



**50**  
1971-2021



**ÖSSUR**  
LIFE WITHOUT LIMITATIONS

# Sustainability Report

## 2021





## Sustainability Report 2021

---

Letter From the CEO	3
Sustainability and CSR Highlights	4
Össur at a Glance	6
Governance of Sustainability	10
Stakeholder Engagement	12
Environment	13
Social	20
Governance	41
About the Report	50

## Letter From the CEO

---

The year 2021 was another milestone year for Össur as we marked the Company's 50<sup>th</sup> anniversary. The Company was originally founded as a domestic clinic by Össur Kristinsson in 1971 and now we are a leading global player in Prosthetics and Bracing & Supports. Looking back, we can be proud of the impact we have had on the technological advancements in our industry which have transformed the quality of life for millions of people who live with impaired mobility. In addition to technological advancements that have taken place over the years, it is impressive to see how sustainability is becoming an increasingly more significant part of the global business environment.

One of the significant milestones we reached during our anniversary year is carbon neutrality. We have actively worked on establishing a good overview of the Össur's carbon footprint and in 2021, we proudly became carbon neutral for energy and fuel consumption, waste generation, business travel, transportation of goods, and electricity consumption of finished goods suppliers.

As part of our larger commitment to sustainability, we made an effort to elevate our commitment to diversity, equity and inclusion and actively communicated our desire to celebrate different ideas, perspectives and backgrounds in our 35 operations worldwide. We also introduced the Össur Give Back Program during the year offering all employees globally one volunteer day per year to give back to their communities. The program has been extremely well-received and numerous causes and charities have benefited from the efforts of our employees.

To run a successful and responsible operation it is key to have a strong guidance for our employees. During the year we enhanced our Business Ethics program, which included updating of our Code of Conduct which is based on our core Values of Honesty, Frugality and Courage. Our values serve as guiding principles for our employees in our day-to-day activities and decision making.



I recently announced that I will be retiring at the end of Q1 2022. I have thoroughly enjoyed my 26 years at Össur, and I am immensely proud of our accomplishments and commitment to having a positive impact on the lives of our customers as well as the societies in which we operate.

Sustainability is a topic of great importance to our employees, customers, and shareholders alike, and we at Össur are committed to actively contributing to a better society for future generations. With this report, we reconfirm our commitment to responsible business conduct promoted by the United Nations Global Compact and the UN Sustainable Development Goals.

A handwritten signature in dark ink, which appears to read 'Jon Sigurdsson'. The signature is stylized and fluid.

**Jon Sigurdsson**  
President and CEO



## Sustainability and CSR Highlights



99%

**Renewable  
electricity**

Electricity from renewable  
energy sources



53% | 47%

**Gender  
ratio**

Male | Female



38%

**Female  
management**

Female in management  
positions



0.5

**Incident rate**

Incident rate per 100 FTEs



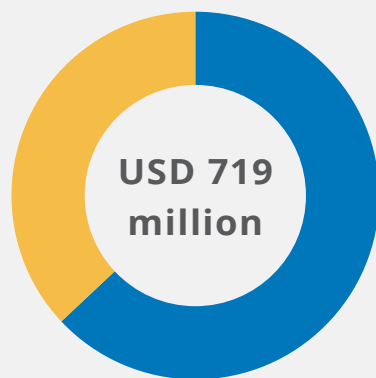
4.1 of 5

**Global employee  
satisfaction**



# Össur is a global leader in non-invasive orthopaedics

## Business Segments



### Sales in 2021 by Segments

- Prosthetics 63%
- Bracing & Supports 37%

## Regional Overview

### Americas

47%

as % of sales

USD 339 million

Organic growth: 8%

FTEs: ~1,400

### EMEA

44%

as % of sales

USD 315 million

Organic growth: 12%

FTEs: ~1,500

HQ FTEs: ~600

### APAC

9%

as % of sales

USD 65 million

Organic growth: 9%

FTEs: ~200



# Össur at a Glance

## We Improve People's Mobility

Össur is a global leader in non-invasive orthopaedics; innovating, producing, and providing advanced and innovative technological solutions within the prosthetics and bracing & supports market. Our mission is to improve the mobility of our end-users so they can live their Life Without Limitations®.

Since the foundation of Össur in 1971, 50 years ago, the Company has grown through a healthy combination of organic development and acquisitions, both in Prosthetics and Bracing & Supports. Össur has a strong global presence in its industries and key markets and is well positioned to leverage future growth opportunities. Össur's main focus areas are innovation, growth and efficiency. Össur is listed on Nasdaq Copenhagen, has operations in 35 countries and has around 4,000 employees across the globe. Össur is a signatory to the UN Global Compact, UN Women's Empowerment Principles, contributes to the UN Sustainable Development Goals and became carbon neutral in 2021.

## Life Without Limitations®

We strive to create a Life Without Limitations® for our end-users. They are at the core of everything we do, and we specialize in providing qualitative and comprehensive solutions to their wide range of individual needs.

## Our End-Users

We help our end-users to advance in their everyday life and pursue their goals without limitations. Prosthetics are used by individuals who are living with limb loss or limb difference for a variety of reasons. Vascular disease, diabetes, trauma, and congenital defects are some of the more common reasons. Bracing & Supports are used by individuals who develop knee pain, are diagnosed with osteoarthritis in their joints, incur fractures to their ligaments or injure themselves causing movement impairment.



## World Class Innovation Capabilities

Significant investment in research and development has resulted in over 2,000 patents, award-winning designs, successful clinical outcomes, and consistently strong market positions. Every year, we invest around 5% of sales in research and development to progress and enhance our product portfolio for the benefit of our end-users. Össur is a pioneer of advanced technology with top tier brand recognition based on quality and high reliability, providing scientifically proven solutions that deliver effective clinical outcomes. We emphasize listening to and learning from our end-users to develop successful products. By understanding our end-users' needs, through continuous development and pushing the boundaries of technology, we continue to create some of the best products and services available in Prosthetics and Bracing & Supports. In 2021, we introduced 14 new products to the market.

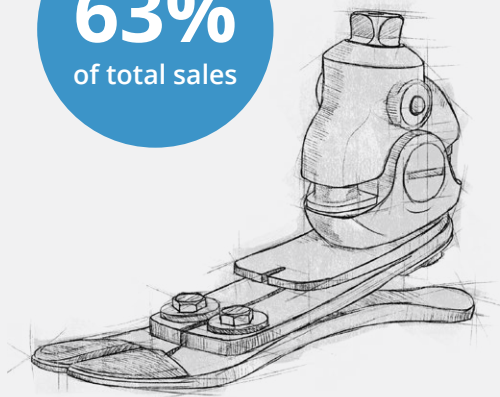
## Our Segments

Össur operates within two market segments of the orthopaedic market: Prosthetics and Bracing & Supports. Prosthetic products include artificial limbs and related products for amputees while bracing & supports products are used to support joints and other body parts, both for preventive and therapeutic purposes.

### Our Segments

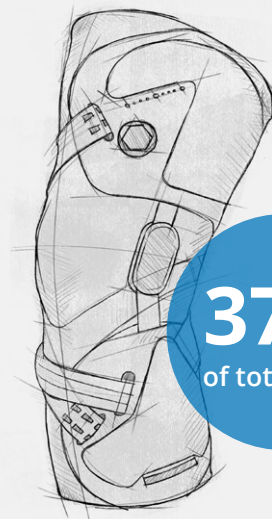
#### Prosthetics

**63%**  
of total sales



#### Bracing & Supports

**37%**  
of total sales



Sub-Segment	End-User Profile	Improving Mobility
Mechanical Products	People living with lower extremity amputation	Broad product offering for lower extremity prosthesis
Bionic Products	People living with lower and upper extremity amputation	Advanced microprocessor controlled feet, knees, hands and fingers

Sub-Segment	End-User Profile	Improving Mobility
Injury Solutions	People recovering from fractures, ligament injuries or need a post operative treatment	Products stabilizing joints and improving healing
OA Solutions	People living with Osteoarthritis (OA)	Non surgical treatment by unloading affected joint with braces

## Our Products

### Prosthetics

Össur's prosthetics product portfolio includes a full range of premium lower and upper limb prosthetic components. The portfolio ranges from solutions to support low active individuals who may be challenged to maintain the ideal balance of safety, comfort, and mobility, to solutions designed to enable especially active people to excel and engage in high-impact activities.

### Bracing & Supports

#### OA solutions

Össur's osteoarthritis (OA) solutions are designed to enhance quality of life, reduce pain, and improve mobility for people living with osteoarthritis. Össur offers the Unloader One® range of knee braces that relieve pain from knee osteoarthritis, as well as the Unloader® Hip which is designed to reduce pain by optimizing load dispersion for patients suffering from mild and moderate osteoarthritis of the hip.

#### Injury solutions

Össur's injury solutions are designed for people recovering from fractures, ligament injuries or for those in need of post-operative treatment solutions. These solutions are designed to support the healing process of bone and soft tissue injuries. Several of these products come with the Functional Healing® seal that signifies a clinically validated healing solution that helps enhance the body's natural healing process while maximizing mobility.

## Who are the end-users that benefit from our solutions?

### Prosthetics

- High and low active lower limb amputees
- Upper limb amputees
- Children living with limb loss
- Athletes living with limb loss

### Bracing & Supports

- People that require post-operative treatment
- People in rehabilitation for PCL ruptures
- People requiring protection and joint stabilization
- People with foot and ankle injuries that require immobilization
- People with mild to severe osteoarthritis
- People seeking treatment for venous ulcers and swelling



# MEMORABLE MOMENTS



## 1971

Össur was founded in 1971 by Icelandic prosthetist **Össur Kristinnsson**, together with several Icelandic disability organizations. Initially, the company served only as a prosthetic clinic for the domestic Icelandic market.



## 1986

In 1986, **Össur Kristinnsson** developed the world's **first silicone prosthetic liner called Iceross®**. This was the company's first patented invention and marked the beginning of Össur's commitment to innovation and technological advancements for the benefit of amputees around the world. Össur started its international expansion, in the same year as Össur received its first patent.



## 2000

**Össur acquired Flex-Foot in 2000**. Originally developed by Van Phillips in the 1980's, Flex-Foot prospered as the company that first brought carbon fiber prosthetic feet to the market. That formed the basis for further innovation and development by Össur of carbon fiber feet that continue to be recognized for function and quality the world over.

Since then, **Össur has grown** both through organic growth and external growth spurred by over 60 acquisitions in the past 20 years.

**50**  
1971-2021

**ÖSSUR®**  
LIFE WITHOUT LIMITATIONS

# Governance of Sustainability

As stated by the United Nations Global Compact, “corporate sustainability starts with a company’s value system and a principles-based approach to doing business”. Össur has incorporated sustainability into its strategy and is committed to maintaining high standards of ethical, environmental, and social responsibility.

Össur generates value for its customers, shareholders, and employees by focusing our business strategy on successful and sustainable product innovation, efficiency, and sustainable growth. The Company’s values are Honesty, Frugality and Courage. These values serve as the foundation and driving force behind the Össur culture, guiding employees in their day-to-day activities and decision-making.



## UN Global Compact

The UN Global Compact is the world’s largest corporate sustainability initiative. It is a call to companies to align strategies and operations with universal principles on human rights, labor, environment and anti-corruption, and take actions that advance societal goals. By committing to sustainability, businesses can take shared responsibility for achieving a better world.

*We take responsibility for our impact on the environment and the societies in which we operate.*

Össur’s sustainability vision is to provide products and services that contribute to good health, using responsible production methods and supporting climate action, while being a sponsor for gender equality.

## Sustainability Steering Committee

The Sustainability Steering Committee is chaired by the EVP of HR and Corporate Strategy. The Sustainability Steering Committee meets at least quarterly and reports to the Executive Management Team.

The Steering Committee covers aspects such as sustainability risks, opportunities, as well as recommendations for further improvements and day-to-day activities. The operational group extends to members in each functional group, streamlining the cooperation and implementation of sustainability throughout the organization.

### Responsibilities of the Sustainability Steering Committee

- Responsible for embedding sustainability into the organization.
- Create and maintain Össur’s sustainability strategy.
- Manage a Sustainability Dashboard, report on progress, and embed the key KPIs into corporate/departmental balanced scorecard(s).
- Research and monitor the sustainability environment externally (benchmarking, regulations etc.).
- Influence and support strategy owners to include sustainability efforts in their programs/projects.
- Maintain an overview of active sustainability projects/programs within the Company.

Executive  
Management Team



Sustainability  
Steering Committee



Sustainability  
Operational Group



## Össur's Contribution to the UN Sustainable Development Goals (SDGs)

Össur's largest impact on society is through the Company's innovative products, research activities and expertise in the field of Prosthetics and Bracing & Supports. Össur works with individuals, clinicians, and diverse communities around the world to support a better quality of life and to increase the mobility of millions of people. Consequently, Össur's greatest impact is on Goal 3, Good Health and Well-Being. Additionally, Össur contributes to Goal 5 on Gender Equality, Goal 12 on Responsible Consumption and Production and Goal 13 on Climate Action.

Össur's Key Performance Indicators (KPI's) are monitored and reported to the Executive Management. The KPI's reflect Össur's commitment to the UN Global Compact and the UN Sustainable Development Goals.



### Össur's Key Performance Indicators (KPI's)

Contribution to UNGC and SDGs	KPI	2021
<b>Principle 6</b> <b>SDG 5</b> 	Gender split among employees Female managers as % of total number of managers	M53% / F47% 38%
<b>Principle 10</b> 	Code of Conduct training* Anti-bribery and corruption & competition training for at risk employees*	n/a n/a
<b>Principle 7,8,9</b> <b>SDG 12, 13</b> 	Carbon neutral operations** Electricity purchased from renewable energy sources	Yes 99%
<b>SDG 3</b> 	Total Recordable Incident Rate, TRIR *** New products specially designed for elderly end-users Ongoing prosthetic studies which will inform developers about the elderly customer group	0.5 3 21%

\* KPI established in 2021. New Code of Conduct was launched at the end of 2021 and training will take place during 2022.

\*\* Össur was Carbon Neutral, for Scope 1 and 2, and selected Scope 3 emissions, following the Greenhouse Gas Protocol

\*\*\* Recordable Incidents per 100 FTE's

# Stakeholder Engagement

Össur's main stakeholders are business partners, customers, employees, end-users, shareholders, investors and the society. Össur communicates with its stakeholders through various platforms and channels.

Stakeholders	Communication Platform
Customers (Healthcare professionals/Medical professionals)	Össur communicates with its customers on a daily basis primarily through our direct salesforce and customer service channels. In addition, the Össur Academy offers regular product training and ongoing educational support on product and industry-specific topics. Tradeshows, conferences, and industry publications are utilized to meet and communicate with customers, and customer feedback is collected on a regular basis. Össur participates in the industry dialog through board seats and involvement in O&P trade associations.
Employees	Communication with employees is daily through the Company's intranet. Össur hosts quarterly staff meetings discussing financial results, key initiatives, and other relevant topics. During the COVID-19 pandemic Össur has utilized online platforms to a large degree, and also offered hybrid events when possible. A global workplace survey is performed annually to measure engagement, in addition to other ad-hoc employee surveys which are done on a regular basis.
End-Users	Össur communicates directly with end-users through social media, targeted publications, and events. In addition, we partner with various advocacy groups and associations for training and educational purposes, and often work directly and indirectly with end-users for product testing purposes. Össur also has relationships with end-users who serve as brand ambassadors and conduct community outreach and mentor those seeking advice and support.
Society	<p>Össur communicates with the society on its progress in the UN Global Compact Progress Report, Össur's Annual Report and other corporate material. Össur works with various organizations and stakeholders within the healthcare industry through various initiatives, such as the Össur Academy and other social outreach programs in the countries where Össur operates.</p> <p>Össur acknowledges that its operations have both negative and positive impact on the societies it operates in and works towards minimizing the negative impact and maximizing the positive impact. Össur supports associations for people with disabilities in most of the countries where it operates. Össur strives to maintain high standards of professionalism and transparency.</p>
Shareholders/Investors	Össur Investor Relations facilitates dialog with shareholders and potential investors regularly through press releases, webcasts, participation in conferences etc. Further information on IR activities can be found on <a href="http://www.ossur.com/ir">www.ossur.com/ir</a>



# Environment

## Reducing our Environmental Impact

Össur aims to minimize the Company's environmental impact and thereby contribute to the UN Sustainable Development Goals (SDGs) number 12 and 13. We focus on our operations, products and supply chain, and embed environmental sustainability into each department's strategy through the Company's values of Honesty, Frugality and Courage. We show courage in setting ambitious goals but at the same time we are honest about where we stand, acknowledging the challenges we face and what we can improve. We apply frugality by using resources efficiently and minimizing waste in our processes.

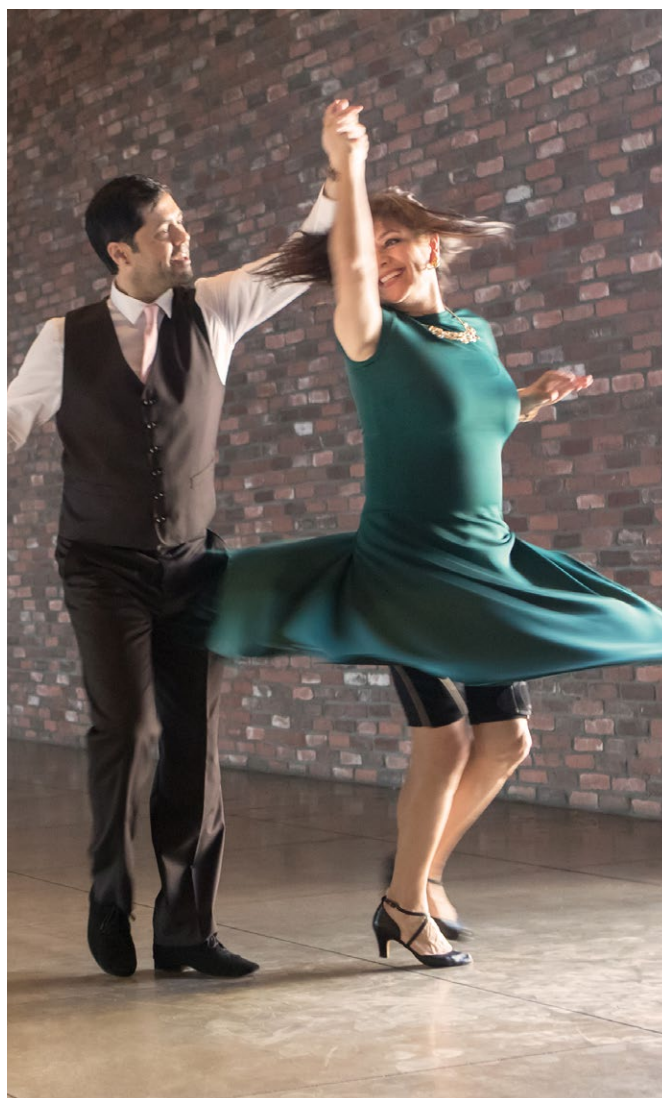
Össur's largest manufacturing, distribution and clinics sites have a certified environmental management system according to ISO 14001:2015. The Company's environmental compliance obligations are both legal requirements and voluntary initiatives.

Employee participation is a key to a successful implementation of a management system that focuses on continual improvement. At Össur, efforts are made to raise awareness on environmental sustainability through campaigns and use of the company's intranet, and an effective employee suggestion system has been in place for years, where employees can submit ideas on what can be done to improve their work areas.

### Össur's Environmental Policy

Össur aims to minimize its environmental impact by:

- Preventing, reducing, or controlling waste and pollution from our operations.
- Meeting all applicable environmental compliance obligations and commitments.
- Focusing on continual improvements of the environmental management system by meeting our objectives.
- Encouraging employee participation.



## Össur Was Carbon Neutral in 2021

In 2021, Össur was Carbon Neutral, for Scope 1 and 2, and selected Scope 3 emissions, following the Greenhouse Gas Protocol. This represents Össur's direct and indirect energy and fuel consumption, business travel, transportation of goods, electricity consumption of finished goods suppliers and waste treatment.

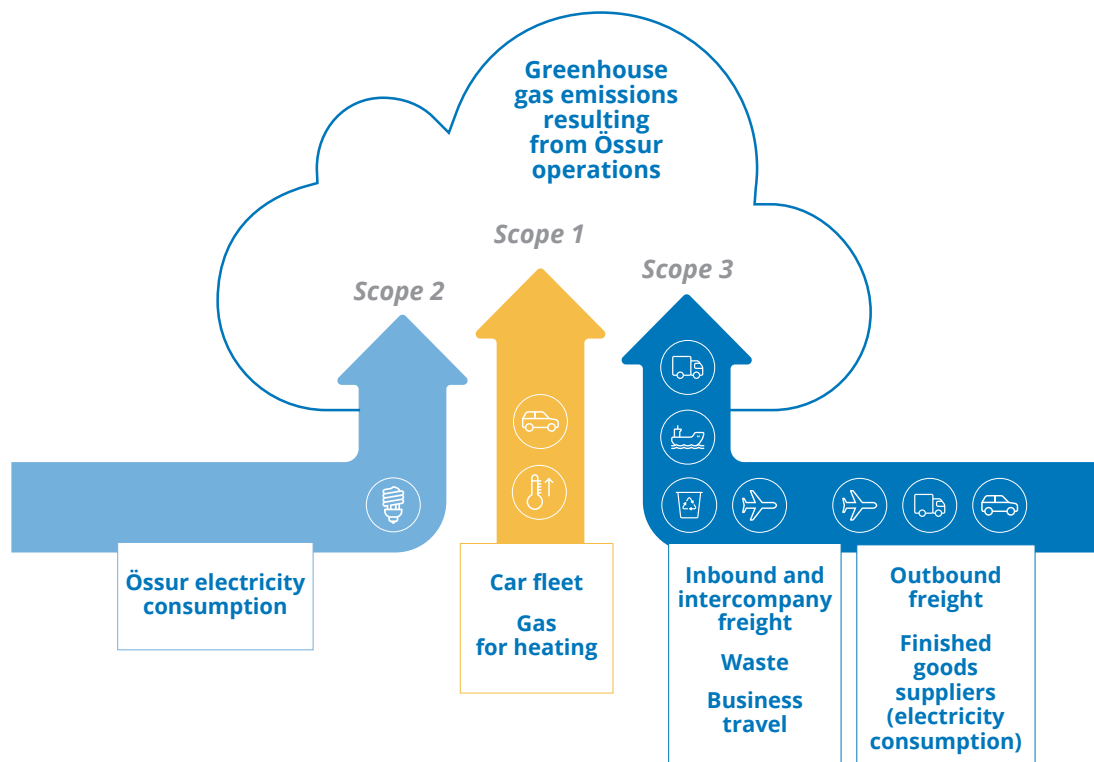
Össur partnered with First Climate, a leading service provider of carbon emissions management, to achieve carbon neutrality.

Össur's approach towards carbon neutral operations is to:

- Reduce emissions
- Improve energy efficiency
- Offset remaining emissions by supporting certified emission reduction projects according to the highest market standard



### Within Scope Direct and Indirect Emissions





## Reduced Emissions

In 2021, Össur's greenhouse gas emissions were 47% lower than in 2019, the baseline year. The largest contribution to these significant results was the commitment to purchase electricity from renewable energy sources. In 2021, 99% of electricity purchased was from renewable energy sources, backed up with Energy Attribute Certificates.

Emissions from transportation of goods in 2021 increased by almost 40%, compared 2019, due to COVID-19 impacts on the global supply chain. On the other hand, emissions from business travel continued to decrease, reflecting COVID-19 impact on global travel. Emissions from business travel decreased by 80% compared to 2019.

Overall, Össur's greenhouse gas emissions were reduced by almost 11,000 tCO<sub>2</sub>e compared to 2019, and the Emissions Intensity decreased from 33 to 17 tCO<sub>2</sub>/Revenue.

See detailed information about the emissions scope in Össur GhG Emissions Accounting Policy on p. 50.

## Improved Energy Efficiency

In 2021, energy efficiency projects were initiated at Össur's largest production site in Tijuana, Mexico and at the distribution site in Philadelphia, US. In Philadelphia, improvements were completed by the end of year 2021 and local energy savings for 2022 are expected to be in the range of 30%. In Tijuana, energy efficiency improvements are still in progress. To set the baseline for energy efficiency and spot opportunities for improvements, an energy efficiency questionnaire was developed and rolled out to locations with the highest energy consumption. This project will be completed in 2022, and with baseline established, targets will be set for continued energy efficiency improvements.



### Reduced Emissions

**47%**

Reduced GhG  
emission  
(Compared to 2019)

**99%**

Electricity  
purchased from  
renewable energy  
sources

## Carbon Credits

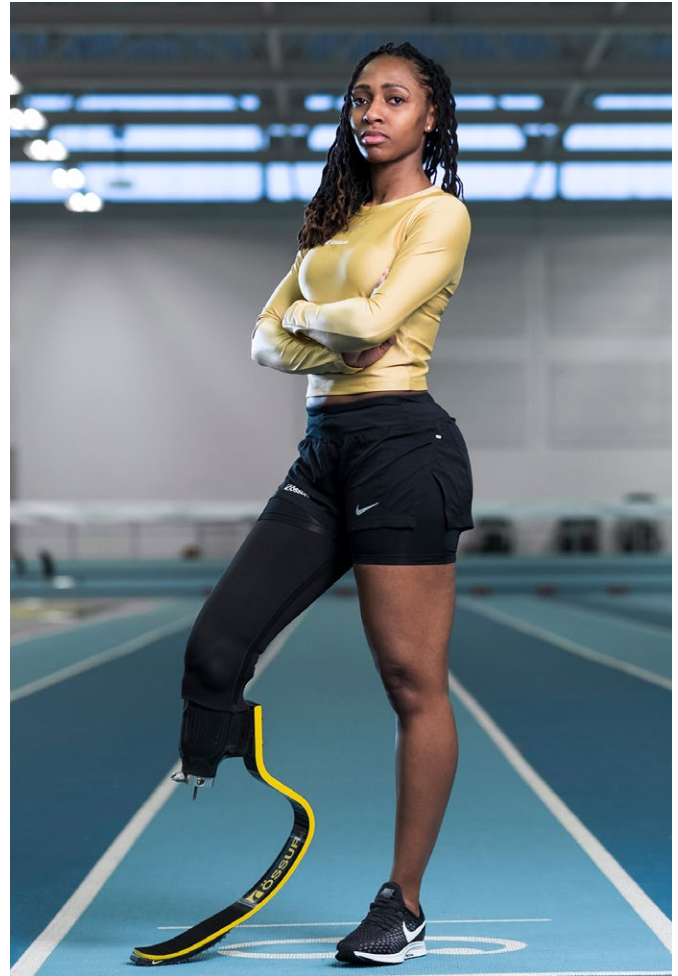
The remaining emission from Össur's operations was offset through VCS and Gold Standard emission reduction projects to support the UN Sustainable Development Goals. Össur chose four projects, reflecting the geographical areas in which Össur operates, and projects that both result in clear socio-economic and environmental benefits. All the projects are additional, meaning that without the income generated through the sale of certificates, they wouldn't be feasible at all.

## Reduced Environmental Impact of Products and Packaging

Throughout a product design phase, multiple decisions are taken that affect the environmental performance of a company, such as design and raw material choice, manufacturing methods, supply chain configuration and the choice of packaging materials. At Össur, a Product Environmental Sustainability project is ongoing where the goal is to establish internal processes for evaluating and improving the environmental performance of products and packaging throughout their whole lifecycle. This reflects the Company's commitment to contributing to SDG 12 on Responsible Consumption and Production. In 2021, the first steps were taken in introducing an internal Product Sustainability template with the aim of establishing a high-level overview of the environmental impacts of a product. We will continue this work in 2022.

Packaging is an important part of a product. Össur has a clear strategy on sustainable packaging with the aim of eliminating single-use plastics, increasing use of recycled material, reducing total material use and encouraging recycling and reuse of packaging materials. In 2021, Össur's successful project on re-designing packaging with a focus on sustainability was continued. In the new packaging for Össur's Cheetah® sports feet, a single-use plastic bubble wrap was replaced with a 100% paper-based insert resulting in only one type of material which enables easier recycling. No plastic lamination was applied, the material consists of 30% recycled content and recycling symbols were incorporated to guide the customer on how to dispose of the packaging material in a responsible way.

Össur's products are medical devices which must comply with strict regulatory requirements. All efforts towards improving environmental performance must be aligned with these requirements and thus the ability and rate of improvements are subject to them. In 2021, initial steps were taken in evaluating the feasibility of a take-back program for certain product groups and important information gathered. We strive to find the best solutions to move from a linear to a circular economy.



New Packaging for Cheetah®



## Waste Management

Good waste management is an important part of a responsible operations. At Össur, our goal is to use raw materials in the most efficient way and eliminate waste from processes. Decisions in the design phase play an important role here where Eco-design thinking and circular economy principles result in reduced pollution and lower disposal cost in operations. The primary raw materials used in Össur's manufacturing processes are metals, silicone, carbon fiber and plastics. Össur strives to continuously reduce waste from its operations through various improvement projects, and aims to increase the percentage of recycled and/or recovered waste. In 2021, the total waste generated was 1,360 tonnes and thereof, 67% were recycled and/or recovered. This resulted in waste intensity of 1.9 tonnes/mUSD, compared to 2.0 in 2020.

In 2021, Össur continued to participate in a project in Iceland where plastics are recycled locally through a collaboration with Pure North Recycling. Local solutions on the recovery and recycling of waste result in lower emissions as transport is minimized, increased circularity of materials and supports local employment.

Össur strives to continually improve the recycling of key raw materials and in 2021, efforts were made to find recycling options for carbon fiber, both from manufacturing of products as well as at end of product life. Some important milestones were achieved and this work will continue in 2022.

While the environmental impact of waste is important, the environmental impact of raw material production can be even more significant. This is why Össur is evaluating the raw material impacts in 2022.

Waste Management			
	2021	2020	2019
Total waste (tonnes)	1,360	1,220	1,850
Waste intensity (tonnes/mUSD)	1.9	2.0	2.7
% Recycled and/or Recovered	67%	65%	68%

### Waste Management

**67%**

Waste recycled  
or recovered





## Environment

The below reporting on environmental metrics is in accordance with the Nasdaq ESG guidance. Össur strives to continuously improve its Greenhouse Gas emission reporting with more extensive data from suppliers and service providers.

Environment				
<b>Össur's Environmental metrics are connected to the following frameworks:</b> <b>UNGC P7,P8 and SDG 12, 13</b>		<b>2021</b>	<b>2020</b>	<b>2019</b>
<b>E - 1</b>	<b>GhG Emissions in tonnes CO2 equivalents (tCO2e)</b>			
<b>1.1</b>	<b>Scope 1 - Direct emissions, tCO2e</b>	<b>1,700</b>	<b>1,800</b>	<b>2.000</b>
	Gas consumption for heating	500	500	500
	Fuel consumption in vehicle fleet	1,200	1,300	1.500
<b>1.2</b>	<b>Scope 2 - Indirect emissions, tCO2e - Market based*</b>	<b>250</b>	<b>5,000</b>	<b>5.000</b>
	Purchased electricity and heat - Location-based	5,000	5,000	5.000
	Purchased electricity and heat - Market-based*	250	5,000	5.000
<b>1.3</b>	<b>Scope 3 - Other relevant indirect emissions, tCO2e</b>	<b>9,970</b>	<b>9,330</b>	<b>15.490</b>
	Finished Goods Suppliers electricity consumption**	290	2,200	2.600
	Transportation of goods	7,950	4,700	5.800
	Waste treatment	130	130	190
	Business travel (Air, hotels, trains)	1,600	2,300	6.900
	<b>Total emission - Scope 1, 2, 3, (Market based), tCO2e</b>	<b>11,920</b>	<b>16,130</b>	<b>22.490</b>
	Retired Carbon Credits from emission reduction projects, tCO2e	11,920		
<b>E - 2</b>	<b>Emissions Intensity</b>			
<b>2.1</b>	<b>Total GhG emissions per revenue, tCO2e/USD Million</b>	<b>17</b>	<b>26</b>	<b>33</b>
	Revenues (USD Million)	719	630	686
<b>E - 3</b>	<b>Energy Usage</b>			
<b>3.1</b>	<b>Total energy directly consumed (MWh)</b>	<b>7,100</b>	<b>7,030</b>	<b>7.840</b>
	Gas consumption for heating	2,300	2,230	2.340
	Fuel consumption of vehicle fleet	4,800	4,800	5.500
<b>E - 4</b>	<b>Energy Intensity</b>			
	Total energy directly consumed per revenue, MWh/USD Million	10	11	11
<b>E - 5</b>	<b>Energy Mix</b>			
	% electricity from renewable energy sources ***	99%	24%	n.a.
	% electricity from other energy sources	1%	76%	n.a.
<b>E - 6</b>	<b>Water Usage</b>			
<b>6.1</b>	Total amount of water consumed (m3)	92,000	89,700	95.400
<b>E - 7</b>	<b>Environmental operations</b>			
<b>7.1</b>	Does Össur follow a formal Environmental Policy?	yes	yes	yes
<b>7.2</b>	Does Össur follow specific waste, water, energy, and/or recycling policies?	yes	yes	yes
<b>7.3</b>	Does Össur use a recognized energy management system?	yes	yes	yes
<b>E - 8</b>	<b>Climate Oversight / Board</b>			
	Does Össur Board of Directors oversee and/or manage climate-related risks?	no	no	no
<b>E - 9</b>	<b>Climate Oversight / Management</b>			
	Does Senior Management Team oversee and/or manage climate-related risks?	yes	no	no
<b>E - 10</b>	<b>Climate Oversight / Management</b>			
	Total amount invested, annually, in climate-related infrastructure, resilience, and product development	n.a.	n.a.	n.a.

\* According to the GHG Protocol Scope 2 Guidance, for the market-based method, all electricity purchased with canceled Energy Attribute Certificates (EACs) have an emission factor of 0

\*\* Össur purchased Energy Attribute Certificates (EACs) for the electricity used in the production of Össur purchased finished goods under the Össur brand. This use of renewable energy from purchased products is accounted for following the hybrid method in "Purchased goods and services" category in the GHG Protocol Scope 3 Guidance

\*\*\* All electricity consumed (except Clinics Australia), backed up with Energy Attribute Certificates (EACs) for the first time According to the GHG Protocol Scope 2 Guidance, all electricity purchases with canceled EACs have an emission factor of 0

# MEMORABLE MOMENTS



## 1996

In 1996, **Jon Sigurdsson was hired as Össur's President & CEO**. He led the company during its successful growth journey and was named among the 20 greatest business thinkers in the Nordics in 2013.

## 2009

After its initial listing on the Iceland Stock Exchange in 1999, Össur expanded rapidly through a series of strategic acquisitions. Significant ongoing investment in research and innovation has also been central to its growth and award-winning designs have ensured a consistently strong position in the market. **In 2009, Össur was listed on Nasdaq Copenhagen and celebrated its 20-year listing anniversary at Nasdaq in New York in 2019.**



## 2021

**Össur now has more than 2,000 patents and patent applications** and the Össur brand is protected by more than 500 trademark registrations. In 2021, the World Intellectual Property Organization (WIPO) ranked Össur second in the world for top patent applicants in conventional mobility assistive technologies.



# Social

## Access to Healthcare for Elderly Amputees

Össur believes it has a great responsibility towards people with impaired mobility, not only to design products that improve mobility, but equally to support third party initiatives to improve patient care and support. Proper prosthetic solutions allow amputees to become mobile again and live a Life Without Limitations®. Likewise, bracing & supports products provide hospitals and healthcare systems with alternative treatments which can postpone surgery and improve mobility.

### Improve Access to Healthcare for Amputees

Globally, only 30-40% of new lower limb amputees are fitted with a prosthetic solution. The average age is between 65-70 years and vascular related amputations are above 70%. Statistics demonstrate that if amputees in this age group do not become mobile, life-expectancy is materially reduced. Physical activity and exercise can have immediate and long-term health benefits and more importantly, regular activity can improve quality of life. Össur is adding special focus on designing products that support the needs of this age group.

## UN Sustainable Development Goal 3 - Good Health and Well-Being

Össur's main initiative supporting Goal 3 on Good Health and Well-Being is to design products that offer additional benefits for the elderly, increasing their independency and quality of life. At the end of 2021, Össur had launched three products that are specially designed for this user group, which is the same as last year. The ratio of ongoing prosthetic studies which will inform developers about the elderly customer group is 21% compared to 30% in 2020. The ratio of investigations is expected to fluctuate between years. This is due to cycle of the investigations and approval processes with authorities. Additionally, when involving elderly in clinical investigations various external factors need to be considered. Therefore, some fluctuation between years should not be seen as less commitment on Össur's behalf.

### 3 GOOD HEALTH AND WELL-BEING



### Goal 3 - Actions and Progress

	Target	2021	2020
New products specially designed for elderly users (2 of 3 products already approved by reimbursement authorities)	4 new products by 2024	3	3
Ongoing prosthetic studies which will inform developers about the elderly customer group	Ongoing	21%	30%
Availability of Products <sup>1</sup>	YoY increase	44%	44%
Availability of Products and Services <sup>2</sup>	YoY increase	27%	25%

1) Percentage of countries where Össur products are available

2) Percentage of countries where Össur provides both products and services (direct sales)



Example of a product which has been specifically designed for the elderly and low active population.



## Human Capital

We have around 4,000 employees working in 35 countries. While we are a diverse company, we work as one to improve people's mobility. Different ideas and points of view are beneficial to our business, and we believe in creating an environment where diversity, knowledge, skills, and strengths are fully utilized. As individuals, our employees can expect fair and equal treatment and equal opportunities for growth within Össur. Our employees take responsibility, both for their current job and for their career advancement. We offer various learning opportunities, so employees can build lasting and rewarding careers with us.

We have a Competency Framework within Össur that allows us to identify the behaviors that drive successful performance and supports our business strategy. Our competencies are collaboration, communication, driving results, customer focus and change. We have annual performance reviews, where we review the performance of the past year, plan for the performance of the coming year and create individual development plans. Regular check-ins are encouraged between employees and managers to discuss both performance and development of our competencies which are supported by Össur's Development Guide that lists training and development opportunities for each competency. All employees, regardless of their role or location, have access to thousands of online and virtual courses to learn and grow. All people leaders go through our LEAD program, a global leadership development program, where we identify attributes of a great leader and how to successfully lead at Össur. The LEAD program is a program for new leaders where they learn through experiences, guided exercises, feedback and coaching, and through peer learning. We also offer mentoring, 360 assessments, and 1:1 coaching to support the development efforts and to further grow our talented employees.

We measure our employees' engagement at least once a year and we are proud that our engagement and employee satisfaction is high. Our employees' passion, drive, and capabilities to help our customers are our greatest assets. At Össur, all employees have

the freedom of association, and the HR department engages in dialog with employees informing them of their rights on a regular basis. Currently 29% of employees are covered by collective bargaining agreements, this differs considerably per country.

## Diversity, Equity and Inclusion

Diversity, equity and inclusion are extremely important to us. At Össur, we have a passion for helping people pursue a Life Without Limitations®. We celebrate different ideas, perspectives and backgrounds. We are committed to creating a culture of acceptance and belonging, while proudly serving as a diverse, global community. To make a difference in this world, we embrace differences within the world. We place strong emphasis on the importance of creating and maintaining a diverse group of employees and know that diversity leads to better decisions and robust innovation.

We have set up global and regional diversity, equity and inclusion councils to set targets, implement actions and monitor our progress. We monitor and measure diversity and inclusivity on a continuous basis, making sure it is part of our company culture. We include questions on diversity and inclusion in our annual workplace survey. When employees are asked if everyone at Össur is treated fairly regardless of ethnic background, race, gender, age, disability, or other differences not related to job performance we scored 4.34 on a 5 point scale in 2021. We added an Inclusion Index (three questions related to inclusion) into our overall annual workplace survey to ensure our focus on an inclusive work environment, and we scored 4.07 out of 5 globally in 2021. An independent international vendor supports the annual workplace survey. We have increased training opportunities on diversity, equity and inclusion in our online learning system and we have a diversity dashboard available for our leaders so they can monitor the diversity of their teams. We offer flexible work arrangements for positions that can be done remotely, so that employees can more flexibly manage how and where they work, a benefit that many employees appreciate.

As part of our efforts to be an employer of choice in all markets and support diversity outside our organization, we launched the Össur Give Back Program in 2021, providing all employees with the opportunity to give back to their community by offering them one volunteer day per year.

In 2021, Össur added an option in our HR Information System for applicants, new hires, and employees to select non-binary as their gender for those that do not identify themselves as male or female. We will be rolling this out to various countries going forward.

The Össur recruitment strategy includes inviting an ever-increasing diverse population of candidates, which

we hope will translate to a more diverse employee population. As part of our recruitment outreach, Össur has contracted with the two largest job recruitment based websites available: LinkedIn and Indeed. LinkedIn is the largest professional social network spanning the globe and Indeed is the largest advertisement job board. Indeed postings include 33 separate and targeted job boards which include job boards for our Military Veterans of all services and job boards for people of color and women specifically. Through our outreach efforts we hope to increase the diversity of our candidate pools for all available positions and in turn hope this will increase the diversity within our employee population.



## Better together

At Össur we have a passion for helping people pursue a life without limitations. We celebrate different ideas, perspectives and backgrounds. We are committed to creating a culture of acceptance and belonging, while proudly serving a diverse, global community. To make a difference in this world, we embrace differences within the world.

50  
1971-2021



LIFE WITHOUT LIMITATIONS



## The Össur Women's Leadership Initiative to Encourage Diversity in the Industry

Since 2014, Össur has been committed to its Women's Leadership Initiative (ÖWLI). The aim of the initiative is to encourage greater diversity and inclusiveness in the Orthotic and Prosthetic (O&P) industry. The program is intended to support O&P practitioners by providing a forum that encourages interaction, community building and educational opportunities that serve the needs of the growing number of women in the field. The initiative is primarily focused on the US market but global interest and awareness in the program is growing.

Össur hosts annual conferences supporting this initiative and since inception, the conferences and

events have been very well received. In 2021, ÖWLI hosted virtual networking events and informative webinars. ÖWLI also hosted the first ever global Women in O&P Workshop. The virtual event, entitled Women in Innovation: Empowering the future of O&P, was attended by over 100 participants from over 12 countries. Distinguished speakers from Germany, Iceland, Scotland, South Africa and the United States covered a variety of relevant topics. Össur is the only manufacturer who has acknowledged the significant contributions of women in the O&P profession. ÖWLI will continue to offer events and content as part of Össur's ongoing commitment to our patients and to female professionals in the field.

### Women's Leadership Initiative Goals

- Engage inclusively with both men and women to provide development support to female practitioners.
- Bring awareness to gender biases in the workplace and practices that promote diversity.
- Create a forum for female practitioners to network and provide support to one another.
- Establish a greater number of female role models for future practitioners
- Create a positive and balanced perception of both male and female industry leaders.

## UN Women's Empowerment Principles

The Women's Empowerment Principles are a set of principles for businesses offering guidance on how to empower women in the workplace, marketplace and community. Össur signed the United Nations Women's Empowerment Principles in May 2014. Further measurements relating to gender split, employee turnover and other related measurements can be found on page 39.

UN Women's Empowerment Principles	Össur's Action Items or Policies in Place
Establish high-level corporate leadership for gender equality	✓
Treat all women and men fairly at work – respect and support human rights and nondiscrimination	✓
Ensure the health, safety and well-being of all employees regardless of gender	✓
Promote education, training and professional development for women	✓
Implement enterprise development, supply chain and marketing practices that empower women	
Promote equality through community initiatives and advocacy	✓

## Gender Equality - UN Sustainable Developments Goal 5

One of the SDG's Össur supports is Goal 5 on Gender Equality. This is an ongoing commitment and Össur has both measured and published gender split between employees as well as the gender split in management positions for years. Össur believes in diversity in its broadest sense and the importance of gender equality in the workplace, and society as a whole. Gender equality is not only fair, but it also makes economic sense to utilize the skills, strengths, and knowledge of all Össur employees equally.

The total number of employees compared to last year increased by 7%. In 2021 we had 47% women and 53% male employees, increasing the women

by 1 percentage point between years (46% women, 54% male in 2020). In 2021 women held 38% of the management positions, which accounted for 36% in 2020, an increase of 2 percentage points between years. The board of directors is composed of 3 men and 2 women, while the executive committee is composed of 1 woman and 6 men. As Össur will continue to grow through acquisitions we expect that from time to time these figures will be impacted. In general, at Össur we continuously aim our focus on increasing the number of female managers and maintaining the relative even gender split between employees.



### Goal 5 - Actions and Progress

	Target	2021	2020
Gender split among employees	50%, +/- 10 percentage points	47% Female 53 % Male	46% Female 54 % Male
Female Managers (percentage of total number of managers)	YoY increase	38%	36%
Össur's Women's Leadership initiative (ÖWLI) Encourage greater diversity and inclusiveness in the industry	Annual conferences and webinars	3 Webinars	6 Webinars



## Audit on Equal Remuneration

Since 2014, Össur has conducted an external audit on the equal remuneration for equal responsibility. In 2016, Össur decided to follow an Icelandic standard on equal remuneration for equal responsibility, IST 85:2012, which is audited by BSI. Össur had its first audit under the IST 85:2012 in 2017 and was among the first companies in Iceland to be audited in accordance with this standard.

As Össur is Equal Pay Certified, yearly audits are conducted. The most recent audit was completed in October 2021 and resulted in a salary analysis that is within statistical margin of error. This indicates that there is not a statistically significant difference in salaries between genders at Össur in Iceland. In our European and Emerging markets regions our aim is that all genders performing equal work receive equal pay. In the Americas, salary surveys on all employees are conducted annually as part of standard compensation review procedures and in accordance with the Equal Employment Opportunity Commission (EEOC).



## Diversity, Equity and Inclusion



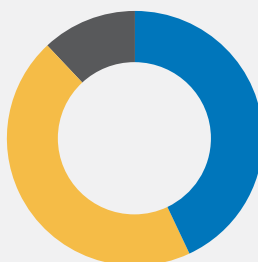
### Gender Ratio

- Male 53%
- Female 47%



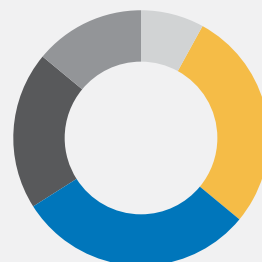
### Female in Management Positions

38%



### Education

- University Degree 44%
- Other 46%
- Vocational or Technical Training 10%



### Age

- 16-25 7%
- 26-35 28%
- 36-45 29%
- 46-55 20%
- 55+ 16%



## Occupational Health and Safety

Safety is Össur's first priority and the responsibility of everyone within the Company. Össur's Safety Management System focuses on Employee Safety, Operational Fire Safety and Employee Participation. The goal is to ensure a safe and healthy workplace through an active employee awareness and training program.

In 2021, Össur continued to be impacted by the COVID-19 pandemic and all measures were taken to adhere to national and regional regulations.

### Employee Safety

Össur has a Job Safety Analysis program where job related risks are actively identified and eliminated to prevent incidents from happening. In 2021, 168 action items were implemented in this program, which is an 8% increase from 2020. This resulted in reduced job safety risks, reflected in only 8 recordable incidents occurring in 2021 which is an all-time low. The Total Recordable Incidents per 100 employees was 0.5, compared to 0.7 in 2020.



Recordable Incidents						
	2021	2020	2019	2018	2017	2016
Recordable Incidents per 100 employees	0.5	0.7	0.6	1.1	1.3	1.6
Number of recordable incidents	8	14	14	23	25	21



## Operational Safety

To ensure operational fire safety, fire safety audits were done quarterly in 19 locations, both in Össur locations and at the Company's largest finished foods suppliers. Össur has a clear emergency response procedure in place in our largest locations where all relevant employees have received appropriate training.

Various chemical products are used in the design and manufacturing of medical devices. One of Össur's legal obligations is to ensure employee access to the Safety Data Sheet (SDS) for chemical products being used or potentially exposed to during work. Through an effective SDS system and active education, Össur strives to substitute hazardous chemical products with less hazardous ones, both to improve employee safety but also to reduce pollution from hazardous waste.

## Employee Participation

Employee participation is fundamental in maintaining a culture of continual improvement. Össur's employees are encouraged to submit suggestions on how to improve safety in their work area. In 2021, the total number of implemented employee suggestions on workplace safety was 590.



## Safety Policy

Safety is our first priority and part of everything we do.

Össur operates at all times in accordance with relevant health and safety standards, and all employees are committed to providing a safe and hazard free workplace. Continuous improvement and preventive measures are the key to our safety program.

**590**

Employee suggestions on improved workplace safety were implemented

**0.5**

Recordable Incidents per 100 FTE's, improved from 0.7 in 2020

**3.6 / 4.0**

Score in Fire Safety audits done quarterly in 19 locations

**8%**

Increase in JSA action items implemented, compared to 2020

## Suppliers

Össur manufactures its products in five countries. The two main manufacturing locations are in Iceland and Mexico. Smaller locations are in the UK, France, and the United States. In addition, Össur has product suppliers in Asia, which mainly manufacture bracing & supports products. The Company's main distribution centers are in The Netherlands and the United States. All manufacturing locations and distribution centers have adopted lean manufacturing processes in addition to extensive loss prevention initiatives which are focused on both personal and plant safety.

### Responsible Supply Chain

Össur is committed to responsible social and environmental development, respecting human rights, and contributing to making a positive impact. Cooperation with Suppliers is an integral part of achieving this, and Össur has established processes for supplier evaluations allowing for partnership and improvements. In addition to the ongoing supplier evaluation process, Össur will implement an enhanced supplier due diligence process in 2022 which includes more in-depth analyses and screening of suppliers through a third-party tool. In connection to this, the supplier management process will be re-evaluated and re-structured as needed to better align all processes for the supply chain.

In addition to the re-evaluation of the processes, policies and codes will be updated, including Össur's Supplier Code covering Human Rights, Health & Safety, Working Environment, Environmental Compliance and Anti-Corruption. Suppliers also have access to the Company's Speak-Up Line to report incidents and issues. In remediating any issues, Össur engages with its suppliers through risk and safety seminars, education and training, and improving processes and risk awareness. However, Össur reserves the right to disqualify any potential supplier or terminate any relationship with a current supplier that does not meet the Company's requirements and is not willing to cooperate on improvements.

## Raw Material Suppliers

Össur has over 800 active suppliers, of which about 200 are considered critical. Annually all critical suppliers are reviewed and those that have had quality issues are re-evaluated. Suppliers are either approved with exemption, or not approved. If a supplier is approved with exemption certain follow up actions are required. Suppliers who do not deliver results in line with, or above the Company's target, are offered the opportunity to adapt accordingly, and in some instances, suppliers are replaced.

### Product Suppliers

The Asia manufacturing and sourcing team consists of 12 people. The team is responsible for the product suppliers in Asia, i.e., suppliers that fully manufacture products for Össur. At year-end 2021, Össur had 20 product suppliers in Asia, 11 major product suppliers and 9 minor product suppliers. The team works closely with our suppliers and on average there are one to two Össur employees at each supplier site up to three days every week. Despite the COVID-19 pandemic Össur has managed to maintain the same frequency of inspections performed by Össur employees. For external social and compliance audits, Össur has partnered with TÜV in Hong Kong which audit Össur's product suppliers annually. These audits are in addition to inspections performed by Össur employees. The COVID-19 pandemic had material impact on external audits during 2020, however most major suppliers were audited during 2021.

Össur and its partners are instructed to follow a code of conduct and all contracts address human rights clauses with special focus on compensation and health and safety. In the past years, Össur has engaged with its suppliers to improve their property risk profile by hosting property risk and safety seminars, educating and training the Company's strategic product suppliers in order to improve processes and risk awareness. Össur uses the results to help suppliers make progress and develop their operations.



## Product Quality & Safety

Össur is committed to delivering high quality, reliable and safe products to our customers and end-users.

### The Quality Management System

Great emphasis is placed on quality, and it is an intrinsic part of our processes. Össur has had a certified Quality Management system in place since 1993 which is based on ISO management standards and complies with the applicable medical device regulations in the countries that Össur sells to. The system has globally aligned processes to manage quality and risks throughout product development, production, delivery and post-market surveillance. The Össur product lifecycle process is governed through an approved quality process. The process governs the product from product concept all the way through to product discontinuation. Pre-defined gates where members of the executive management team are present ensure that Össur products are managed at every step of the lifecycle to ensure quality and safety.

The quality system is certified to the international Medical Device Standard ISO 13485:2016. In addition, key locations are also certified according to MDSAP, or the Medical Device Single Audit Program, which is audited on an annual basis and covers compliance with local standards in addition to regulatory requirements in Australia, Brazil, Canada, Japan and the United States.

All Össur locations that are responsible for global development, production, distribution, registration, and post-market surveillance of Össur products are certified. The quality management system and the environmental management system are both built on the same ISO foundation. Össur's largest manufacturing and distribution sites and clinics have a certified environmental management system according to ISO 14001:2015. Total external full day audits on ISO standards, regulations and MDSAP conformity were 34 in the year 2021.

### Quality Policy

We strive to provide products and services to exceed customers' expectations. Strongly focused on continuous improvement, we monitor and respond to needs, complying with all regulatory requirements.

**34**

External Full Day  
Audits on ISO  
standards, regulations  
and MDSAP conformity

**120**

Countries in which  
Össur medical devices  
are sold and registered

Össur's certification  
provider and notified  
body is

**bsi.**

Össur is  
**MDSAP**  
certified

Össur's certification service provider is BSI, a leading organization that has a global footprint and extensive experience with medical devices. BSI is a designated European Notified Body, UK Approved Body, an accredited ISO 13485 Certification Body and a recognized auditing organization under the MDSAP program. Össur has extensive global reach and our products are sold in over 120 countries. In those countries the products are registered as necessary in accordance with regulations on medical devices. Össur's global quality management system is setup to comply with strict international medical device standards and regulations and is continuously evolving as the regulations and standards expand and change.

Certifications of Össur Sites			
	ISO 13485:2016	MDSAP	ISO 14001:2015
Reykjavik, Iceland	✓	✓	✓
Eindhoven, The Netherlands	✓		✓
Foothill Ranch, California, USA	✓		
Tijuana, Mexico	✓		✓
Philadelphia, New Jersey, USA	✓	✓	✓
Livingston, UK	✓		



## The MDR

The new European Medical Device Regulation (EU) 2017/745 (MDR) came into effect in late May 2021. The aim of the regulation is to ensure patient safety, increase transparency, and enhance the quality of medical devices. The regulation introduces a large-scale change to the regulatory framework of medical devices sold in the European Union, including, but not limited to: increasing requirements for clinical investigations and evaluations, strengthening of post-market surveillance, new labeling requirements, and introduction of a unique device identifier (UDI).

Össur was well prepared and fully ready for the regulation to take effect. The Company's extensive globally-aligned quality management system has been updated to the MDR requirements and it has gone through a successful system audit by Össur's notified body BSI. Products with higher risk class need to be MDR-certified before 26 May 2024. Össur has already obtained an MDR-certificate for the first products in this class.

## Össur MDR Changes

Every aspect of the Quality Management System has been updated and product documentation has been revised in order to comply to the MDR changes.

Össur Quality Management System and all class I products had to be compliant by 26 May 2021, which was successfully completed.

Össur has received a MDR certificate from BSI Netherlands for new innovative bionic knee products (Power Knee™ and Mobili Knee™).

## Customer Feedback

Össur values feedback from our customers in relation to products and services. Össur regularly conducts surveys among its customers and monitors feedback carefully. All feedback, complaints and adverse events are evaluated and analyzed on an individual basis, and on average Össur responds to its customers in less than 30 days.

Feedback received from customers is used as one of the key attributes when R&D is working on product improvements as well as development of new products.

Dedicated Quality Centers within Össur play a key role in coordination and alignment with various departments, allowing Össur to provide quality products and increased safety for users. The Quality Centers are responsible for successful closure of all complaints globally in cooperation with all Össur locations responsible for complaint handling and management. Össur strives to secure user safety and uses industry standard ISO 14971:2019, Risk Management Standard for Medical Devices as the main method with the support of internal and external test labs to verify product quality prior to market release. Feedback on devices placed on the market is also used as one of the key attributes in assessment of risk.



## Product Field Safety Actions

Össur is committed to delivering safe and reliable products to end-users. If customer feedback or internal controls reveal any risk in the use of already distributed products, Össur will initiate a voluntary Product Field Safety Action to either remove (recall) the products from the market or provide a safety alert with instructions for safe use of the product.

### Össur initiated three global Product Field Safety Actions in 2021:

#### Miami J® Select

In April 2021, Össur removed (recalled) certain production lots of the Miami J Select neck collar, due to a potential deformation failure that could result in reduced immobilization when using the collar.

In September 2021, Össur initiated a Field Safety Notice to provide healthcare providers with updated Instructions for Use to facilitate the selection and safe use of the device.

#### ReSolve® Halo

In December 2021, Össur initiated a Field Safety Notice to warn of a potential sterility failure connected to packaging issues during transit. Customers are guided to inspect the product and return any damaged packaging.

No injuries connected to these field safety actions have been reported to Össur to date.

## Materials

Össur is mindful when it comes to selecting materials and substances used in Össur products. All products have been evaluated for biological safety and are safe for their intended purpose. In some cases, animal testing is necessary due to legal requirements and safety assessments. A large part of Össur products does not need specific biocompatibility testing due to the nature of the product. In cases where products come into contact with human tissue, Össur performs biocompatibility testing as appropriate according to the latest ISO 10993 biocompatibility standards through accredited laboratories to ensure safety. Össur supports the principle of reduce, refine, and replace animal use in testing where feasible. Össur is experiencing increased attention from customers and markets on materials and substances and will increase focus on this important topic in 2022.



3

Global Field Safety  
Actions performed  
in 2021

0

FDA Warning  
Letters in 2021

## Trials and Transparency

### Clinical Investigations

In research and development, Össur relies on clinical and biomechanical evidence and health economic data to develop valuable concepts for individuals and healthcare systems. All clinical investigations and research activities sponsored by Össur follow clinical investigation protocols, respecting participants' rights and ensuring safety and well-being, in accordance with the Declaration of Helsinki. Clinical investigations are an important component of the development process for evaluating the performance, safety, and potential benefits of a product.

### Clinical Standards and Transparency

Össur's Executive Vice President of Research and Development has overall responsibility for the research program and to ensure compliance with all ethical and industry standards, namely ISO 14155:2020. All investigations performed by Össur, or third parties Össur cooperates with, follow protocols approved by an ethical committee. All clinical investigations conducted within the jurisdiction of the European Medical Device Regulation (MDR) are registered in the EUDAMED database, and the reports are shared with the relevant Competent Authority. When applicable, clinical investigations are registered on clinicaltrials.gov. In addition, results from pivotal investigations are offered for publication in peer reviewed journals.

Össur has training programs in place related to clinical investigations, including training in Good Clinical Practice (GCP) for employees directly involved in the investigations to ensure compliance with standards and regulations. Furthermore, employees in sales and marketing receive training on clinical benefits and claims statements.

Össur product marketing material is governed through the compliant marketing material process within the Quality Management System where it is ensured that published marketing material is consistent with the approved clinical claim statements and benefits.

## Human Rights

Össur respects and supports internationally recognized human rights, including labor rights as stated in the UN Guiding Principles on Business and Human Rights, as framed in the first six principles of the UN Global Compact. Össur has a Human Rights policy supporting all internationally recognized human rights, including labor rights. As stated in Össur's Policy, the Company is committed to complying with all applicable laws, rules, and regulations in relation to human rights, which covers areas such as forced labor, slavery, child labor, sex trafficking, human trafficking, workplace abuse or any other form of discrimination as outlined in Össur's Human Rights Policy.

Össur encourages its employees to report any suspected violation of its policies and has a Speak-Up line accessible for employees and other stakeholders. Össur prohibits any retaliatory actions against good faith reporting of actual or suspected violations. Furthermore, Össur expects its business partners and all other strategic partners to understand and address the Company's expectations related to human rights. Read Össur's Human Rights Policy in full at [ossur.com/policies](https://ossur.com/policies)





## Össur Give Back Program

Össur has long placed emphasis on making a positive contribution to the local communities where we do business.

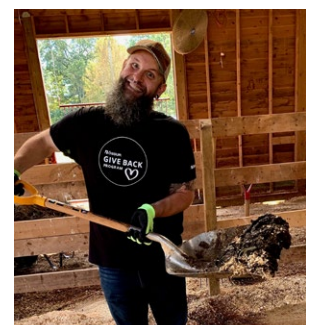
Introduced in 2021, the Össur Give Back Program offers all employees globally, one volunteer day per year to give back to their communities. We encourage our team members around the world to work with local causes and charities to make a difference.

In its first year, the Give Back Program was well received by Össur employees who participated in volunteer activities in their communities.



### Diverse causes and charities benefited from donated working hours, such as the following:

- South Jersey Food Bank
- Newburgh Farm and Food Initiative
- Woodstock Farm Sanctuary
- Beach clean-up in Southern California
- Park clean-up in Ohio
- Cathedral Kitchen in New Jersey
- River Kids Charity in Scotland
- Reykjadalur summer camp for disabled kids and youngsters
- Reykjavik Forestry Association
- Beach clean-up on the Reykjanes Peninsula
- Iceland Family Aid
- Forest clean-up in Poland
- Sports day for the visually impaired in the Netherlands
- China Association of Persons with Physical Disability





## Ramp Up Reykjavik

Another community initiative Össur participated in was the Ramp Up Reykjavik project. Initiated in March 2021, the goal was to help local businesses in Iceland to install wheelchair ramps to improve accessibility for people with disabilities. Össur was one of the founding members of the project, spearheaded by entrepreneur Halli Thorleifsson. Not only did the project meet its initial goal of installing 100 ramps around the capital four months ahead of schedule, but the surplus funds will also be used to fund additional ramp access in Reykjavik and other towns in Iceland. "All the founding members, planning authorities, restaurants and shops in the area really pushed the boat out to get the ramps set up and we had a lot of support from the start," said Halli Thorleifsson.



## Össur Mobility Clinics

For over 25 years, Össur has partnered with the Challenged Athletes Foundation to host running and mobility clinics. Held at various locations across the US, throughout the year, these free clinics provide opportunities for amputees to learn techniques from world-renowned gait experts, Össur athletes and CAF mentors with the goal of helping individuals move better and more confidently with their prosthesis.

Össur Mobility Clinics have also been held in South Africa, Australia, and other countries over the years. In November 2021, a successful Össur Mobility Clinic was held in South Africa and the participants were excited to be with their peers for the first time in over two years. The event was an inspirational and supportive forum connecting people of all ages and abilities.



## Community Support

Össur supports and partners with a wide range of organizations around the globe. As a leading orthopaedic manufacturer, it is the Company's responsibility and privilege to champion the industry and serve patients and practitioners in every way possible. A few of the Company's larger initiatives are:

### Challenged Athletes Foundation (CAF)

The Challenged Athletes Foundation (CAF) and Össur have partnered together for over 25 years to ensure that individuals with limb difference have access to innovative sports prostheses, expert coaching, and instruction on how to use them.

### Danish National Olympic Committee & Sports Confederation (DIF)

DIF coordinates with 9,000 in-country sports organizations, has a membership of nearly 2 million people, and is dedicated to further developing Danish society by promoting the importance of physical activity as a national priority.

### Iceland Sport Association for the Disabled & The National Paralympic Committee of Iceland

Össur has been a proud supporter of the Iceland Disabled Sports Association and National Paralympic Committee for three decades.

### International Confederation of Amputee Associations (IC2A)

Össur is a corporate member of the International Confederation of Amputee Associations (IC2A); an alliance that shares experiences, knowledge and best practice to inspire improvement in the quality of life of amputees and individuals born with limb deficiency.

### Team Össur

Team Össur is an accomplished group of elite international athletes and sporting role models. Team Össur includes athletes from world-class triathletes to accomplished track and field athletes. Athletes like these are important for our community to demonstrate to others that they should follow their dreams and not look at their condition as a disability.

### Amputee Coalition of America (ACA)

A national U.S. non-profit formed in 1989 to offer continued education, mentoring, peer support and consumer advocacy.



## Political Involvement

It is Össur's policy to not actively engage in political activity or publicly support or advocate specific political parties in the communities or countries where we do business. Össur does not make financial contributions to political parties. While Össur employees may participate as individual citizens in the political process, decisions to do so are entirely personal and voluntary, and they are personally responsible for their views and actions.

Only Össur Executive Management team members or those selected by the CEO may publicly express the Company's views on legislation, regulations, or government action. Other employees may communicate the Company's views only with specific guidance from the CEO or Executive Management team members.

Public policy issues have the potential to impact Össur's business, its employees, business partners, shareholders, and the communities in which the Company operates. Össur believes that in certain cases it may be appropriate, and in Össur's best interests to contribute or pay membership fees to trade and industry associations and coalitions that are engaged in political activity. The use of any Company funds for contributions to Industry Associations must be approved by the head of the relevant business unit.

## Donations

Össur's strategy is to ensure that monetary donations are meaningful and benefit both the local community and Össur. Össur's donations are primarily focused on supporting people with inequalities through activities that either seek to empower our users, support the local community or engage our employees. Part of Össur's donations are also in the form of the Company's products, services or expertise. Össur does not make donations to political parties or any sort of political activities.





## Social

The below reporting on social metrics is in accordance with the Nasdaq ESG guidance.

Social Metrics					
		Connection to Frameworks	2021	2020	2019
<b>S - 1</b>	<b>CEO Pay Ratio</b>	<b>UNGC: Principle 6</b>			
1)	CEO total compensation to median FTE total compensation*		37	23	21
2)	Does your company report this metric in regulatory filings? Yes/No		Yes	Yes	Yes
<b>S - 2</b>	<b>Gender Pay Ratio</b>	<b>UNGC: Principle 6</b>			
	Equal pay audit		Yes	Yes	Yes
<b>S - 3</b>	<b>Employee Turnover</b>	<b>UNGC: Principle 6</b>			
1)	Year-over-year change for full-time employees		19%	17%	10%
2)	Year-over-year change for part-time employees		n/a	n/a	n/a
3)	Year-over-year change for contractors and/or consultants		n/a	n/a	n/a
<b>S - 4</b>	<b>Gender Diversity</b>	<b>UNGC: Principle 6, SDG 5</b>			
1)	Total enterprise headcount held by men and women		M 53%/ F 47%	M 54%/ F 46%	M 51%/ F 49%
2)	Entry- and mid-level positions held by men and women		M52%/ F48%	M52%/ F48%	M62%/ F38%
3)	Senior- and executive-level positions held by men and women		M64%/ F36%	M66%/ F34%	M74%/ F26%
<b>S - 5</b>	<b>Temporary Worker Ratio</b>	<b>UNGC: Principle 6</b>			
1)	Total enterprise headcount held by part-time employees		8%	9%	8%
2)	Total enterprise headcount held by contractors and/or consultants		107	144	124
<b>S - 6</b>	<b>Non-Discrimination</b>	<b>UNGC: Principle 6</b>			
1)	Does your company follow a sexual harassment and/or non-discrimination policy? Yes/No		Yes	Yes	Yes
<b>S - 7</b>	<b>Injury Rate</b>	<b>SDG 3</b>			
1)	Total Recordable Incident Rate per 100 employees		0.5	0.7	0.6
<b>S - 8</b>	<b>Global Health and Safety</b>	<b>SDG 3</b>			
1)	Does your company follow an occupational health and/or global health & safety policy? Yes/No		Yes	Yes	Yes
<b>S - 9</b>	<b>Child &amp; Forced Labor</b>	<b>UNGC: Principle 4,5</b>			
1)	Does your company follow a child and/or forced labor policy? Yes/No		Yes	Yes	Yes
2)	If yes, does your child and/or forced labor policy cover suppliers and vendors? Yes/No		Yes	Yes	Yes
<b>S - 10</b>	<b>Human Rights</b>	<b>UNGC: Principle 1,2</b>			
1)	Does your company follow a human rights policy? Yes/No		Yes	Yes	Yes
2)	If yes, does your human rights policy cover suppliers and vendors? Yes/No		Yes	Yes	Yes

\* Comparable numbers for 2020 corrected from last year's report

# Team Össur Paralympic Success

The Paralympic Games took place in Tokyo in September 2021 after having been postponed for a year due to the pandemic. A global team of athletes who use Össur Prosthetics won 28 medals and set new World and Paralympic Records. Competitors using the iconic Össur Cheetah® sports blades, easily identified by their yellow stripe, dominated several categories of competition, particularly Athletics.



Össur athletes set four new World Records and three new Paralympic records, including a complete sweep of the Women's T62-64 Long Jump, led by gold medalist Fleur Jong of The Netherlands, who also set a new World Record in the event. Marie-Amélie Le Fur from France, won the silver medal and Marlene van Gansewinkel, also from the Netherlands, won the bronze medal. Marlene also set two new Paralympic Records while winning gold in both the T64 100m and 200m events.

Össur athletes also swept the Men's T61 200m, led by gold medalist Ntando Mahlangu of South Africa, followed by the Great Britain's Richard Whitehead. Ntando also set a new World Record and took gold in T61/T63 Long Jump. Germany's Markus Rehm, continued his winning streak in T64 Long Jump, winning his fourth consecutive gold medal and leading a total sweep by Össur athletes in that category.

In Cycling, Jody Cundy marked his seventh consecutive Paralympic Games by setting a new World Record and taking gold as a member of Great Britain's Team Sprint Cycling, as well as a silver in the individual 1km Time Trial. In Wheelchair Fencing, Italy's Bebe Vio successfully defended her gold medal in the Foil B individual event and earned an additional silver medal as a member of Italy's Foil B Team.

It was an extraordinary time for sport and the athletes who participated not only overcame the postponement of the Games, but also the considerable challenges of competing during a global pandemic. Their determination and resilience rose to new heights with incredible performances. If Össur athletes were counted as a country, Össur's gold medal wins would have ranked it as 13<sup>th</sup> overall among all 162 participating nations.



# Governance

## Corporate Governance

Össur hf. is an Icelandic company listed on Nasdaq Copenhagen. Össur communicates with its shareholders and other stakeholders about the Company's financial and business developments in an open and honest manner. Össur provides investors, analysts, and other stakeholders with information on a regular basis through quarterly financial statements and other press releases. Every year, Össur hosts investor meetings and teleconferences with the President and CEO and the Chief Financial Officer, following quarterly reports and other key events. As a listed company, Össur complies with all relevant rules and regulations, and applies the Danish Recommendations on Corporate Governance. The Recommendations are the best practice guidelines for companies admitted to trading on a regulated market in Denmark. Össur issues an annual Corporate Governance Report and Remuneration Report, both available on the Össur website [www.ossur.com/IR](http://www.ossur.com/IR).

## Governance of Compliance

### Governance of Compliance, Ethics and Security

The Compliance & Security Governance Charter (hereafter, "the Charter"), adopted by the Audit Committee on 26 April 2021, sets out the governance structure, framework and roles and responsibilities within Össur regarding Compliance, Ethics and Security. The Charter's scope includes Compliance & Integrity (including Code of Conduct and Anti-Bribery and Anti-Corruption (ABAC)), and Security & Privacy. Governance of compliance, ethics and security is provided at three levels, by the Audit Committee, the Compliance & Security Committee, and the Compliance & Security Functions.

1. The Audit Committee of the Board of Directors provides oversight over Compliance & Security, approves the annual strategy and monitors execution of the annual work plan, and supervises escalated Compliance & Security incidents. The Audit Committee meets twice per year to review the Compliance & Security report including KPIs.
2. The Compliance & Security Committee consists of members of the Executive Management—including the CEO and two EVPs, ensuring the right tone at the top—, the VP of Legal, the Director of Compliance & Integrity and the Director of Security & Privacy. The Committee is responsible for review and approval of the yearly work plan, supervision and support of the execution of the Compliance & Security strategy, and mediation and reconciliation in case of compliance or security conflicts. The Compliance & Security Committee meets eight times per year.
3. The Compliance & Security Functions are two separate teams, headed by the Director of Compliance & Integrity and the Director of Security & Privacy, respectively. Their main roles & responsibilities are daily execution, oversight and reporting of compliance and security activities, including risk assessment, policy creation, training and awareness, and managing and investigating incidents.



## Global Compliance & Integrity Department

Össur has operations in more than 35 countries and distributes its products worldwide. To ensure that we conduct our business fairly and ethically, the Company appointed a Global Director of Compliance & Integrity, and rolled out a comprehensive, three-year compliance program in 2020. Originally based on a risk assessment performed by external consultants, Össur prioritized its efforts in building a global compliance & integrity function and program, increasing maturity and scalability across different compliance areas. As a result, the compliance program is risk-based and focuses on bribery and corruption, sanctions and financial crime, competition, and antitrust risks.

### Three Lines of Defense

1. Management is responsible in the First Line for assessing, mitigating and monitoring compliance and integrity risks.
2. The Compliance & Integrity Department, in the Second Line of Defense, advises, guides and supports Management in their compliance and integrity responsibilities, runs the Össur Speak-Up Line and investigates incidents, and tracks and reports compliance and integrity KPIs to the Compliance & Security Committee and the Audit Committee.
3. Internal Control acts as the Third Line of Defense, providing oversight and assurance over the Compliance & Integrity program.

The Compliance & Integrity Department is a small team (four FTEs in 2021), responsible for global implementation of the Compliance & Integrity program. For compliance and integrity, the team also relies on the Governance, Risk & Compliance framework Three Lines of Defense. Finally, Össur will create a Compliance & Security Ambassador network group in 2022, consisting of employees in other functions who can help raise awareness and support compliance and integrity activities and responsibilities in the business.



## Ethics and Integrity

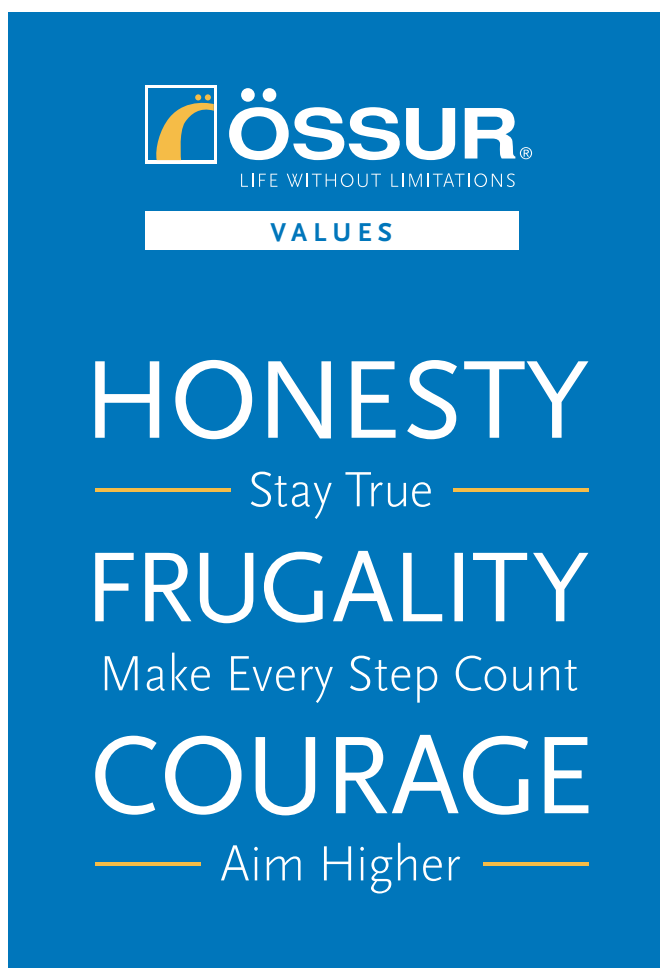
### New Code of Conduct

In 2021, in honor of its 50<sup>th</sup> anniversary, Össur created a new Code of Conduct, based on the Company's values – Honesty, Frugality, Courage, together with a group of over 30 employees from different functions, regions and seniority, to reflect the diversity of the Össur employee base and our global business and operations. The Compliance & Security Committee, the Executive Committee and the Audit Committee reviewed and approved the Code of Conduct in Q4 2021, and it was communicated successfully to all Össur employees.

The new Code of Conduct applies to all employees globally, including the Board of Directors and those working at Össur Clinics. It will be made available in the main languages of Össur office locations and operations. All employees will be trained and certified on the Code of Conduct with a new e-learning in 2022, also made available in multiple languages. New employees will be trained on the Code of Conduct within one month of their employment with Össur.

Sustainability is firmly anchored in our Code of Conduct. In addition, Össur has various policies in place to give practical guidance to all employees on compliance and integrity. Össur is seeing the benefits of taking a holistic view of relevant risks and combining efforts in the broad range of compliance activities. We believe this will have a positive, long-term effect on our business, employees, environment, and societies worldwide.

Please view our new Code of Conduct [here](#).



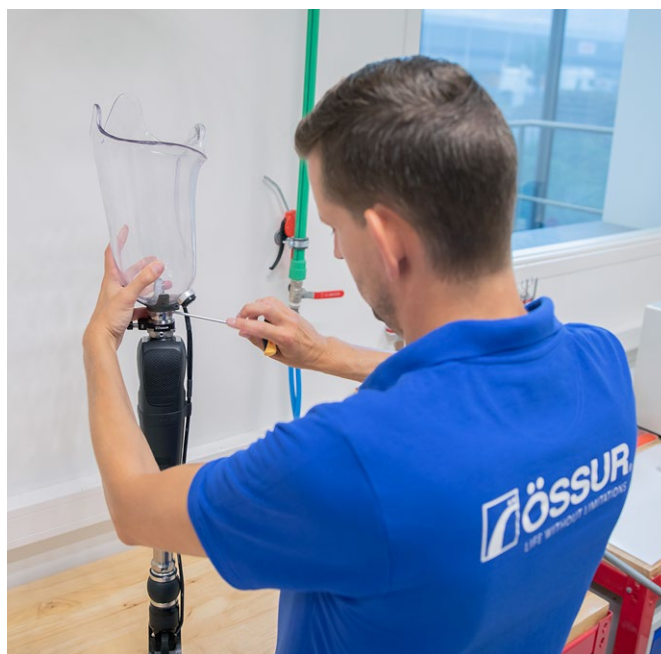
ÖSSUR<sup>®</sup>  
LIFE WITHOUT LIMITATIONS

VALUES

**HONESTY**  
— Stay True —

**FRUGALITY**  
Make Every Step Count

**COURAGE**  
— Aim Higher —





## Össur Speak-Up Line

Towards the end of 2020, a global whistleblower and helpline system was implemented at Össur, called the Össur Speak-Up Line. The Össur Speak-Up Line is hosted by an independent external party, ensuring compliance with all local regulations and the General Data Protection Regulation. It is operated and monitored by the Össur Compliance and Integrity Department, which is also responsible for triaging, investigating, and solving issues and reports, in line with our Investigation Management policy and manual. In 2020, a group of 16 employees in Human Resources was trained on how to conduct investigations. This training will be repeated to a larger group in 2022.

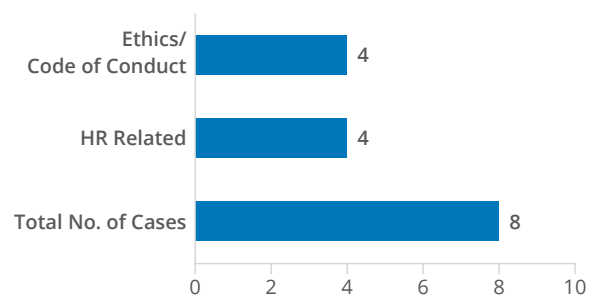
Everyone who makes a report in good faith is guaranteed protection from retaliation and all reports are treated confidentially. The Össur Speak-Up Line is available 24 hours every day of the year to anyone wishing to file a report, ask a question, or make a complaint. The Speak-Up Line is open to employees,

customers, and all third parties of Össur. Reports can be filed online or through any mobile browser, both anonymously or not. Finally, the Speak-Up Line is available in all languages of the countries in which Össur has offices and operations.

The Össur Speak-Up Line is an important part and features prominently in our new Code of Conduct and is strongly connected to the Össur value Courage. We encourage all employees to freely speak up about any issue or incident, as we can only solve issues once we learn about them. We have received, investigated, and solved eight reports in the Speak-Up Line in 2021, and initial feedback on the process of reporting, investigating, and solving these issues has been positive. In 2022, we will continue communicating the importance of speaking-up and non-retaliation, together with the new Code of Conduct training, so that employees will feel safe to report issues, ask questions, or seek guidance.



Cases Reported to the Speak-Up Line in 2021





## Anti-Bribery and Anti-Corruption

Our values - Honesty, Frugality and Courage - all reflect our commitment to conduct our business fairly and with integrity, to use Company's assets wisely, and to speak-up when confronted with unethical situations. As such, Össur fully subscribes to Principle 10 of the UN Global Compact: We will work against corruption in all its forms, including extortion and bribery.

Bribery and corruption are prohibited, and Össur does not authorize nor tolerate any business practice that does not comply with the ABAC Policy or law or regulation against bribery and corruption. The ABAC Policy describes the many forms bribes can take, including facilitation payments. Facilitation payments are generally prohibited, unless expressly allowed by the jurisdiction in which Össur conducts business. Even then, Össur cautions against facilitation payments and requires prior consultation with the Compliance & Integrity Department.

In 2022, employees will receive training on the new ABAC policy, especially those in high-risk regions or areas, through a combination of e-learning and live integrity dilemma workshops on how to act in different ethical situations. All employees will be made aware of bribery and corruption risk through the annually required Code of Conduct training.

## Cybersecurity Program

### Data Privacy

To be able to conduct business and provide service to customers, Össur needs to collect and handle personal data. It is Össur's priority to treat data with the utmost respect and confidentiality. Most countries have legislation in place obligating companies to handle personal data securely. Össur has established a formal privacy governance structure, Compliance & Security Committee, reporting to the Össur Audit Committee. To ensure compliance with Data Privacy legislations,

Össur has established procedures, updated policies and facilitated awareness trainings about data privacy via internal announcements, e-learning, and a dedicated intranet site as well as training sessions for relevant employees. The Össur Global Data Protection Officer leads Össur coordination for privacy using GDPR, and other applicable legislation, and ISO 27701 as our main framework.

## Information and Cybersecurity

Protecting Össur information assets is a priority. Össur security is supported by formal policies and procedures issued by the Össur Compliance & Security Committee (CSC) and Global Security & Privacy Director reporting to the CSC. The Össur information security framework is based on ISO27001 and published on the Össur intranet, accompanied with training and awareness material. Össur is constantly monitoring for any possible breaches and cyberattacks that would trigger Össur incident response procedures. Internal audit and maturity assessment of Össur security implementation is conducted yearly and reported to the CSC and Össur Audit Committee.



## Ethical Marketing Program

Össur markets its product primarily to healthcare professionals. Össur respects and understands the boundary between the expertise of the healthcare professionals and Össur's expertise in relation to our products. Össur's Global Code of Conduct guides employees regarding interaction with healthcare professionals as well as the Company's Travel and Entertainment policy. Employees in sales and customer service receive the relevant training.

Medical Office is responsible for all clinical investigations and research activities and statements in marketing material on clinical performance and benefits of new products. Össur marketing material which includes claims of clinical product benefits, goes through an approval process, and must be approved by Medical Office representatives before publication. Additionally, during the creation of marketing material, numerous subject matter experts and stakeholders are consulted, including clinical specialists in the Össur Academy and Global Product Managers. Össur conducts internal audits and review on regional marketing

material from a brand and messaging compliance perspective. Management supports and advocates for marketing employees to follow the compliant marketing material process. Further information on Clinical Investigations is in the chapter on Trials and transparency page 35.

Additionally, Össur believes it is important to ensure that the Company's marketing material reflects diversity. Össur has for many years strived to change the perception of people who are differently abled. The Company takes its responsibility seriously to promote equal opportunities amongst all groups, irrespective of age, race, national origin, gender, religion, disability, or any other protected characteristics. Marketing material, social media and other media efforts in general are a strong platform to reach out to people and therefore Össur believes it is even more important to display its commitment to diversity in its media activities. In 2021, Össur actively participated in the global #WeThe15 campaign, a human rights movement to end discrimination towards the world's 1.2 billion persons with disabilities who represent 15% of the global population.





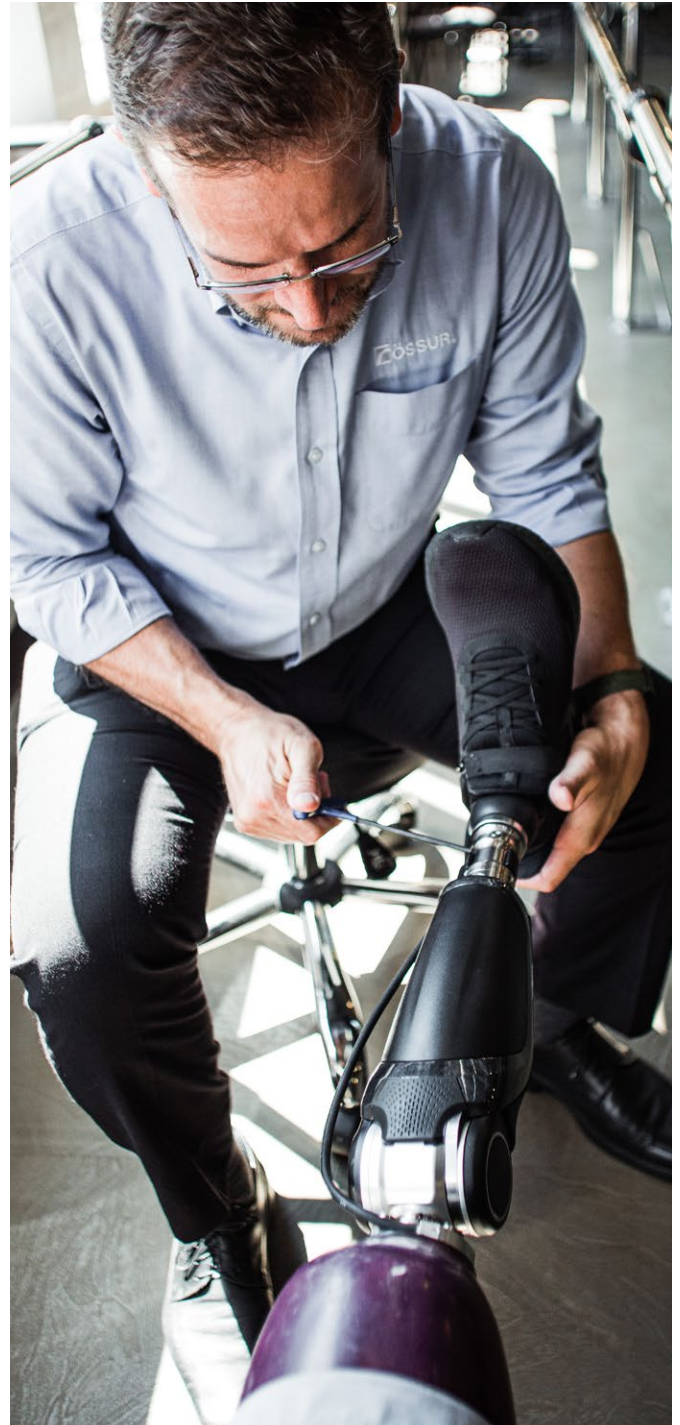
## Tax Strategy and Transparency

### Tax Transparency

Össur's core values of Honesty, Frugality and Courage, are a strong foundation for the corporate culture and business strategy. These core values also serve as a strong foundation for Össur's tax strategy. Based on its corporate social responsibility, Össur acts with integrity towards all stakeholders involved directly and indirectly with the Company. Össur acknowledges that paying tax is an important part of the Company's economic impact and contribution to society as taxes fund public services like healthcare and social investment. As such Össur aims to be a sustainable and responsible taxpayer.

### Tax Strategy

As a sustainable and responsible taxpayer, Össur's tax strategy is to ensure we make all tax filings in accordance with the law and pay the right amount of tax at the right moment and in the right country. At the same time, Össur seeks to obtain a competitive tax level in a responsible way. This means doing business in a way that meets expectations for good corporate citizenship and, paying taxes where profits are earned in accordance with prevailing national and international tax rules. We manage our tax affairs responsibly and transparently and we only undertake tax planning which aligns with our commercial and economic activities and as such do not engage in artificial transactions which have the sole aim of reducing tax. We make fair, accurate and timely disclosure in correspondence and returns, and respond to queries and information requests in a timely manner. We provide all relevant information when requested to do so. If we discover errors in tax returns or correspondence with tax authorities, we disclose and correct them promptly.





## Corporate Governance

Össur's Corporate Governance reporting complies with the Danish Recommendations on Corporate Governance.

The below reporting on governance metrics is in accordance with the Nasdaq ESG guidance.

Governance Metrics					
		Connection to Frameworks	2021	2020	2019
<b>G - 1</b>	<b>Board Diversity</b>				
1)	Percentage: Total board seats occupied by women (as compared to men)		M 60% / F 40%	M 60% / F 40%	M 60% / F 40%
2)	Percentage: Committee chairs occupied by women (as compared to men)*		M 100% / F 0%	M 100% / F 0%	M 100% / F 0%
<b>G - 2</b>	<b>Board Independence</b>				
1)	Does company prohibit CEO from serving as board chair? Yes/No		Yes	Yes	Yes
2)	Percentage: Total board seats occupied by independents		D 60% / I 40%	D 60% / I 40%	D 60% / I 40%
<b>G - 3</b>	<b>Incentivized Pay</b>				
1)	Are executives formally incentivized to perform on sustainability? Yes/No		No	No	No
<b>G - 4</b>	<b>Collective Bargaining</b>	UNGC: Principle 3			
1)	Total enterprise headcount covered by collective bargaining agreement(s)		29%	39%	41%
<b>G - 5</b>	<b>Supplier Code of Conduct</b>	UNGC: Principle 2,3,4,8 SDG 12			
1)	Are your vendors or suppliers required to follow a Code of Conduct? Yes/ No		Yes	Yes	Yes
2)	If yes, what percentage of your suppliers have formally certified their compliance with the code?***		n/a	76%	76%
<b>G - 6</b>	<b>Ethics &amp; Anti-Corruption</b>	UNGC: Principle 10			
1)	Does your company follow an Ethics and/or Anti-Corruption policy? Yes/No		Yes	Yes	Yes
2)	If yes, what percentage of your workforce has formally certified its compliance with the policy?***		n/a	91%	91%
<b>G - 7</b>	<b>Data Privacy</b>				
1)	Does your company follow a Data Privacy policy? Yes/No		Yes	Yes	Yes
2)	Has your company taken steps to comply with GDPR rules? Yes/No		Yes	Yes	Yes
<b>G - 8</b>	<b>ESG Reporting</b>				
1)	Does your company publish a sustainability report? Yes/No		Yes	Yes	Yes
2)	Is sustainability data included in your regulatory filings? Yes/No		Yes	Yes	Yes
<b>G - 9</b>	<b>Disclosure Practices</b>				
1)	Does your company provide sustainability data to sustainability reporting frameworks? Yes/No		Yes	Yes	Yes
2)	Does your company focus on specific UN Sustainable Development Goals (SDGs)? Yes/No		Yes	Yes	Yes
3)	Does your company set targets and report progress on the UN SDGs? Yes/No		Yes	Yes	Yes
<b>G - 10</b>	<b>External Assurance</b>				
	Are your sustainability disclosures assured or validated by a third party? Yes/No	Assurance and third party audits have performed some of the data in the report. Further details in the CSR report.			

\* The Board has only one committee, Audit Committee, explaining the uneven gender split

\*\* Percentage of suppliers categorized as critical suppliers. No Changes between years, due to review of the Code. Updated Code will be introduced in 2022

\*\*\* Percentage of key employees in sales and employees with responsibilities in high risk areas. A new Code was launched in December 2021  
As training and acknowledgment will take place in 2022, comparable numbers are not applicable

# MEMORABLE MOMENTS



Össur's extensive bracing range dates back to the first prototype of the CTi® ligament which was created in 1981 and the Unloader brace which began with a prototype of plastic and metal in 1986. The Unloader One® brace has developed into a world-class, clinically proven, biomechanical treatment option, used by osteoarthritis sufferers around the world.



Össur has also launched notable braces such as the Rebound® Cartilage, Rebound® PCL and Rebound® ACL and won numerous awards and recognition over the years for its bracing portfolio.

# About the Report

## Scope of Reporting

Össur publishes a Sustainability Report annually and it covers the calendar year. Unless otherwise stated, the data and reporting in the performance tables covers the entire consolidation. The report constitutes as the statutory report for the Icelandic Financial Statements Act, section 66d regarding social responsibility, environmental matters, human rights and anti-corruption and bribery, and the EU Directive on disclosure of non-financial and diversity information (2014/95/EU). The report also functions as the Communication on Progress (COP) to the UN Global Compact, Össur's statement under Section 54 of the United Kingdom's Modern Slavery Act 2015, and the California Transparency in Supply Chain.

## Nasdaq ESG Guidelines

Össur has reported in accordance with Nasdaq ESG Reporting Guide (ESG Reporting Guide 2.0). The reporting guide has 30 ESG metrics, 10 in each category. Össur has chosen to report in accordance with these guidelines.

## Contribution to the UN Global Compact and the UN Sustainable Development Goals

Reference is made to Össur's contribution to the UNGC and the SDGs in the tables found in the Environment, Social and Governance chapters (p. 18, 39 and 48).

## Assurance

Data and information in this report is partially validated or audited by various external parties. Social Audits on product suppliers are performed by TÜV in Hong Kong, Össur has certified Environmental and Quality Management systems which are audited by BSI (British Standards Institution). In addition, BSI audits Össur in accordance with the standard for equal remuneration for equal pay. For environmental data Össur has partnered with Klappir for the Company's Greenhouse Gas Accounting, which provides standardized accounting, transparency, and compliance. Össur also partners with First Climate, a leading service provider of carbon emissions management, to achieve carbon neutrality. First Climate has reviewed and validated the methodology behind Össur's emission calculations.

## Greenhouse Gas Emissions Accounting Policy

Össur follows the operational control approach in the company's GhG emission accounting, in accordance with the Greenhouse Gas Protocol. Thus, emissions from operations where Össur has the power to set operational policies, are included.

Össur reports on emissions from scopes 1 and 2, and from scope 3 categories 1, 4, 5, 6, and 9. The data is for the calendar year 2021 but some estimations are done for December as actual data was not available before the publication of this report. This will be updated in the 2022 report.





## Greenhouse Gas Emissions Reporting

### Scope 1

#### Gas Consumption for Heating and Cooling

Monitored in Össur's production and distribution sites in Iceland, Mexico, US, UK and the Netherlands. In 2021, purchased gas was monitored in nine Össur manufacturing and distribution locations.

#### Fuel consumption for Vehicle Fleet

Monitored for fuel consumption of owned and leased cars, and from Össur's car allowance system. This represents in total over 350 cars in Europe, Scandinavia, US, Mexico and emerging markets. Emissions are calculated both from internal consumption data and available data from leasing companies, and average distance traveled per car and manufacturer's information on average CO2 emissions per car per km.

### Scope 2

#### Purchased Electricity and District Heating

Monitored in Össur's production and distribution sites in Iceland, Mexico, US, UK and the Netherlands. The consumption of these production and distribution sites covers over 95% of Össur's energy cost. Össur also reports on the electricity consumption of its clinics around the world. There, an emission factor per employee is established through available consumption data in Scandinavia and extrapolated to ensure completeness of data.

### Scope 3

#### Transportation of Goods

Based on data from suppliers on weight transported, transport mode, city of origin and destination, and monitored for transportation of all raw materials, inter-company and finished goods distribution from warehouses to customers. Greenhouse gas emission is calculated in the Össur Carbon Accounting system.

#### Business Travel

Based on data from Össur's global travel system that monitors emissions from air travel, hotels and trains. Data from Össur's global travel system accounts for around 55% of total business travel costs and the remaining has been extrapolated to ensure completeness of data.

#### Finished Goods Suppliers

Covers Greenhouse Gas emission from outsourced production in Asia and France, e.g. the electricity consumption in producing finished goods by external suppliers under the Össur brand. Greenhouse gas emission is calculated in Össur's Carbon Accounting system from the electricity consumed and emission factors for the respective electric grid.

#### Waste Treatment

Covers waste data from Össur's biggest manufacturing and distribution sites in Iceland, Mexico, US, UK and the Netherlands.

## Össur Partners With:



Klappir for the Company's Greenhouse Gas Accounting, which provides standardized accounting, transparency and compliance.



First Climate, a leading service provider of carbon emissions management, to achieve carbon neutrality.

First Climate has reviewed and validated the methodology behind Össur's emission calculations.

