

Össur hf.'s Annual General Meeting 2024 - Minutes of the Meeting

Minutes of the Annual General Meeting of Össur hf. held on 13 March 2024 at the Company's headquarters at Grjótháls 5, Reykjavík.

The Chairman of the Board of Directors, Mr. Niels Jacobsen, opened the Meeting at 9:00 am.

Mr. Gunnar Sturluson was elected the Chairman of the Meeting and Mr. Tómas Eiríksson was elected the Secretary of the Meeting.

Present at the Meeting were shareholders holding 357,744,957 shares, representing 83.8% of the active share capital of the Company.

The Chairman declared that the Meeting was lawfully convened and empowered to decide on all items on the agenda.

The Meeting was convened in accordance with its agenda.

1. The Board of Directors' report on the Company's activities for the preceding year

The Chairman of the Board of Directors, Mr. Niels Jacobsen, reported on the Company's operations and activities in the year 2023 on behalf of the Board.

2. Distribution of the Company's net profit for the fiscal year 2023

The shareholders approved to carry the net profit in 2023 over to the following year.

Shareholders holding 200 shares voted against.

3. Submission of the Consolidated Financial Statements of The Company for the preceding year for confirmation

Mr. Sveinn Sölvason, President & CEO, presented the Consolidated Financial Statements for the year 2023. He discussed the Company's financial performance and provided an update on the Company's strategy.

The shareholders unanimously approved the Consolidated Financial Statements for the year 2023.

4. The Board of Directors' report on remuneration and benefits

The Chairman of the Board of Directors, Mr. Niels Jacobsen, discussed the Company's compensation philosophy. He then reported on the remuneration and benefits of the Board of Directors, the President and CEO and the Executive Management, the estimated remaining costs of the current long-term incentive programs and the execution of the Company's Remuneration Policy. Niels also discussed the Board's proposal under item 5.

5. The Company's Remuneration Policy

The shareholders approved the Remuneration Policy for the Company, as set out in Annex 1 to these minutes.

Shareholders holding 16,134,328 shares voted against. Shareholders holding 14,501,842 shares abstained.

6. Remuneration to the Board of Directors for 2024

The shareholders unanimously approved the following remuneration to the Board of Directors for 2024:

Chairman of the Board – USD 111,000

Vice Chairman of the Board – USD 74,000

Board Member – USD 37,000

The shareholders also unanimously approved the following remuneration to the Audit Committee for 2024:

Chairman of the Audit Committee – USD 14,500

Audit Committee Member – USD 7,250

7. Amendment to the authorization to grant Restrictive Share Units (RSUs) to certain key employees.

The shareholders approved to make the following amendment to the long-term incentive program for certain key employees approved at the Annual General Meeting in 2023:

Number of RSUs and the theoretical yearly market value of the program: A maximum of 395,000 RSUs may be granted each year with a total value of approximately USD 1.7 million based on the current share price (closing price on Nasdaq Copenhagen on 23 January 2024) and the current annual fixed salary of the Participants. The number of RSUs issued may be increased each year but the annual increase of RSUs issuance shall not exceed 10%.

Shareholders holding 200 shares voted against. Shareholders holding 14,501,842 shares abstained.

8. Amendments to the Company's Articles of Association

The shareholders approved to amend Article 1 and Article 24, paragraph 1, in the Company's Articles of Association.

Shareholders holding 200 shares voted against the amendment to Article 1. Shareholders holding 705,873 shares voted against the amendment to Article 24, paragraph 1.

Article 1 of the Company's Articles of Association now states as follows:

"The name of the Company is Embla Medical hf. The Company is a limited liability company."

Article 1 of the Company's original Articles of Association in Icelandic now states as follows:

"Heiti félagsins er Embla Medical hf. Félagið er hlutafélag."

a) Article 24, paragraph 1, of the Company's Articles of Association now states as follows:

"The Board of Directors shall be composed of 4-7 individuals elected at the Annual General Meeting for a term of one year (until the end of the next Annual General Meeting). No alternate directors are elected."

Article 24, paragraph 1, of the Company's original Articles of Association in Icelandic now states as follows:

"Stjórn félagsins skal skipuð 4-7 einstaklingum sem kosnir eru á aðalfundi til eins árs í senn (til loka næsta aðalfundar). Ekki skal kjósa varastjórnarmenn."

9. Election of the Board of Directors

The shareholders approved to elect six individuals to the Board of Directors for the upcoming term. The Chairman informed the Meeting that six candidates had notified the Board of Directors of their candidature to the Board. As there were no other candidates, the Chairman declared that the following candidates were lawfully elected to the Board of Directors of the Company until the next Annual General Meeting:

Dr. Alberto Esquenazi

Dr. Svafa Grönfeldt

Mr. Niels Jacobsen

Mr. Arne Boye Nielsen

Ms. Tina Abild Olesen

Ms. Caroline Vagner Rosenstand

10. Election of an Auditor

The Chairman informed the Meeting that PwC was the only candidate nominated as the Company's Auditor. As there were no other candidates, the Chairman declared that PwC was lawfully elected as the Company's auditor.

11. Authorization to purchase own shares

The shareholders approved the following proposal on an authorization to purchase own shares:

The Board of Directors is authorized, at any time in the next 30 months, to allow the Company to purchase own shares of up to 10% of the Company's share capital as it is each time. The purchase price shall not be higher than the price of the last independent trade or the highest current independent bid, whichever is higher, on the regulated market where the transaction is carried out. This authorization is granted in accordance with Article 55 of the Icelandic Act No. 2/1995 on Limited Liability Companies.

Shareholders holding 17,312,688 shares voted against.

12. Authorization to initiate share buyback programs

The shareholders approved the following proposal on an authorization to initiate share buyback programs:

The Board of Directors is authorized, until the next Annual General Meeting 12 March 2025, to allow the Company to initiate one or more share buyback programs (the "Programs") that comply with the provisions of Regulation No. 596/2014 of the European Parliament and of the Council on market abuse ("MAR") and the Commission's delegated regulation 2016/1052. The main purpose of the Programs shall be to reduce the Company's share capital, but the shares purchased may also be used to meet the Company's obligations under share incentive programs with employees. The Company may purchase up to 8,000,000 shares in total under the Programs, corresponding to 1.9% of the current share capital. The total consideration for shares purchased under the Programs shall not exceed USD 40 million. The Company shall not purchase more than 25% of the average volume of the shares each trading day based on the average volume the 20 trading days preceding the date of purchase on the regulated market where the purchase is carried out. The purchase price shall not be higher than the price of the last independent trade or the highest current independent bid, whichever is higher, on the regulated market where the transaction is carried out. Each Program shall be managed by an investment firm or a credit institution which makes its trading decisions in relation to the Company's shares independently of, and without influence by, the Company regarding the timing of the purchases. The Company's purchases under the Programs shall be disclosed in accordance with law and regulations.

Shareholders holding 200 shares voted against.

13. Any other business lawfully submitted or approved for discussion at the Meeting

No other business was submitted for discussion.

The Secretary read the minutes aloud at the close of the Meeting. The shareholders made no comments.

The Chairman declared the Meeting adjourned at 9:45 am.



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Gunnar Sturluson, Chairman



Tómas Eiríksson, Secretary

ANNEX 1

Remuneration Policy

1. General principles

This Remuneration Policy of Össur hf. (“Össur” or “Company”) sets out the principles of remuneration to the members of the Board of Directors (the “Board”), the President and CEO and other members of the Executive Management (“Executive Management”) in a clear and transparent way. This Policy has been prepared in accordance with Article 79 a. of the Icelandic Companies Act No. 2/1995 and the Danish Recommendations on Corporate Governance implemented by Nasdaq Copenhagen.

The overall objectives of the Remuneration Policy are to:

- Align long-term interest between the Board, the Executive Management, and Össur’s shareholders.
- Attract, retain, and engage qualified members of the Board and the Executive Management to drive Össur’s strategy in a sustainable way.

The Remuneration Policy offers a fixed base fee to members of the Board and a combination of a fixed and a variable remuneration to members of the Executive Management, which is deemed to support the policy objectives.

2. Remuneration of the Board

Composition	<p>The remuneration to members of the Board is comprised of a fixed base fee. The Chairman and the Vice Chairman receive a multiple of the fixed base fee.</p> <p>Board members are not entitled to any short-term incentives, such as bonuses, or long-term incentives, such as share options, performance share units, restrictive share units or other incentive programs.</p>
Purpose alignment with strategy, long-term interests and sustainability	<p>The purpose is to attract, retain, and engage qualified members of the Board to drive Össur’s strategy in a sustainable way.</p> <p>The Board remuneration is based on a fixed base fee linked to the role and responsibility of the relevant Board member. The remuneration structure seeks to promote the Board’s focus on strategy, supervision, organization and governance</p>



	of the Company. The Board members are not entitled to a variable remuneration to ensure that the Company's long-term interests are taken into consideration.
Benchmark	The Board remuneration is evaluated against relevant benchmarks, primarily international companies similar to Össur in size and complexity.
Fees and benefits	<p>Fixed base fee:</p> <ul style="list-style-type: none"> • Board members receive an annual fixed base fee. • The Chairman receives three times the fixed base fee. • The Vice Chairman receives two times the fixed base fee. <p>Board committee fee:</p> <ul style="list-style-type: none"> • Audit Committee members receive an annual Audit Committee fee. • The Chairman receives two times the Audit Committee fee. • No separate fee is paid to members of the Nomination Committee and the Remuneration Committee. <p>Fee for ad hoc tasks If the Board assigns a special ad hoc task to a Board member, the Board Member may receive a separate fee based on recommendation by the Remuneration Committee, which is subject to approval by the Annual General Meeting.</p> <p>Expenses The Board members' travel expenses and similar expenses incurred in relation to their participation in Board meetings are reimbursed by the Company.</p> <p>Directors and officers liability insurance The Company has a customary directors and officers liability insurance, which covers the Board members.</p>
Term	Board members are elected at the Annual General Meeting for a term of one year. No special termination provisions apply to the Board members, and they are not entitled to any compensation when they resign from the Board.
Remuneration	The remuneration of the Board of Directors is approved by the shareholders at the Annual General Meeting each year.

3. Remuneration of the Executive Management

Composition	The remuneration of the Executive Management is comprised of a fixed salary, bonuses for short-term performance, performance share units for long-term performance, pension contribution and other benefits, such as car, phone, internet connection etc.
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<p>Purpose and alignment with strategy, long-term interests and sustainability</p>	<p>The purpose is to attract, retain, and engage qualified members of the Executive Management to drive Össur's strategy in a sustainable way.</p> <p>The combination of a fixed and variable remuneration aims to achieve a balance for the Executive Management to engage in reasonable and calculated risk-taking for the short-term while creating long-term value and growth for the shareholders and other stakeholders.</p> <p>The fixed salary is provided at a competitive level to support that executive decision-making strikes the appropriate balance between risk and reward as well as short- and long-term perspective.</p> <p>The variable remuneration is designed to promote high performance in line with the Company's strategy. The variable remuneration is based on performance metrics which are aligned with Össur's long-term strategy and sustainability.</p> <p>The short-term incentive is designed to incentivize executives to achieve short-term performance targets and to ensure high level performance, both for individual members of the Executive Management and collectively.</p> <p>The long-term incentive is designed to promote delivery on Össur's long-term strategy and maximizing long-term value creation for shareholders and other stakeholders.</p>
<p>Benchmark</p>	<p>The remuneration of the Executive Management is evaluated against relevant benchmarks, primarily international companies similar to Össur in size and complexity.</p>
<p>Fixed salary</p>	
	<p>The determination of the fixed salary for each member of the Executive Management takes account of the executive's responsibilities, local trends, performance and other relevant factors.</p>

Variable Remuneration	
Short-Term Incentives (STI)	<p>Short-term incentives are one-year bonuses paid out in cash and are linked to the level of achievement of predefined metrics for each member of the Executive Management.</p> <p>Performance metrics for short-term incentives shall reflect the specific business goals for the year which contribute to Össur's long-term strategy and sustainability. The metrics include a combination of financial and non-financial targets where special attention shall be given to the Company's overall results, actual growth, long-term profitability and value creation for shareholders. Financial metrics weigh at least 75%.</p> <p>The performance metrics and targets are set at the beginning of the year and include the determination of threshold and the level of performance to be achieved for maximum payout.</p> <p>The performance assessment takes place at the beginning of the year following the performance year. The assessment is based on the results achieved, as published in the financial reports submitted to the stock market, and relevant external and internal reports.</p> <p>Additional cash bonus may be paid out to an executive in extraordinary circumstances, but total short-term incentives may never exceed 67% of the executive's annual fixed salary.</p>
Long-Term Incentives (LTI)	<p>Long-term incentives are in the form of yearly granted performance share units (PSUs) and are linked to the level of achievement of predefined metrics for the Executive Management.</p> <p>The vesting period of the PSUs is three years. At vesting, the PSUs are converted into Össur shares on a 1:1 ratio.</p> <p>Performance metrics for long-term incentives shall be closely aligned with Össur's long-term strategy and sustainability. The metrics include a combination of financial, business and non-financial targets. Financial metrics weigh at least 75%.</p> <p>The performance metrics and targets are set at the beginning of the year and include the determination of threshold and the level of performance to be achieved for maximum grant.</p> <p>The performance assessment takes place at the beginning of the year following the performance year. The assessment is based on the results achieved, as published in the financial reports submitted to the stock market, and relevant external and internal reports.</p> <p>The PSUs are granted in the first quarter following each performance year. The value of the PSUs for the President and CEO cannot be less than 30% and not more than 90% of his/her annual fixed salary. The value of the PSUs for other executives</p>

	<p>cannot be less than 20% and not more than 60% of their respective annual fixed salary.</p> <p>The share price used to calculate the number of PSUs granted is the volume-weighted average share price on Nasdaq Copenhagen the first five trading days following the date of publication of Össur's consolidated financial statement for the performance year.</p> <p>During the three-year vesting period, the market value of the granted PSUs will change, depending on the development of Össur's share price.</p> <p>It is a vesting condition that the relevant executive is still employed with the company at the end of the three-year vesting period, subject to certain good leaver provisions.</p> <p>The intention with the long-term incentives is for the Executive Management to obtain ownership of Össur shares to align their interest with the shareholders. Therefore, executives will be required to hold their Össur shares, net of taxes (if applicable), for 2 years following vesting.</p>																				
<p>Other provisions on STI and LTI</p>	<p>For the long-term interests and sustainability of Össur, the Board may in exceptional circumstances, based on a recommendation from the Remuneration Committee, waive or adjust performance metrics if they have become obsolete or not appropriate due to events which could not be taken into account at the beginning of the year, such as strategy changes, unforeseen external factors etc.</p>																				
<p>Size and relativity of the components</p>	<table border="1"> <thead> <tr> <th>Remuneration Component</th> <th>Relative size at minimum performance</th> <th>Relative size at on-target performance</th> <th>Relative size at maximum performance</th> </tr> </thead> <tbody> <tr> <td>Fixed salary</td> <td>77-83%</td> <td>52-61%</td> <td>39-52%</td> </tr> <tr> <td>Short-term incentive</td> <td>0%</td> <td>15-26%</td> <td>17-32%</td> </tr> <tr> <td>Long-term incentive</td> <td>17-23%</td> <td>21-31%</td> <td>26-35%</td> </tr> <tr> <td>Total</td> <td>100%</td> <td>100%</td> <td>100%</td> </tr> </tbody> </table>	Remuneration Component	Relative size at minimum performance	Relative size at on-target performance	Relative size at maximum performance	Fixed salary	77-83%	52-61%	39-52%	Short-term incentive	0%	15-26%	17-32%	Long-term incentive	17-23%	21-31%	26-35%	Total	100%	100%	100%
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<p>Clawback</p>	<p>The Company has the option to reclaim, in whole or in part, any earned, paid or vested variable remuneration payments that have been based on false, misleading, insufficient or incorrect data, or if the recipient acted in bad faith in respect of other matters, which resulted in too high variable remuneration or variable remuneration which would otherwise not have been paid. The option to claw back is valid for up to 12 months after payout or vesting of the variable remuneration.</p>																				

Other benefits	The members of the Executive Management are granted no cash benefits such as company car, phone, internet connection etc. in line with local practice.
Term	Executive employment agreements are entered into for an indefinite period with a mutual right of termination.
Termination of employment and severance pay	<p>No special retirement agreements shall be made. Mutual termination clauses in employment agreements apply and shall not exceed 24 months.</p> <p>Pension contributions are paid in accordance with applicable laws and employment agreements. No pension liabilities shall be undertaken, unless required by law.</p>
Recruitment arrangements	<p>In accordance with Össur's priority to attract and retain exceptional executives long-term, external candidates may be offered compensation as a part of sign-on arrangement during recruitment. The compensation may be in the form of cash payment, shares or a share incentive. Össur will seek to minimize the use of sign-on arrangements.</p> <p>If a sign-on agreement is deemed necessary to attract exceptional executives, the terms for such an agreement will be determined on a case-by-case basis.</p>
Directors and officers liability insurance and indemnification	<p>The Company has a customary directors and officers liability insurance, which also covers the members of the Executive Management. If the insurance coverage is insufficient, the Company will in certain cases indemnify, to the fullest extent permitted by law and the Company's Articles of Association, additional claims that an executive may personally incur, provided that such claims are not caused by gross negligence or willful misconduct by the executive.</p> <p>The Board is authorized to determine to whom and in which cases indemnification shall be granted. The Board is also authorized to decide on the detailed terms of the indemnification.</p>

4. Governance

The decision-making process and the role of the Remuneration Committee

The Board has established a Remuneration Committee, which is composed of the Chairman of the Board and the Chairman of the Audit Committee. According to the Remuneration Committee's terms of reference, its main objective is to prepare recommendations to the Board in relation to the Remuneration Policy and remuneration for the Board, the President and CEO and other members of the Executive Management.

Remuneration Policy

The Remuneration Committee reviews annually the Remuneration Policy and submits proposed amendments to the Remuneration Policy, if any, to the Board. The Board reviews the proposed

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amendments and approves the Remuneration Policy, with or without amendments. The Board then submits the Remuneration Policy to the Annual General Meeting for final approval, with or without amendments. The Remuneration Policy must be approved by the Annual General Meeting each year.

Board Remuneration

The Remuneration Committee reviews annually the Board Remuneration for the preceding year and submits proposals on the Board Remuneration for the following year to the Board. The Board reviews and approves the proposal, with or without amendments. The Board then submits the proposed Board Remuneration for the following year to the Annual General Meeting for final approval, with or without amendments.

Implementation

The Remuneration Committee ensures that the Executive Management's actual remuneration complies with the Remuneration Policy and the evaluation of the respective individual's performance metrics. The Remuneration Committee also assists with the preparation and submits a proposal to the Board on the annual Remuneration Report. Furthermore, the Remuneration Committee provides recommendations to the Board on ad-hoc basis on matters related to the Remuneration Policy.

Conflicts of interest

The following measures have been taken to manage possible conflicts of interest in deciding on, reviewing and implementing the Remuneration Policy and the Board Remuneration:

- The President and CEO and other members of the Executive Management have no decision-making power in relation to the Remuneration Policy or the Board Remuneration.
- The Remuneration Policy and the Board Remuneration are submitted to the Annual General Meeting for consideration and final approval, with or without amendments.
- The members of the Remuneration Committee do not receive a separate fee for their work on the Remuneration Committee.
- According to the Remuneration Committee's terms of reference, it shall ensure that the actual remuneration to the President and CEO and other members of the Executive Management complies with the Remuneration Policy and the evaluation of the respective executive's performance.
- The execution of the Remuneration Policy for the preceding year is published in a Remuneration Report reviewed by the Remuneration Committee and approved by the Board.
- The Board is obliged to explain any deviation from the Remuneration Policy on the following Annual General Meeting and in the respective Remuneration Report.

5. Considerations

Shareholder considerations

The interest of the shareholders has been taken into consideration by aligning the interest of the Board and the Executive Management with the Company's long-term performance and value creation for the shareholders.

At the Annual General Meeting in March 2023, the Remuneration Policy was approved by more than 99% of the votes and more than 92% of the share capital represented at the meeting. The shareholders did not provide any comments on the Remuneration Policy at the Annual General Meeting and therefore no reflections or amendments have been made because of shareholder input.

Employee considerations

The remuneration of the Executive Management consists of fixed salary, a pension contribution, a short-term cash-based incentive, a long-term share-based incentive and other benefits. Apart from (i) the long-term incentive program, which is offered to the Executive Management, their direct reports at VP level (with exceptions) and key specialist in strategic positions, and (ii) directors and officers liability insurance and indemnification, which may be offered to the Executive Management and certain employees that serve as directors and officers in the Company's subsidiaries, these components are in principle applicable to all employees with deviations due to roles, local practices and requirements. In reviewing the fixed salary of executives, the Remuneration Committee considers the overall level of salary increases being awarded to employees in the executive's local market in the relevant year. Pension contribution is aligned with local practices both for executives and other employees. The framework for target setting in the STI for executives is similar to the framework applicable to other employee groups, however, certain employee groups have other terms due to the nature of their role, collective agreements etc. The targets in the LTI for executives are linked to financial and non-financial metrics link to the long-term strategy. Other employment terms are to a large extent based on local practices and requirements and are the same for executives and other employees.

6. Effect, deviations and approval

Effect

This Remuneration Policy is applicable to remuneration in relation to the calendar year 2024 and later as well as to agreements on remuneration entered into, extended or changed following its adoption at the Annual General Meeting on 13 March 2024.

Deviations

To achieve the overall objective of this Remuneration Policy, the Board may in exceptional circumstances, based on recommendations from the Remuneration Committee, decide to deviate from the Remuneration Policy if parts of it no longer drive business performance, the achievement of the Company's strategy or the Executive Management's motivation and retention. In such cases, the Board is obliged to explain the reason for the deviation at the following Annual General Meeting and

include a description of the deviation in the Remuneration Report presented at the Annual General Meeting.

Approval

This Remuneration Policy was approved by the Board on 29 January 2024 and proposed by the Board for adoption at the Annual General Meeting on 13 March 2024.

The Remuneration Policy is available on www.ossur.com

7. Appendix: Amendments

Very limited changes have been made to the previous Remuneration Policy approved at the Annual General Meeting in 2023. References to the old share option program have been deleted, relevant dates have been updated and a small change was made to the size and relativity of the remuneration components.