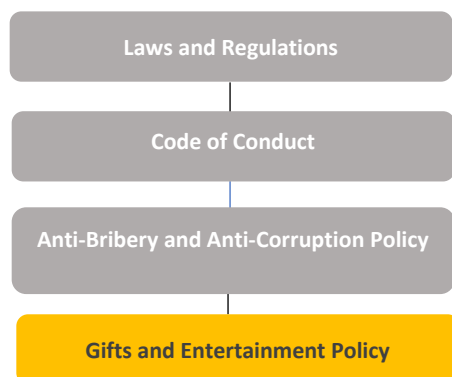


# Gifts and Entertainment Policy

## This Policy:

1. Describes gifts and entertainment and what it means for our business.
2. Helps identify permissible, restricted, and prohibited payments.
3. Prohibits employees to give or offer any bribe.



## CONTACT

Compliance and Integrity Department  
[compliance@ossur.com](mailto:compliance@ossur.com)

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# Gifts and Entertainment Policy

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## 1. Introduction

- 1.1 At Össur, we are focused on delivering effective and technologically advanced solutions, helping our customers to live life without limitations. In pursuit of this goal, Össur expects its employees, and others acting on behalf of Össur, to conduct its business in an ethical manner, ensuring that its interactions with business partners and healthcare professionals comply with applicable rules, regulations, and industry standards. As such, Össur does not authorize nor tolerate any business practice that does not comply with this policy.
- 1.2 Giving or receiving gifts of modest scale can foster goodwill and strengthen relationships between partners that can lead to a successful working relationship. However, those actions may also give rise to impropriety, conflict of interest, and undue influence over a business decision.
- 1.3 As a rule of thumb, accepting or giving gifts and/or entertainment should be avoided where this casts doubt over the integrity, independence, objectivity, and judgment of Össur or the business partner, customer or any other third party. A gift or hospitality will not be appropriate if it is excessive or extravagant or could be seen as an inducement or reward for any preferential treatment or give us an unfair advantage.
- 1.4 This Policy has been developed by the Compliance and Integrity Department to help employees, agents and business partners make the right decisions when providing or accepting gifts while conducting business on behalf of or with Össur.
- 1.5 Any employee who breaches the rules in this Policy or who consents to anyone to breach the rules herein will be subjected to appropriate disciplinary action(s), which may include dismissal, and may be subject to personal, civil or criminal fines. Össur may also terminate its relationship with a third-party if there is a reason to believe that the third-party acted without due regard to its obligations as stated in this policy.

## 2. What is the scope of this Policy?

- 2.1 This Policy aims to cover basic principles surrounding gifts and entertainment. It is applicable to Össur's operations globally, including all legal entities worldwide owned or controlled by Össur, its directors, officers, employees, agents, distributors, business partners, authorized representatives and other third parties acting on behalf of the foregoing.
- 2.2 This Policy applies to both giving and receiving of Gifts and Entertainment.
- 2.3 The Gift and Entertainment Policy is consistent with all other Policies of Össur and serves as a supplement to the [Össur Code of Conduct](#). This Policy must be read together with [Anti-bribery and Anti-corruption Policy](#), [Travel and Expense Policy](#) and the [Össur's Supplier Code](#).

## 3. What are Gifts and Entertainment?

- 3.1 Gifts and entertainment can be anything of value to the receiver. They may include meals and drinks, tickets to sporting events or shows, improper use of discounts and other incentives, loans, cash, favorable terms on any product or service that has monetary value, jobs or internships provided as favor for doing business, transportation, use of another company's vehicles/transport, use of vacation/holiday facilities, stocks or other securities, and gift certificates. Excluded are courtesies and gratuities of negligible value, such as promotional items, diaries,



### GOLDEN RULE

**Do not give what you cannot receive, and do not receive what you cannot give!**













calendars or similar. Volume-based discounts, rebates and other incentives granted as part of the normal course of business are also excluded.

#### 4. Permissible, Restricted and Prohibited Gifts and Entertainment

##### 4.1 Gifts and Entertainment are either Permissible, Restricted or Prohibited:

- **Permissible:** Gifts and Entertainment in this category are permissible and can be given and received without restrictions.
- **Restricted:** Gifts and Entertainment in this category are restricted and should be checked with your manager and/or Compliance & Integrity.
- **Prohibited:** Gifts and Entertainment in this category are prohibited.

4.2 Below is a general overview of guidelines for Permissible, Restricted and Prohibited Gifts and Entertainment. These guidelines serve as guiding principles that should be applied with care. Different rules, standards, values, customs and habits may apply in the countries where we do business. As such, always use good judgment when giving or accepting gifts and entertainment. If a gift or entertainment seems inappropriate or do not fit to the circumstances, it probably is. Do not use the guidelines to justify a gift or entertainment you would normally not accept or give.

| Permissible  |  |  |   |
|--|--|--|---|
|   |     |  |  |
| Reasonable and Inexpensive gifts proportionate to the occasion.  | Reasonable and inexpensive hospitality and reported diligently according to T&E Policy | Reasonable meals where both Össur and Business Partner are present                   | Perishable goods given in moderation  |
| Restricted   |  |  |   |
|   |     |  |  |
| Compensation to Healthcare Professionals (HCP) must follow local Healthcare Practice laws and regulations and/or Össur Code of Conduct | Donations for philanthropic purposes, educational and research grants                  | Product training and education to Healthcare Professionals                           | Promotional gifts must be Össur branded.  |
| Prohibited   |  |  |   |
|   |     |  |  |
| Multiple gifts or gifts given frequently that is not appropriate or proportionate to the occasion.                                     | Cash or cash equivalent (e.g., vouchers, gift cheques)                                 | Lavish meals, drinks and events  | Gifts completely unrelated to the medical device industry                             |

4.3 When a Gift or Entertainment is given or received under any of the above Restricted and Prohibited circumstances, you must report this to the [Compliance and Integrity Department](#) immediately. Prohibited gifts should in principle be returned to the sender or giver, with a note that we cannot accept the gift as per our Gift and Entertainment Policy.

### Case Sample

An Össur agent in the UK is helping Össur win a tender to become the official bracing and support provider for the Paralympic Committee of UK's Ministry of Sport. The agent invites members of the committee to a dinner party at a restaurant in London which is famous for its gold-leaf steak of \$1500.

Is this event allowed?

**Answer:** This gift is not in line with our Gifts and Entertainment Policy as (a) the agent is a third-party of Össur; (b) the dinner is inappropriately lavish and extravagant, and (c) it is given to government officials to influence a business decision, making it a potential bribe.

## 5. How to Deal with Healthcare Professionals?

- 5.1 In both our products and our services, we often deal with Health Care Professionals (HCP). In many countries, HCP are public or government officials, and special rules apply.
- 5.2 Dealing with HCP poses a particularly high risk in relation to bribery, due to strict rules and regulations in many countries. Össur must take a more cautious approach considering that the business deals frequently with healthcare professionals, as well as with other public officials (think of custom officers, government officials granting licenses, etc).
- 5.3 **Travel expense and accommodation involving government officials.** Össur may accept requests to host government officials for conferences and other business-related purposes either at Össur's facilities or at training events sponsored by outside vendors. The payment of travel expenses to any government official within or outside their home country must conform with local laws and regulations and requires prior consultation from the [Compliance and Integrity Department](#) and/or [Legal Department](#).
- 5.4 **Product training and education.** Össur may organize trainings and education involving HCP provided that the cost involved is justified and the program is related to the purpose of the meeting. All other elements of the meeting such as the venue, travel and lodging must be necessary and proportional. Compensation to HCPs giving the training must be at fair market value. If the HCPs also benefit from the training, HCPs must pay part of the cost. Össur hosted events must be documented properly. A Compliance Review Form in Annex II must be filled in and submitted to Compliance and Integrity Department 10 days prior to the event.

## 6. Charitable donations and sponsorships

- 6.1 Össur supports the making of contributions to the communities and which it does business and permits reasonable donations to charities and sponsorships. It is permissible to donate to a government agency or private body as part of charitable effort or to promote goodwill through non-pecuniary actions such as providing free products for a government-led initiative. However, reasonable steps must be taken that any such contribution does not constitute an advantageous payment aim to influence business decisions. For charitable donations and sponsorships, please contact your local marketing department or corporate communications.



## BEWARE

**In 2014, GSK paid one of the biggest fines in Chinese history for bribing HCPs. Executives of the company were also sentenced to imprisonment.**

## 7. Penalties

A violation of Gift and Entertainment laws, regulations or this Policy can harm both the giver and the receiver. Depending on the jurisdiction, an individual can incur unlimited fines, imprisonment, and disciplinary measures that may include dismissal. Össur can also face unlimited fines, potential exclusion from government contracts and termination of business licenses. Aside from these penalties, the company can suffer consequential damages such as reputational damage, legal and investigation costs, loss of management time, loss of key business relationships, competitor claims etc.

## 8. Books, Records, Accounting and Payment Practices

- 8.1 All persons working on Össur's behalf must maintain accurate and complete accounts, invoices, and other records related to dealings with third parties including suppliers, distributors, and customers. Transactions must be accurately described, and accounts must not be kept "off-the-books" to facilitate or conceal improper payments.
- 8.2 Employees must also submit all expense claims accurately relating to hospitality, gifts, or payments to third parties in accordance with [Össur Travel and Expense Policy](#). Such expense claims must reflect each transaction and must be accompanied by a record of the reason for the expenditure.
- 8.3 Gifts given and received must be recorded using the [Gift Log in Annex I](#). The value threshold of what may constitute as inappropriate Gifts and Entertainment vary per country. Therefore, please check the local rules in your country. If this is not available, we recommend to exercise good judgment by evaluating whether the gifts given or received is proportional, reasonable and justified. If these standards are not met, the Gift and Entertainment must be reported.
- 8.4 In some jurisdictions, gifts and entertainment must also be registered with the local regulator or public register. Please check with [Compliance and Integrity](#) if this is the case for your country.

### TOOL BOX

Below you can find the link to related policies:

- [Corporate Travel Policy](#)
- [Speak-Up Policy](#)

Need help? Contact Compliance and Integrity Department at [compliance@ossur.com](mailto:compliance@ossur.com)

## 9. Speak-Up

- 9.1 In accordance with the Speak-Up Policy, employees are encouraged to file a report in good faith regarding any concerns, wrongdoings, misconduct, or failure to comply with applicable Gifts and Entertainment Laws and this Policy laws or the Össur Code of Conduct and which, due to their nature, cannot be reported through normal reporting channels. If you believe you are offered a restricted or prohibited gift as defined in this Policy, please report it as soon as possible to [Compliance and Integrity Department](#) or send a report via the [Össur Speak-Up Line](#).

## 10. Updates, Review and Ownership

- 10.1 This Policy is made by the [Compliance and Integrity Department](#) and shall apply to Össur's global operations. This Policy is subject to regular review and is available under [Our Policies](#) on Plaza.

## Annex I : Gift Log

When giving a gift to anyone from both private and public sectors, the specifics of these gifts can, and depending on the local jurisdiction, must be reported using the Gift Log Form and sent to the Compliance and Integrity Department. In case of questions, please check with [compliance@ossur.com](mailto:compliance@ossur.com).

|  |                                       |
|--|---------------------------------------|
| Name of giver:<br>Position:  | Name of Receiver: (Only Company Name) |
| Item Description:<br><br>Cost:<br><br>Date of Transaction:<br><br>Reason of expense:<br><br>----- · To be filled in by Manager · ----- |                                       |
| Approved by: (Manager)   | Date:                                 |
| Department: [Insert Department]  | Comment:                              |

Send this form alongside the scan of receipts to Compliance and Integrity Department at [compliance@ossur.com](mailto:compliance@ossur.com).

## Annex II : Compliance Review Form

When organizing events, training and education, for anyone from both private and public sectors, the specifics of these events can, and depending on the local jurisdiction, must be reported using this Compliance Review Form and sent to the Compliance and Integrity Department. In case of questions, please check with [compliance@ossur.com](mailto:compliance@ossur.com).

### Össur Hosted Events

**Event Date:** \_\_\_\_\_

**Event Host:** \_\_\_\_\_

**Event Title:** \_\_\_\_\_

**Program Agenda:** (Please include the following information)

- Program objectives
- Program description (indicating the subject/topics, significance, time and location)
- Program schedule

**Expense Budget:**

- Requested budget
- Justification of expenses
- Copy of Receipts

**If applicable, signed Agreements with Individuals receiving compensation:** (In the agreement, please include the following information)

- Details of the recipient: name, address and professional identification, qualification or license to practice number.
- Service provided.
- Compensation per hour and other expenses based on fair market value.

*\*\*A service agreement template is available in [legal](#) upon request.*

**Date of report:**

**Filed by:**