and include the amount and timing of future cash flows (including expected growth rates and profitability), the underlying product or technology life cycles, the economic barriers to entry and the discount rate applied to the cash flows. Unanticipated market or macroeconomic events and circumstances may occur that could affect the accuracy or validity of the estimates and assumptions.

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

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

Indefinite-lived intangible assets and goodwill are not amortized but are tested annually for impairment or whenever events or circumstances indicate such assets may be impaired. Our annual impairment testing date is October 31. When it is unlikely that an indefinite-lived intangible asset or goodwill of a reporting unit is impaired, we perform a qualitative assessment. For goodwill, that qualitative assessment may be periodically supplemented with a corroborative quantitative analysis.

When necessary, we perform a quantitative impairment test and determine the fair value of the indefinite-lived intangible asset or reporting unit using an income approach. For the quantitative impairment test of goodwill, when appropriate, we corroborate our concluded value under the income approach using a market approach that utilizes trading multiples derived from a peer set of similar companies. The income approach calculates the present value of estimated future cash flows and requires certain assumptions and estimates be made regarding market conditions and our future profitability. Considerable management judgment is necessary to evaluate the impact of operating and macroeconomic changes and to estimate future cash flows used to measure fair value. Assumptions used in our impairment evaluations, such as forecasted growth rates and cost of capital, are consistent with internal business plans. We believe such assumptions and estimates are also comparable to those that would be used by other marketplace participants.

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

In our annual impairment test of goodwill as of October 31, 2024 we performed a quantitative assessment of the Spine reporting unit using a discounted cash flow analysis to estimate the fair value. The carrying value of the Spine reporting unit exceeded its fair value and a charge of $273 was recognized in goodwill and other impairments in our Consolidated Statements of Earnings. The impairment charge for the Spine reporting unit was driven by a decrease in future product demand due to the competitive environment and an increase in the Spine reporting unit's weighted average cost of capital.

During the fourth quarter 2024 management committed to a plan to sell certain assets associated with the Spinal Implants business (disposal group) and such assets were classified as held for sale beginning November 2024. We tested the net carrying amounts of other assets, such as working capital accounts, and determined that there was no impairment as the fair values of these assets approximated their carrying values.

Goodwill was allocated to the disposal group and the retained portion of the Spine reporting unit based on the relative fair values. Goodwill allocated to the disposal group was tested for impairment which resulted in an impairment charge of $183. As of

December 31, 2024, there was no goodwill remaining attributable to the Spinal Implants disposal group.

Finally we compared the carrying amount of the disposal group to the fair value less cost to sell. As a result, we recognized an estimated loss of $362 to record the disposal group at its fair value less cost to sell in goodwill and other impairments in our Consolidated Statements of Earnings.

In April 2025 we completed the sale of the disposal group to the Viscogliosi Brothers, LLC as further discussed in Note 16. In the first half of 2025 we recognized immaterial impairment charges to record the disposal group at its fair value less cost to sell within goodwill and other impairments in our Consolidated Statements of Earnings. The fair value of the disposal group and consideration received was measured using a discounted cash flow analysis based upon the selling price and unobservable inputs, such as market conditions and the rate used to discount the estimated future cash flows to their present value based on factors including the disposal group's cost of equity and market yield rates, which are Level 3 inputs. Consideration could increase by up to $57 or decrease by up to $245 based on the amount received.

With the acquisition of Inari in February 2025 discussed in Note 6 to our Consolidated Financial Statements, we established a new Peripheral Vascular reporting unit consisting of the acquired Inari business. Given the proximity of the impairment testing date to the date of acquisition, the fair value of this new reporting unit was not expected to exceed its carrying value by a significant amount. We performed a quantitative impairment test for our Peripheral Vascular reporting unit at October 31, 2025 and determined that its fair value exceeded its carrying amount by 12%. At October 31, 2025, goodwill attributable to this reporting unit was $3,203. The fair value of this reporting unit was determined using a discounted cash flow analysis, which is a form of the income approach. Significant inputs to the analysis included assumptions for future revenue growth, operating margin and the rate used to discount the estimated future cash flows to their present value, based on the reporting unit's estimated weighted average cost of capital. We believe our estimates are appropriate based upon current and future market conditions and the best information available at the impairment assessment date; however, future impairment charges could be required if we do not achieve our cash flow, revenue and profitability projections or if there is an increase in the weighted average cost of capital.

The assumptions used in the discounted cash flow analysis are subject to inherent uncertainties and subjectivity. The use of different assumptions, estimates or judgments with respect to the estimation of future cash flows and the determination of the discount rate used to reduce such estimated future cash flows to their net present value could materially affect the determination of any impairment charges. Hypothetical changes in our estimates of the discount rate, long-term revenue growth and long-term operating margin would result in impairment charges as follows:

Change in selected assumption	Percentage decline in fair value	Impairment charge
100 bps increase in discount rate	14 %	$ 198
100 bps decrease in long-term revenue growth	8	—
100 bps decrease in long-term operating margin	2	—

We did not identify any factors in 2025 or 2024 that would lead us to believe that our other reporting units were at risk of a goodwill impairment. Accordingly, we performed qualitative assessments and concluded it was more likely than not that the fair values of those reporting units exceeded their respective carrying amounts.

In 2025 our qualitative assessment was supplemented with a corroborative quantitative analysis which indicated that the implied fair values of our other reporting units exceed their respective carrying amounts by at least 100%. Future changes in the judgments, assumptions and estimates that are used in our impairment testing for goodwill and indefinite-lived intangible assets, including discount rates and cash flow projections, could result in different estimates of fair value. A significant reduction in estimated fair values could result in impairment charges that could materially affect our results of operations.

Legal and Other Contingencies

We are involved in various ongoing proceedings, legal actions and claims arising in the normal course of business, including proceedings related to product, labor, tax, intellectual property and other matters that are more fully described in Notes 7 and 11 to our Consolidated Financial Statements. The outcomes of these matters will generally not be known for prolonged periods of time. In certain of the legal proceedings, the claimants seek damages, as well as other compensatory and equitable relief, that could result in the payment of significant claims and settlements and/or the imposition of injunctions or other equitable relief. For legal matters for which management had sufficient information to reasonably estimate our future obligations, a liability representing management's best estimate of the probable loss, or the minimum of the range of probable losses when a best estimate within the range is not known, for the resolution of these legal matters is recorded. The estimates are based on consultation with legal counsel, previous settlement experience and settlement strategies. If actual outcomes are less favorable than those projected by management, additional expense may be incurred, which could unfavorably affect future operating results. We are currently self-insured for certain claims and expenses. The ultimate cost to us with respect to product liability claims could be materially different than the amount of the current estimates and accruals and could have a material adverse effect on our financial position, results of operations and cash flows.

NEW ACCOUNTING PRONOUNCEMENTS

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

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

We sell our products globally and, as a result, our operations and financial results could be significantly affected by market risk exposure from exchange rate risk. Our operating results are primarily exposed to changes in exchange rates among the United States Dollar, Australian Dollar, British Pound, Canadian Dollar, Euro and Japanese Yen. We develop and manufacture products in the United States, Canada, China, Costa Rica, France, Germany, India, Ireland, Israel, Mexico, Poland, Switzerland, Turkey and the United Kingdom and incur costs in the applicable local currencies. This global deployment of facilities serves to partially mitigate the impact of currency exchange rate changes on our cost of sales. Refer to Notes 1, 4 and 5 to our Consolidated Financial Statements for information regarding our use of derivative instruments to mitigate these risks. A hypothetical 10% change in foreign currencies relative to the United States Dollar would change the December 31, 2025 fair value of these instruments by approximately $449.

Dollar amounts in millions except per share amounts or as otherwise specified. 24

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Stryker Corporation

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Stryker Corporation and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of earnings, comprehensive income, shareholders' equity and cash flows for each of the three years in the period ended December 31, 2025, and the related notes and financial statement schedule listed in the Index at Item 15(a) (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework), and our report dated February 11, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

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

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

Critical Audit Matters

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

Uncertain Tax Positions

Description of the Matter	As described in Note 11 to the consolidated financial statements, the Company is involved in various income tax matters for which the ultimate outcomes are uncertain. As of December 31, 2025, the Company had unrecognized tax benefits of $403. The Company received a final audit report and assessments from the German Federal Central Tax Office (FCTO) related to the years 2010 through 2017 of $754 and expect to receive additional assessments of $11 based on the final audit report. Auditing management's evaluation of the uncertain tax positions associated with the FCTO tax assessments was especially challenging due to the level of subjectivity and significant judgment associated with the recognition and measurement of the tax positions.
How We Addressed the Matter in Our Audit	We obtained an understanding, evaluated the design and tested the operating effectiveness of controls over the Company's accounting process for uncertain tax positions. For example, we tested controls over management's identification of uncertain tax positions and its application of the recognition and measurement principles, including management's review of developments related to existing uncertain tax positions. Our audit procedures included, among others, evaluating the assumptions the Company used to assess its uncertain tax positions and related unrecognized tax benefits. We evaluated evidence of management's assessment of the uncertain tax positions related to certain German tax matters. Including inspection of technical memos, inspection of the FCTO tax assessments, and written representations of management. We involved professionals with specialized skill and knowledge to assist in our evaluation of the tax technical merits of the Company's assessments, the amount of the potential benefits to be realized, and the application of relevant tax law. We also assessed the Company's disclosures of uncertain tax positions included in Note 11 related to this tax matter.

Acquisitions

Description of the Matter

As described in Note 6 to the consolidated financial statements, in 2025 the Company completed the acquisition of Inari Medical, Inc. (Inari) for total consideration of $4,810, net of cash acquired. The acquisition was accounted for as a business combination. Auditing the Company's fair value measurement of certain acquired developed technologies was complex and required significant auditor judgment due to the significant estimation uncertainty in determining the fair value of these intangible assets. The Company used an income approach to measure the developed technology intangible assets acquired. The significant assumptions used to estimate the fair value of the intangible assets included discount rates and certain assumptions that form the basis of the forecasted results, including revenue growth rates and profit margins.

How We Addressed the Matter in Our Audit

We obtained an understanding, evaluated the design and tested the operating effectiveness of the controls over the identification and measurement of developed technologies. For example, we tested controls over the valuation of intangibles, including the valuation models and underlying assumptions used to develop such estimates.

To test the fair value measurement of developed technologies, we performed audit procedures that included, among others, evaluating the Company's use of the income approach and testing the significant assumptions used in the model, as described above. We involved our valuation specialists in assisting with the evaluation of methodologies used by the Company and significant assumptions included in the fair value measurements. For example, to evaluate the revenue growth rates and projected profit margins, we compared the amounts to historical results of the Company's business, as well as the acquired business' historical results, and current industry and market trends for those in which the Company operates and performed sensitivity analyses on key assumptions. We also evaluated the adequacy of the Company's disclosures included in Note 6 related to these acquisitions.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 1974.
Grand Rapids, Michigan
February 11, 2026

Stryker Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF EARNINGS

	2025	2024	2023
Net sales	**$ 25,116**	**$ 22,595**	**$ 20,498**
Cost of sales	9,051	8,155	7,440
Gross profit	**$ 16,065**	**$ 14,440**	**$ 13,058**
Research, development and engineering expenses	1,623	1,466	1,388
Selling, general and administrative expenses	8,651	7,685	7,111
Amortization of intangible assets	732	623	635
Goodwill and other impairments	170	977	36
Total operating expenses	$ 11,176	$ 10,751	$ 9,170
Operating income	**$ 4,889**	**$ 3,689**	**$ 3,888**
Interest expense	(607)	(409)	(363)
Other income	232	212	148
Earnings before income taxes	**$ 4,514**	**$ 3,492**	**$ 3,673**
Income taxes	1,268	499	508
Net earnings	**$ 3,246**	**$ 2,993**	**$ 3,165**
Net earnings per share of common stock:			
Basic	$ 8.49	$ 7.86	$ 8.34
Diluted	$ 8.40	$ 7.76	$ 8.25
Weighted-average shares outstanding (in millions):			
Basic	382.2	381.0	379.6
Effect of dilutive employee stock compensation	4.3	4.6	4.1
Diluted	**386.5**	**385.6**	**383.7**

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	2025	2024	2023
Net earnings	**$ 3,246**	**$ 2,993**	**$ 3,165**
Other comprehensive income (loss), net of tax			
Marketable securities	—	—	1
Pension plans	66	32	(59)
Unrealized gains (losses) on designated hedges	11	(8)	(13)
Financial statement translation	(471)	99	(124)
Total other comprehensive income (loss), net of tax	**$ (394)**	**$ 123**	**$ (195)**
Comprehensive income	**$ 2,852**	**$ 3,116**	**$ 2,970**

See accompanying notes to Consolidated Financial Statements.

Stryker Corporation and Subsidiaries
CONSOLIDATED BALANCE SHEETS

	2025	2024
Assets		
Current assets		
Cash and cash equivalents	$ 4,011	$ 3,652
Short-term investments	—	750
Marketable securities	89	91
Accounts receivable, less allowance of $216 ($213 in 2024)	4,039	3,987
Inventories:		
Materials and supplies	1,349	1,147
Work in process	415	336
Finished goods	3,546	3,291
Total inventories	**$ 5,310**	**$ 4,774**
Prepaid expenses and other current assets	1,306	1,593
Total current assets	**$ 14,755**	**$ 14,847**
Property, plant and equipment:		
Land, buildings and improvements	1,793	1,627
Machinery and equipment	5,744	5,056
Total property, plant and equipment	7,537	6,683
Less allowance for depreciation	3,661	3,235
Property, plant and equipment, net	**$ 3,876**	**$ 3,448**
Goodwill	19,291	15,855
Other intangibles, net	5,681	4,395
Noncurrent deferred income tax assets	1,098	1,742
Other noncurrent assets	3,143	2,684
Total assets	**$ 47,844**	**$ 42,971**
Liabilities and shareholders' equity		
Current liabilities		
Accounts payable	$ 1,799	$ 1,679
Accrued compensation	1,595	1,403
Income taxes	418	539
Dividend payable	337	320
Accrued expenses and other liabilities	2,645	2,266
Current maturities of debt	1,000	1,409
Total current liabilities	**$ 7,794**	**$ 7,616**
Long-term debt, excluding current maturities	14,859	12,188
Income taxes	402	349
Other noncurrent liabilities	2,369	2,184
Total liabilities	**$ 25,424**	**$ 22,337**
Shareholders' equity		
Common stock, $0.10 par value	38	38
Additional paid-in capital	2,597	2,361
Retained earnings	20,472	18,528
Accumulated other comprehensive loss	(687)	(293)
Total shareholders' equity	**$ 22,420**	**$ 20,634**
Total liabilities & shareholders' equity	**$ 47,844**	**$ 42,971**

See accompanying notes to Consolidated Financial Statements.

Dollar amounts in millions except per share amounts or as otherwise specified. 28

Stryker Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY

	2025		2024		2023	
	Shares	Amount	Shares	Amount	Shares	Amount
Common stock						
Beginning	381.4	$ 38	380.1	$ 38	378.7	$ 38
Issuance of common stock under stock compensation and benefit plans	1.1	—	1.3	—	1.4	—
Ending	**382.5**	**$ 38**	**381.4**	**$ 38**	**380.1**	**$ 38**
Additional paid-in capital						
Beginning		$ 2,361		$ 2,200		$ 2,034
Issuance of common stock under stock compensation and benefit plans		(7)		(68)		(39)
Share-based compensation		243		229		205
Ending		**$ 2,597**		**$ 2,361**		**$ 2,200**
Retained earnings						
Beginning		$ 18,528		$ 16,771		$ 14,765
Net earnings		3,246		2,993		3,165
Cash dividends declared		(1,302)		(1,236)		(1,159)
Ending		**$ 20,472**		**$ 18,528**		**$ 16,771**
Accumulated other comprehensive (loss) income						
Beginning		$ (293)		$ (416)		$ (221)
Other comprehensive income (loss)		(394)		123		(195)
Ending		**$ (687)**		**$ (293)**		**$ (416)**
Total shareholders' equity		**$ 22,420**		**$ 20,634**		**$ 18,593**

See accompanying notes to Consolidated Financial Statements.

Dollar amounts in millions except per share amounts or as otherwise specified. 29

Stryker Corporation and Subsidiaries

CONSOLIDATED STATEMENTS OF CASH FLOWS

	2025	2024	2023
Operating activities			
Net earnings	**$ 3,246**	**$ 2,993**	**$ 3,165**
Adjustments to reconcile net earnings to net cash provided by operating activities:			
Depreciation	461	427	393
Amortization of intangible assets	732	623	635
Goodwill and other impairments	170	977	36
Share-based compensation	243	229	205
Sale of inventory stepped up to fair value at acquisition	173	46	—
Deferred income tax (benefit) expense	392	(370)	(206)
Changes in operating assets and liabilities:			
Accounts receivable	127	(321)	(175)
Inventories	(297)	(206)	(797)
Accounts payable	94	192	77
Accrued expenses and other liabilities	318	74	516
Income taxes	(145)	(116)	(4)
Other, net	(470)	(306)	(134)
Net cash provided by operating activities	**$ 5,044**	**$ 4,242**	**$ 3,711**
Investing activities			
Acquisitions, net of cash acquired	(4,960)	(1,628)	(390)
Proceeds/(Purchases) of short-term investments	750	(750)	—
Purchases of property, plant and equipment	(761)	(755)	(575)
Proceeds from the sale of the Spinal Implants business	165	—	—
Other investing, net	(60)	133	3
Net cash used in investing activities	**$ (4,866)**	**$ (3,000)**	**$ (962)**
Financing activities			
Proceeds (payments) on short-term borrowings, net	—	(32)	540
Proceeds from issuance of long-term debt	2,979	3,011	1,241
Payments on long-term debt	(1,400)	(2,039)	(2,058)
Payments of dividends	(1,284)	(1,219)	(1,139)
Cash paid for taxes from withheld shares	(149)	(195)	(155)
Other financing, net	(33)	(51)	(23)
Net cash provided by (used in) financing activities	**$ 113**	**$ (525)**	**$ (1,594)**
Effect of exchange rate changes on cash and cash equivalents	68	(36)	(28)
Change in cash and cash equivalents	**$ 359**	**$ 681**	**$ 1,127**
Cash and cash equivalents at beginning of year	3,652	2,971	1,844
Cash and cash equivalents at end of year	**$ 4,011**	**$ 3,652**	**$ 2,971**
Supplemental cash flow disclosure:			
Cash paid for income taxes, net of refunds	$ 1,002	$ 989	$ 693
Cash paid for interest on debt	$ 582	$ 396	$ 356

See accompanying notes to Consolidated Financial Statements.

Dollar amounts in millions except per share amounts or as otherwise specified. 30

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 - SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations: Stryker (the "Company," "we," "us," or "our") is a global leader in medical technologies and, together with our customers, we are driven to make healthcare better. We offer innovative products and services in MedSurg, Neurotechnology and Orthopaedics that help improve patient and healthcare outcomes. Our products include surgical equipment and surgical navigation systems; endoscopic and communications systems; patient handling, emergency medical equipment and intensive care disposable products; clinical communication and artificial intelligence-assisted virtual care platform technology; products for traditional brain and open skull-based surgical procedures; minimally invasive products for the treatment of acute ischemic and hemorrhagic stroke and venous thromboembolism; implants used in joint replacement and trauma surgeries; Mako robotic-arm assisted technology; as well as other products used in a variety of medical specialties.

Basis of Presentation and Consolidation: The Consolidated Financial Statements include the Company and its subsidiaries. All significant intercompany accounts and transactions are eliminated in consolidation. We have no material interests in variable interest entities. Certain prior year amounts have been reclassified to conform with current year presentation in our Consolidated Financial Statements.

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

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

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

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

Cost of Sales: Cost of sales include direct materials and supplies consumed in the manufacture of product, as well as manufacturing labor, depreciation expense and direct overhead expense necessary to acquire and convert the purchased materials and supplies into finished product. Cost of sales also includes the cost to distribute products to customers, inbound freight costs, warehousing costs and other shipping and handling activity.

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

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

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

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

Short-term Investments: Short-term investments that have a maturity greater than three months and less than a year from the date of purchase primarily include time deposits, certificates of deposit, commercial paper, bonds and notes, substantially all of which are denominated in United States Dollars and are stated at cost plus accrued interest, which approximates fair value. We expect to hold all of our short-term investments to maturity.

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

Accounts Receivable: Accounts receivable include trade and other miscellaneous receivables. An allowance is maintained for doubtful accounts for estimated losses in the collection of accounts receivable. Estimates are made regarding the ability of customers to make required payments based on historical credit

experience, current market conditions and expected credit losses. Accounts receivable are written off when all reasonable collection efforts are exhausted.

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

Financial Instruments: Our financial instruments include cash, cash equivalents, marketable securities, accounts receivable, other investments, accounts payable, debt and foreign currency exchange contracts. The carrying value of our financial instruments, with the exception of our senior unsecured notes, approximates fair value on December 31, 2025 and 2024. Refer to Notes 3 and 10 for further details.

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

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

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

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

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

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

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

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

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

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

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

are not amortized, but are assessed annually for potential impairment as described below.

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

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

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

Assets and Liabilities Held for Sale: We classify assets and liabilities or disposal groups to be sold as held for sale in the period in which all of the following criteria are met: management, having the authority to approve the action, commits to a plan to sell the disposal group; the disposal group is available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such disposal groups; an active program to locate a buyer and other actions required to complete the plan to sell the disposal group have been initiated; the sale of the disposal group is probable, and transfer of the disposal group is expected to qualify for recognition as a completed sale within one year, except if events or circumstances beyond our control extend the period of time required to sell the disposal group beyond one year; the disposal group is being actively marketed for sale at a price that is reasonable in relation to its current fair value; and actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

We initially measure a disposal group that is classified as held for sale at the lower of its carrying value or fair value less any costs to sell. Any loss resulting from this measurement is recognized in the period in which the held for sale criteria are met. Conversely, gains are not recognized on the sale of a disposal group until the sale is completed. We assess the fair value of a disposal group, less any costs to sell, each reporting period it remains classified as held for sale and report any subsequent changes as an adjustment to the carrying value of the disposal group, as long as the new carrying value does not exceed the carrying value of the disposal group at the time it was initially classified as held for sale.

Upon determining that a disposal group meets the criteria to be classified as held for sale, we cease depreciation and amortization of the assets and disclose the major classes of assets and liabilities of the disposal group in the Notes to the Consolidated Financial Statements. Refer to Note 16 for further information.

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

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

Compensation expense is recognized in the Consolidated Statements of Earnings based on the estimated fair value of the awards on the grant date. Compensation expense recognized reflects an estimate of the number of awards expected to vest after taking into consideration an estimate of award forfeitures based on actual experience and is recognized on a straight-line basis over the requisite service period, which is generally the period required to obtain full vesting. Management expectations related to the achievement of performance goals associated with PSU grants is assessed regularly and that assessment is used to determine whether PSU grants are expected to vest. If performance-based milestones related to PSU grants are not met or not expected to be met, any compensation expense recognized associated with such grants will be reversed.

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

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

allocation are required between jurisdictions with different income tax rates.

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

New Accounting Pronouncements Not Yet Adopted

In December 2025 the Financial Accounting Standards Board (FASB) issued ASU 2025-10 (Topic 832): *Accounting for Government Grants Received by Business Entities*. This update establishes guidance on the recognition, measurement and presentation of government grants received by business entities including grants related to the purchase, construction or acquisition of an asset and grants related to income. The update is effective for fiscal years beginning after December 15, 2028 including interim periods within those fiscal years. Early adoption is permitted. We do not expect this ASU to have a significant impact on our Consolidated Financial Statements.

In September 2025 the FASB issued ASU 2025-07 (Topics 815 and 606): *Derivatives and Hedging: Derivatives Scope Refinements* and *Revenue from Contracts with Customers: Scope Clarification for Share-Based Noncash Consideration from a Customer in a Revenue Contract*. This update expands the scope exception in Topic 815 to certain nonexchange-traded contracts for which settlement is based on operations or activities specific to one of the parties to the contract. The update is effective for fiscal years beginning after December 15, 2026 including interim periods within those fiscal years. Early adoption is permitted. We are evaluating if the ASU will have an impact on our Consolidated Financial Statements.

In September 2025 the FASB issued ASU 2025-06 (Subtopic 350-40): *Intangibles - Goodwill and Other - Internal-Use Software: Targeted Improvements to the Accounting for Internal-Use Software*. This update clarifies and modernizes the accounting for costs related to internal-use software by removing all references to project stages and clarifying that the probable-to-complete threshold is not met if significant development uncertainty exists. The update is effective for fiscal years beginning after December 15, 2027 including interim periods within those fiscal years. Early adoption is permitted. We do not expect this ASU to have a significant impact on our Consolidated Financial Statements.

In July 2025 the FASB issued ASU 2025-05 (Topic 326): *Financial Instruments - Credit Losses: Measurement of Credit Losses for Accounts Receivable and Contract Assets*. This update provides a practical expedient allowing entities to assume that current conditions as of the balance sheet date will remain unchanged for the remaining life of the asset when estimating expected credit losses for current accounts receivable and current contract assets arising from transactions accounting for under Accounting Standards Codification 606, Revenue from Contracts with Customers. The update is effective for fiscal years beginning after December 15, 2025 including interim periods within those fiscal years. Early adoption is permitted. We are evaluating if the ASU will have an impact on our Consolidated Financial Statements.

In November 2024 the FASB issued ASU 2024-03 (Subtopic 220-40): *Income Statement: Reporting Comprehensive Income - Expense Disaggregation Disclosures* which requires disaggregation of certain expense captions into specified categories in disclosures within the Notes to the Consolidated Financial Statements. The new disclosure requirements are effective for fiscal years beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted. We are evaluating these new expanded disclosure requirements.

We evaluate all ASUs issued by the FASB for consideration of their applicability. ASUs not included in our disclosures were assessed and determined to be either not applicable or are not expected to have a material impact on our Consolidated Financial Statements.

Accounting Pronouncements Recently Adopted

We adopted ASU 2023-09 (Topic 740): *Income Taxes: Improvements to Income Tax Disclosures* for the annual period beginning on January 1, 2025. Refer to Note 11 for further information.

NOTE 2 - REVENUE RECOGNITION

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

Products and services are primarily transferred to customers at a point in time, with some transfers of services taking place over time. In 2025 less than 10% of our sales were recognized as services transferred over time. Refer to Note 1 for further discussion on our revenue recognition policies.

Segment Net Sales

MedSurg and Neurotechnology:	**2025**	**2024**	**2023**
Instruments	$ 3,183	$ 2,834	$ 2,534
Endoscopy	3,807	3,389	3,068
Medical	4,204	3,852	3,459
Vascular	1,968	1,307	1,226
Neuro Cranial	2,485	2,136	1,876
	$ 15,647	**$ 13,518**	**$ 12,163**
Orthopaedics:			
Knees	$ 2,656	$ 2,447	$ 2,273
Hips	1,865	1,704	1,544
Trauma and Extremities	3,948	3,507	3,147
Spinal Implants	185	707	713
Other	815	712	658
	$ 9,469	**$ 9,077**	**$ 8,335**
Total	**$ 25,116**	**$ 22,595**	**$ 20,498**

United States Net Sales

MedSurg and Neurotechnology:	**2025**	**2024**	**2023**
Instruments	$ 2,562	$ 2,267	$ 2,016
Endoscopy	3,133	2,792	2,513
Medical	3,510	3,191	2,785
Vascular	1,048	506	483
Neuro Cranial	2,052	1,761	1,531
	$ 12,305	**$ 10,517**	**$ 9,328**
Orthopaedics:			
Knees	$ 1,924	$ 1,788	$ 1,676
Hips	1,137	1,059	988
Trauma and Extremities	2,926	2,586	2,297
Spinal Implants	118	489	500
Other	596	504	468
	$ 6,701	**$ 6,426**	**$ 5,929**
Total	**$ 19,006**	**$ 16,943**	**$ 15,257**

Dollar amounts in millions except per share amounts or as otherwise specified. 34

International Net Sales

MedSurg and Neurotechnology:	2025	2024	2023
Instruments	$ 621	$ 567	$ 518
Endoscopy	674	597	555
Medical	694	661	674
Vascular	920	801	743
Neuro Cranial	433	375	345
	$ 3,342	**$ 3,001**	**$ 2,835**
Orthopaedics:			
Knees	$ 732	$ 659	$ 597
Hips	728	645	556
Trauma and Extremities	1,022	921	850
Spinal Implants	67	218	213
Other	219	208	190
	$ 2,768	**$ 2,651**	**$ 2,406**
Total	**$ 6,110**	**$ 5,652**	**$ 5,241**

MedSurg and Neurotechnology

MedSurg and Neurotechnology products include surgical equipment, patient and caregiver safety technologies, and navigation systems (Instruments), endoscopic and communications systems (Endoscopy), patient handling, emergency medical equipment, intensive care disposable products, clinical communication and artificial intelligence-assisted virtual care platform technology (Medical), minimally invasive products for the treatment of acute ischemic and hemorrhagic stroke and venous thromboembolism (Vascular) and a comprehensive line of products for traditional brain and open skull-based surgical procedures, orthobiologic and biosurgery products, including synthetic bone grafts and vertebral augmentation products (Neuro Cranial). Substantially all MedSurg and Neurotechnology sales are recognized when a purchase order has been received and control has transferred. For certain Endoscopy, Instruments and Medical services, we may recognize sales over time as we satisfy performance obligations that may include an obligation to complete installation, provide training and perform ongoing services, generally performed within one year.

Orthopaedics

Orthopaedics products primarily include implants used in total joint replacements, such as hip, knee and shoulder, ankle and trauma and extremities surgeries. Substantially all Orthopaedics sales are recognized when we have received a purchase order and appropriate notification the product has been used or implanted. For certain Orthopaedic products in the "other" category, we recognize sales at a point in time, as well as over time for performance obligations that may include an obligation to complete installation and provide training and ongoing services. Performance obligations are generally satisfied within one year.

Costs to Obtain or Fulfill a Contract

We typically do not incur costs to fulfill a contract before a product or service is provided to a customer due to the nature of our products and services. Our costs to obtain contracts are typically in the form of sales commissions paid to employees or third-party agents. Certain sales commissions paid to employees prior to recognition of sales are recorded as deferred contract costs. We expense sales commissions associated with obtaining a contract at the time of the sale or as incurred as the amortization period is generally less than one year. These costs have been presented within selling, general and administrative expenses. On December 31, 2025 and 2024 deferred contract costs recorded in our Consolidated Balance Sheets were not significant.

Contract Assets and Liabilities

Our contract assets primarily relate to conditional rights to consideration for work completed but not billed at the reporting date. On December 31, 2025 and 2024 contract assets recorded in our Consolidated Balance Sheets were not significant.

Our contract liabilities arise as a result of consideration received from customers at inception of contracts for certain businesses or where the timing of billing for services precedes satisfaction of our performance obligations. This occurs primarily when payment is received upfront for certain multi-period extended warranty service contracts. Our contract liabilities of $1,024 and $978 on December 31, 2025 and 2024 are classified within accrued expenses and other liabilities and other noncurrent liabilities in our Consolidated Balance Sheets based on the timing of when we expect to complete our performance obligations. Changes in contract liabilities during the year were as follows:

	2025	2024
Beginning contract liabilities	**$ 978**	**$ 860**
Revenue recognized from beginning of year contract liabilities	(546)	(553)
Net advance consideration received during the period	592	671
Ending contract liabilities	**$ 1,024**	**$ 978**

Transfers and Servicing of Financial Assets

We sell certain customer lease agreements and the related leased assets to third-party financial institutions to accelerate our cash collection cycle. The lease receivables are sold without recourse and are derecognized from our Consolidated Balance Sheets at the time of sale. Under the terms of our arrangements, we collect lease payments on behalf of the financial institutions but maintain no other form of continuing involvement. Sales of these lease agreements are classified as operating activities in our Consolidated Statements of Cash Flows. Fees earned for our servicing activities are immaterial. Revenue related to customer lease agreements sold under these arrangements represented less than 4% of our total revenue for 2025, 2024 and 2023.

NOTE 3 - FAIR VALUE MEASUREMENTS

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

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

Use of observable market data, when available, is required in making fair value measurements. When inputs used fall within different levels of the hierarchy, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement. We determine fair value for Level 1 instruments using exchange-traded prices for identical instruments. We determine fair value of Level 2 instruments using exchange-traded prices of similar instruments, where available, or utilizing other observable inputs that take into account our credit risk and that of our counterparties. Foreign currency exchange contracts and interest rate hedges, when outstanding, are included in Level 2 and are primarily valued using standard calculations and models that use readily observable market data as their basis. Our Level 3 liabilities comprise contingent consideration arising from recently

Dollar amounts in millions except per share amounts or as otherwise specified. 35

completed acquisitions. We determine fair value of these Level 3 liabilities using a discounted cash flow technique. Significant unobservable inputs were used in our assessment of fair value, including assumptions regarding future business results, discount rates, discount periods and probability assessments based on the likelihood of reaching various targets. We remeasure the fair value of our assets and liabilities each reporting period. We record the changes in fair value within selling, general and administrative expense.

In 2025 we assumed contingent consideration liabilities with a fair value of $90 related to previous acquisitions made by Inari Medical Inc. (Inari). Refer to Note 6 for further information on the acquisition of Inari.

In 2024 we recorded $208 of contingent consideration related to various acquisitions described in Note 6.

There were no significant transfers into or out of any level of the fair value hierarchy in 2025.

Assets Measured at Fair Value

	2025	2024
Cash and cash equivalents	$ 4,011	$ 3,652
Short-term investments	—	750
Trading marketable securities	307	259
Level 1 - Assets	**$ 4,318**	**$ 4,661**
Available-for-sale marketable securities:		
Corporate and asset-backed debt securities	$ 52	$ 53
United States agency debt securities	—	1
United States treasury debt securities	37	34
Certificates of deposit	—	3
Total available-for-sale marketable securities	$ 89	$ 91
Foreign currency exchange forward contracts	46	225
Level 2 - Assets	**$ 135**	**$ 316**
Total assets measured at fair value	**$ 4,453**	**$ 4,977**

Liabilities Measured at Fair Value

	2025	2024
Deferred compensation arrangements	$ 307	$ 259
Level 1 - Liabilities	**$ 307**	**$ 259**
Foreign currency exchange forward contracts	$ 170	$ 77
Level 2 - Liabilities	**$ 170**	**$ 77**
Contingent consideration:		
Beginning	$ 452	$ 289
Additions	123	208
Change in estimate and foreign exchange	24	8
Settlements	(81)	(53)
Ending	$ 518	$ 452
Level 3 - Liabilities	**$ 518**	**$ 452**
Total liabilities measured at fair value	**$ 995**	**$ 788**

Fair Value of Available for Sale Securities by Maturity

	2025	2024
Due in one year or less	$ 41	$ 47
Due after one year through three years	$ 48	$ 44

On December 31, 2025 the aggregate difference between the cost and fair value of available-for-sale marketable securities was nominal. Interest income on cash and cash equivalents, short-term investments and marketable securities income was $121, $139 and $75 in 2025, 2024 and 2023, which was recorded in other income.

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

NOTE 4 - DERIVATIVE INSTRUMENTS

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

Foreign Currency Hedges

2025	Cash Flow	Net Investment	Non-Designated	Total
Gross notional amount	**$ 1,738**	**$ 2,647**	**$ 4,391**	**$ 8,776**
Maximum term in years				8.7
Fair value:				
Other current assets	$ 33	$ —	$ 11	$ 44
Other noncurrent assets	2	—	—	2
Other current liabilities	(10)	(71)	(21)	(102)
Other noncurrent liabilities	(2)	(66)	—	(68)
Total fair value	**$ 23**	**$ (137)**	**$ (10)**	**$ (124)**

2024	Cash Flow	Net Investment	Non-Designated	Total
Gross notional amount	**$ 1,588**	**$ 2,338**	**$ 5,164**	**$ 9,090**
Maximum term in years				9.7
Fair value:				
Other current assets	$ 43	$ 24	$ 119	$ 186
Other noncurrent assets	4	35	—	39
Other current liabilities	(29)	—	(41)	(70)
Other noncurrent liabilities	(3)	(4)	—	(7)
Total fair value	**$ 15**	**$ 55**	**$ 78**	**$ 148**

We had €2.3 billion at December 31, 2025 and 2024 in certain forward currency contracts designated as net investment hedges, for which the maximum term is 8.7 years, to hedge a portion of our investments in certain of our entities with functional currencies denominated in Euros. In addition to these derivative financial instruments designated as net investment hedges, we had €5.0 billion at December 31, 2025 and 2024 of senior unsecured notes designated as net investment hedges to selectively hedge portions of our investment in certain international subsidiaries. The currency effects of our Euro-denominated senior unsecured notes are reflected in AOCI within shareholders' equity where they offset gains and losses recorded on our net investment in international subsidiaries.

The total after-tax gain (loss) recognized in OCI related to designated net investment hedges was ($715) in 2025.

Currency Exchange Rate Gains (Losses) Recognized in Net Earnings

Derivative Instrument	Recognized in:	2025	2024	2023
Cash Flow	Cost of sales	$ 25	$ 31	$ 39
Net Investment	Other income	44	35	34
Non-Designated	Other income	33	40	25
	Total	**$ 102**	**$ 106**	**$ 98**

Pretax gains (losses) on derivatives designated as cash flow hedges of $39 and net investment hedges of $38 recorded in AOCI are expected to be reclassified to cost of sales and other income in earnings within 12 months of December 31, 2025. This cash flow hedge reclassification is primarily due to the sale of inventory that includes previously hedged purchases. A component of the AOCI amounts related to net investment

Dollar amounts in millions except per share amounts or as otherwise specified. 36

hedges is reclassified over the life of the hedge instruments as we elected to exclude the initial value of the component related to the spot-forward difference from the effectiveness assessment.

Interest Rate Hedges

Pretax gains of $5 recorded in AOCI related to interest rate hedges closed in conjunction with debt issuances are expected to be reclassified to interest expense in earnings within 12 months of December 31, 2025. The cash flow effect of interest rate hedges is recorded in cash flow from operations.

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

	Pension Plans	Hedges	Financial Statement Translation	Total
2023	**$ (28)**	**$ 39**	**$ (427)**	**$ (416)**
OCI	43	26	236	305
Income taxes	(11)	(7)	(110)	(128)
Reclassifications to:				
Cost of sales	—	(31)	—	(31)
Interest expense	—	(4)	—	(4)
Other income	—	—	(35)	(35)
Income taxes	—	8	8	16
Net OCI	$ 32	$ (8)	$ 99	$ 123
2024	**$ 4**	**$ 31**	**$ (328)**	**$ (293)**
OCI	93	37	(562)	(432)
Income taxes	(27)	(4)	125	94
Reclassifications to:				
Cost of sales	—	(25)	—	(25)
Interest expense	—	(3)		(3)
Other income	—	—	(44)	(44)
Income taxes	—	6	10	16
Net OCI	$ 66	$ 11	$ (471)	$ (394)
2025	**$ 70**	**$ 42**	**$ (799)**	**$ (687)**

NOTE 6 - ACQUISITIONS

We acquire stock in companies and various assets that continue to support our capital deployment and product development strategies. Cash paid for acquisitions, net of cash acquired was $4,960 and $1,628 in 2025 and 2024.

In February 2025 we completed the acquisition of Inari for $80 per share, or an aggregate purchase price of $4,810, net of cash acquired. Inari's product portfolio includes minimally invasive products for the treatment of venous thromboembolism. Inari is part of our Peripheral Vascular business within MedSurg and Neurotechnology. The purchase price allocation for Inari is based on preliminary valuations, primarily related to developed technologies and customer relationships. Goodwill attributable to the acquisition reflects the strategic benefits of expanding our market presence, diversifying our product portfolio and advancing innovations. This goodwill is not deductible for tax purposes. Share-based awards for Inari employees vested upon our acquisition and a charge of $139 was recorded in selling, general and administrative expenses in 2025.

In 2024 we completed various acquisitions for total consideration that includes $1,628 in upfront payments, net of cash acquired, and $400 contingent upon the achievement of certain commercial or clinical milestones. The combined acquisition-date fair values of the contingent milestone payments totaled $208. The acquired companies expand the product portfolios of our Instruments, Endoscopy, Medical and Neuro Cranial businesses within MedSurg and Neurotechnology and our Trauma and Extremities and Joint Replacement businesses within Orthopaedics. Goodwill attributable to the acquisitions reflects the strategic benefits of expanding our market presence, diversifying our product portfolio and advancing innovations. This goodwill is not deductible for tax purposes.

The purchase price allocations for Inari and the acquisitions completed in the full year 2024 are:

Purchase Price Allocation of Acquired Net Assets

	2025	2024
	Inari	Total
Tangible assets acquired:		
Accounts receivable	$ 78	$ 40
Inventory	215	99
Deferred income tax assets	59	49
Other assets	84	26
Debt	—	(32)
Deferred income tax liabilities	(486)	(204)
Other liabilities	(191)	(107)
Intangible assets:		
Developed technologies	1,458	596
Customer relationships	330	215
Patents	—	6
Trademarks	—	2
Other intangibles	72	—
Goodwill	3,191	1,146
Purchase price, net of cash acquired of $64 and $56	**$ 4,810**	**$ 1,836**
Weighted-average amortization period at acquisition (years):		
Developed technologies	13	12
Customer relationships	13	14
Patents	—	12
Trademarks	—	5
Other intangibles	9	—

NOTE 7 - CONTINGENCIES AND COMMITMENTS

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

Previously we were contacted by the United States Securities and Exchange Commission (SEC), United States Department of Justice (DOJ) and certain other regulatory authorities regarding whether certain business activities in certain foreign countries violated provisions of the FCPA and analogous local laws. We have completed our investigation into these matters. During 2025 we were informed by the SEC and DOJ that each agency had closed its inquiry. We are currently responding to inquiries by

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certain foreign authorities arising in the normal course of business. We do not expect these matters to have a material effect, if any, on our financial statements.

We have conducted voluntary recalls of certain products, including our Rejuvenate and ABG II Modular-Neck hip stems and certain lot-specific sizes and offsets of LFIT Anatomic CoCr V40 Femoral Heads. Additionally, we are responsible for certain product liability claims, primarily related to certain hip products sold by Wright prior to its 2014 divestiture of the OrthoRecon business.

We have incurred, and expect to incur in the future, costs associated with the defense and settlement of claims and lawsuits. Based on the information that has been received related to the matters discussed above, our accrual for these matters was $144 at December 31, 2025, representing our best estimate of probable loss. The final outcomes of these matters are dependent on many factors that are difficult to predict. Accordingly the ultimate cost related to these matters may be materially different than the amount of our current estimate and accruals and could have a material adverse effect on our results of operations and cash flows.

Leases

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

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

	2025	2024
Right-of-use assets	$ 519	$ 516
Lease liabilities, current	$ 153	$ 144
Lease liabilities, noncurrent	$ 348	$ 379
Other information:		
Weighted-average remaining lease term (years)	5.0	5.1
Weighted-average discount rate	3.77 %	3.87 %

Operating lease expense totaled $205, $190 and $172 in 2025, 2024 and 2023.

Future Obligations

We lease various manufacturing, warehousing and distribution facilities, administrative and sales offices as well as equipment under operating leases. Refer to Note 10 for more information on the debt obligations.

	2026	2027	2028	2029	2030	Thereafter
Debt repayments	$1,000	$1,382	$2,606	$1,691	$2,565	$ 6,729
Minimum lease payments	$ 164	$ 125	$ 87	$ 55	$ 38	$ 55

Other Contractual Obligations and Commitments

We participate in a supplier financing program that enables our suppliers, at their sole discretion, to sell their Stryker receivables to a financial institution on a non-recourse basis in order to be paid earlier than our payment terms provide. Under this program, we agree to pay participating banks the stated amount of confirmed invoices from its designated suppliers on the original maturity dates of the invoices, generally within 90 days of the invoice date. We or the banks may agree to terminate the agreements with advance notice. Separately, the banks may have arrangements with the suppliers that provide them the option to request early payment from the bank for invoices confirmed by us. Our outstanding balances of confirmed invoices in the programs were $75 and $71 on December 31, 2025 and 2024 and are included within accounts payable on our Consolidated Balance Sheets.

	2025	2024
Beginning confirmed obligations	**$ 71**	**$ 51**
Additions	420	392
Settlements	(416)	(372)
Ending confirmed obligations	**$ 75**	**$ 71**

NOTE 8 - GOODWILL AND OTHER INTANGIBLE ASSETS

In our annual impairment test of goodwill as of October 31, 2024 we performed a quantitative assessment of the Spine reporting unit using a discounted cash flow analysis to estimate the fair value. The carrying value of the Spine reporting unit exceeded its fair value and a charge of $273 was recognized in goodwill and other impairments in the Consolidated Statements of Earnings. The impairment charge for the Spine reporting unit was driven by a decrease in future product demand due to the competitive environment and an increase in the Spine reporting unit's weighted average cost of capital. Subsequent to the annual goodwill impairment test management committed to a plan to sell certain assets associated with the Spinal Implants business (disposal group). Goodwill was allocated to the disposal group based on the relative fair values of the disposal group and the portion of the Spine reporting unit that will be retained. Goodwill allocated to the disposal group was tested for impairment which resulted in an impairment charge of $183 recognized in goodwill and other impairments in the Consolidated Statements of Earnings. Refer to Note 16 for additional information on the sale of the Spinal Implants business.

In our annual impairment test as of October 31, 2025 we performed a quantitative impairment test for our Peripheral Vascular reporting unit and determined that its fair value exceeded its carrying amount by 12%. At October 31, 2025, goodwill attributable to the Peripheral Vascular reporting unit was $3,203. The fair value of this reporting unit was determined using a discounted cash flow analysis, which is a form of the income approach. Significant inputs to the analysis included assumptions for future revenue growth, operating margin and the rate used to discount the estimated future cash flows to their present value, based on the reporting unit's estimated weighted average cost of capital.

For our other reporting units, we considered qualitative indicators of impairment as it was considered more likely than not that the fair values of those reporting units exceeded their respective carrying values. No impairment was identified for those reporting units in 2025 or 2024.

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

In 2024 goodwill of $117 previously reported within Orthopaedics was reclassified to MedSurg and Neurotechnology to reflect the reclassification of the Interventional Spine reporting unit from Orthopaedics to MedSurg and Neurotechnology to align with certain updates in our internal reporting structure.

Changes in the Net Carrying Value of Goodwill by Segment

	MedSurg and Neurotechnology	Orthopaedics	Total
2023	**$ 8,270**	**$ 6,973**	**$ 15,243**
Goodwill impairment	—	(456)	(456)
Additions and adjustments	852	300	1,152
Foreign exchange and other	86	(170)	(84)
2024	**$ 9,208**	**$ 6,647**	**$ 15,855**
Additions and adjustments	3,275	(1)	3,274
Foreign exchange and other	73	89	162
2025	**$ 12,556**	**$ 6,735**	**$ 19,291**

Summary of Other Intangible Assets

	Gross Carrying Amount	Less Accumulated Amortization	Net Carrying Amount
Developed technologies			
2025	$ 7,273	$ 3,430	$ 3,843
2024	5,698	2,931	2,767
Customer relationships			
2025	$ 3,425	$ 1,844	$ 1,581
2024	3,055	1,636	1,419
Patents			
2025	$ 157	$ 144	$ 13
2024	153	136	17
Trademarks			
2025	$ 420	$ 281	$ 139
2024	413	256	157
In-process research and development			
2025	$ 34	$ —	$ 34
2024	34	—	34
Other			
2025	$ 132	$ 61	$ 71
2024	63	62	1
Total			
2025	**$ 11,441**	**$ 5,760**	**$ 5,681**
2024	**9,416**	**5,021**	**4,395**

Estimated Amortization Expense

2026	2027	2028	2029	2030
$ 699	$ 711	$ 631	$ 616	$ 597

NOTE 9 - CAPITAL STOCK

The aggregate number of shares of all classes of stock which we are authorized to issue is up to 1,000,500,000, divided into two classes consisting of 500,000 shares of $1 par value preferred stock and 1,000,000,000 shares of common stock with a par value of $0.10. No shares of preferred stock were outstanding on December 31, 2025.

We made no repurchases of shares in 2025. The manner, timing and amount of repurchases are determined by management based on an evaluation of market conditions, stock price and other factors and are subject to regulatory considerations. Purchases are made from time-to-time in the open market, in privately negotiated transactions or otherwise. On December 31, 2025 the total dollar value of shares of our common stock that could be purchased under our authorized repurchase program was $1,033.

Shares reserved for future compensation grants of our common stock were 31 million and 18 million on December 31, 2025 and 2024.

Stock Options

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

Option Value and Assumptions

	2025	2024	2023
Weighted-average fair value per share	$ 141.40	$ 118.22	$ 83.59
Assumptions:			
Risk-free interest rate	4.4 %	4.3 %	4.0 %
Expected dividend yield	0.9 %	1.1 %	1.2 %
Expected stock price volatility	29.1 %	29.9 %	29.0 %
Expected option life (years)	6.4	6.3	6.2

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

2025 Stock Option Activity

	Shares (in millions)	Weighted-Average Exercise Price	Weighted-Average Remaining Term (in years)	Aggregate Intrinsic Value
Outstanding January 1	**10.8**	**$ 214.87**		
Granted	1.0	392.36		
Exercised	(1.2)	158.83		
Canceled or forfeited	(0.2)	313.05		
Outstanding December 31	**10.4**	**$ 234.56**	**5.0**	**$ 1,246.1**
Exercisable December 31	6.9	$ 195.53	3.7	$ 1,073.4
Options expected to vest	3.3	$ 309.91	7.5	$ 166.7

The aggregate intrinsic value of options, which represents the cumulative difference between the fair market value of the underlying common stock and the option exercise prices, exercised was $260, $362 and $318 in 2025, 2024 and 2023. Exercise prices for options outstanding ranged from $96.64 to $392.39 on December 31, 2025. On December 31, 2025 there was $160 of unrecognized compensation cost related to nonvested stock options granted under the long-term incentive plans. That cost is expected to be recognized as expense over the weighted-average period of approximately 1.5 years.

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

	Shares (in millions)		Weighted-Average Grant Date Fair Value	
	RSUs	PSUs	RSUs	PSUs
Nonvested on January 1	**0.7**	**0.2**	**$ 290.58**	**$ 287.51**
Granted	0.3	0.1	385.68	334.24
Vested	(0.3)	(0.1)	277.40	254.47
Canceled or forfeited	(0.1)	—	337.17	—
Nonvested on December 31	**0.6**	**0.2**	**$ 344.25**	**$ 333.06**

On December 31, 2025 there was $100 of unrecognized compensation cost related to nonvested RSUs. That cost is expected to be recognized as expense over the weighted-average period of approximately one year. The weighted-average grant date fair value per share of RSUs granted was $385.68 and $332.64 in 2025 and 2024. The fair value of RSUs and PSUs vested in 2025 was $91 and $26. On December 31, 2025 there was $26 of unrecognized compensation cost related to nonvested PSUs. That cost is expected to be recognized as expense over the weighted-average period of approximately one year.

Employee Stock Purchase Plans (ESPP)

Employees may participate in our ESPP provided they meet certain eligibility requirements. The purchase price for our common stock under the terms of the ESPP is defined as 95% of the closing stock price on the last trading day of a purchase period. We issued 178,090 and 173,708 shares under the ESPP in 2025 and 2024.

NOTE 10 - DEBT AND CREDIT FACILITIES

We have lines of credit issued by various financial institutions that are available to fund our day-to-day operating needs. Certain of our credit facilities require us to comply with financial and other covenants. We were in compliance with all covenants on December 31, 2025.

In February 2025 we entered into a new revolving credit agreement that replaces our previous agreement dated October 2021. The primary changes included increasing the aggregate principal amount of the facility by $750 to $3,000 and extending the maturity date to February 25, 2030. On December 31, 2025 there were no borrowings outstanding under our revolving credit facility or our commercial paper program which allows for maturities up to 397 days from the date of issuance. The maximum amount of our commercial paper that can be outstanding at any time is $3,000.

In February 2025 we issued $500 of 4.550% senior unsecured notes due February 10, 2027, $700 of 4.700% senior unsecured notes due February 10, 2028, $800 of 4.850% senior unsecured notes due February 10, 2030 and $1,000 of 5.200% senior unsecured notes due February 10, 2035. In June 2025 we repaid $650 of 1.150% senior unsecured notes. In November 2025 we repaid $750 of 3.375% senior unsecured notes. The following table summarizes our total debt at December 31:

Summary of Total Debt

Rate	Due	2025	2024
Senior unsecured notes:			
1.150%	June 15, 2025	$ —	$ 649
3.375%	November 1, 2025	—	750
3.500%	March 15, 2026	1,000	998
4.550%	February 10, 2027	498	—
2.125%	November 30, 2027	881	777
4.700%	February 10, 2028	697	—
3.650%	March 7, 2028	599	598
4.850%	December 8, 2028	597	596
3.375%	December 11, 2028	704	621
0.750%	March 1, 2029	939	828
4.250%	September 11, 2029	744	743
4.850%	February 10, 2030	794	—
1.950%	June 15, 2030	995	993
2.625%	November 30, 2030	759	669
1.000%	December 3, 2031	876	772
3.375%	September 11, 2032	934	824
4.625%	September 11, 2034	741	740
5.200%	February 10, 2035	990	—
3.625%	September 11, 2036	695	613
4.100%	April 1, 2043	393	393
4.375%	May 15, 2044	396	396
4.625%	March 15, 2046	984	984
2.900%	June 15, 2050	643	643
Other		—	10
Total debt		**$15,859**	**$13,597**
Less current maturities		1,000	1,409
Total long-term debt		**$14,859**	**$12,188**
Unamortized debt issuance costs		$ 70	$ 63
Borrowing capacity on existing facilities		$ 2,911	$ 2,160
Fair value of senior unsecured notes		$15,344	$12,780

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

Interest expense on outstanding debt and credit facilities, including required fees incurred totaled $582, $396 and $356 in 2025, 2024 and 2023.

NOTE 11 - INCOME TAXES

On January 1, 2025 we prospectively adopted ASU 2023-09 (Topic 740): *Income Taxes: Improvements to Income Tax Disclosures* which expands the existing rules on income tax disclosures. This update requires entities to disclose specific categories in the tax rate reconciliation, provide additional information for reconciling items that meet a quantitative threshold and disclose additional information about income taxes paid on an annual basis. In determining the reconciling items we considered the effect of tax rulings as part of the statutory tax rate.

Our effective tax rate was 28.1%, 14.3% and 13.8% for 2025, 2024 and 2023. The effective income tax rate for 2025 increased from 2024 due to the 2025 tax effect of transfers of intellectual property between tax jurisdictions and the 2024 tax effect of the sale of the Spinal Implants business. The effective income tax rate for 2024 increased from 2023 due to the 2023 tax effect of transfers of intellectual property between tax jurisdictions offset by the 2024 tax effect of the sale of the Spinal Implants business.

Dollar amounts in millions except per share amounts or as otherwise specified. 40

Effective Income Tax Rate Reconciliation

	2025	
	Amount	Percent
United States federal statutory rate	$ 948	21.0 %
State and Local Income Taxes, Net of Federal Income Tax Effect[1]	173	3.8
Foreign Tax Effects		
Ireland		
Statutory tax rate difference	(177)	(3.9)
Other	17	0.4
Puerto Rico		
Statutory tax rate difference	(49)	(1.1)
Withholding Tax	60	1.3
Expiration of credits carryforward	78	1.7
Change in valuation allowance	(78)	(1.7)
Other	(4)	(0.1)
Other foreign jurisdictions	20	0.4
Effect of changes in tax laws or rates enacted in the current period	—	—
Effect of Cross-Border Tax Laws		
Direct foreign tax credits	(90)	(2.0)
Global intangible low-taxed income	70	1.6
Tax Credits		
Research and development tax credits	(53)	(1.2)
Changes in Valuation Allowances	—	—
Nontaxable or Nondeductible Items		
Spinal Implants divestiture	(51)	(1.1)
Transfers of intellectual property	405	9.0
Changes in unrecognized Tax Benefits	17	0.4
Other Adjustments	(18)	(0.4)
Effective Tax Rate	**$1,268**	**28.1 %**

[1] State taxes in Pennsylvania, New York, Illinois, Florida, California, Michigan, Indiana, and Tennessee accounted for the majority (greater than 50%) of the tax effect in this category.

Effective Income Tax Rate Reconciliation

	2024	2023
United States federal statutory rate	**21.0 %**	**21.0 %**
United States state and local income taxes, less federal deduction	1.1	1.1
Foreign income tax at rates other than 21%	(4.1)	(6.8)
Tax related to repatriation of foreign earnings	0.3	1.2
United States research and development credits	(1.4)	(1.2)
Intellectual property transfers	—	(3.3)
Goodwill impairment	2.8	—
Outside basis difference related to the anticipated sale of the Spinal Implants business	(4.9)	—
Other	(0.5)	1.8
Effective income tax rate	**14.3 %**	**13.8 %**

Cash paid for income taxes (net of refunds received)

	2025
United States - Federal	533
United States - State	71
Foreign	
Ireland	175
Other	223
Subtotal	398
Total	**$ 1,002**

Earnings Before Income Taxes

	2025	2024	2023
United States	$ 1,434	$ 523	$ 701
International	3,080	2,969	2,972
Total	**$ 4,514**	**$ 3,492**	**$ 3,673**

Components of Income Tax Expense (Benefit)

Current income tax expense (benefit):	**2025**	**2024**	**2023**
United States federal	$ 414	$ 490	$ 236
United States state and local	149	90	48
International	313	289	430
Total current income tax expense	**$ 876**	**$ 869**	**$ 714**
Deferred income tax expense (benefit):			
United States federal	$ 186	$ (462)	$ (212)
United States state and local	78	(76)	(20)
International	128	168	26
Total deferred income tax expense (benefit)	**$ 392**	**$ (370)**	**$ (206)**
Total income tax expense	**$ 1,268**	**$ 499**	**$ 508**

Interest included in interest expense was $18, $13, and $1 in 2025, 2024 and 2023. The United States federal deferred income tax expense (benefit) includes the utilization of net operating loss carryforwards of $32, $9 and $189 in 2025, 2024 and 2023.

Deferred Income Tax Assets and Liabilities

Deferred income tax assets:	**2025**	**2024**
Inventories	$ 553	$ 551
Other accrued expenses	401	207
Depreciation and amortization	546	715
State income taxes	90	167
Share-based compensation	117	100
Research and development capitalization	40	408
International interest expense carryforwards	56	52
Net operating loss and credit carryforwards	315	410
Outside basis difference related to the anticipated sale of the Spinal Implants business	—	170
Other	352	310
Total deferred income tax assets	**$ 2,470**	**$ 3,090**
Less valuation allowances	(148)	(228)
Net deferred income tax assets	**$ 2,322**	**$ 2,862**
Deferred income tax liabilities:		
Depreciation and amortization	$ (1,222)	$ (1,141)
Undistributed earnings	(139)	(61)
Total deferred income tax liabilities	**$ (1,361)**	**$ (1,202)**
Net deferred income tax assets	**$ 961**	**$ 1,660**
Reported as:		
Noncurrent deferred income tax assets	$ 1,098	$ 1,742
Noncurrent liabilities—Other liabilities	(137)	(82)
Total	**$ 961**	**$ 1,660**

Accrued interest was $96 and $71 on December 31, 2025 and 2024 which was reported in accrued expenses and other liabilities and other noncurrent liabilities.

United States federal loss carryforwards of $271, with $57 of associated deferred tax asset and with $2 being subject to a valuation allowance, begin to expire in 2026. United States state loss carryforwards of $1,606, with $64 associated deferred tax asset and with $33 being subject to a valuation allowance, begin to expire in 2026. International loss carryforwards of $309, with $67 of associated deferred tax asset and with $61 being subject to a valuation allowance, begin to expire in 2026; however, some have no expiration. We also have tax credit carryforwards of $141 with $4 being subject to a full valuation allowance. The credits with a full valuation allowance begin to expire in 2026.

We recorded deferred income tax on undistributed earnings of foreign subsidiaries not determined to be indefinitely reinvested. The amount of undistributed earnings of foreign subsidiaries determined to be indefinitely reinvested at December 31, 2025 was approximately $11.7 billion. Determination of the total amount of unrecognized deferred income tax on undistributed earnings of foreign subsidiaries is not practicable.

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Uncertain Income Tax Positions

	2025	2024
Beginning uncertain tax positions	**$ 349**	**$ 371**
Increases related to current year income tax positions	19	18
Increases related to prior year income tax positions	12	—
Decreases related to prior year income tax positions	—	(4)
Settlements of income tax audits	—	(21)
Statute of limitations expirations and other	(4)	(3)
Foreign currency translation	27	(12)
Ending uncertain tax positions	**$ 403**	**$ 349**
Reported as:		
Noncurrent liabilities—Income taxes	$ 403	$ 349

Our income tax expense would have been reduced by $279 and $224 in 2025 and 2024 had our uncertain income tax positions been favorably resolved. It is reasonably possible that the amount of unrecognized tax benefits will significantly change due to one or more of the following events in the next 12 months: expiring statutes, audit activity, tax payments, competent authority proceedings related to transfer pricing or final decisions in matters that are the subject of controversy in various taxing jurisdictions in which we operate, including inventory transfer pricing, cost sharing, product royalty and foreign branch arrangements. We are not able to reasonably estimate the amount or the future periods in which changes in unrecognized tax benefits may be resolved. Interest incurred associated with uncertain tax positions is included in interest expense.

Income tax authorities in various jurisdictions globally conduct routine audits of our income tax returns to determine if they agree with our interpretations of income tax regulations. Any audit assessment, draft audit assessment, or final audit report received is reviewed for new information and evaluated for proper financial statement treatment. We received a final audit report and assessments from the German Federal Central Tax Office (FCTO) related to the years 2010 through 2017 of $754 and expect to receive additional assessments of $11 based on the final audit report. We intend to defend our filing positions through the FCTO independent appeals process and/or litigation as necessary. If the resolution of this matter results in additional German income taxes, we expect to pursue a claim for associated foreign tax credits. Our unrecognized tax benefits associated with this matter remain unchanged from 2024.

Income tax years are open from 2019 through 2025 for the United States federal jurisdiction and are open for other major jurisdictions from 2010 through 2025.

NOTE 12 - RETIREMENT PLANS

Defined Contribution Plans

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

	2025	2024	2023
Plan expense	$ 399	$ 376	$ 327
Expense funded with Stryker common stock	72	62	57
Stryker common stock held by plan:			
Dollar amount	$ 763	$ 781	$ 649
Shares (in millions)	2.2	2.2	2.2
Value as a percentage of total plan assets	8 %	10 %	10 %

Defined Benefit Plans

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

Discount Rate

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

Expected Return on Plan Assets

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

Components of Net Periodic Pension Cost

Net periodic benefit cost:	2025	2024	2023
Service cost	$ (42)	$ (39)	$ (32)
Interest cost	(24)	(21)	(23)
Expected return on plan assets	22	19	18
Amortization of prior service credit	2	1	1
Recognized actuarial gain (loss)	(2)	(1)	4
Net periodic benefit cost	**$ (44)**	**$ (41)**	**$ (32)**
Changes in assets and benefit obligations recognized in OCI:			
Net actuarial gain (loss)	$ 93	$ 43	$ (67)
Recognized net actuarial (gain) loss	2	1	(4)
Prior service credit and transition amount	(2)	(1)	(1)
Total recognized in other comprehensive income (loss)	**$ 93**	**$ 43**	**$ (72)**
Total recognized in net periodic benefit cost and OCI	**$ 49**	**$ 2**	**$(104)**
Weighted-average rates used to determine net periodic benefit cost:			
Discount rate	2.9 %	2.8 %	3.3 %
Expected return on plan assets	4.1 %	4.3 %	4.2 %
Rate of compensation increase	2.9 %	3.0 %	3.0 %
Weighted-average discount rate used to determine projected benefit obligations	3.6 %	2.9 %	2.8 %

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

Investment Strategy

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

	2025	2024
Fair value of plan assets	$ 560	$ 492
Benefit obligations	(829)	(782)
Funded status	**$ (269)**	**$ (290)**
Reported as:		
Noncurrent assets—other assets	$ 72	$ 48
Current liabilities—accrued compensation	(5)	(3)
Noncurrent liabilities—other liabilities	(336)	(335)
Pre-tax amounts recognized in AOCI:		
Unrecognized net actuarial gain (loss)	101	6
Unrecognized prior service credit	8	8
Total	**$ 109**	**$ 14**

Change in Benefit Obligations

	2025	2024
Beginning projected benefit obligations	**$ 782**	**$ 826**
Service cost	42	39
Interest cost	24	21
Foreign exchange impact and other	114	(52)
Employee contributions	9	7
Actuarial (gains) losses	(116)	(40)
Benefits paid	(26)	(19)
Ending projected benefit obligations	**$ 829**	**$ 782**
Ending accumulated benefit obligations	**$ 786**	**$ 748**

Change in Plan Assets

	2025	2024
Beginning fair value of plan assets	**$ 492**	**$ 485**
Actual return	(3)	22
Employer contributions	23	23
Employee contributions	9	7
Foreign exchange impact	60	(31)
Benefits paid	(21)	(14)
Ending fair value of plan assets	**$ 560**	**$ 492**

Allocation of Plan Assets

	2026 Target	2025 Actual	2024 Actual
Equity securities	26 %	32 %	28 %
Debt securities	41	39	40
Other	33	29	32
Total	**100 %**	**100 %**	**100 %**

Valuation of Plan Assets

2025	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 16	$ —	$ —	$ 16
Equity securities	9	162	—	171
Debt securities	2	230	—	232
Other	4	83	54	141
Total	**$ 31**	**$ 475**	**$ 54**	**$ 560**

2024	Level 1	Level 2	Level 3	Total
Cash and cash equivalents	$ 17	$ —	$ —	$ 17
Equity securities	8	125	—	133
Debt securities	2	203	—	205
Other	4	76	57	137
Total	**$ 31**	**$ 404**	**$ 57**	**$ 492**

Our Level 3 pension plan assets primarily include guaranteed investment contracts with insurance companies. The insurance contracts guarantee us principal repayment and a fixed rate of return. The $3 decrease in Level 3 pension plan assets is primarily driven by the change in the corresponding pension liability. We expect to contribute $24 to our defined benefit pension plans in 2026.

Estimated Future Benefit Payments

2026	2027	2028	2029	2030	2031-2035
$ 29	$ 32	$ 33	$ 34	$ 38	$ 223

NOTE 13 - SUMMARY OF QUARTERLY DATA (UNAUDITED)

2025 Quarters	Mar 31	Jun 30	Sep 30	Dec 31
Net sales	**$ 5,866**	**$ 6,022**	**$ 6,057**	**$ 7,171**
Gross profit	3,744	3,841	3,852	4,628
Earnings before income taxes	764	1,016	1,029	1,705
Net earnings	**654**	**884**	**859**	**849**
Net earnings per share of common stock:				
Basic	$ 1.71	$ 2.32	$ 2.25	$ 2.21
Diluted	$ 1.69	$ 2.29	$ 2.22	$ 2.20
Dividends declared per share of common stock	$ 0.84	$ 0.84	$ 0.84	$ 0.88

2024 Quarters	Mar 31	Jun 30	Sep 30	Dec 31
Net sales	**$ 5,243**	**$ 5,422**	**$ 5,494**	**$ 6,436**
Gross profit	3,333	3,416	3,517	4,174
Earnings before income taxes	923	998	1,043	528
Net earnings	**788**	**825**	**834**	**546**
Net earnings per share of common stock:				
Basic	$ 2.07	$ 2.17	$ 2.18	$ 1.43
Diluted	$ 2.05	$ 2.14	$ 2.16	$ 1.41
Dividends declared per share of common stock	$ 0.80	$ 0.80	$ 0.80	$ 0.84

NOTE 14 - SEGMENT AND GEOGRAPHIC DATA

We segregate our operations into two reportable business segments: (i) MedSurg and Neurotechnology and (ii) Orthopaedics which aligns to our internal reporting structure and how our Chief Operating Decision Maker (CODM) assesses performance and allocates resources. The CODM is the Chief Executive Officer. The CODM makes decisions on resource allocation, assesses performance of the business, and monitors budget versus actual results using segment operating income.

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

Segment Results	2025	2024	2023
MedSurg and Neurotechnology	$ 15,647	$ 13,518	$ 12,163
Orthopaedics	$ 9,469	9,077	8,335
Net sales	**$ 25,116**	**$ 22,595**	**$ 20,498**
MedSurg and Neurotechnology	$ 5,859	$ 5,320	$ 4,876
Orthopaedics	$ 2,570	2,400	2,254
Cost of sales	**$ 8,429**	**$ 7,720**	**$ 7,130**
MedSurg and Neurotechnology	$ 948	$ 784	$ 702
Orthopaedics	$ 524	540	508
Segment research, development and engineering expenses	**$ 1,472**	**$ 1,324**	**$ 1,210**
MedSurg and Neurotechnology	$ 3,931	$ 3,203	$ 2,934
Orthopaedics	$ 3,132	3,111	2,922
Segment selling, general and administrative expenses	**$ 7,063**	**$ 6,314**	**$ 5,856**
MedSurg and Neurotechnology	$ 237	$ 208	$ 181
Orthopaedics	423	433	386
Segment depreciation and amortization	**$ 660**	**$ 641**	**$ 567**
Corporate and Other	178	162	139
Amortization of intangible assets	732	623	635
Total depreciation and amortization	**$ 1,570**	**$ 1,426**	**$ 1,341**
MedSurg and Neurotechnology	$ 4,672	$ 4,004	$ 3,470
Orthopaedics	2,820	2,591	2,265
Segment operating income	**$ 7,492**	**$ 6,595**	**$ 5,735**
Items not allocated to segments:			
Corporate and Other	$ (889)	$ (880)	$ (780)
Inventory stepped up to fair value	(173)	(46)	—
Acquisition and integration-related charges	(335)	(108)	(20)
Amortization of intangible assets	(732)	(623)	(635)
Structural optimization and other special charges	(191)	(138)	(170)
Goodwill and other impairments	(170)	(977)	(36)
Medical device regulation	(38)	(58)	(96)
Recall-related matters	(58)	(40)	(18)
Regulatory and legal matters	(17)	(36)	(92)
Consolidated operating income	**$ 4,889**	**$ 3,689**	**$ 3,888**

Segment Assets and Capital Spending

Assets:	2025	2024
MedSurg and Neurotechnology	$ 27,647	$ 23,115
Orthopaedics	18,641	18,507
Total segment assets	**$ 46,288**	**$ 41,622**
Corporate and Other	1,556	1,349
Total assets	**$ 47,844**	**$ 42,971**

Purchases of property, plant and equipment:	2025	2024	2023
Orthopaedics	$ 296	$ 230	$ 179
MedSurg and Neurotechnology	220	276	183
Total segment purchases of property, plant and equipment	**$ 516**	**$ 506**	**$ 362**
Corporate and Other	245	249	213
Total purchases of property, plant and equipment	**$ 761**	**$ 755**	**$ 575**

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

Dollar amounts in millions except per share amounts or as otherwise specified. 43

property, plant and equipment and noncurrent assets.

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

Geographic Information

	Net Sales			Net Property, Plant and Equipment	
	2025	2024	2023	2025	2024
United States	$ 19,006	$ 16,943	$ 15,257	$ 2,084	$ 1,997
Europe, Middle East, Africa	3,181	2,897	2,618	1,562	1,260
Asia Pacific	2,164	2,020	1,946	97	75
Other countries	765	735	677	133	116
Total	**$ 25,116**	**$ 22,595**	**$ 20,498**	**$ 3,876**	**$ 3,448**

NOTE 15 - ASSET IMPAIRMENTS

During 2025, 2024 and 2023 we recorded impairment charges of $109, $159 and $36 to write off long-lived and intangible assets excluding long-lived assets held for sale which included charges related to certain product line exits.

NOTE 16 - SALE OF SPINAL IMPLANTS BUSINESS

During the fourth quarter 2024 management committed to a plan to sell certain assets associated with the Spinal Implants business (disposal group) and such assets were classified as held for sale beginning November 2024. As a result we recorded a valuation allowance of $362 to record the disposal group at its fair value less cost to sell within goodwill and other impairments in our Consolidated Statements of Earnings.

In April 2025 we completed the sale of the disposal group to the Viscogliosi Brothers, LLC. In the first half of 2025 we recognized immaterial impairment charges to record the disposal group at its fair value less cost to sell within goodwill and other impairments in our Consolidated Statements of Earnings. The fair value of the disposal group and consideration received was measured using a discounted cash flow analysis based upon the selling price and unobservable inputs, such as market conditions and the rate used to discount the estimated future cash flows to their present value based on factors including the disposal group's cost of equity and market yield rates, which are Level 3 inputs. Consideration could increase by up to $57 or decrease by up to $245 based on the amount received.

The assets associated with the disposal group are reported in our Orthopaedics segment at December 31, 2024. The assets and liabilities held for sale at December 31, 2024 are classified within prepaid expenses and other current assets and accrued expenses and other liabilities in our Consolidated Balance Sheets. The assets and liabilities of the disposal group at the date of sale and at December 31, 2024 were as follows:

	Held for Sale	
	Date of Sale 2025	December 31 2024
Accounts receivable, net	$ 56	$ 62
Total inventories	195	183
Prepaid expenses and other current assets	27	10
Property, plant and equipment, net	53	51
Other intangibles, net	323	326
Noncurrent deferred income tax assets	9	9
Other noncurrent assets	179	171
Valuation allowance	(395)	(362)
Total assets	**$ 447**	**$ 450**
Accounts payable	$ 41	$ 28
Accrued compensation	20	26
Accrued expenses and other liabilities	24	29
Other noncurrent liabilities	27	21
Total liabilities	**$ 112**	**$ 104**

Dollar amounts in millions except per share amounts or as otherwise specified. 44

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

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the Chief Executive Officer and Chief Financial Officer (the Certifying Officers), evaluated the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) promulgated under the Securities Exchange Act of 1934, as amended) (Exchange Act) as of December 31, 2025. Based on that evaluation, the Certifying Officers concluded that the Company's disclosure controls and procedures were effective as of December 31, 2025.

Changes in Internal Control over Financial Reporting

There was no change in our internal control over financial reporting during the fourth quarter of 2025 that materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

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

The Company's management assessed the effectiveness of our internal control over financial reporting on December 31, 2025. In making this assessment, we used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control—Integrated Framework (2013)*. We have excluded from our assessment the operations and related assets of Inari, which we acquired in February 2025. As of December 31, 2025 Inari represented approximately 10% of our total assets, including the goodwill and intangible assets recorded as part of the purchase price allocation, and approximately 2.3% of our net sales for the year ended December 31, 2025. Based on its assessment, management concluded that our internal control over financial reporting was effective as of December 31, 2025.

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

Report of Independent Registered Public Accounting Firm

To the Shareholders and the Board of Directors of Stryker Corporation

Opinion on Internal Control Over Financial Reporting

We have audited Stryker Corporation and subsidiaries' internal control over financial reporting as of December 31, 2025, based on criteria established in Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (2013 framework) (the COSO criteria). In our opinion, Stryker Corporation and subsidiaries (the Company) maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on the COSO criteria.

As indicated in the accompanying Management's Annual Report on Internal Control Over Financial Reporting, management's assessment of and conclusion on the effectiveness of internal control over financial reporting did not include the internal controls of Inari Medical, Inc. (Inari), which is included in the 2025 consolidated financial statements of the Company and constituted 10% of total assets as of December 31, 2025 and 2.3% of net sales for the year then ended. Our audit of internal control over financial reporting of the Company also did not include an evaluation of the internal control over financial reporting of Inari.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the 2025 consolidated financial statements of the Company and our report dated February 11, 2026 expressed an unqualified opinion thereon.

Basis for Opinion

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

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

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

Definition and Limitations of Internal Control Over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1)

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

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

/s/ Ernst & Young LLP

Grand Rapids, Michigan

February 11, 2026

ITEM 9B. OTHER INFORMATION.

Trading Plan Arrangements

Certain of our officers or directors have made elections to participate in and are participating in, our employee stock purchase plan and 401(k) plan and have made and may from time to time make elections to have shares withheld to cover withholding taxes due or pay the exercise price of stock options, restricted stock units and performance stock units which may constitute non-Rule 10b5–1 trading arrangements (as defined in Item 408(c) of Regulation S-K).

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

Not applicable.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE.

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

Information regarding our directors and certain corporate governance and other matters appearing under the captions "Proposal 1—Election of Directors," "Corporate Governance," and "Additional Information—Delinquent Section 16(a) Reports" in the 2026 proxy statement is incorporated herein by reference.

We have adopted Corporate Policy 6 (Trading in Securities by Company Personnel) and Insider Trading Guidelines (collectively, Insider Trading Policies) which govern the purchase, sale and/or other disposition of our securities by our directors, officers and employees, as well as by the Company itself, that we believe are reasonably designed to promote compliance with insider trading laws, rules and regulations and New York Stock Exchange listing standards. Copies of the Insider Trading Policies are filed as Exhibits 19(i) and 19(ii) to this report.

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

ITEM 11. EXECUTIVE COMPENSATION.

Information regarding the compensation of our management appearing under the captions "Compensation Discussion and Analysis," "Compensation and Human Capital Committee Report," "Executive Compensation" and "Compensation of Directors" in the 2026 proxy statement is incorporated herein by reference.

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

The information under the caption "Stock Ownership" in the 2026 proxy statement is incorporated herein by reference.

On December 31, 2025 we had an equity compensation plan under which options were granted at a price not less than fair market value at the date of grant and under which awards of restricted stock units (RSUs) and performance stock units (PSUs) were made. Options and RSUs were also awarded under a previous plan. Additional information regarding our equity compensation plans appears in Note 1 and Note 9 to our Consolidated Financial Statements. On December 31, 2025 we also had a stock performance incentive award program pursuant to which shares of our common stock were and may be issued to certain employees with respect to performance. The status of these plans, each of which were previously submitted to and approved by our shareholders, on December 31, 2025 is as follows:

Plan	Number of securities to be issued upon exercise of outstanding options, warrants and rights	Weighted-average exercise price of outstanding options, warrants and rights	Number of securities remaining available for future issuance under equity compensation plans (excluding shares reflected in the first column)
2008 Employee Stock Purchase Plan	N/A	N/A	4,925,529
2011 Long-Term Incentive Plan[(1)]	11,165,209	$ 234.56	31,297,061
2011 Performance Incentive Award Plan	N/A	N/A	335,395
Total			**36,557,985**

(1) The 2011 Long-Term Incentive Plan securities to be issued upon exercise include 627,908 RSUs and 174,228 PSUs. The weighted-average exercise price does not take these awards into account.

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

The information under the caption "Corporate Governance" and "Corporate Governance—Certain Relationships and Related Party Transactions" in the 2026 proxy statement is incorporated herein by reference.

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ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES.

The information under the caption "Proposal 2—Ratification of Appointment of our Independent Registered Public Accounting Firm" in the 2026 proxy statement is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES.

(a) 1. Financial Statements

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

(a) 2. Financial Statement Schedules

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

SCHEDULE II - VALUATION AND QUALIFYING ACCOUNTS

Description	Balance at Beginning of Period	Additions: Charged to Costs & Expenses	Deductions: Uncollectible Amounts Written Off, Net of Recoveries	Deductions: Effect of Changes in Foreign Currency Exchange Rates	Balance at End of Period
DEDUCTED FROM ASSET ACCOUNTS					
Allowance for Doubtful Accounts:					
Year ended December 31, 2025	$ 213	$ 95	$ 91	$ 1	$ 216
Year ended December 31, 2024	$ 182	$ 69	$ 36	$ 2	$ 213
Year ended December 31, 2023	$ 154	$ 69	$ 40	$ 1	$ 182

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

(a) 3. Exhibits

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

Exhibit 2—	Plan of Acquisition, Reorganization, Arrangement, Liquidation or Succession
(i)	Purchase Agreement, dated as of November 4, 2019, among Stryker Corporation, Stryker B.V. and Wright Medical Group N.V. — Incorporated by reference to Exhibit 2.1 to the Company's Form 8-K dated November 6, 2019 (Commission File No. 001-13149).
(ii) ✦	Agreement and Plan of Merger, dated as of January 6, 2022, by and among Stryker Corporation, Voice Merger Sub Corp., and Vocera Communications, Inc. — Incorporated by reference to Exhibit 2.1 to the Company's Form 8-K dated January 11, 2022 (Commission File No. 001-13149).
(iii)	Agreement and Plan of Merger, dated January 6, 2025, by and between Stryker Corporation and Inari Medical, Inc. — Incorporated by reference to Exhibit 2.1 to the Company's Form 8-K dated January 7, 2025 (Commission File No. 001-13149).

Exhibit 3—	Articles of Incorporation and By-Laws
(i)	Restated Articles of Incorporation — Incorporated by reference to Exhibit 3(i) to the Company's Form 10-Q for the quarterly period ended September 30, 2018 (Commission File No. 00-09165).
(ii)	Amended and Restated Bylaws - Incorporated by reference to Exhibit 3(ii) to the Company's Form 10-K for the year ended December 31, 2022 (Commission File No. 001-13149).

Exhibit 4—	Instruments defining the rights of security holders, including indentures—We agree to furnish to the Commission upon request a copy of each instrument pursuant to which long-term debt of Stryker Corporation and its subsidiaries not exceeding 10% of the total assets of Stryker Corporation and its consolidated subsidiaries is authorized.
(i)	Indenture, dated January 15, 2010, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.1 to the Company's Form 8-K dated January 15, 2010 (Commission File No. 000-09165).

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(ii)		Fifth Supplemental Indenture (including the form of 2043 note) dated March 25, 2013, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated March 25, 2013 (Commission File No. 000-09165).
(iii)		Seventh Supplemental Indenture (including the form of 2044 note), dated May 1, 2014, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated May 1, 2014 (Commission File No. 000-09165).
(iv)		Eighth Supplemental Indenture (including the form of 2025 note), dated October 29, 2015, between Stryker Corporation and U.S. Bank National association.— Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated October 29, 2015 (Commission File No. 000-09165).
(v)		Eleventh Supplemental Indenture (including the form of the 2026 note), dated March 10, 2016, between Stryker Corporation and U.S. Bank National Association.— Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K dated March 10, 2016 (Commission File No. 000-09615).
(vi)		Twelfth Supplemental Indenture (including the form of the 2046 note), dated March 10, 2016, between Stryker Corporation and U.S. Bank National Association. — Incorporated by reference to Exhibit 4.5 to the Company's Form 8-K dated March 10, 2016 (Commission File No. 000-09615).
(vii)		Fourteenth Supplemental Indenture (including the form of the 2028 note), dated March 7, 2018, between Stryker Corporation and U.S. Bank National Association. — Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated March 7, 2018 (Commission File No. 000-09615).
(viii)		Sixteenth Supplemental Indenture (including the form of the 2027 note), dated November 30, 2018, between Stryker Corporation and U.S. Bank National Association. — Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated November 30, 2018 (Commission File No. 000-09615).
(ix)		Seventeenth Supplemental Indenture (including the form of the 2030 note), dated November 30, 2018, between Stryker Corporation and U.S. Bank National Association. — Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K dated November 30, 2018 (Commission File No. 000-09615).
(x)		Twentieth Supplemental Indenture (including the form of the 2029 note), dated December 3, 2019, between Stryker Corporation and U.S. Bank National Association. — Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated December 3, 2019 (Commission File No. 001-13149).
(xi)		Twenty-First Supplemental Indenture (including the form of the 2031 note), dated December 3, 2019, between Stryker Corporation and U.S. Bank National Association. — Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K dated December 3, 2019 (Commission File No. 001-13149).
(xii)		Twenty-Second Supplemental Indenture (including the form of the 2025 note), dated June 4, 2020, between Stryker Corporation and U.S. Bank National Association, as trustee - Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated June 4, 2020 (Commission File No. 001-13149).
(xiii)		Twenty-Third Supplemental Indenture (including the form of the 2030 note), dated June 4, 2020, between Stryker Corporation and U.S. Bank National Association — Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated June 4, 2020 (Commission File No. 001-13149).
(xiv)		Twenty-Fourth Supplemental Indenture (including the form of the 2050 note), dated June 4, 2020, between Stryker Corporation and U.S. Bank National Association — Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K dated June 4, 2020 (Commission File No. 001-13149).
(xv)		Twenty-Sixth Supplemental Indenture (including the form of the 2028 note), dated December 8, 2023, between Stryker Corporation and U.S. Bank Trust Company, National Association, as trustee — Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated December 8, 2023 (Commission File No. 001-13149).
(xvi)		Twenty-Seventh Supplemental Indenture (including the form of the 2028 note), dated December 11, 2023, between Stryker Corporation and U.S. Bank Trust Company, National Association, as trustee — Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated December 11, 2023 (Commission File No. 001-13149).
(xvii)		Twenty-Eighth Supplemental Indenture (including the form of 2032 note), dated September 11, 2024, between Stryker Corporation and U.S. Bank Trust Company, National Association, as trustee — Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated September 11, 2024 (Commission File No. 001-13149).
(xviii)		Twenty-Ninth Supplemental Indenture (including the form of 2036 note), dated September 11, 2024, between Stryker Corporation and U.S. Bank Trust Company, National Association, as trustee — Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated September 11, 2024 (Commission File No. 001-13149).
(xix)		Thirtieth Supplemental Indenture (including the form of 2029 note), dated September 11, 2024, between Stryker Corporation and U.S. Bank Trust Company, National Association, as trustee — Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K dated September 11, 2024 (Commission File No. 001-13149).
(xx)		Thirty-First Supplemental Indenture (including the form of 2034 note), dated September 11, 2024, between Stryker Corporation and U.S. Bank Trust Company, National Association, as trustee — Incorporated by reference to Exhibit 4.5 to the Company's Form 8-K dated September 11, 2024 (Commission File No. 001-13149).
(xxi)		Thirty-Second Supplemental Indenture (including the form of 2027 note), dated February 10, 2025, between Stryker Corporation and U.S. Bank Trust Company, National Association, as trustee — Incorporated by reference to Exhibit 4.2 to the Company's Form 8-K dated February 10, 2025 (Commission File No. 001-13149).
(xxii)		Thirty-Third Supplemental Indenture (including the form of 2028 note), dated February 10, 2025, between Stryker Corporation and U.S. Bank Trust Company, National Association, as trustee — Incorporated by reference to Exhibit 4.3 to the Company's Form 8-K dated February 10, 2025 (Commission File No. 001-13149).
(xxiii)		Thirty-Fourth Supplemental Indenture (including the form of 2030 note), dated February 10, 2025, between Stryker Corporation and U.S. Bank Trust Company, National Association, as trustee — Incorporated by reference to Exhibit 4.4 to the Company's Form 8-K dated February 10, 2025 (Commission File No. 001-13149).
(xxiv)		Thirty-Fifth Supplemental Indenture (including the form of 2035 note), dated February 10, 2025, between Stryker Corporation and U.S. Bank Trust Company, National Association, as trustee — Incorporated by reference to Exhibit 4.5 to the Company's Form 8-K dated February 10, 2025 (Commission File No. 001-13149).
(xxv)	†	Description of Securities

Exhibit 10—	Material contracts
(i)* †	Form of grant notice and terms and conditions for stock options granted in 2026 under the 2011 Long-Term Incentive Plan.
(ii)* †	Form of grant notice and terms and conditions for restricted stock units granted in 2026 under the 2011 Long-Term Incentive Plan.
(iii)* †	Form of grant notice and terms and conditions for performance stock units granted in 2026 under the 2011 Long-Term Incentive Plan.
(iv)* †	Form of grant notice and terms and conditions for restricted stock units with no retirement provisions granted in 2026 under the 2011 Long-Term Incentive Plan.
(v)*	Form of grant notice and terms and conditions for stock options granted in 2025 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-K for the year ended December 31, 2024 (Commission File No. 001-13149).
(vi)*	Form of grant notice and terms and conditions for restricted stock units granted in 2025 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2024 (Commission File No. 001-13149).
(vii)*	Form of grant notice and terms and conditions for performance stock units granted in 2025 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(iii) to the Company's Form 10-K for the year ended December 31, 2024 (Commission File No. 001-13149).
(viii)*	Form of grant notice and terms and conditions for restricted stock units with no retirement provisions granted in 2025 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(iv) to the Company's Form 10-K for the year ended December 31, 2024 (Commission File No. 001-13149).
(ix)*	Form of grant notice and terms and conditions for restricted stock units granted in 2025 under the 2011 Long-Term Incentive Plan to non-employee directors — Incorporated by reference to Exhibit 10.1(i) to the Company's Form 10-Q for the quarterly period ended June 30, 2025 (Commission File No. 001-13149).
(x)*	Form of grant notice and terms and conditions for restricted stock units granted in 2024 under the 2011 Long-Term Incentive Plan to non-employee directors — Incorporated by reference to Exhibit 10.1 to the Company's Form 10-Q for the quarterly period ended June 30, 2024 (Commission File No. 001-13149).
(xi)*	Form of grant notice and terms and conditions for stock options granted in 2024 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-K for the year ended December 31, 2023 (Commission File No. 001-13149).
(xii)*	Form of grant notice and terms and conditions for restricted stock units granted in 2024 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2023 (Commission File No. 001-13149).
(xiii)*	Form of grant notice and terms and conditions for performance stock units granted in 2024 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(iii) to the Company's Form 10-K for the year ended December 31, 2023 (Commission File No. 001-13149).
(xiv)*	Form of grant notice and terms and conditions for restricted stock units granted in 2023 under the 2011 Long-Term Incentive Plan to non-employee directors — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-Q for the quarterly period ended June 30, 2023 (Commission File No. 000-09165).
(xv)*	Form of grant notice and terms and conditions for stock options granted in 2023 under the 2011 Long-Term Incentive Plan - Incorporated by reference to Exhibit 10(i) to the Company's Form 10-K for the year ended December 31, 2022 (Commission File No. 001-13149).
(xvi)*	Form of grant notice and terms and conditions for restricted stock units granted in 2023 under the 2011 Long-Term Incentive Plan - Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2022 (Commission File No. 001-13149).
(xvii)*	Form of grant notice and terms and conditions for performance stock units granted in 2023 under the 2011 Long-Term Incentive Plan - Incorporated by reference to Exhibit 10(iii) to the Company's Form 10-K for the year ended December 31, 2022 (Commission File No. 001-13149).
(xviii)*	Form of grant notice and terms and conditions for restricted stock units granted in 2022 under the 2011 Long-Term Incentive Plan to non-employee directors — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-Q for the quarterly period ended June 30, 2022 (Commission File No. 001-13149).
(xix)*	Form of grant notice and terms and conditions for stock options granted in 2022 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-K for the year ended December 31, 2021 (Commission File No. 001-13149).
(xx)*	Form of grant notice and terms and conditions for stock options granted in 2021 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(i) to the Company's Form 10-K for the year ended December 31, 2020 (Commission File No. 001-13149).
(xxi)*	2011 Long-Term Incentive Plan (as amended and restated effective May 8, 2025) — Incorporated by reference to Appendix B to the Proxy Statement for the Company's 2025 Annual Meeting of Shareholders (Commission File No. 001-13149).
(xxii)*	Form of grant notice and terms and conditions for stock options granted in 2020 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2019 (Commission File No. 001-13149).
(xxiii)*	Supplemental Savings and Retirement Plan (as amended effective January 1, 2008 and January 1, 2019) — Incorporated by reference to Exhibit 10(vi) to the Company's Form 10-K for the year ended December 31, 2019 (Commission File No. 001-13149)
(xxiv)*	Form of grant notice and terms and conditions for stock options granted in 2019 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2018 (Commission File No. 001-13149).
(xxv)*	Form of grant notice and terms and conditions for stock options granted in 2018 under the 2011 Long-Term Incentive Plan — Incorporated by reference to Exhibit 10(ii) to the Company's Form 10-K for the year ended December 31, 2017 (Commission File

(xxvi)*	Stryker Corporation Executive Bonus Plan — Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K dated February 21, 2007 (Commission File No. 000-09165).
(xxvii)*	Letter Agreement between Stryker Corporation and Glenn Boehnlein — Incorporated by reference to Exhibit 10.2 to the Company's Form 8-K dated January 26, 2016 (Commission File No. 000-09165)
(xxviii)	Form of Indemnification Agreement for Directors — Incorporated by reference to Exhibit 10 (xiv) to the Company's Form 10-K for the year ended December 31, 2008 (Commission File No. 000-09165).
(xxix)	Form of Indemnification Agreement for Certain Officers—Incorporated by reference to Exhibit 10 (xv) to the Company's Form 10-K for the year ended December 31, 2008 (Commission File No. 000-09165).
(xxx)	Settlement Agreement between Howmedica Osteonics Corp. and the counsel listed on the signature pages thereto, dated as of November 3, 2014 (Rejuvenate and ABF II Hip Implant Products Liability Litigation) — Incorporated by reference to Exhibit 10xxiii
(xxxi)*	Letter Agreement, dated January 27, 2025, between Stryker Corporation and Preston Wells — Incorporated by reference to Exhibit 10.2 to the Company's Form 8-K dated January 28, 2025 (Commission File No. 001-13149).
(xxxii)	Credit Agreement, dated February 25, 2025, between Stryker Corporation, certain subsidiaries as borrowers, Wells Fargo Bank, National Association as Administrative Agent, Swing Line Lender and L/C Issuer, Bank of America, N.A. and Citibank, N.A. as Syndication Agents, the Co-Documentation Agents and Other Lenders party thereto — Incorporated by reference to Exhibit 10.1 to
(xxxiii)*	Letter Agreement, dated December 2, 2025, between Stryker Corporation and Spencer Stiles — Incorporated by reference to Exhibit 10.1 to the Company's Form 8-K dated December 4, 2025 (Commission File No. 001-13149).
(xxxiv)*	Letter Agreement, dated December 2, 2025, between Stryker Corporation and Dylan Crotty — Incorporated by reference to Exhibit 10.2 to the Company's Form 8-K dated December 4, 2025 (Commission File No. 001-13149).

Exhibit 19—	Insider Trading Policy
(i) †	Corporate Policy No. 6
(ii) †	Insider Trading Guidelines

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

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

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

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

Exhibit 97—	Policy Relating to Recovery of Erroneously Awarded Compensation
(i)	Stryker Corporation Mandatory Clawback Policy — Incorporated by reference to Exhibit 97(i) to the Company's Form 10-K for the year ended December 31, 2023 (Commission File No. 001-13149).

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

* Compensation arrangement

† Filed with this Form 10-K

†† Furnished with this Form 10-K

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

ITEM 16. FORM 10-K SUMMARY.

None.

SIGNATURES

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

STRYKER CORPORATION

Date: February 11, 2026

/s/ PRESTON W. WELLS
Preston W. Wells
Vice President, Chief Financial Officer

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

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

/s/ PRESTON W. WELLS
Preston W. Wells
Vice President, Chief Financial Officer
(Principal Financial Officer)

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

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

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

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

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

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

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

/s/ RACHEL M. RUGGERI
Rachel M. Ruggeri
Director

/s/ RAJEEV SURI
Rajeev Suri
Director

/s/ EMMANUEL P. MACEDA
Emmanuel P. Maceda
Director