



Sustainability Report

2022



Sustainability Report 2022

About Össur 3

Letter from the CEO 4

2022 in Brief 6

Össur at a Glance 7

Our Sustainability Commitment 11

Sustainability Framework 13

Sustainability Highlights 15

Governance of Sustainability 16

Stakeholder Engagement 19

Our Environment 20

Our Operations 22

Our Products 25

Our Supply Chain 26

Environmental Metrics 27

Our People 28

Our Customers 29

Our Employees 31

Our Suppliers 39

Our Communities 44

Social Metrics 50

Our Business 52

Our Governance Practices 53

Our Business Integrity 54

Our Reporting Transparency 58

Governance Metrics 59

About the Report 60

About the Report 61

Material Topics 63

Independent Auditor's Assurance Report 64



About Össur

[Letter from
the CEO](#)

[2022
in Brief](#)

[Össur at
a Glance](#)

Letter from the CEO

Responsible for Tomorrow



Sveinn Sölvason
President and CEO

With more than 4,000 employees worldwide, we at Össur are fortunate to share a common purpose rooted in improving people's mobility and making a positive impact today and for future generations.

Since our original commitment to the UN Global Compact more than a decade ago, we have been solidifying our commitment to sustainability, embedding a sustainability mindset and initiatives throughout the organization. Össur now actively supports UN Sustainable Development Goals number 3, 5, 8, 12, 13, and 16. Each one making its own unique contribution to the shared global blueprint for the prosperity of our planet and its people.

In 2022, we elevated Sustainability to the executive committee level, demonstrating its importance as one of the foundations of our success. We also further established the governance structure and overall sustainability framework, which encompasses an ambitious environmental, social and governance agenda. We have grouped these initiatives into three areas; Our Environment, Our People, and Our Business, and we invite you to read more about our programs and metrics in this report.

One of our key initiatives continues to be increasing access to, and availability of, suitable products for elderly amputees, including studies providing valuable

information on the potential benefits for this user group. Our environmental efforts continued to be strong and included introducing new, eco-friendly packaging. We continued to be Carbon Neutral for scope 1 and 2, and selected scope 3 emissions, and in 2023, we will submit our emissions targets to the Science Based Targets Initiative.

“In 2022, we elevated Sustainability to the executive committee level, demonstrating its importance as one of the foundations of our success ”

Diversity, Equity and Inclusion remains a strong focus for us, and we are committed to fostering a culture of acceptance and belonging, while proudly serving as a diverse, global community. In 2022, we received valuable feedback from our employees through focus groups and added an Inclusion Index in our annual workplace survey. Gender equality remains one of the fundamental elements of diversity, equity and inclusion, and we are proud of the example we are setting in that regard.

The devastating war in Ukraine has impacted all of us in many ways. As limb loss is unfortunately one of the tragic consequences of war, Össur pledged to donate prosthetic products and clinical expertise to Ukrainian people in need when the war broke out in February 2022. Through our partnership with non-profit organization Prosthetika and participants in the Ukraine Prosthetic Assistance project, and a grant provided by the Icelandic Ministry for Foreign Affairs' Sustainable Development Goals Fund, Össur clinical specialists have provided training to Ukrainian prosthetists in Össur technology and treatment protocols. Össur has donated a significant amount of prosthetic products and Ukrainian prosthetists have fit several individuals

with Össur solutions. It is our belief that by empowering Ukrainian clinicians with knowledge and tools to serve the growing amputee population, we are contributing to a sustainable delivery model where patient needs in the local community are at the forefront.

Sustainability is of great importance to our employees, customers, and shareholders alike. We have chosen to consolidate our sustainability efforts within the theme of Responsible for Tomorrow™, understanding that the decisions and actions we take today, will impact future generations. It is up to all of us to ensure we are actively contributing to a better society for future generations.

Each day, we are inspired by the many individuals using our products to improve their mobility and overall well-being. We, in turn, hope to inspire and engage our stakeholders with our actions, and believe that together we can, and will, make a difference.

With this report, we reconfirm our commitment to responsible business conduct promoted by the United Nations Global Compact and the UN Sustainable Development Goals.



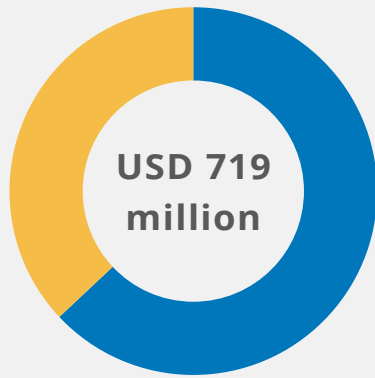
Sveinn Sölvason

President and CEO

2022 in Brief

Össur is a global leader in non-invasive orthopaedics; innovating, producing and providing advanced technological solutions to improve people’s mobility so they can live their Life Without Limitations®

Product Segments



Sales in 2022 by Product Segment

- Prosthetics 63%
- Bracing & Supports 37%

Regional Overview

Americas

49%
of sales

USD 351 million
Organic growth: 2%
FTEs: ~1,500

EMEA

42%
of sales

USD 306 million
Organic growth: 5%
FTEs: ~1,500

APAC

9%
of sales

USD 62 million
Organic growth: 4%
FTEs: ~200

HQ FTEs: ~700

Össur at a Glance



We Improve People’s Mobility

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

Since the foundation of Össur in 1971, we have grown through a healthy combination of organic development and acquisitions, both in Prosthetics and Bracing & Supports. Össur has a strong presence in its industries and key markets and is well positioned to leverage future growth opportunities. Össur is listed on Nasdaq

Copenhagen, has operations in 36 countries and has around 4,000 employees worldwide. Össur is signatory to the UN Global Compact, UN Women’s Empowerment Principles, contributes to the UN Sustainable Development Goals and has since 2021, been Carbon Neutral for scope 1 and 2, and selected scope 3 emissions.

Life Without Limitations®

We strive to create a Life Without Limitations for the many people who use our products and solutions. They are at the core of everything we do, and we specialize in providing qualitative and comprehensive solutions to a wide range of individual needs.

Our End-Users

We help individuals to advance their everyday life and pursue their goals. Prosthetics are used by people who were born with limb loss or limb difference, or who have had limbs amputated for a variety of reasons. Vascular diseases including diabetes as well as cancer, trauma, and congenital defects are some of the more common reasons. The users of our prosthetic products and solutions range from children to the elderly, and from low to high active people and successful athletes. 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 and solutions. By understanding their 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 2022, we introduced 15 new products to the market.



Our Product Segments

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

Our Product Segments

Prosthetics

Bracing & Supports

63%
of total sales

37%
of total sales



Sub-Segment	End-User Profile	Improving Mobility
Mechanical Products	People living with lower and upper limb loss or limb difference	Broad product offering of lower limb prosthetics and finger prostheses
Bionic Products	People living with lower and upper limb loss or limb difference	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 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.

Mechanical Products

Össur’s mechanical product portfolio includes lower limb prosthetics and finger prostheses.

Bionic Products

Össur’s bionic product portfolio includes advanced microprocessor-controlled feet, knees, hands, and fingers. The bionic products include integrated sensors, computing power, internal intelligence and actuators that help the individual to move more naturally. Sales of bionic products accounted for 21% of prosthetics component sales in 2022.

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

- People of all ages living with lower limb loss or limb difference
- People of all ages living with upper limb loss or limb difference

Bracing & Supports

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

A photograph of a man walking on a beach carrying a white surfboard. He is wearing green and blue patterned shorts and a red and white sock. The background shows the ocean with waves. A white rectangular box is overlaid on the bottom half of the image, containing the title and a navigation menu.

Our Sustainability Commitment

[Sustainability Framework](#)

[Sustainability Highlights](#)

[Governance of Sustainability](#)

[Stakeholder Engagement](#)



Margrét Lára Fridriksdóttir
EVP of People, Strategy & Sustainability

Our Sustainability Commitment

Welcome to the Össur Sustainability Report for 2022. It provides insight into how sustainability is incorporated throughout Össur and presents the progress of our key initiatives. We have framed our sustainability commitment under the theme of Responsible for Tomorrow™, recognizing that the decisions and actions we take today, will affect future generations. At Össur, everyone is responsible for sustainability, and we are proud to have more than 4,000 employees around the world contributing to making a positive impact.

Our Sustainability Report details our efforts and progress in the areas of Our Environment, Our People, and Our Business; representing our interpretation of Environment, Social, and Governance standards. It also illustrates our commitment to the UN Sustainable Development Goals, with particular emphasis on the goals where we can make the most contribution, namely Goals 3, 5, 8, 12, 13 and 16.

Sustainability is embedded into our strategy and ways of working. We provide products and services that contribute to good health, using responsible production methods and supporting climate action, while being a sponsor for inclusivity and transparency. We believe that sustainable growth is the only way to build a successful and responsible business for the benefit of future generations.

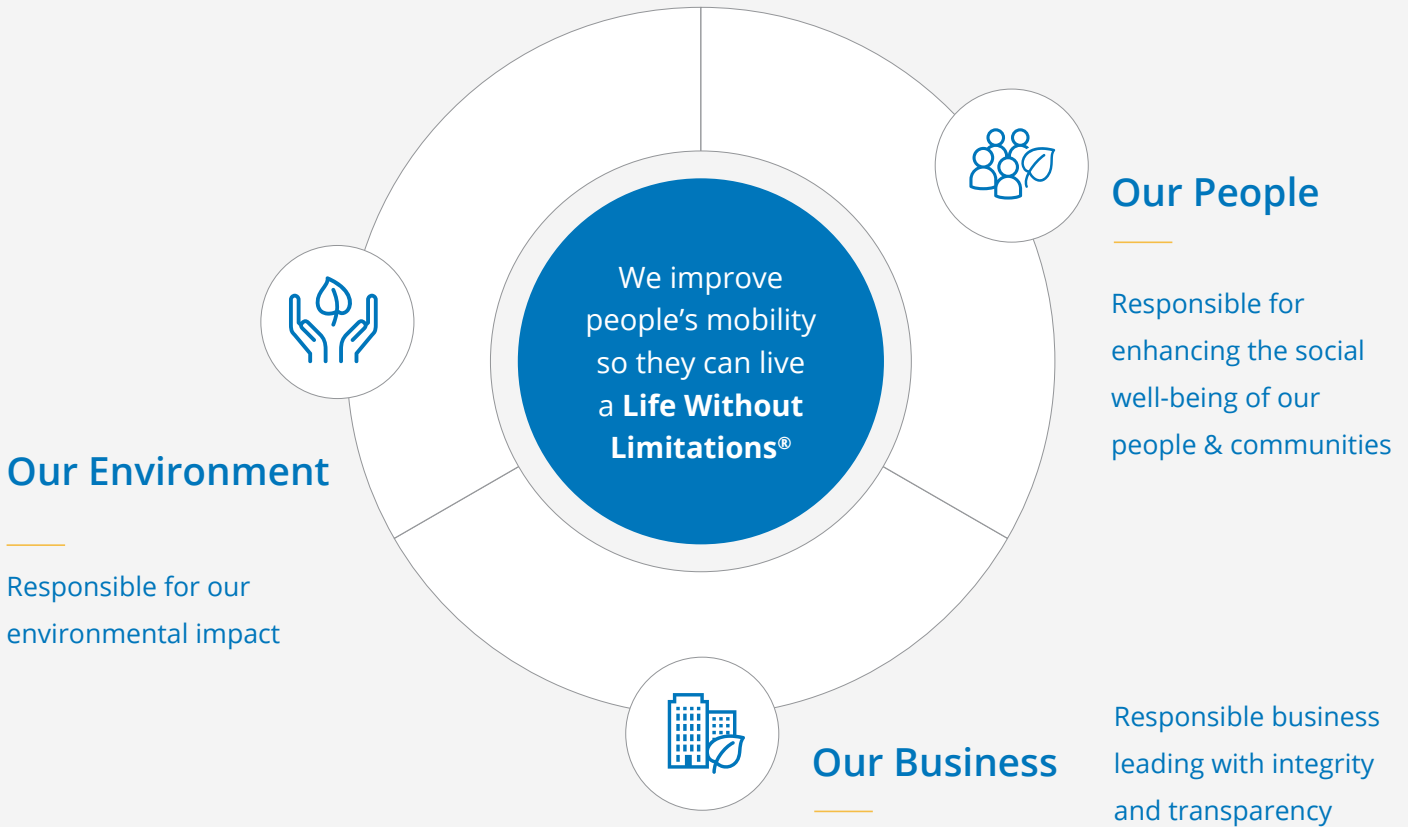
We are proud of the progress we have made and will continue to set ambitious goals, monitor our progress, and report on our metrics.

A handwritten signature in black ink that reads "Margrét Lára Fridriksdóttir".

Margrét Lára Fridriksdóttir

Executive Vice President of People,
Strategy & Sustainability

Sustainability Framework



Sustainability is embedded into our strategy and throughout our organization. We have a robust sustainability agenda and capture our commitment under the theme of Responsible for Tomorrow™. We are committed to maintaining high standards of ethical, environmental, and social responsibility.

Össur joined the UN Global Compact in 2011 and signed the UN Women's Empowerment Principles in 2014. Össur has chosen six UN Sustainable Development Goals (SDGs) to contribute to, based on our sustainability commitment.



Our Sustainability Commitment

We provide products and services that contribute to good health, using responsible production methods and supporting climate action, while being a sponsor for inclusivity and transparency.

We believe that sustainable growth is the only way to build a successful and responsible business for the benefit of future generations.



Our Environment

Responsible for our environmental impact



Our Operations

We are Carbon Neutral for scope 1 and 2, and selected scope 3 emissions, and are actively working towards Net Zero operations.

Our Products

We are reducing the environmental impact of our products and services.

Our Supply Chain

We collaborate with our key suppliers in reducing their environmental impact.



Our People

Responsible for enhancing the social well-being of our people & communities



Our Customers

We develop quality products and services that improve people's mobility.

Our Employees

We nurture the well-being and development of our employees within an inclusive and safe work environment.

Our Suppliers

We partner with suppliers who respect human rights and participate in social development.

Our Communities

We create a lasting positive impact on our communities, helping more people to live a Life Without Limitations.



Our Business

Responsible business leading with integrity and transparency



Our Governance Practices

We practice sound governance in all our activities.

Our Business Integrity

We set high ethical standards and act with honesty and integrity.

Our Reporting Transparency

We ensure transparent reporting of our business practices.

Sustainability Highlights



99%

Renewable electricity

Electricity from renewable energy sources



51% | 49%

Gender ratio

Male | Female



38%

Female management

Female in management positions



0.8

Incident rate

Incident rate per 100 FTEs



4 of 5

Global employee satisfaction



73%

of employees trained in our Code of Conduct



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”. We at Össur have incorporated sustainability into our strategy, and management is committed to maintaining high standards of ethical, environmental, and social responsibility.

We generate value for our customers, shareholders, and employees by focusing our business strategy on successful and sustainable product innovation, efficiency, and sustainable growth. Our values are Honesty, Frugality and Courage. These values serve as the foundation and driving force behind the culture at Össur, 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.



Sustainability Steering Committee

The Sustainability Steering Committee is chaired by the Executive Vice President of People, Strategy & Sustainability. The Sustainability Steering Committee meets at least quarterly and reports to the Executive Management Team.

The Steering Committee sets our sustainability strategy, evaluates risks and opportunities, and ensures the strategy is executed throughout the organization. In addition to the Steering Committee, an operational group extends to members in each function, 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 and 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 and projects.
- Maintain an overview of active sustainability programs and projects within Össur.



Össur’s Contribution to the UN Sustainable Development Goals

SDG 3: Good Health and Well-Being

Össur is committed to designing a product portfolio focused on the needs of amputees over the age of 65. Supporting this group of individuals will benefit society in multiple ways, as improved mobility allows for more independence, improved quality of life and likely reduces pressure on healthcare systems.



SDG 5: Gender Equality

Össur believes in the importance of diversity in its broadest sense. Gender equality is not only fair, it also makes economic sense to utilize the skills, strengths and knowledge of all Össur employees equally. Össur will continue to support and implement policies and practices that prevent gender-based discrimination.



SDG 8: Decent Work and Economic Growth

Össur is committed to offering attractive job opportunities and good working conditions worldwide, thereby stimulating the economy. We protect labor rights and emphasize safety in all our operations. For decades, we have promoted learning opportunities for our own employees as well as the larger O&P community, through the Össur Academy.



SDG 12: Responsible Consumption and Production

Össur is actively working on reducing the environmental impact of our products. Analyzing the product lifecycle, from development, through production, use and disposal, enables us to make informed decisions on where to prioritize our efforts.



SDG 13: Climate Action

Össur takes responsibility for our environmental impact and we are continually improving our environmental management performance. We have committed to setting science-based emissions reduction targets.



SDG 16: Peace, Justice and Strong Institutions

Össur is committed to responsible business practices and making a meaningful contribution to peaceful and inclusive societies. We have a zero-tolerance policy when it comes to corruption and bribery, and we respect and support the rule of law. Our reporting is transparent, and we believe business ethics are fundamental for a global society to achieve sustainable development.



Össur’s Contribution to the UN Sustainable Development Goals

Össur’s largest impact on society is through 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, our greatest impact is on Goal 3, Good Health and Well-Being. Additionally, Össur contributes to Goal 5 on Gender Equality, Goal 8 on Decent Work and Economic Growth, Goal 12 on Responsible Consumption and Production, Goal 13 on Climate Action, and Goal 16 on Peace, Justice and Strong Institutions.



Össur’s Key Performance Indicators

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.

Priority Goals / KPIs	2022	2021	Chapter	Contribution to UNGC and SDGs*
Gender Split Among Employees	M51% / F49%	M53% / F47%	Our People	Principle 6 SDG 5
Female Managers as % of Total Number of Managers	38%	38%		
Code of Conduct Training	73%	n/a	Our Business	Principle 10 SDG 16
Carbon Neutral for Selected Emissions **	Yes	Yes	Our Environment	Principle 7, 8, 9 SDG 12, 13
Electricity Purchased From Renewable Energy Sources	99%	99%		
Total Recordable Incident Rate, TRIR ***	0.8	0.5	Our People	SDG 3 SDG 8
New Products Specially Designed for Elderly End-Users	3	3		
Ongoing Prosthetic Studies Which Will Inform Developers About the Elderly Customer Group	46%	21%		

* UN Global Compact (UNGC) and UN Sustainable Development Goals (SDGs)

** 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 society at large. Össur communicates with its stakeholders through various platforms and channels.

Stakeholders	Communication Platform
Customers (Healthcare professionals)	We communicate with our 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, webinars, 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 our employees is daily through the Össur intranet and on-site communication. Össur hosts quarterly staff meetings discussing financial results, key initiatives, and other relevant topics. During the COVID-19 pandemic we utilized online platforms to a large degree and continue to do so in addition to in-person and 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	We communicate directly with the end-users of our products through our social media platforms, 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 individuals who serve as brand ambassadors and conduct community outreach and mentor those seeking advice and support.
Society	<p>We communicate with the society at large on our progress in the UN Global Compact Progress Report, the Össur Annual Report and other corporate material. We work 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>We acknowledge that our operations have both negative and positive impact on the societies we operate in, and we continuously work towards minimizing our negative impact and maximizing our positive impact. Össur supports various causes and associations for people with mobility challenges in most of the countries where we operate. Össur strives to maintain high standards of professionalism and transparency.</p>
Shareholders/ Investors	Our Investor Relations function 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 Össur’s Investor Relations website .

Our Environment

Responsible for Our Environmental Impact



Our
Operations

Our
Products

Our Supply
Chain

Environmental
Metrics



Committing to Science-Based Targets

We take responsibility for our environmental impact and continually improve our environmental management and performance. Our environmental performance efforts contribute to the UN Sustainable Development Goals (SDGs) 12 and 13.

In 2022, we committed to setting science-based emissions reductions targets, and thereby joined leading companies around the world in setting targets in line with what climate science deems necessary to limit global warming to 1.5°C. We screened our Scope 3 emissions and have identified emissions sources that need to be added to our Greenhouse Gas accounting. We are aware of the significant impact this will have as it can be expected that our full Scope 3 emissions will cover more than 90% of our total emissions. We are developing our emission reduction targets and will submit them to The Science-Based Targets initiative (SBTi) for validation in 2023.

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

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.



Highlights 2022

68%

Recycled and recovered waste

Commitment to science-based targets

99%

Electricity purchased from renewable energy sources

Reduced environmental impact of selected product packaging

Improved energy efficiency in key locations

Our Operations

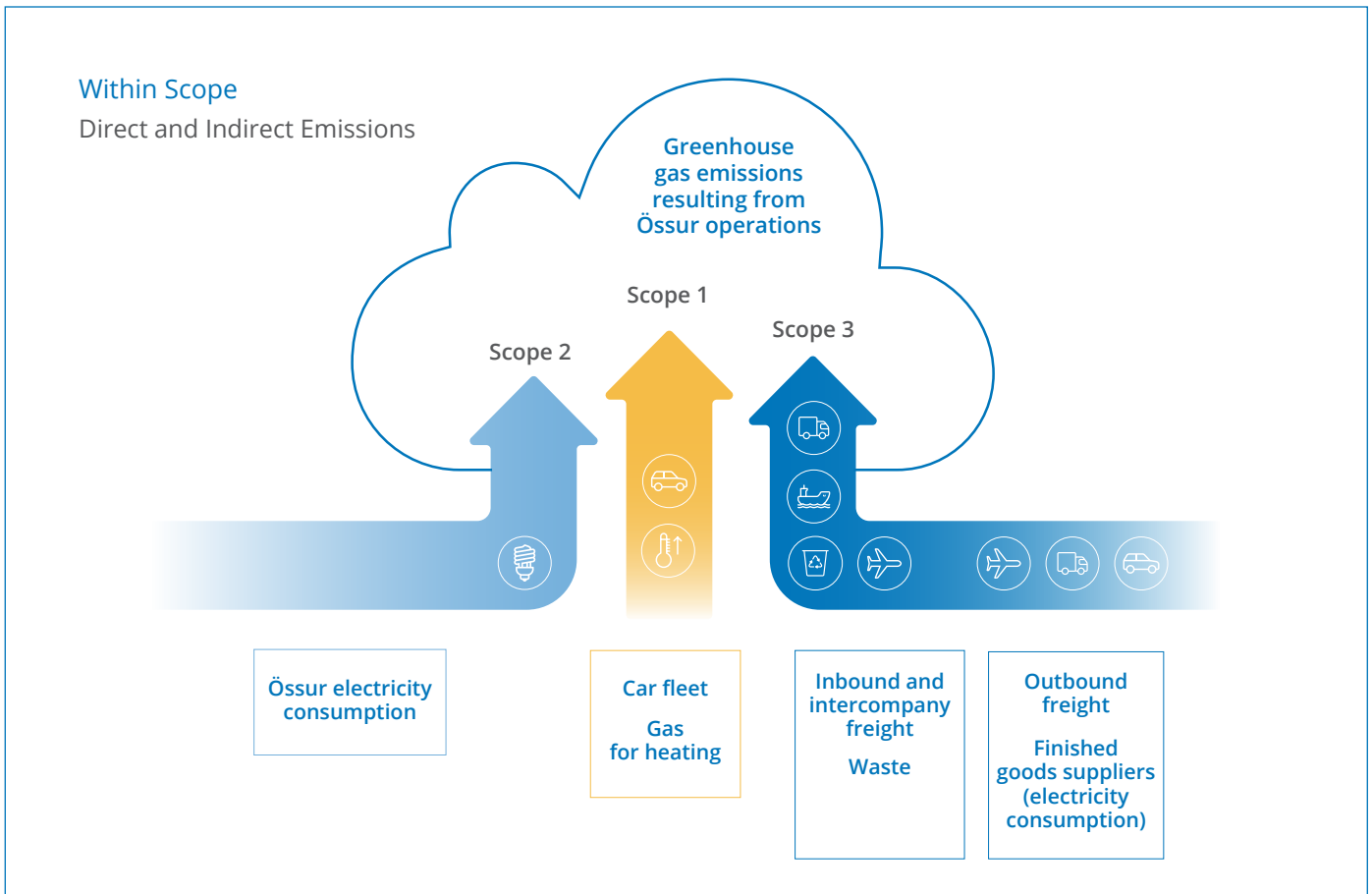
We are Carbon Neutral for scope 1 and 2, and selected scope 3 emissions, and are actively working towards Net Zero operations

Össur’s approach towards Carbon Neutral operations is to:

- Reduce emissions by improving energy efficiency and source electricity from renewable energy sources.
- Offset remaining emissions by supporting certified emissions reduction projects according to the highest market standard.

Carbon Neutral for Selected Emissions

As in 2021, Össur was Carbon Neutral in 2022 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.



Energy Efficiency

In 2022, we continued to improve energy efficiency in our largest manufacturing site in Tijuana, Mexico and the distribution site in Philadelphia, US. These improvements resulted in 27% annual electricity savings in Philadelphia and 9% in Tijuana in 2022, compared to 2021. We also established a baseline for energy management in other locations through an energy efficiency questionnaire and are using the results to set energy efficiency targets.

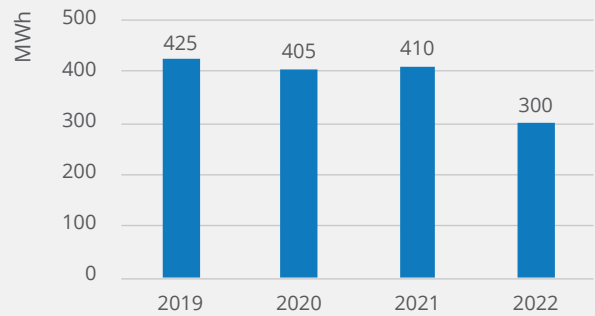
In 2022, 99% of electricity purchased was from renewable energy sources, backed up with Energy Attribute Certificates. The total electricity consumption was 17,770 MWh, compared to 17,980 MWh in 2021.

	2022	2021	2020	2019
Total electricity consumption (MWh)	17,770	17,980	18,330	18,440
% Electricity from renewable energy sources	99	99	24	24

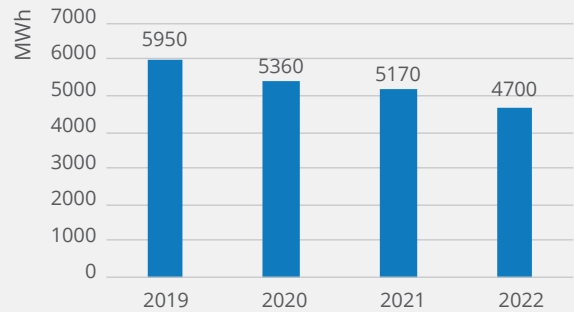
In 2022, our total greenhouse gas emissions increased by 12% compared to 2021. The main reason being an increase in business travel, reflecting the pent-up need for face-to-face meetings after COVID-19 travel restrictions. However, emissions from business travel in 2022 were 54% less than in 2019, the baseline year. Emissions from vehicle fleet increased for similar reasons as for business travel. Emissions from other sources did not change significantly from 2021 to 2022. Our key metric on GHG emissions/Revenue changed from 16 in 2021 to 18 in 2022, compared to 33 in 2019. The target in 2022 was ≤ 20 tCO₂e/mUSD.

	Target 2022	2022	2021	2020	2019
GHG emissions per revenue (tCO₂e/mUSD)	≤ 20	18	16	26	33

Philadelphia electricity consumption



Tijuana electricity consumption



Our remaining emissions were offset through Verified Carbon Standard (VCS) and Gold Standard emission reduction projects to support the UN Sustainable Development Goals. We chose three projects, reflecting the geographical areas in which Össur operates, and projects that 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.

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

See detailed information about the emissions scope in Össur GHG Emissions Accounting Policy at the end of this report.

Waste Management

Good waste management is an important part of responsible operations. Our goal is to use raw materials in the most efficient way and eliminate waste from processes. The primary raw materials used in Össur’s manufacturing processes are metals, silicone, carbon fiber and plastics. Decisions in the design phase play a key role here where eco-design thinking, and circular economy principles result in reduced pollution and lower disposal cost in operations.

Össur strives to continuously reduce waste from its operations. In 2022, the total waste generated was 1550 tons and thereof, 68% were recycled and/or recovered, compared to 67% in 2021. The target in 2022 was ≥65% recycled and/or recovered. The waste intensity in 2022 was 2.2 tons/mUSD, compared to 1.9 in 2021.

Waste Management



68%

Waste recycled or recovered

Waste Management				
	2022	2021	2020	2019
Total waste (tonnes)	1550	1,360	1,220	1,850
Waste intensity (tonnes/mUSD)	2.2	1.9	2.0	2.7
% Recycled and/or Recovered	68	67	65	68



Our Products

We are reducing the environmental impact of our products and services

Throughout a product design phase, multiple decisions are taken that can affect the environmental performance of a company, such as raw material choice, manufacturing methods, supply chain configuration and the choice of packaging materials.

We have a clear focus on reducing the environmental impact of our products and have established valuable knowledge on where to focus our efforts through lifecycle screening of key products. Össur’s products are medical devices which must comply with strict regulatory requirements. Therefore, all efforts towards improving environmental performance must be aligned with these requirements, and thus the ability and rate of improvements are subject to them.

Product Packaging

Packaging is an integral part of every product. In 2022, we continued our journey of reducing environmental impact from product packaging, by removing plastic bags and foam, and reducing dimensions, material content and ink of selected product packaging.

The Connect® TF packaging was redesigned to reduce overall weight by 16%, eliminate plastic and introduce corrugated Kraft paper with 33% recycled content. This mono-material packaging is easy to recycle and the How2Recycle label provides guidance for correct recycling.

OA and Ligament knee braces shipped out of our facility in Mexico were also changed in a similar manner. Besides the major reduction of plastic, the change has resulted in an average 60% reduction in cardboard weight and 13% reduction in box volume, which overall means less waste and reduced overall impact during transport.



Our Supply Chain

We collaborate with our key suppliers in reducing their environmental impact

We are aware that the majority of our emissions come from our supply chain and have focused our efforts on mapping our Scope 3 emission sources to establish a baseline. In 2022, preliminary calculations were conducted on the emissions from purchased raw materials, giving necessary insight into our ongoing efforts related to setting science-based targets. In 2023, we will establish an Össur Supplier Sustainability program with the aim of reducing the emissions from our supply chain.



Environmental Metrics

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

Environmental Metrics		Contribution to UNGC and SDGs	2022	2021	2020
E - 1	GHG Emissions in tonnes CO2 equivalents (tCO2e)	UNGC P7			
1.1	Scope 1 - Direct emissions, tCO2e		2,170	1,800	1,800
	Stationary Combustion		570	550	500
	Mobile Combustion		1,600	1,200	1,300
1.2	Scope 2 - Indirect emissions, tCO2e - Market based*		220	250	5,200
	Purchased electricity and heat - Location-based		4,780	5,130	5,200
	Purchased electricity and heat - Market-based*		220	250	5,200
1.3	Scope 3 - Other relevant indirect emissions, tCO2e		10,830	9,780	9,330
	Finished Goods Suppliers electricity consumption**		150	290	2,200
	Transportation and Distribution		7,330	7,740	4,700
	Waste Generated in Operations		170	150	130
	Business travel (Air, hotels, trains)		3,180	1,600	2,300
	Total emission - Scope 1, 2, 3, (Market based), tCO2e		13,220	11,830	16,330
	Retired Carbon Credits from emission reduction projects, tCO2e		13,220	11,830	
E - 2	Emissions Intensity	SDG 13, UNGC P7, P8			
2.1	Total GHG emissions per revenue, tCO2e/USD million		18	16	26
	Revenues (USD million)		719	719	630
E - 3	Energy Usage	SDG 12, UNGC P7, P8			
3.1	Total energy directly consumed (MWh)		9,360	7,100	7,030
	Stationary Combustion		2,850	2,300	2,230
	Mobile Combustion		6,510	4,800	4,800
3.2	Total electricity consumed (MWh)		17,770	17,980	18,330
E - 4	Energy Intensity	SDG 12, UNGC P7, P8			
	Total energy directly consumed per revenue, MWh/USD million		13	10	11
E - 5	Energy Mix				
	% electricity from renewable energy sources ***		99%	99%	24%
	% electricity from other energy sources		1%	1%	76%
E - 6	Water Usage				
6.1	Total amount of cold water consumed (m3)		124,000	92,000	89,700
E - 7	Environmental operations				
7.1	Does Össur follow a formal Environmental Policy?		Yes	Yes	Yes
7.2	Does Össur follow specific waste, water, energy, and/or recycling policies?		Yes	Yes	Yes
7.3	Does Össur use a recognized energy management system?		Yes	Yes	Yes
E - 8	Climate Oversight / Board				
	Does Össur Board of Directors oversee and/or manage climate-related risks?		No	No	No
E - 9	Climate Oversight / Management				
	Does Senior Management Team oversee and/or manage climate-related risks?		Yes	Yes	No
E - 10	Climate Risk Mitigation	UNGC P9			
	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 cancelled EACs have an emission factor of 0

Our People

Responsible for enhancing the social well-being of our people & communities



Our
Customers

Our
Employees

Our
Suppliers

Our
Communities

Social
Metrics

Our Customers

We develop quality products and services that improve people's mobility

We help individuals to advance their everyday life and pursue their goals without limitations. Prosthetics are used by people who were born with limb loss or limb difference, or who have had limbs amputated for a variety of 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. Our products are delivered to the end-users through healthcare providers who specialize in assisting individuals with impaired mobility. Össur's customers are primarily within Orthotic & Prosthetic (O&P) Clinics where clinicians fit patients with necessary products and solutions, and subsequently claim reimbursement from private or public insurance providers.



Our Targets

Total recordable incident rate

<1.0

Female in management positions

YoY increase

Engagement index

>4.0

Gender split among employees

50% +/-10 perc. points

Individual development plans

YoY increase

Participants in LEAD program

100% (all new managers with direct reports)

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

Through our products and services, Össur can have the most material impact on Goal 3 on Good Health and Well-Being.

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.

Goal 3 - Actions and Progress

	Target	2022	2021
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	46%	21%
Availability of Products ¹	YoY increase	44%	44%
Availability of Products and Services ²	YoY increase	30%	27%

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

Access to Healthcare for Elderly Amputees

In relation to our commitment to Goal 3 we are tracking a special initiative related to design and availability of products that offer additional benefits for the elderly, increasing their independence and quality of life. At the end of 2022, Össur has launched three products that are specially designed for this user group. We also launched two new waterproof prosthetic feet which complement our portfolio of 20 waterproof prosthetic feet along with a selection of adapters and locks. Enhancing our offering of waterproof prosthetic products enables elderly individuals to utilize their prosthetic devices to the fullest.

Studies related specifically to elderly amputees play an important part in informing our developers and product designers on the specific needs of the elderly. The ratio of ongoing prosthetic studies which will inform developers about the elderly customer group is 46% compared to 21% in 2021.

The cycle of the investigations is dependent on participation of users and approval processes with authorities. Additionally, when involving elderly individuals in clinical investigations, various external factors need to be considered. The impact of COVID-19 as an external factor was reflected in the 2021 ratio, explaining the material change between years.

Our Employees

We nurture the well-being and development of our employees within an inclusive and safe work environment

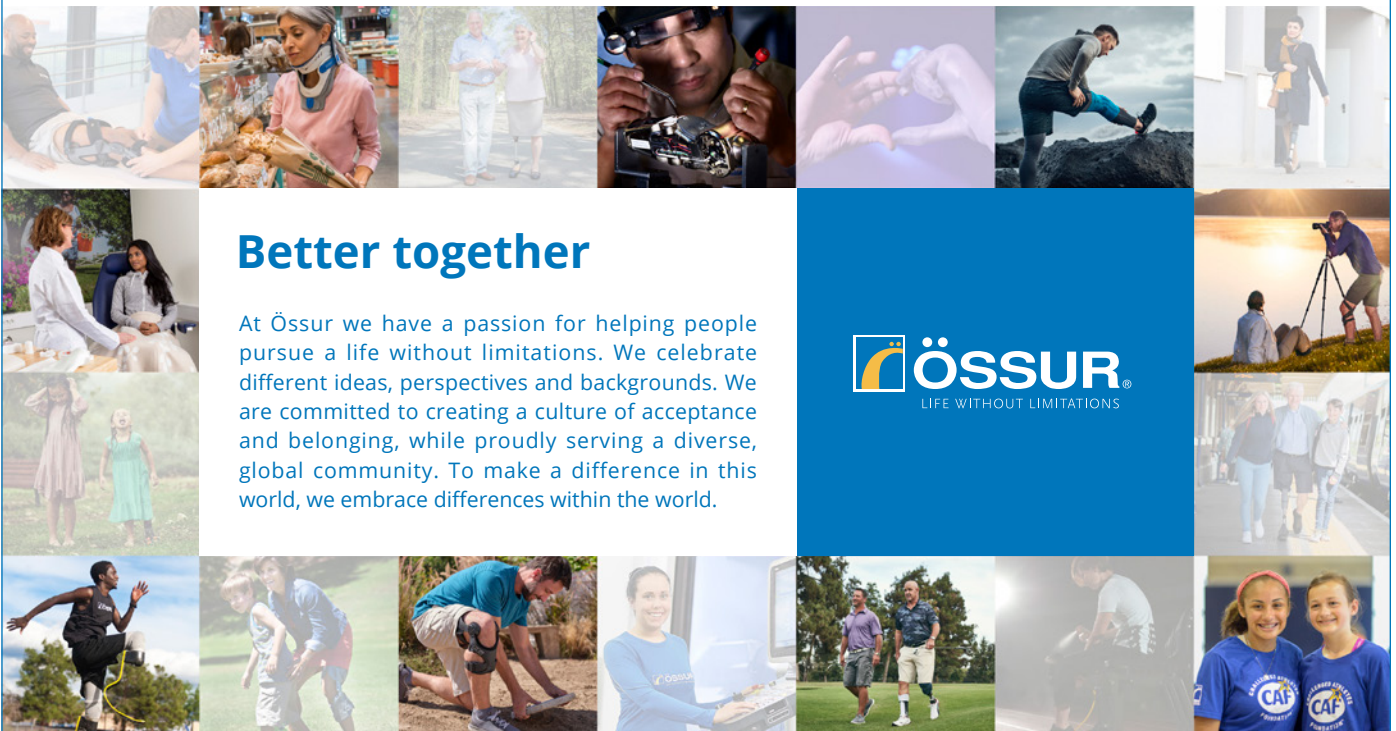
Össur has around 4,000 employees working in 36 countries. While we are a diverse company, we work as one to improve people’s mobility. Different ideas and points of view are beneficial to our business, and we believe in creating an environment where diversity, knowledge, skills, and strengths are fully utilized. As individuals, our employees can expect fair and equal treatment and equal opportunities for growth within Össur. When it comes to implementing sustainability into our organization it is our people who make the difference, through their dedication, knowledge and skills, our sustainability efforts come to life.

At Össur, all employees have the freedom of association, and the People/Human Resources team informs employees about 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.

The Diversity, Equity and Inclusion policy is available on [our website](#).



Diversity, Equity and Inclusion Councils

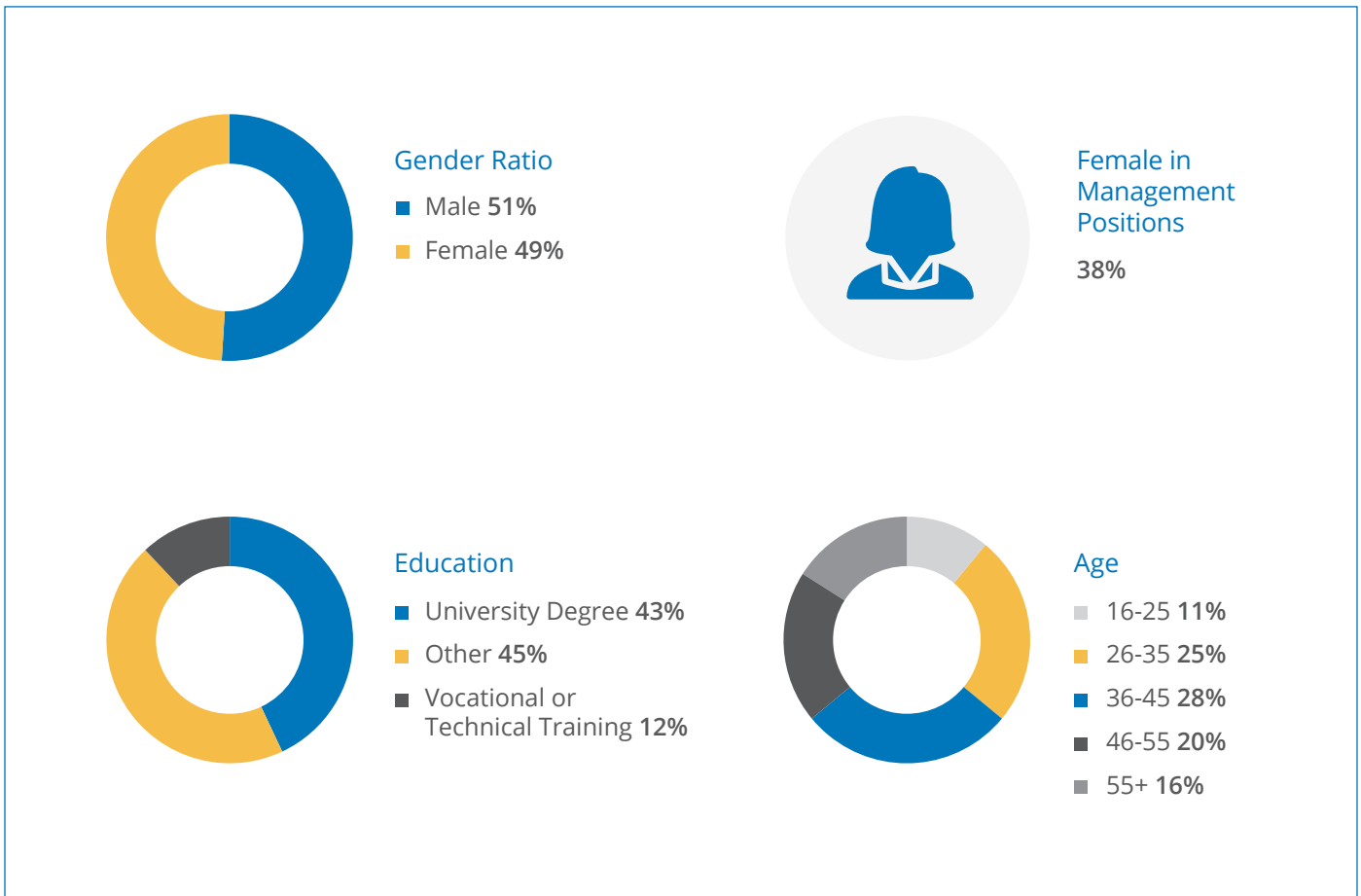
We have set up global and regional diversity, equity and inclusion (DE&I) councils to set targets, implement actions and monitor our progress. In 2022, the Americas region partnered with Calling All Allies (CAA), an external DE&I firm to conduct an organizational equity survey. Feedback was collected both through focus groups facilitated by CAA consultants as well as through confidential surveys. Strengths and opportunities were identified, grouped into four areas: Policies & Procedures, Performance & Development, Leadership & Management, and Culture & Climate. Össur's equity domain score was 3.6 out of 5, with industry standard being 3.5. According to CAA, this means that Össur has a strong foundation from which improvements can be made. Additionally, 88% of employees surveyed stated that they are committed to doing what is necessary to implement changes

regarding diversity, equity, and inclusion. The DE&I council will identify priorities and actions to implement based on this survey.

Inclusion Index

We monitor and measure diversity and inclusion 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 4.32 on a 5-point scale in 2022. 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 scored 4.03 out of 5 globally in 2022. 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

Diversity, Equity and Inclusion



have a diversity dashboard available for our leaders so they can monitor the diversity in their teams. We offer flexible work arrangements for positions that can be done remotely, so that employees can better manage how and where they work, a benefit that many employees appreciate.

Applicants and employees who do not identify themselves as male or female can select non-binary as their gender in our main HR Information System.

Recruitment Strategy

The Össur recruitment strategy includes reaching an ever-increasing diverse pool of candidates, and we hope this translates 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 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.

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 with pay.

UN Sustainable Development Goal 5 – Gender Equality

One of the SDGs Össur supports is Goal 5 on Gender Equality. This is an ongoing commitment and for years, Össur has both measured and published gender split

between employees as well as the gender split in management positions. 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 3.5%. In 2022 the split between female and male was 49% women versus 51% male employees, increasing the female percentage by 2 percentage point between years (47% women, 53% male in 2021). In 2022, women held 38% of management positions the same number as in 2021. The board of directors is composed of 3 men and 2 women, while the executive committee is composed of 3 woman and 5 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.

Audit on Equal Remuneration

Össur Iceland is following 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 2022 and resulted in a salary analysis that is within a 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).



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.

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	✓



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 intends 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 2022, ÖWLI hosted virtual networking events and informative webinars under the theme of Building Success. Topics included personal branding, communicating with intention and unconscious bias and inclusive leadership. ÖWLI also hosted its second global Women in O&P Workshop. The virtual event, entitled Building Success, was attended by over 100 participants from across the globe. The Workshop was opened by Össur President and CEO Sveinn Sölvason, and other

distinguished speakers from Canada, Germany, 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 end-users and to female professionals in the field and hopes to return to in-person events in 2023.

The Össur Women’s Leadership Initiative Goals

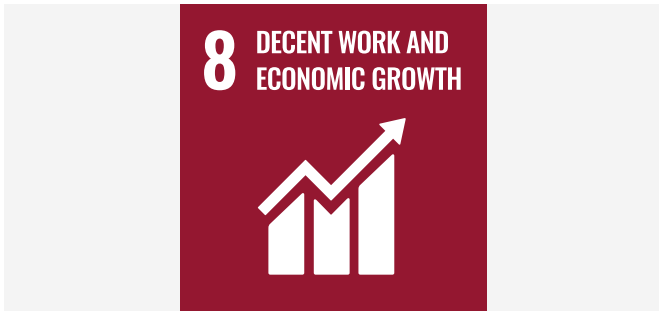
- Engage inclusively with both men and women to provide development support to female practitioners.
- Bring awareness to gender biases in the workplace and practices that promote diversity.
- Create a forum for female practitioners to network and provide support to one another.
- Establish a greater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

Goal 5 - Actions and Progress			
	Target	2022	2021
Gender split among employees*	50%, +/- 10 percentage points	49% Female 51 % Male	47% Female 53 % Male
Female Managers (percentage of total number of managers)	YoY increase	38%	38%
Össur’s Women’s Leadership initiative (ÖWLI) Encourage greater diversity and inclusiveness in the industry	Annual conferences and webinars	4 Webinars	3 Webinars

*Flexibility in gender split allows for non-binary gender, recognizing that some employees may not wish to be categorized

UN Sustainable Development Goal 8 – Decent Work and Economic Growth

Based on our long-standing commitment to ensure inclusive and equitable quality education, and a safe and inclusive workplace, Össur has added UN Sustainable Development Goal 8 to the SDGs we are committed to emphasizing and contributing towards.



We offer attractive job opportunities and good working conditions and are therefore able to stimulate the economy. We protect labor rights and offer safe working conditions in our own locations, and in partnership with our suppliers. Our solutions improve people’s mobility, thereby enabling more individuals to enter and stay in the labor market. For decades, Össur has promoted learning opportunities for own employees as well as the larger O&P community, through the Össur Academy.

Talent Development

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 which allows us to identify the behaviors that drive successful performance and support our business strategy.

Our competencies are Collaboration, Communication, Driving Results, Customer Focus and Change. Regular and open feedback about performance is the foundation for development.

Learning & Development

We conduct annual performance reviews, where the past year’s performance and contributions, as

well as plans for the coming year are reviewed and discussed. In addition, individual development plans are created, making sure employees can develop within the organization, and this is tied to our overall strategy and goals. In 2021, 95% of all employees were engaged in performance reviews. Regular check-ins are encouraged between employees and managers to discuss performance and the development of our competencies, supported by Össur’s Development Guide which 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. Participants learn through experiences, guided exercises, feedback and coaching, and peer learning. We also offer mentoring, 360° assessments, and 1:1 coaching to support development efforts and to further grow our talented employees.

Employee Engagement

At Össur we measure employee engagement at least once a year in our annual workplace survey and we are proud that engagement and employee satisfaction at Össur is high. Our employees’ passion, drive, and their ability to help our customers, are our greatest assets. The annual workplace survey is facilitated by an external party, ensuring an objective and anonymous process. Managers at Össur can access an online portal with their team results and are responsible for taking action based on the results.



Occupational Health and Safety

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

Employee Safety

Össur has a Job Safety Analysis program where job related risks are proactively identified, and reduced or eliminated to prevent incidents from occurring. In 2022, 103 preventive actions were implemented in this program, compared to 168 in 2021. The total recordable incidents per 100 employees resulted in 0.8, compared to 0.5 in 2021 which was an all-time low. The target for 2022 was ≤ 1.0 .

Various chemical products are used in the design and manufacturing of our products. One of Össur’s legal obligations is to ensure employee access to Safety Data Sheets (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 those that are less hazardous, to improve employee safety and reduce pollution from hazardous waste.

Operational Safety

To ensure operational safety and business continuity, fire safety audits are done quarterly in 19 locations, both in Össur locations and at our largest finished goods suppliers. In 2022, the fire safety audit score was 3.8 out of 4.0, meeting our target of ≥ 3.5 for 2022.



Össur has a clear emergency response procedure in place at our largest locations where all relevant employees have received appropriate training.

Employee Participation

Employee participation is fundamental in maintaining a culture of continual improvement and we encourage our employees to submit suggestions on how to improve safety in their work area. In 2022, the total number of implemented employee suggestions on workplace safety was 620, compared to 590 in 2021.

Recordable Incidents						
	2022	2021	2020	2019	2018	2017
Recordable Incidents per 100 employees	0.8	0.5	0.7	0.6	1.1	1.3
Number of recordable incidents	13	8	14	14	23	25



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.

Goal 8 - Actions and Progress

	Target	2022
Engagement Index	>4.0	4.01
Participants in LEAD program	100% (all new managers with direct reports)	100%
Individual development plans	YoY increase	56%



620

Implemented employee suggestions on improved workplace safety, compared to 590 in 2021



0.8

Recordable Incidents per 100 FTE's, compared to 0.5 in 2021



3.8 / 4.0

Score for Fire Safety audits done quarterly in 19 locations

Our Suppliers

We partner with suppliers who respect human rights and participate in social development.

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. Main distribution centers are in The Netherlands, the United States and Mexico. 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, we started to implement an enhanced third-party due diligence process in 2022 which includes more in-depth analyses and screening of suppliers through a third-party screening tool. In connection to this, the supplier management process has been re-evaluated and re-structured as needed to better align all processes for the supply chain.

In remediating any issues, Össur engages with its suppliers, and our finished goods suppliers have been provided with risk and safety seminars, education, and training, raising awareness for potential operational risks. However, Össur reserves the right to disqualify any potential supplier or terminate any relationship

with a current supplier that does not meet our 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. All critical suppliers are reviewed annually 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 our target, are offered the opportunity to adapt accordingly, and in some instances, suppliers are replaced.

Finished Goods Suppliers

At year-end 2022, Össur had 19 product suppliers in Asia, 11 major suppliers and 8 minor suppliers. Eight of those suppliers are considered critical finished goods suppliers. We work closely with our suppliers and every week one to two Össur employees are at the sites of our critical finished goods suppliers for up to three days. During those site visits, they are inspecting product quality and processes. Despite COVID-19 we have managed to maintain mostly the same frequency of inspections performed by our employees during the past two years. For external social and compliance audits, Össur has partnered with TÜV in Hong Kong. All critical suppliers are audited annually, however in 2022 one supplier in South Korea could not be finalized due to COVID-19 restrictions. These audits are in addition to regular inspections performed by Össur employees.

Our finished goods suppliers are instructed to follow a code of conduct and all contracts include 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 strategic finished goods suppliers to improve processes and risk awareness. Össur uses the results to help suppliers make progress and develop their operations.

Third Party Screening

During 2022, a new third-party screening tool was implemented creating a standardized process for screening and onboarding of third parties. The groups of third parties screened are suppliers, vendors, distributors, consultants, and other authorized representatives. This enhanced process for screening third parties is part of the process to prepare for the upcoming EU Corporate Sustainability Due Diligence Directive.

In the first phase of the implementation, selected top tier third parties have been screened and advised on actions to take. For third parties that were flagged as high risk, the vast majority was approved and accepted after further investigation and related inquiries. Most of the parties screened are low and medium risk.

Product Quality & Safety

Össur is committed to delivering safe, reliable quality 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 management 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 management 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

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.

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. A total of 38 external full day audits on ISO standards, regulations and MDSAP were conducted in the year 2022.



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	✓		

Össur’s certification service provider is BSI, a leading global organization with 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, our products are registered as necessary in accordance with regulations on medical devices. Össur’s global quality management system is set up to comply with strict international medical device standards and regulations and is continuously evolving as the regulations and standards expand and change.



38

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

Customer Feedback

Össur values feedback from our customers in relation to products and services. Össur carefully monitors feedback from customers. 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 Research & Development is working on product improvements and new product development.

The Össur Quality Center plays a key role in coordination and alignment with various departments, allowing Össur to provide quality products and increased safety for the users of our products. The Quality Center is 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.

Materials

Össur is mindful when it comes to selecting materials and substances used in our 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 do not need specific biocompatibility testing due to the nature of the product. In cases where products come into contact with human tissue, Össur performs

Össur initiated two global Product Field Safety Actions in 2022:

In May 2022, Össur initiated a Field Safety Notice for Vari-Flex® Junior, a prosthetic foot, to inform healthcare providers about updated Instructions for Use to facilitate the selection and safe use of the device.

In August 2022, Össur initiated a Medical Device Correction for Power Knee™, a prosthetic bionic knee, due to the risk of a potential battery dislodgement from the Power Knee unit, causing loss of power to the device. Customers were provided with a retrofit kit with clear instructions for attaching the security tab to the device.

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 continue to focus on this important topic in 2023.

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 their 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 ethics 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 regarding conducting clinical investigations, including training in Good Clinical Practice (GCP) for employees directly involved in the investigations to ensure ethical conduct, and compliance with standards and regulations. Furthermore, employees in sales and marketing receive training on clinical benefits and marketing material claims.

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 internally approved claims on safety, performance, and benefits.

Human Rights

We respect and support 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 the Policy, we are 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.

We encourage employees to report any suspected violation of our policies and have a Speak-Up line accessible for employees and other stakeholders. Any retaliatory actions against good faith reporting of actual or suspected violations is prohibited. Furthermore, we expect our business partners and all other strategic partners to understand and address our expectations related to human rights. Read the Human Rights Policy in full at [Össur’s website](#).



Our Communities

We create a lasting positive impact on our communities, helping more people to live a Life Without Limitations



Össur Give Back Program

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

The Össur Give Back Program offers all employees globally, one volunteer day per year with pay 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.

The Give Back Program has been very well received by Össur employees who actively participate in volunteer activities in their communities.



Diverse causes and charities benefited from donated working hours in 2022, such as the following:

- March Against Loneliness in Denmark
- Ronald McDonald House in Southern New Jersey, US
- South Jersey Food Bank in New Jersey, US
- River Kids Charity in Scotland
- West Lothian Food Bank in Livingston, UK
- Beach clean-up in the Netherlands
- Adaptive Sports Connection in Ohio, US
- Project Hope Alliance in Orange County, California, US
- Woodbank Community Food Hub in Stockport, UK
- Beach clean-up on the Southern Coast of Iceland
- Bannerman Island Historical Castle restoration in New York, US
- Tree planting with the Icelandic Forestry Association in Iceland
- Oertijdmuseum Garden clean-up in the Netherlands
- Ukrainian House, a Center for Ukrainian Culture in Szczecin, Poland
- Forest clean-up in Stockholm, Sweden
- Christmas gifts preparation for seniors living in social welfare homes in Szczecin, Poland



Ramp Up Iceland

Ramp Up Iceland was originally initiated in Reykjavik in March 2021, with the goal of helping local businesses in the capital city to install wheelchair ramps to improve accessibility for people with mobility challenges. The project was very successful and expanded to other towns and communities in Iceland this year. Össur is one of the founding members of the project, spearheaded by entrepreneur Halli Thorleifsson. The original goal of Ramp Up Iceland was to complete 1,000 ramps around Iceland by end of 2025 but the project has progressed so well that the goal has been increased to 1,500 ramps within the same timeframe. Ramp Up Iceland is supported by the President of Iceland, Gudni Th. Jóhannesson, and the Icelandic Government.



Össur Mobility Clinics

For nearly 30 years, Össur has partnered with the Challenged Athletes Foundation (CAF) to host running and mobility clinics in the US. Held at various locations throughout the year, these free clinics provide opportunities for people with limb loss and limb difference to learn useful techniques and gait training from elite faculty. Össur athletes and CAF mentors participate in the clinics with the goal of helping individuals move better and more confidently with their prosthesis.

Össur Mobility Clinics have been held in Australia, France, South Africa, and other countries over the years. In 2022, Össur Australia also held specialized mobility clinics focused on individuals participating in golf, skiing and surfing, and Össur France held a Junior Day which was dedicated to children.



Community Partnerships

Össur supports and partners with a wide range of organizations around the globe. As a leading provider of mobility solutions, it is our responsibility and privilege to champion the people we serve in every way possible. A few of the Össur's larger initiatives are:



Challenged Athletes Foundation (CAF)

The Challenged Athletes Foundation (CAF) and Össur have partnered together for nearly 30 years to ensure that individuals with limb loss and limb difference have access to innovative sports prostheses, expert coaching, and instruction on how to get the most out of their devices.

Entr'Aide

Össur partners with the Entr'Aide association in France to offer children aged 6-16 access to running blades to engage in a broad range of activities.



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 (NPC Iceland) for over 30 years. Together, we advocate for inclusion and participation of individuals in sports and support local athletes participating in the Paralympic Games.



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 loss and limb difference.

Community Partnerships

Jumping Kids

Össur partners with South African organization Jumping Kids which has the mission of providing access to prosthetic equipment, school and sport for children living with lower limb loss from previously disadvantaged communities.

Motivation Australia

Össur partners with Motivation Australia, an organization working to improve the lives of people with mobility challenges in the Pacific region. Össur offers financial and volunteer support to improve Prosthetic and Orthotic service provision in the region

Prosthetika

Össur partnered with non-profit organization Prosthetika and participants of the Ukraine Prosthetic Assistance Project to facilitate the donation of prosthetic products to Ukrainian people who have suffered amputation due to the war. Both groups have years of experience working in Ukraine and our partnership ensures that new amputees needing limbs are matched with Ukrainian prosthetists and rehabilitation personnel who can carry out the treatment. Össur has also provided clinical training to Ukrainian prosthetists. Our focus is to work directly with prosthetic clinicians

and healthcare providers in Ukraine in order to ensure sustainable rehabilitation care.

Team Össur

Team Össur is an accomplished group of elite international athletes and sporting role models. Team Össur includes athletes from all over the world who compete in various sporting disciplines. Many of our Team Össur athletes are world record holders and multiple medal winners. The visibility of high-performance athletes inspires everyone to follow their dreams.

Team Para Atletiek

Össur is a proud supporter of Team Para Atletiek in The Netherlands. With their motto 'Try to be better than yesterday', Team Para Atletiek works with people actively pushing their boundaries and encourages participation in sport.

The Richard Whitehead Foundation

Össur partners with The Richard Whitehead Foundation which focuses on providing support, mentoring, equipment, and opportunities to young people with disabilities who are facing physical and emotional challenges.



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 Össur’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 Össur 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 the people we serve, support the local community or engage our employees. Part of Össur’s donations are also in the form of our products, services or expertise. Össur does not make donations to political parties or any sort of political activities.



Social Metrics

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

Social Metrics		Contribution to UNGC and SDGs	2022	2021	2020
S - 1	CEO Pay Ratio	UNGC: Principle 6			
1)	CEO total compensation to median FTE total compensation		17	37	23
2)	Does your company report this metric in regulatory filings? Yes/No		Yes	Yes	Yes
S - 2	Gender Pay Ratio	UNGC: Principle 6			
	Equal pay audit*		Yes	Yes	Yes
S - 3	Employee Turnover	UNGC: Principle 6			
1)	Year-over-year change for full-time employees		22%	19%	17%
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
S - 4	Gender Diversity	UNGC: Principle 6, SDG 5			
1)	Total enterprise headcount held by men and women		M 51%/ F 49%	M 53%/ F 47%	M 54%/ F 46%
2)	Entry- and mid-level positions held by men and women		M 49%/ F 51%	M 52%/ F 48%	M 52%/ F 48%
3)	Senior- and executive-level positions held by men and women		M 59%/ F 41%	M 64%/ F 36%	M 66%/ F 34%
S - 5	Temporary Worker Ratio	UNGC: Principle 6			
1)	Total enterprise headcount held by part-time employees		9%	8%	9%
2)	Total enterprise headcount held by contractors and/or consultants		199	107	144
S - 6	Non-Discrimination	UNGC: Principle 6, SDG 16			
1)	Does your company follow a sexual harassment and/or non-discrimination policy? Yes/No		Yes	Yes	Yes
S - 7	Injury Rate	SDG 8			
1)	Total Recordable Incident Rate per 100 employees		0.8	0.5	0.7
S - 8	Global Health and Safety	SDG 8			
1)	Does your company follow an occupational health and/or global health & safety policy? Yes/No		Yes	Yes	Yes
S - 9	Child & Forced Labor	UNGC: Principle 4, 5, SDG 16			
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
S - 10	Human Rights	UNGC: Principle 1, 2, SDG 16			
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

* Össur Iceland is audited in accordance with IST 85:201

Össur Provides Humanitarian Aid to Ukraine



Össur suspended its sales to Russia in February 2022. Limb loss is, unfortunately, one of the tragic consequences of armed conflict. The number of civilians and military personnel who have been amputated due to the ongoing war in Ukraine increases daily. We immediately pledged to donate prosthetic products and clinical expertise to Ukrainian people who suffer amputation because of the war. We focus on working directly with prosthetic clinicians and healthcare providers in Ukraine to ensure sustainable rehabilitation care.

To initiate our support, Össur partnered with the non-profit organization Prosthetika and Ukrainian CPOs, participants of the Ukraine Prosthetic Assistance Project. Both groups have experience working in Ukraine since 2014. Our partnership ensures that new amputees needing limbs are matched with Ukrainian CPOs and rehabilitation personnel who can carry out their treatment.

In June 2022, Össur received a grant from the Icelandic Ministry for Foreign Affairs' SDG Partnership Fund to support clinical education efforts for Ukrainian medical professionals who are fitting new amputees with Össur donated products.

During 2022, Össur conducted training courses in Amsterdam, Oslo, and Lviv, for more than 20 Ukrainian

CPOs, technicians, and physiotherapists, who work at clinics all over Ukraine. The training courses covered more than 12 days in total and focused on our Direct Socket fitting method, which is very well suited to the circumstances in Ukraine as it is fast and efficient. Össur subsequently provided products for new amputees who were treated in Ukraine by the newly trained clinicians.

In 2022, more than 20 individuals in Ukraine received Össur donated prosthetic solutions for upper and lower limb amputations. Össur has also donated tools, prosthetic components, and materials to clinics in Ukraine to ensure necessary product availability. The clinicians have been working in challenging circumstances, sometimes without water or power for days, relying on generators or flashlights while conducting the fittings.

We are proud of the assistance we have provided and believe our initiative will bring much-needed prosthetic components to those in need and a new, more effective socket fabrication technology to the people of Ukraine. This will increase the level of clinical knowledge among Ukrainian medical professionals, supporting the healthcare infrastructure and sustainable rehabilitation care that amputees need for the longer term.

Our Business

Responsible business leading with integrity and transparency



Our
Governance
Practices

Our
Business
Integrity

Our
Reporting
Transparency

Governance
Metrics

Our Governance Practices

We practice sound governance in all our activities

Corporate Governance

Össur hf. is an Icelandic company listed on Nasdaq Copenhagen. Össur communicates with its shareholders and other stakeholders about Össur’s financial and business developments in an open and honest manner.

Structure

The supreme authority in Össur’s affairs is in the hands of lawful Shareholders’ Meetings, within the limits provided for in the Articles of Association and law. The Board of Directors is the supreme authority in Össur’s affairs between Shareholder’s Meetings. The Board of Directors appoints the CEO to manage the day-to-day operations.

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](#).

Governance of Sustainability

The Executive Vice President of People, Strategy & Sustainability, and chair of the Sustainability Committee, is responsible for the execution of the sustainability strategy. The Sustainability Committee evaluates and discusses the strategic priorities and progress regularly. Further information on the Sustainability Committee can be found in the Governance of Sustainability chapter.

Risk Management

It is the responsibility of the Board of Directors, the Audit Committee, the CEO and the Executive Management to evaluate key risks and address them accordingly. Four key areas of risks are described in detail in the Annual Report. Additionally, several other risk factors relevant to our business are described on [Össur’s website](#).



Governance of Compliance, Ethics and Security

The Compliance & Security Governance Charter (hereafter, “the Charter”) sets out the governance structure, framework, roles, and responsibilities within Össur. The Charter’s scope includes Compliance & Integrity and Security & Privacy, governed by the Audit Committee, the Compliance & Security Committee, and the Compliance & Integrity function and the Security & Privacy function, ensuring proper oversight, support and execution of annual Security and Compliance plans.

Össur has operations in 36 countries and distributes its products worldwide. To ensure that we conduct our business fairly and ethically, Össur rolled out a comprehensive, three-year compliance and integrity program in 2020. Originally based on a risk assessment

performed by external consultants, Össur prioritized its efforts in building a global compliance and 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. In executing, supporting and controlling the compliance program, Management, the Compliance & Integrity function and Internal Control act as the Three Lines of Defense.

The Compliance & Integrity function is responsible for global implementation of the Compliance & Integrity program. In 2022, Össur also created a Compliance Ambassador group, consisting of employees within the People and Finance functions who can help raise awareness and support compliance and integrity activities in the business.

Our Business Integrity

We set high ethical standards and act with honesty and integrity

UN Sustainable Development Goal 16 – Peace, Justice and Strong Institutions

We are committed to responsible business practices and making a meaningful contribution to peaceful



and inclusive societies. Össur has a zero-tolerance policy when it comes to Corruption and Bribery, and we respect and support the rule of law. We guide employees through our Code of Conduct and offer platforms for employees and other stakeholders to speak up and voice potential concerns. Our reporting is transparent, and we believe business ethics are fundamental for a global society to achieve sustainable development.

Ethics and Integrity

Code of Conduct

At Össur, we work in line with our Code of Conduct, based on our values – Honesty, Frugality, Courage. Sustainability is firmly anchored in our Code of Conduct. Össur has various other policies in place to give practical guidance on compliance and integrity to all employees. 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.



The Code of Conduct applies to all employees globally, including the Board of Directors. In 2022, it was made available in all main languages of Össur office locations and operations. A new e-learning was rolled out company-wide, and by the end of 2022, over 73% of employees had completed the training and given feedback on our Code of Conduct. All new employees receive the e-learning and are asked to complete it within one month of their first day at work.

Code of Conduct Training



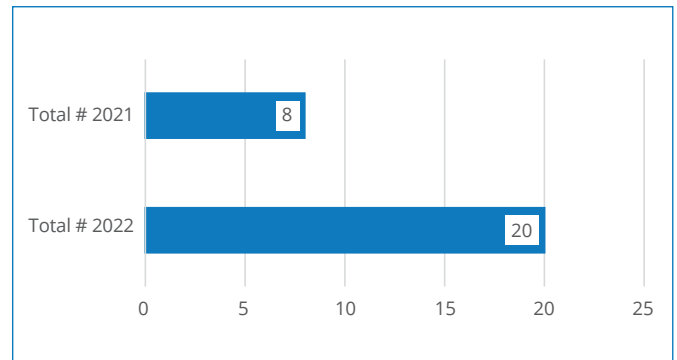
73%

of employees trained in Code of Conduct

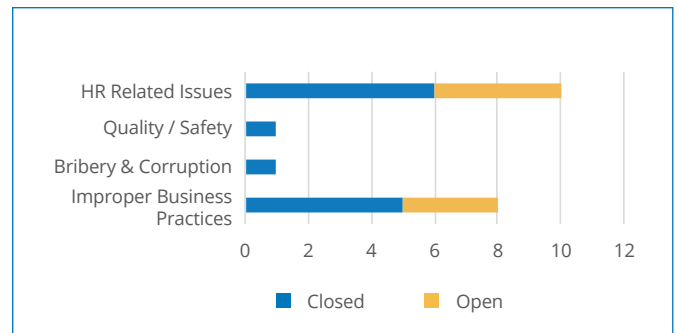
Össur Speak-Up Line

The Össur Speak-Up Line is our global whistleblower and helpline system. The Össur Speak-Up Line is hosted by an independent external party, ensuring compliance with all local regulations and the General Data Protection Regulation and other privacy regulations. It is operated and monitored by the Össur Compliance and Integrity function, in line with our Speak-Up Line Policy and Investigation Management manual. Employees, who are asked to help investigate incidents reported into the Speak-Up Line, receive training on how to conduct investigations.

Total # Incidents Speak-Up Line 2021-2022



Speak-Up Line 2020-2022



Everyone who reports an issue 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 and can be made anonymously. Finally, the Speak-Up Line is available in all languages of the countries in which Össur has offices and operations.

In total, 28 cases have been reported since the Speak-Up Line was introduced, and in 2022, we received 20 reports. We also implemented a Speak-Up Line Committee, headed by the Global Compliance Director, and including the Executive Vice President of People, Strategy & Sustainability as well as the Head of Internal Control. This Committee ensures proper identification, triage and investigation of incidents. Finally, the importance of speaking-up was recommunicated and non-retaliation reiterated, so that employees feel safe to report issues, ask questions, or seek guidance.

Training and Awareness

Our values - Honesty, Frugality and Courage - all reflect our commitment to conduct our business fairly and with integrity, to use Company 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 our Anti-Bribery and Anti-Corruption (ABAC) Policy or law or regulation against bribery and corruption. The ABAC Policy was redesigned and updated early 2022 and communicated internally to all employees. It describes 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 function.

All Össur employees have been made aware of our ABAC policy through the Code of Conduct training. Selected groups of employees have received specific ABAC training through live training, which will continue in 2023.

In addition to the ABAC policy and training, Össur provides specific training on Competition and Anti-Trust, Sanctions and Anti-Money Laundering to selected groups of employees, in line with our key compliance risks.

Cybersecurity

The Global Security and Privacy function is responsible for the implementation and maintenance of cybersecurity and privacy. Össur security implementation is based on ISO 27001 framework and governed by the Össur Compliance and Security Committee. Össur privacy compliance globally uses the GDPR and other relevant laws when working with personal information.

Personal Data Protection

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 requiring companies to handle personal data responsibly and securely.

To ensure compliance with data protection legislations, Össur has established procedures, policies and facilitated awareness training about personal data protection. The Global Data Protection Officer leads Össur's coordination for personal data protection using the European Union's General Data Protection Regulation (GDPR) and ISO 27701 as our main framework and taking into account applicable local legislation.

Information and Cybersecurity

Protecting Össur's information assets is a priority. Össur security is supported by policies and procedures approved by the Compliance & Security Committee (CSC) and the Global Security & Privacy Director reporting to the CSC. The Össur information security framework is based on ISO 27001 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 the Audit Committee.

Ethical Marketing Program

Össur markets its products and services primarily to healthcare professionals. Össur respects and understands the boundary between the expertise of the healthcare professionals and our product expertise. Össur’s Global Code of Conduct guides employees regarding interaction with healthcare professionals as well as Össur’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 Our People’s chapter on Trials and transparency.

Additionally, Össur believes it is important to ensure that our marketing material reflects the diverse population we serve. Össur has for many years strived to change the perception of people who are differently abled. We take our 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 through its media activities.

Össur is an advocate of 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. Through our community outreach programs, sponsorship initiatives and promotional efforts, we strive to elevate the importance of inclusion and believe that everyone deserves the opportunity to live a Life Without Limitations.



VALUES

HONESTY

— Stay True —

FRUGALITY

— Make Every Step Count —

COURAGE

— Aim Higher —

Our Reporting Transparency

We ensure transparent reporting of our business practices

Tax Strategy and Transparency

Össur's Approach to Tax & Tax Policy

Össur's core values, honesty, frugality, and courage, are a strong foundation for the corporate culture and business strategy and drive the behavior that is needed to realize our purpose. These core values also serve as a strong foundation for our approach to tax.

Based on these core values and our commitment to actively contribute to improved mobility for our customers so they can live their Life Without Limitations® and a better society for future generations, Össur acts with integrity towards all stakeholders involved directly and indirectly with the company. As a high-profile provider of medical devices, Össur acknowledges that paying tax is an important part of our economic impact and contribution to society as taxes fund public services like healthcare and social investment. Össur aims to be a sustainable

and responsible taxpayer also considering the UN Sustainable Development Goals. Our approach to tax risk is integrated within our broader business risk management and compliance framework.

We ensure best efforts to be compliant with tax laws and regulations making all tax filings and paying the right amount of tax at the right time in accordance with the laws and regulations in the countries in which we operate. We believe that tax is an integrated part of doing business and that tax should follow the business, meaning profits should be allocated to the countries in which business value is created. We do not use companies located in tax haven or EU blacklisted jurisdictions or companies located in low tax countries to avoid taxes. We make use of tax incentives, reliefs, credits and exemptions such as for example R&D tax credits in Iceland and the United Kingdom in line with tax legislation and in the manner intended. We do not engage in transactions which have the sole aim of reducing tax.

We are transparent about our approach to tax and our tax position with our different stakeholders, and we manage our tax affairs responsibly. 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.

Goal 16- Actions and Progress			
	Target	2022	2021
Employees trained in the Össur Code of Conduct	100%	73%	n/a
Cases submitted to the Össur Speak-Up line	-	20	8
- Thereof Cases that are in Scope		16	8

Governance Metrics

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		Contribution to UNGC and SDGs	2022	2021	2020
G - 1	Board Diversity				
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%
G - 2	Board Independence				
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%
G - 3	Incentivized Pay				
1)	Are executives formally incentivized to perform on sustainability? Yes/No		No	No	No
G - 4	Collective Bargaining	UNGC: Principle 3			
1)	Total enterprise headcount covered by collective bargaining agreement(s)		29%	29%	39%
G - 5	Supplier Code of Conduct	SDG 16, UNGC: Principle 1, 2			
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	n/a	76%
G - 6	Ethics & Anti-Corruption	UNGC: Principle 10, SDG 16			
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?***		73%	n/a	91%
G - 7	Data Privacy				
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
G - 8	ESG Reporting	UNGC: Principle 8, SDG 16			
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
G - 9	Disclosure Practices	UNGC: Principle 8, SDG 16			
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
G - 10	External Assurance	UNGC: Principle 8, SDG 16			
	Are your sustainability disclosures assured or validated by a third party? Yes/No		Yes	Partly***	Partly***

* 2020 numbers: percentage of suppliers categorized as critical suppliers. 2021/22 comparable numbers not available due to changes of the process in relation to new screening procedures. Will be implemented in 2023.

** Numbers not comparable. 2020 numbers: training based on previous policy and selected key employees. 2022 numbers: training on a revised Code of Conduct launched in December 2021 and training rolled out to all employees in 2022.

*** Limited Assurance by Deloitte in 2022. For 2020 and 2021 third party audits were performed on some of the data in the relevant reports.

A woman with long dark hair, wearing a light blue cardigan and a white skirt, is walking on a paved path. She has a prosthetic left leg and is wearing white sneakers. The background shows a modern building with a grid-like facade and some greenery.

About the Report

[About the Report](#)

[Material Topics](#)

[Independent Auditor's Assurance Report](#)

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 Chains Act.

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.

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 Our Environment, Our People and Our Business chapters.

Taxonomy

The EU Taxonomy legislation is expected to take effect in Iceland as of 1 June 2023. Össur has started to prepare for the upcoming legislation and based on the information available, we expect Össur to be likely to be

subject to the remaining four environmental objectives yet to be published by the European Commission. Further analysis on Össur’s eligibility and compliance to the legislation will be reported on in the Sustainability Report for 2023.

Assurance

Deloitte Iceland has reviewed and provided limited assurance for the information disclosed in this report, see auditor’s statement below. 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 Iceland in accordance with the Equal Pay Certification standard. For environmental data Össur has partnered with Klappir for our 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 2022 but some estimations are done for December as actual data was not available before the publication of this report.

Össur 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.



Klappir for the Company’s Greenhouse



Gas Accounting, which provides standardized accounting, transparency and compliance.

Greenhouse Gas Emissions Reporting

Scope 1

Gas Consumption for Heating and Cooling

Monitored in Össur’s production and distribution sites in Mexico, US, UK and the Netherlands. In 2022, purchased gas was monitored in eight 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 GHG 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 covers around 60% of booked travel and the remaining has been extrapolated to ensure completeness of emissions 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 GHG 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.

Material Topics

Össur has evaluated ESG topics material to Össur and external stakeholders based on general feedback from both internal and external sources. The table below shows material ESG topics and how they rank in importance for Össur; High, Medium or Low. We will perform a double materiality assessment in 2023, in line with requirements in the upcoming Corporate Sustainability Reporting Directive (CSRD).

Össur Material Topics



	Environmental	Social	Governance
High	<ul style="list-style-type: none"> Greenhouse Gas (GHG) Emissions Reduction & Management Product Design & Circular Economy 	<ul style="list-style-type: none"> Access & Availability Occupational Health & Safety Gender Equality, Diversity & Inclusion Product Quality, Safety & Governance Data Security & Privacy Customer Experience 	<ul style="list-style-type: none"> Ethical Marketing Practices Clinical Trials & Transparency Human Rights & Labor Practices Anti-Corruption & Bribery
Medium	<ul style="list-style-type: none"> Energy Efficiency Waste Management 	<ul style="list-style-type: none"> Employee Engagement 	<ul style="list-style-type: none"> Corporate Governance Business Ethics & Integrity
Low	<ul style="list-style-type: none"> Water Management Biodiversity 	<ul style="list-style-type: none"> Animal Welfare 	



Independent Auditor’s Assurance Report

To the Management and The Stakeholders of Össur

We have been engaged by Össur to provide limited assurance on Össur’s non-financial information disclosed according to Nasdaq ESG reporting guide in Össur’s Sustainability report for the year 2022.

Our engagement was performed to:

- Access whether the ESG reporting on page 27, 50 and 59 have been stated in accordance with Nasdaq ESG reporting guide;
- Review underlying data processes;
- Assess whether overall text in the Sustainability report 2022 is in accordance with disclosed indicators

We express a conclusion providing limited assurance.

Management’s Responsibility

The Management of Össur is responsible for collecting, analysing, aggregating, and presenting the information in the report, ensuring that the information is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants (IESBA Code), which are based on the fundamental principles of integrity, objectivity, professional competence and due care, confidentiality, and professional behaviour.

Deloitte ehf. is subject to International Standard on Quality Management (ISQM) 1 and, accordingly, applies a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

Auditor’s Responsibility

Our responsibility is to express a limited assurance conclusion on the ESG reporting on page 27, 50 and 59 and non-financial information presented in the Sustainability report. We have conducted our work in accordance with ISAE 3000 (revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information, to obtain limited assurance about our conclusion. In accordance with the standard, we have planned and performed our work to obtain limited assurance about whether the ESG index table and non-financial information is free from material misstatement.

A limited assurance engagement is less in scope than a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Considering the risk of material misstatement, we planned and performed our work to obtain all information and explanations necessary to support our conclusion.

We performed reviews of data, recalculation of data, reviews of the underlying data processes as well as interviews with those responsible for producing the data. Our work has included interviews with key functions in Össur, inquiries regarding procedures and methods to ensure that selected indicators and non-financial information have been incorporated in accordance with the guidelines in Nasdaq ESG reporting guide. We have assessed processes, tools, systems, and controls for gathering, consolidating and aggregating non-financial data at Össur, and performed analytical review procedures and tested data prepared against underlying documentation. Furthermore, we have evaluated the overall presentation of Össur’s Sustainability Report for the year 2022, including the consistency of information.

Conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that Össur's ESG reporting and non-financial information for the year ended 31.12.2022 is not prepared, in all material respects, in accordance with Nasdaq ESG reporting guide and that the overall text in the Sustainability report is in accordance with disclosed indicators.

Kópavogi, 31 January 2023

Deloitte ehf.



Birna María Sigurðardóttir

State-Authorised Public Accountant



