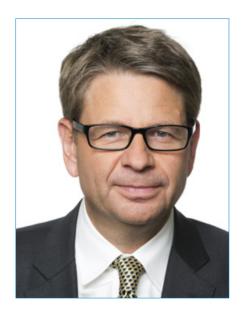




# CORPORATE SOCIAL RESPONSIBILITY 2013 PROGRESS REPORT

## LETTER FROM THE PRESIDENT & CEO



Jón Sigurðsson Össur President and CEO

We are dedicated to improving people's mobility with our products and services. We will continue to focus on sustainable growth, successful innovations for our customers and increased efficiency. However, in everything we do, we do not forget the reason why Össur's employees come to work every day—to help our customers live a Life Without Limitations. We at Össur are extremely proud of being in a position to help change the lives of our customers. Our products are the single largest contribution we can make to assist people in need. What drives our design and innovations is that our products help people overcome hurdles in their everyday lives.

For the past five years we have been working on CSR initiatives, and every year we have managed to structure it better and looking five years back in time we see that we have made good progress and progress that we can be proud of. Gradually we are implementing CSR into more of our processes and more importantly, making progress in educating our employees.

We believe that one of our responsibilities is to educate our closest environment what it means to be socially responsible and why we believe that both we as a Company as well as our customers and other stakeholders will benefit from it. In that respect we are proud to be one of the founders of FESTA, the center for CSR in Iceland, which has in few years facilitated the discussion on CSR in Iceland in a professional manner.

We at Össur believe that by integrating the aspects and ideology behind CSR into our day-to-day business we are creating a stronger foundation for our Company and for future growth. We believe this will help us to be better prepared to make the right decisions and take on future challenges, and will help us not lose sight of what we stand for. We are excited to continue building on our commitment to CSR and look forward to sharing our experiences, goals and progress in the years to come.

Jón Sigurðsson Össur President and CEO

Össur strives to be responsible for its impact on society and the environment



# **ABOUT ÖSSUR**

Össur is a global leader in the non-invasive orthopaedics market. The Company focuses on improving people's mobility through delivery of innovative technologies within the fields of: prosthetics, bracing and supports and compression therapy.

The Company was founded in 1971 as a prosthetic clinic. Through innovation and acquisitions, Össur has grown into a leading company within the fields of prosthetics and bracing and supports. Today, Össur maintains a strong position in key markets. The Company is in a good position to leverage on future growth opportunities.

Össur has been listed on the NASDAO OMX since 1999 and in Copenhagen since 2009. Össur has operations in 18 countries and has 2,100 employees.

Össur is headquartered in Reykjavik, Iceland. The Company's sales are well diversified by segments and geography.

#### Össur's Three Business Segments

#### Bracing and supports

Within the segment of bracing and supports products. Össur focuses on osteoarthritis and injury solutions. These products are primarily used to support joints and other body parts, both for therapeutic and preventive purposes.

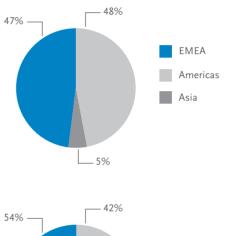
#### **Prosthetics**

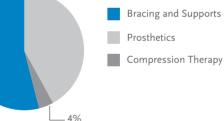
Prosthetic products include artificial limbs and related products for individuals who were born without limbs or have had limbs amputated.

#### Compression therapy

Compression therapy is a preferred treatment for venous ulcers and edema.

#### Sales in 2013 amounted to USD 436 million and were split as follows:





## Company Milestones

## 1971 Össur was founded by

Össur Kristinsson

## 1986

Received its very first patent for the silicone liner

## 1999

Listed on NASDAO **OMX** in Iceland

## 2000

Becomes the second largest prosthetics manufacturer through series of strategic acquisitions



2004 RHEO KNEE® The first Bionic product launched

Contraction and starting of

## 2005/6

Entrance into the bracing and supports segment through series of strategic acquisitions 2009 Listed on NASDAQ OMX in Copenhagen

## 2012 SYMBIONIC® LEG The world's first complete Bionic leg

2013

Strengthening of sales channel through acquisitions

## Mission

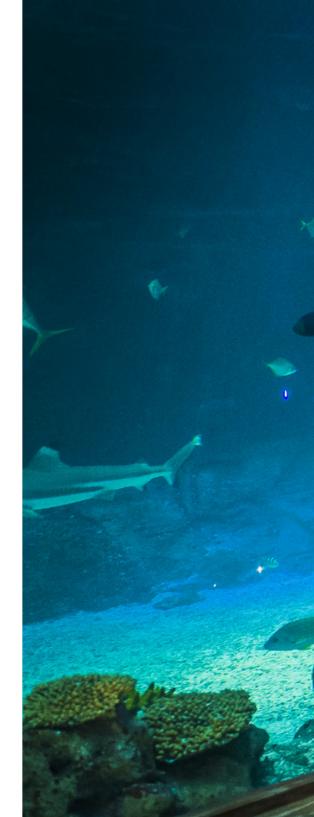
At Össur, a passionate commitment to innovation and quality has been driving successful customer and business outcomes for decades. Our mission is straightforward:

To improve people's mobility

## Vision

Össur's vision is to be the leading company in non-invasive orthopaedics. Össur's business is focused on improving people's mobility through the delivery of innovative technologies within the fields of bracing and supports, prosthetics and compression therapy. Össur will continue to focus on successful innovations, sustainable growth as well as efficiency, to generate value for all stakeholders. Össur is committed to maintaining the highest standards of ethical, environmental and social responsibility.

- We are ...
  A global orthopaedic company
  Growing through innovation
  Positioned for future growth



# VALUES

The Company's core values ensure successful cooperation and partnerships, and are the foundation for our strategy and success.

### Honesty

We show respect by adhering to facts and reality, fulfilling promises and claims, and admitting failures. We nurture honest communication throughout the Company by sharing information and respecting each other's time and workload.

### Frugality

We use resources wisely. The Company aims to minimize costs across all areas of its business through effective communication, preparedness, planning and optimized processes.

### Courage

We are open to change and constantly strive for improvement. We challenge unwritten rules, show initiative and take calculated risks, while at the same time, take responsibility for our ideas, decisions and actions. Össur joined the UN Global Compact in 2011, committing to 10 principles with regards to human rights, labor practices, environmental concerns and anti-corruption. However the Company has monitored and worked on its CSR activities since 2008. It is equally important for a global company like Össur to focus on CSR matters in a structured way, and report on its progress in a recognized manner.

The Company's values, honesty, frugality and courage, serve as the foundation and driving force behind Össur's success and guides employees in their day-to-day activities and decision making. Össur's values encourage employees to take social, ethical and environmental stands beyond the Company's legal obligations. In addition, these values help the Company adapt to the various cultures in which it conducts business. Currently, Össur operates in 18 countries.

To integrate and make CSR a natural part of the way Össur operates, the main focus has been on

involving people across the organization. This enables the Company to foster discussions at all levels and make employees aware of this aspect when making decisions in day-to day activities. Össur monitors various aspects within CSR and publishes measurements and future goals.

When Össur first started working on CSR as a special initiative in 2008, the Company focused on two main areas: environmental concerns and fair operating practices. Since then these efforts have been expanded and certain CSR activities have been implemented in most areas of the business. Össur is committed to making the Global Compact and its principles part of the Company's strategy, culture and day-to-day operations.

To develop and structure strategies to support the Company's CSR initiatives Össur has used materials and guidelines issued by the Global Compact. In the progress report, Össur uses GRI indicators (Global Reporting Initiative) to measure status and performance and in some instances internal KPI's. The areas Össur is currently focusing on are: suppliers, consumers and quality, environment, community support and the workplace with a special emphasis on health and safety, and equality.

The discussion on current CSR activities in this report is split into four main chapters in the areas of concern within the Global Compact: Human Rights and Labor practices, and Environment and Anti-corruption issues.

## CSR Milestones in 2013

## ENVIRONMENT

ISO 14001 – all major manufacturing locations audited

## DIVERSITY

Equal opportunity Policy in place

## SAFETY

Incident rate decreased by 44% between years – Goals for 2015 already reached

## HUMAN RIGHTS

All suppliers in Asia have signed contracts with clauses on human rights concerns



## The Workplace

Össur employs a total of 2,100 people in 18 countries. In order to further develop as a company that has social responsibility incorporated in the daily business, it is essential that the workplace is a place where responsible mentality is encouraged. Every day, decisions are made by employees that can have impact on the company's sustainability. It is of great importance that employees understand the impact their decisions may have and that employees take into account, the company's possible gains or losses in terms of financial value as well as environmental or social value. Össur's focus in regards to this important aspect is safety and diversity and an update on the progress in these two areas is discussed in this chapter.

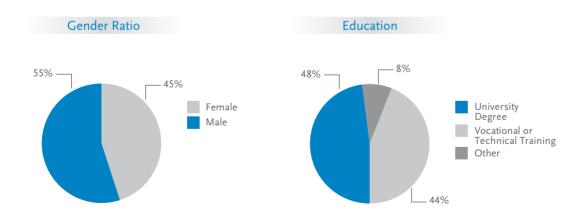
## Safe Workplace

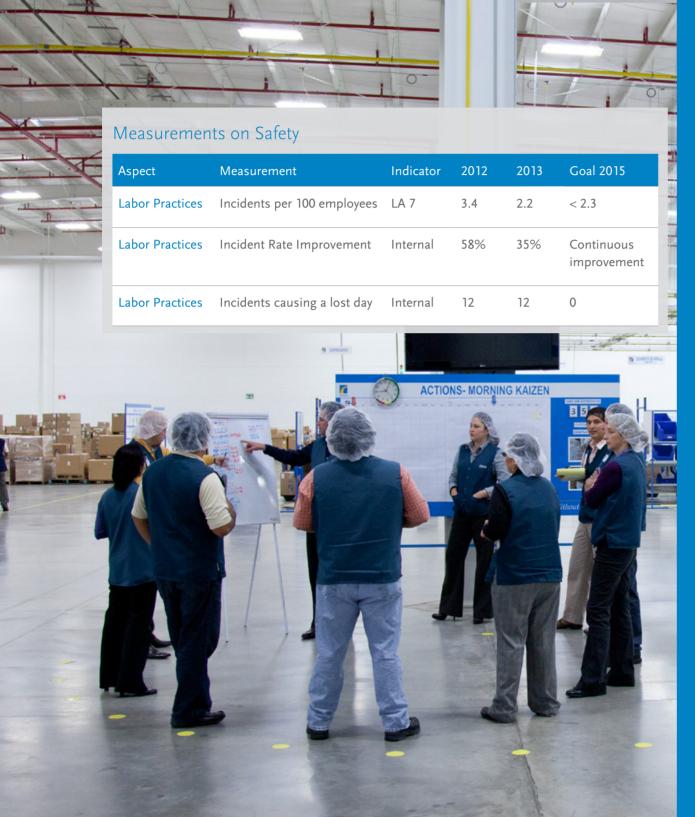
Safety is the number one priority at Össur. Over the past few years, the Company has increased its focus on safety, making great progress in minimizing workplace incidents and, most importantly, establishing a safety mindset within the Company.

Several projects have been established to support safety in the workplace and significant progress has been made, such as reducing the rate of incidents due to a lack of safety measures. Workplace incidents have decreased considerably every year since 2011. Incidents are defined as accidents where employees are injured. To maintain and further develop a safetyfirst mindset within the company, Össur has encouraged employees to make suggestions on how to improve workplace safety since 2012. One of the goals for 2013 that was accomplished was to implement five ideas, related to improvements in safety, per employee.

Training is a key to increased safety in the workplace. Short but frequent training on the possible hazards in the working environment take place in the production departments on a regular basis with the goal to make employees aware of potential hazards so they are better equipped to avoid them.

While the Company wants to reduce incidents it is important to develop a management system that does not penalize employees if an incident occurs. This helps to make sure injuries are reported, enabling the Company to take relevant measures to prevent further accidents. Therefore the KPI metric called "Incident Rate Improvement" was established rather than focusing on "Number of accident free days."





## Focus on Safety at Össur Manufacturing and Warehouse Locations

In the past years increased focus has been on process improvements, fire protection and employee safety in all Össur manufacturing and warehouse locations. In 2013 two of Össur locations received recognition regarding safety. Össur Europe was in 2nd place in a competition on the "safest warehouse" in the Netherlands and Össur Mexico was certified as a "safe company" which is awarded to companies that maintain highest standard of voluntary compliance with Mexican Safety Regulations and accident prevention. These recognitions are important for Össur and confirm the professional work environment that has been created.

### Equality and Diversity

In a global company like Össur, employees interact with each other and other stakeholders from many different cultures and backgrounds. Therefore, diversity must be addressed. To build a strong and successful team of employees in a global company, diversity in its broadest sense is important.

Different functions of the company require different kinds of skill sets. For each and every employee to thrive and add value to the company, it is essential for them to be assigned appropriately challenging tasks, and to be trusted to take on broader responsibilities.

Encouragement of diversity in the workplace is beneficial because it helps in gaining diverse perspectives from which to base decisions, which in turn can lead to better results. As discussed in last year's report, development of an equal opportunities plan was one of the main focus projects in 2013. The plan was implemented in the first half of the year. The purpose of Össur's equal opportunities plan is to ensure that women and men receive equal treatment and equal opportunities for growth within the Company. The goal is to utilize the skills, strengths and knowledge of all employees, without gender-based discrimination.

## Measurements for Equality

Aspect	Measurement	Indicator	2012	2013	Goal 2015
Diversity and Equal opportunity	Equal opportunities (follow up on the policy)	Internal	Not in compliance	In place	In place
Diversity and Equal opportunity	Percentage of women in management positions	Internal	n/a*	30%	>30%

\*comparable numbers not available for 2012

# The Main Focus of the Equal Opportunity Plan:

- Wage Equality
- Vacancies, job training, continuing education and the allocation of work
- Harmonization of family and working life

Össur wants to be an attractive workplace for both genders and to reach that goal; the Company needs to create an environment where both men and women have the opportunity to perform and contribute to the Company's success. To support the equal opportunities plan, Össur ensures that recruiting and internal promotion strategies are aligned with the plan.

In addition, in 2013 Össur conducted external research and facilitated internal focus groups to better understand the needs of women in the workplace. These findings resulted in initiatives to address women's career development needs.

	Management Level	EVP	VP & Senior Mgmt.	Management	Total
2013	Female	15%	16%	39%	30%
	Male	85%	84%	61%	70%

## Gender and Diversity, Overview of Management Positions

Currently, the percentage of women in management positions is 30%. This group includes one woman at the executive level and a few at the director level, while the majority is in middle management positions.

Another goal for 2013 was to complete an audit on equal remuneration for women and men in the company's operation in Iceland. Work on the audit has been in progress during the year; however the audit was not completed before year-end. The audit is expected to be finalized in the first quarter of 2014. In the Americas, salary audits on all employees are done annually as part of standard compensation review procedures.





### Supply Chain

The Company's M&O activities take place in four main locations: Mexico, Iceland and two locations in France. In addition, Össur has suppliers in Asia manufacturing bracing and supports products and is a co-owner of a manufacturing facility in Thailand.

The manufacturing facility in Tijuana, Mexico, was established in 2011. This facility is focused on bracing and supports products, previously manufactured in US and Canada. Since its inception, Össur has been focused on creating a state of the art manufacturing facility in Mexico with lean manufacturing processes. Other bracing and supports products are manufactured at the Company's facilities in France and Thailand, in addition to product suppliers in Asia. Currently about 25% of the manufacturing is outsourced to the suppliers in Asia. Vast majority of prosthetic products is manufactured in Iceland, however a small amount of products are manufactured in Michigan, USA.

#### Suppliers

Össur has around 500 suppliers of raw material from all around the world, over 100 of which are evaluated in detail on an annual basis. The criteria in the evaluation are divided into four groups: quality, reliability, price and service. Following the evaluation the results are sent to the suppliers along with feedback as well as opportunities for improvement. The suppliers are divided into two categories, A and B suppliers, where the A suppliers are the most important suppliers in terms of value or criticality of components produced. In the evaluation for 2013, 70% of A suppliers showed "good" results, above 75 points on a scale of 100. Suppliers who do dot deliver results in line or above the Company's target are offered the opportunity to adapt accordingly and in some instances the suppliers are replaced. In past years questions on socially responsible matters have been added to the evaluation.

#### Suppliers of Bracing and Support Products

Össur has outsourced part of its manufacturing to Asia since 2005. During this time, Össur has focused on ethics to establish and maintain good relationships with its partners. Össur and its suppliers are instructed to follow a specific code of conduct, and all contracts with suppliers include clauses on human rights, hours of work, compensation and health and safety. Since 2009, Össur has performed supplier's evaluation and audits on its partners in Asia to further engage with the suppliers and to identify opportunities for improvement. The critical categories for the audits were selected based on components set forth in the Global Compact's guide on supply chain sustainability. Four main categories identified are: Product, Service, Stability and Human Resources. Since 2009 the audits have been performed by Össur employees. The auditors rotate between suppliers to prevent them from establishing a relationship with the suppliers. In 2014, Össur will for the first time have external auditors to audit the suppliers. The audits performed by the external auditors are more extensive and offer new aspects. Össur will report and discuss the results of these audits in its progress report for 2014.

Since Össur started conducting supplier audits and began increasing engagement with its Asian suppliers, both effectiveness and product quality has increased. Actions taken include education and implementation of processes, increased focus and control on forecasts, and a different approach to quality inspections. Already, the Company has seen substantial improvements, such as faults or nonconformities which are now discovered earlier in the process. This has resulted in reduced costs for Össur, as quality inspection at the Company's warehouses is no longer needed. In addition, delivery performance has improved significantly and cooperation with the suppliers is on a different level. In addition increased engagement towards the suppliers has resulted in more stability when it comes to pricing and easier for both parties to adapt to changes.

At year-end the Company had contracts with 8 suppliers in Asia, compared to 11 at year-end 2012. These suppliers make specially designed bracing and supports products for Össur. The Össur-Asia M&O division consists of a team of 11 people, two of which are located at Össur Headquarters and nine located in Asia. Össur's initiatives in Asia are to continue with regular audits and to strengthen the relationship with the suppliers. Annually, a large supplier audit is performed, involving both Össur employees and the supplier's employees. In addition, a midyear audit is performed. However this is not as comprehensive as the annual audit.

A table below shows GRI indicators selected for these suppliers and performance for 2013. As all goals have been met, new goals will be set in 2014 and reported on in the next report.

Aspect	Measurement	GRI Indicator	2012	2013	Goal 2015
Investment and Procurement Practises	Number of agreements with Asian suppliers that include clauses on human rights concerns	HR1	81%	100%	95%
Child Labor	Number of suppliers audited regarding child labor	HR6	91%	100%	95%
Assessment	Number of suppliers audited for human rights	HR9	91%	100%	95%

### Product Suppliers in Asia

## ENVIRONMENT AND QUALITY



### Össur's goal is to be accountable for the Company's impact on the environment

- Össur is committed to working in accordance with relevant laws, regulations and other requirements.
- Strives to preserve the environment and prevent pollution.
- Emphasizes continuous improvements focusing on environmental impact.
- Recognizes that its operations impact the environment in a number of ways.

### Quality

Össur is a source of innovative, high-quality, noninvasive orthopaedic products and services.

Quality is extremely important and that applies to all parts of the Company's value chain. A certified quality management system has been in place since 1993 and is based upon ISO management standards. Össur is currently certified with ISO9001:2000, ISO13485:2008 and most recently ISO14001. Products sold in Europe are CE-marked as they meet the requirements of the European Economic Area. In the United States, the Company's products adhere to FDA standards.

An effective quality management system and employees that are focused on continued improvements are the biggest contributors when it comes to product quality.

Össur's efforts in terms of quality management are noticed and valued by the Company's customers.

When looking at how to improve the Company's performance, Össur values customer's feedback, both in relation to products and services as well as how the Company interacts with its customers. In 2013 a survey was conducted and feedback on various performance related matters collected from roughly 300 physicians.

In the past Össur has generally received high scores. Össur takes great pride in these results

and in a market like the US the satisfaction score is in the proximity of, or in the upper quartile.

To be able to compare and measure performance between markets a complete overhaul of the relevant systems has been done, creating more efficient and effective approach to these matters. Due to these changes comparable figures are not available at this point in time, however next year Össur will be able to report on these results in a more detailed manner givng a holistic view of the Company's performance.

#### Environment

The Company's environmental policy was developed in the beginning of 2012. In order to achieve the Company's goals it was decided to implement the ISO14001 environmental management system. Össur's first location to become certified according to ISO14001 was the Head Office in Reykjavik, in May 2012. Since then all main manufacturing locations have been certified.

The implementation of ISO14001 affects the whole Company and the key focus areas are:

- Avoid waste in operations.
- Prevent pollution by avoiding, reducing or controlling pollutant or waste.
- Take environmental issues into account when selecting materials and suppliers.
- Focus on continuous improvements via annual environmental objectives.

### Measurements on Environment

Aspect	Measurement	Indicator	2012	2013	Goal 2015
Environment	<ul> <li>Total weight of waste by type and disposal method (in tons)</li> <li>Recycled waste</li> <li>Trash</li> <li>Hazardous waste</li> </ul>	EN22	36% 47% 16%	39% 46% 15%	50% of waste recyclable
Environment	Total number and volume of significant spills	EN23	0	0	0
Environment	Progress in the implementation of ISO14001	Internal	20%	45%	100%

Note that the information presented below is currently only available for Reykjavík, Uppsala, Eindhoven and Tijuana.

Various measurements have been established to monitor the progress and to support the Company in being accountable for its impact on the environment. Some of these measurements have a direct reference to GRI measurements, while other measurements are internal KPI's that have been identified as important indicatiors for Össur and are being monitored on a regular basis.

Following the implementation of ISO 140001 a good progress has been made as measurements on environmental aspects confirm. Proportion of recycled waste and less trash has increased between years and the goal going forward is to gradually increase this ratio. At the same time less hazardous materials are used as a result of increased awareness. Employees involvement is a vital part of implementing an environmental management system. It was decided to encaurage employees to send in ideas for improvements in regards to environmental concerns as they have done for safety matters with good results. The initial target was to implement 20 suggestions for improvement from employees in 2013, however total number of suggestion implemented in 2013 are in the range of 80.

Apart from the progress made and demonstrated in the table below, various initiatives within the manufacturing facilities have been initiated with the aim of reducing electricity usage and water waste. In addition, hard anodizing of metal parts has been applied in order to eliminate hazardous usage and less environmentally friendly process.

## ANTI CORRUPTION

### Code of Conduct

Össur's values – Honesty, Frugality, and Courage – are a foundation of the Company's corporate culture. The values are guidelines for how employees should behave. These values are considered when hiring, enabling Össur to build a company with employees who are responsible citizens and strong representatives of Össur.

Since 2005, Össur has outsourced part of its manufacturing to Asia. Össur and its preferred manufactures are instructed to follow a specific Code of Conduct, and all contracts with manufactures include certain clauses the manufacturers have signed to honor and respect the specific standard of conduct. The Company also performs audits on a regular basis to make sure that manufacturers honor the Code of Conduct.

As discussed in last year's report Össur did not have an Ethical Policy in place and an implementation of such policy was one of the main projects for 2013. The task was to get an approved ethics policy in place, including education and training about the importance of ethics to the Company's success, as well as possible consequences for both the Company and the employees if these ethics are not met. This work has already started but has not been implemented across the organization. This project will continue and get even more attention during 2014. Status and progress will be reported on, in next year's report.

### A Whistle Blower Scheme

The Company provides employees with ways of reporting conduct that they reasonably believe violates applicable laws, regulations or the Company's policies. The Company treats all reports as confidential and any issue will be discussed only with those individuals who have a "need to know". The Company's policy strictly prohibits any retaliatory action against a person reporting actual or potential compliance issues in good faith, whether or not the reports ultimately prove to be well founded.

#### **Corporate Governance**

As a listed Company, Össur complies with various rules and regulations. To report on Corporate Governance the Company has chosen to follow the Danish Recommendations on Corporate Governance because the Company's shares are traded on NASDAQ OMX Copenhagen. The Company's Corporate Governance statement includes information on the following items:

- A reference to the corporate governance recommendations the Company follows and how the Company addresses the recommendations, including any deviations and explanations thereto.
- A description of the main aspects of internal controls and risk management systems in connection with preparation of financial statements.
- A description of the Company's organizational structure and the role and composition of each function.

A complete report on the Company's compliance with each recommendation is available on the Company's website: WWW.OSSUR.COM/INVESTORS



## SUPPORT AND RESPONSIBILITY

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One of the aspects of responsibility is to show support to the societies and environment the Company operates in. Össur believes that it has great responsibility towards disabled people, not only by providing products, but equally to support third party initiatives aiming at better care and support for disabled people. The Company believes it is important that the perception of disabled people is positive and together with great athletes participating in the Paralympics in 2012 as well as other elite sports events the perception of disability has changed. Hopefully, this will motivate others whose own mobility has been challenged and encouraging them to play more active roles in society with even greater confidence.

Össur believes it has also great responsibilities in relation to education of healthcare professionals that work in the field of prosthetics and bracing and supports. In this respect Össur cooperates with universities in both US and Europe on research projects and has on average in the range of 6-10 interns at any given time. For over a decade Össur has had an educational program called Össur Academy. The Össur Academy is committed to furthering the level of education and quality of prosthetic and orthopaedic knowledge among professionals, patients and their families. The aim is to enable orthotists, prosthetists and other medical professionals to achieve clinical success, through accessible information and the services Össur provides.

Össur has also in place a program called "the Össur Orthopaedic Fellowship Program". This is a 12 month academic program designed to enhance the clinical, surgical, and research skills of orthopaedic/musculoskeletal healthcare specialists.

### Key Initiatives of the Academic Programs

- Develop and deliver high quality education for customers to enhance their outcomes.
- Support and initiate research which expands the knowledge base in prosthetics and orthopaedics.
- Augment fellowship programs which exemplify excellence in clinical academia.

#### **Research Grant Program**

Össur offers a research grant program both in the field of prosthetics and bracing and supports. The program is designed to provide funding for scientific research in the areas of lower extremity biomechanics, dynamic/ active rehabilitation, ortho biologics, functional bracing, clinical patient outcomes, and, related healthcare economics.

#### **Community Support**

Össur supports and partners with a wide range of organizations around the globe. As a leading orthopaedic manufacturer, it is the Company's responsibility and privilege to champion the industry and serve patients and practitioners in every way possible. In fulfilling this mission, we believe it is our obligation to provide not only world-class products but also lend support to those relying upon them.

# These are a few of the Company's larger Initiatives:

#### Amputee Coalition of America (ACA)

Through the Challenged Athletes Foundation Össur has helped amputees with grants, training, prosthetics and equipment. The partnership opens doors for athletic greatness.

#### Challenged Athletes Foundation (CAF)

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

#### **Emotional Well-Being Initiative**

A partnership with the Amputee Coalition of America and Johns Hopkins University Medical School. These three organizations are working together creating a new, nationwide program to help prosthetists in America address the emotional needs of people with limb loss. The program is an example of the type of innovative partnerships that are needed to better address the health care needs of amputees.

#### Iceland Sport Association for the Disabled

Össur has been a proud supporter of the Iceland Disabled Sports Association for almost 20 years.

#### Stand Tall

The charity foundation based in Hong Kong provides high-end prosthetic devices and rehabilitation to victims of the Sichuan earthquake, which devastated the Chinese community in 2008.

### Team ÖSSUR

Team Össur is an accomplished group of elite international athletes and sporting role models. The Team Össur members include people like world class triathletes to accomplished track and field athletes.

Importantly, the talents and charisma of all of these exceptional individuals are helping to raise public awareness of the true potential of people with limb loss and impaired mobility to lead active and fulfilling lives. Össur is delighted to recognize their work and to sponsor and support them in the constant pursuit of Life Without Limitations. These individuals have been on the forefront in showing the world that you should follow your dreams. Athletes like these are important for our community to demonstrate to others that they should follow their dreams and not look at their condition as a disability.

## GOALS AND KEY FOCUS FOR 2014

In 2014 the weight will be on continuing monitoring current projects and work further with the selected KPIs. The goal is to engage further CSR standards and work on increased awareness within the company. The goals for 2013 included establishment of an ethical policy, including hospitality guidelines. This has been carried out and implemented in the US, however has not been implemented across the organization. Thus this will continue to be one of the focus projects in 2014. Another large initiative for 2014 is an implementation of a work process and guidelines for selection of material for R&D projects. This aims at making employees aware of what kind of materials are being used in new products and the possible affects certain materials may have on the environment as well as the users. By having such a process in place makes employees better equipped to include these aspects when making decisions on material selection.

For CSR to become an integral part of the Company's business model it is vital to identify more CSR champions within the company and invest in internal education on the topic.





## ABOUT THE REPORT

In this report, Össur discusses various aspects within social responsibility and how the Company approaches these matters. Össur has identified its critical areas to focus on and addresses related projects and initiatives in this report, the success and also the challenges the Company faces and is working on. When working on the implementation of CSR, Össur used a number of points of reference, such as the ISO 26000 standards, the Global Compact and the GRI guidelines. Measurements used in this report are GRI measurements as well as internal measurements, which are important for the Company.







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