

# 2022 SASB Factsheet

Jennifer,  
*Spine Patient*





**41 Years**  
of Experience

**60+**  
Countries Served

**1,000+**  
Employees Worldwide

## About Us

Since its 1980 founding in Verona, Italy, Orthofix has evolved and grown to become a leader in specialized orthopedic and spine technologies, providing innovative solutions to surgeons and patients worldwide. Now headquartered in Lewisville, Texas, Orthofix has two reporting segments — Global Spine and Global Orthopedics — with more than 1,000 employees dedicated to developing, manufacturing and distributing our diverse product lines in more than 60 countries worldwide. Orthofix's common shares trade on the NASDAQ under the symbol OFIX.

Our mission is to deliver innovative, quality-driven solutions while partnering with healthcare professionals to improve patient mobility. In this pursuit, we are committed to embedding sustainability throughout our business. We believe that all stakeholders must be considered in our actions every day. We approach issues surrounding sustainability with a mindset that is focused on providing superior solutions to physicians worldwide, with a relentless pursuit of quality and product performance.

# Introduction

In 2021, we enhanced our environmental, social, and governance (“ESG”) strategy to align with the broader transformation of our business. Our executive leadership team and Board of Directors (our “Board”) recognized the importance of embedding environmental and social priorities within our business operations and approved an enhanced and modernized ESG strategy intended to drive additional progress on initiatives that promote sustainability. The Nominating, Governance, and Sustainability Committee of the Board provides direct oversight of our practices and reporting with respect to sustainability matters.

This year, we bolstered our ESG Working Group, which is responsible for leading our ESG strategy and monitoring our corporate responsibility initiatives. This group includes cross-functional subject matters experts from across the Company, including team members from Finance, Operations, Human Resources, Legal, Corporate Communications, Marketing Communications, Quality, and Regulatory Compliance. In addition, the ESG Working Group oversees our sustainability disclosures, including the production of our Sustainability Accounting Standards Board (“SASB”) Factsheet, which is included in this publication. Our senior leadership team is tasked with driving results in these areas. Against this backdrop, we have engaged with our internal and external stakeholders on ESG topics to help further inform our future direction and priorities. The five tenets of our ESG strategy are:

**Our People**  
**Community Involvement**  
**Environmental Responsibility**  
**Governance**  
**Safety and Quality**

This is our inaugural Factsheet Report (or “Factsheet”), which takes a materiality-based approach to disclosure and covers data to December 31, 2021, unless otherwise noted. This report was prepared in accordance with the SASB standard. In compiling this Factsheet, we completed a SASB materiality assessment. The assessment began by examining a range of key stakeholders — including investors, customers, colleagues, and ESG rating organizations. We then reviewed the recommended ESG topics for inclusion in the sustainability disclosure, rating methodologies, investment decision-making, goal setting and strategy.

# About This Report

Our commitment to ESG and the five tenets of our ESG strategy is both a strategic and operational imperative as we build a sustainable infrastructure across the Company. Our five tenets arose from a priority-based approach to ESG disclosure, in line with best practices. Our objective is to provide continued transparency as we further enhance our performance in areas within the framework of these five tenets.

To support transparent and clear communication, we have engaged in robust data gathering and reporting, using the investor focused disclosure standards developed by the SASB. Working with investor stakeholders, SASB has developed industry-specific standards to provide standardized disclosure on the industry-specific issues most important to each industry's respective investors.

The disclosures within the SASB framework were prepared with the goal of developing future qualitative and quantitative reporting that will also align with industry best practices. By mapping our organizational programs against the SASB framework, our sustainability efforts are now part of a broader set of organizational goals. We believe we are making meaningful progress within these SASB topics and plan to harvest countless other benefits indirectly resulting from improvements in these material ESG areas.

This report contains forward-looking statements, including our commitments, targets, and other statements that are not historical facts. These statements are subject to risks and uncertainties and are not guarantees of future performance. Factors that could cause actual results to differ materially from those expressed or implied by such statements are set forth in our SEC filings. All forward-looking statements are based on management's current assumptions, estimates, and projections.

“

I had given up hope that Kevin was going to walk. Seeing him walk is just amazing.”

Kacie, Mom of Kevin, bilateral clubfoot sufferer  
Orthopedics patient



# A Message to Our Shareholders

From its founding, Orthofix has believed that all stakeholders must be considered in the actions and decisions we undertake every day. We approach issues surrounding sustainability with a mindset that is focused on providing innovative, quality-driven solutions while partnering with healthcare professionals to improve patient mobility. At the same time, we never lose sight of growing our businesses, developing our people, and enhancing our communities, and these values inform the five tenets of our ESG strategy: Our People; Community Involvement; Environmental Responsibility; Governance; and Safety and Quality.

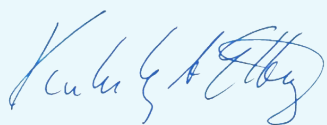
Headquartered in Lewisville, Texas, our spine and orthopedic products are distributed in more than 60 countries via our sales representatives and distributors. During 2021, we attained annual net sales of \$465 million, an increase of 14 percent over the prior year, with double-digit sales growth in both of our segments, Global Spine and Global Orthopedics. We are incredibly excited to build upon this momentum as we remain focused on driving recurring sustainable growth. In 2022, Orthofix is well positioned to execute on our sustainable growth strategy. Our ongoing focus on the development and acquisition of new and innovative technologies and our investment in sales channel enhancements all have the ability to deliver tangible business value.

We have over 1,000 employees worldwide across our state-of-the-art facilities, where our commitment to build a diverse and inclusive culture has never been stronger. This is reflected in our Board, where women serve as Chair of the Board and as Chair of the Nominating, Governance and Sustainability Committee. Additionally, 33 percent of our executive leadership team is comprised of women, and one of our two business unit presidents is a woman (me!). Throughout this past year, we had a 23 percent increase in women hired at the Director level or above and a 16 percent increase in diversity hires over 2020.

We are focused on delivering high-quality procedural solutions, products, and services to improve patients' lives. The strategic investments in new technologies and innovation we have made over the last two years include investments in our quality assurance systems and infrastructure. These investments help us provide the platform for future innovation and new products. Product quality and safety are paramount in all aspects of our business.

We are equally enthusiastic about our environmental initiatives. We remain committed to reducing the waste we generate and utilizing our expertise to produce high quality and sustainable products. Our facilities have energy efficient HVAC systems and our Lewisville, Texas, location utilizes 100 percent sustainable energy. In February 2021, we launched a free recycling program for our patients using Bone Growth Stimulators, the first program of its kind for bone growth therapy devices, in order to significantly reduce the number of devices that end up in landfills after use.

We are pleased to present Orthofix's inaugural Factsheet Report. This report marks a major step forward in our sustainability journey. It also formalizes our commitment to regularly communicate our ESG actions and performance. Building on this foundation, detailed in our most recent proxy and other filings, we incorporated and utilized the SASB framework as part of this disclosure to further enhance transparency. While we are pleased to share this report, we do, however, remain conscious of the need to continue to embed the principles of a circular economy throughout our organization. In the coming years, we will remain vigilant to maintain rigorous ESG standards, enhance our sustainability efforts, and continue to be keenly focused on implementing a best-in-class program.



**Kimberley A. Elting**  
President, Global Orthopedics  
Chief Legal and Development Officer



# Commitment to Sustainability

We believe we have a responsibility to serve, support and be transparent with our stakeholders, and, as part of this overall mission, we are committed to effectively managing ESG issues. We believe that our focus on sustainability priorities can help drive sustainable business practices that are crucial to our long-term growth. As you will read below, we have not only put in place ESG initiatives, we are measuring our progress and making ourselves accountable for meeting certain goals. In fact, we have incorporated product quality and community involvement objectives in our executive and all-employee variable bonus plans to ensure a continued focus on these important objectives throughout the entire organization.



OUR PEOPLE



COMMUNITY  
INVOLVEMENT



ENVIRONMENTAL  
RESPONSIBILITY



GOVERNANCE



SAFETY AND  
QUALITY

# Our People

At Orthofix, we believe our most important asset is our people. We continually strive to use our knowledge, talents, and resources to improve the quality of life of our workforce. Our success depends on a highly skilled, properly motivated, and valued employees.

Diversity, Equality and Inclusion (“DE&I”) is very important to us at Orthofix. Our commitment starts with attracting, retaining, and developing a workforce that is diverse in background, knowledge, skill, and experience. We provide equal employment opportunities and make all recruiting, payment, performance, and promotion decisions based on merit, without discrimination on the basis of gender, sexual orientation, age, family status, ethnic origin, nationality, disability, or religious belief. As a testament to this commitment, in 2021, we had a 23 percent increase in women hired at the Director level or above and a 16 percent increase in diversity hires over 2020.



Our Company recognizes that a diverse workforce and a culture of equity and inclusion helps us compete more effectively, sustain success, and build long-term shareholder value. We encourage every one of our team members to form deeper relationships with those around them based on mutual respect, dignity, and understanding. To help foster an environment of better understanding, Orthofix conducts programs, events and global communications about important annual events such as Jewish American Heritage Month, Ramadan, Holi, Pride Month and Mental Health Awareness Month among others. Orthofix has non-discrimination and anti-harassment policies as outlined in our Corporate Code of Conduct.

Furthermore, to encourage productive conversations within our organization, and we periodically conduct anonymous employee surveys to identify areas for improvement. In 2021, all employees and Board members participated in an unconscious bias training to increase awareness and promote equity and inclusion among employees. In addition, we launched an internship program with a DE&I focus, resulting in 57 percent of intern participants receiving and accepting permanent employment offers. We also successfully established a global mentorship program offered to employees across all departments.

## Our People, cont.

Orthofix is proud of our Orthofix Women’s Network, which strives to support the women of Orthofix around the globe in the areas of development, mentoring, and engagement. This network features a diverse group of women and male allies from all backgrounds and at all levels of their careers, who help to ensure equality. These initiatives, as well as our celebration of International Women’s Day, were formed with the intention to bring together a community in this historically male-dominated industry and provide an outlet for fellowship, mentoring, growth, and recognition. We believe in bringing everyone to the table to achieve equity at work and proudly celebrate the women of Orthofix and the key contributions women make to our business and our mission. This belief also extends to our board of directors, where women serve as Chair of the Board and also as Chair of the Nominating, Governance and Sustainability Committee. Additionally, 33 percent of our executive leadership team is comprised of women, and one of our two business unit presidents is a woman.

Orthofix is committed to the LGBTQ+ community and advocates the LGBTQ+ mission of promoting justice and equity and ensuring all voices are represented. Orthofix is focused on providing a climate in which our LGBTQ+ population is welcome and can freely express their sexual and gender identity and welcomes the opportunity to celebrate Pride Month throughout our locations.

The Company is also a supporter of veteran communities. We value the outstanding contributions veterans make to our overall business success. Through our Veterans in Action group we volunteer in our community to give back and support those who have served in the armed forces and their families.

We also make accommodations for people with disabilities at Orthofix through adaptive equipment, flexible work arrangements, special parking assignments, hotlines, and a number of other inclusive services.





## Our People, cont.

We have begun to transform and modernize our culture and talent management by implementing Human Capital Management (“HCM”) reporting and practices to establish a foundation to enable leaders to better hire talent and manage teams. These practices include standards for setting goals, performance evaluations, succession planning, and learning and development. We provide a comprehensive and competitive benefits package that supports the physical, mental and financial well-being of our workforce. Common benefits offered to our associates include medical, dental, vision, life and disability coverage, parental leave, education reimbursement, and flexible paid time off. We also provide competitive retirement benefits, including a 401(k)-match program, and we encourage employee ownership via our stock purchase program, which allows employees to purchase shares of our common stock at a discounted price.



# Community Involvement

We believe that investing in local communities to create social and economic outcomes is at the heart of generating social impact. We believe in giving back to the communities in which we live and work. Orthofix supports and empowers our employees' efforts in their communities through opportunities to volunteer.

We support a variety of charitable organizations through donations, fundraising efforts, educational partnerships with colleges and universities, and local community development. Over the years, we have raised funds and awareness for veteran support groups, food and homebuilding organizations, and health-related institutions. Our focus on community engagement, which we have branded *Orthofix Gives Back*, is evidenced by the introduction in 2022 of a new aspect of our all-employee bonus plan, which rewards all employees for meeting company-wide community engagement and volunteerism goals. Orthofix also partners with Donate Life America, a U.S.-based nonprofit organization that promotes the importance of organ, eye, and tissue donation.

Orthofix contributes hundreds of hours in hands-on assistance and resources to philanthropic organizations around the world, in addition to donations, fundraising efforts, and local community development. A few notable examples:

- **On-site, annual blood drives through Carter BloodCare**
- **Home renovation for a local World War II Veteran by supporting the Veterans Coalition of North Central Texas**
- **Employee participation in annual giving events like Toys for Tots, Soldiers' Angels, the Red Cross, and North Texas Giving Day**
- **The donation of Spine Fixation deformity correction devices to the World Pediatric Project, a nonprofit organization dedicated to healing critically ill children in impoverished countries**



Orthofix is proud to collaborate with leading clinical organizations such as MTF Biologics and Texas Scottish Rite Hospital for Children. MTF Biologics is a global nonprofit organization at the forefront of saving and healing lives through tissue and organ donation, transplantation and research, while Scottish Rite Hospital for Children is a world-renowned leader in the treatment of pediatric orthopedic conditions. Many of our innovative products are the result of our team members working closely with these healthcare organizations in research and development of groundbreaking technology.

Going forward, the Company will look to partner with nonprofit organizations that work to decrease the number of individuals facing economic barriers and make our communities reflections of our commitments and values. While our local communities are our primary area of focus, we also are committed to investing in our global community, evidenced by our support of humanitarian relief efforts in Ukraine by partnering with organizations such as the International Medical Corps and UNICEF. As part of these efforts, Orthofix provided a \$25,000 grant and encouraged additional employee support by offering to match employee donations up to an additional \$25,000.

# Environmental Responsibility

Orthofix is committed to responsible environmental practices that include conservation of natural resources, pollution prevention, and reduction of waste. Highlights of our environmental sustainability efforts and accomplishments include:

- **Increased usage of e-records and e-signing technology to reduce paper waste and carbon emissions**
- **Migration of certain technology infrastructure to a cloud environment, reducing energy usage, and accordingly, our carbon footprint**
- **Encouragement of environmentally-friendly workplace practices by supporting recycling and separation of waste throughout our offices**



As climate change concerns become more prevalent, we recognize the need to comply with increased regulations and stricter environmental standards. We are committed to transitioning to lower carbon operations. We have begun to explore a decrease in our carbon footprint for the manufacturing and supply of our surgical instruments via single-use sterile packed instruments, and in 2020 launched a partnership with Neo Medical to distribute single-use sterile packed instrumentation for certain spine surgeries and to develop single-use solutions for other procedures. These single-use sterile packed instruments eliminate high carbon cost of repeated shipping and sterilization, reducing our carbon footprint and improving the spinal surgery ecosystem with value-based care and sustainable technology solutions.

Another exciting development is the recent introduction of the Virtuous™ Lyograft into our Biologics portfolio through our continued investment and partnership with MTF Biologics. Virtuos is the first introduction to a new category of bone grafting, Lyografts, where innovation meets sustainability. The technology provides the best of both worlds: a graft with the clinical performance and handling clinicians' desire, as well as streamlined logistics for ambient storage and preparation for the hospital, providing both operational cost savings and sustainable processes. To put this in perspective, for every one Styrofoam shipper with dry ice for cryopreserved grafts, up to 90 Lyograft boxes can ship, creating a smaller carbon footprint.

## Environmental Responsibility, cont.

In February 2021, we launched a free recycling program for our patients using Bone Growth Stimulators in order to reduce the number of devices that end up in landfills after use, the first program of its kind for bone growth therapy devices. To date, we have sent shipping labels to over 3,000 patients to facilitate recycling of these devices. We also embed the principles of advancing a circular economy into our ESG practices globally through our in-office recycling program, including recycle/reuse and a commitment to eliminate Styrofoam. Additionally, our facilities have energy efficient HVAC systems and we transitioned our Lewisville, Texas, location to 100 percent sustainable energy in 2020. Further, we expect our suppliers to support our efforts in improving the environment and animal welfare.

We believe that our focus on environmental sustainability, with the objective of reducing costs and improving sustainability of our operations will provide a strategic benefit. Going forward, we will continue to engage with suppliers throughout our global value chain to measure and manage these impacts in order to conserve resources, reduce costs, and promote ethical practices.



# Governance



It is our fundamental policy to conduct business in accordance with the highest ethical and legal standards. We have a comprehensive compliance and ethics program to promote lawful and ethical business practices throughout our domestic and international businesses, and we require compliance training among all of our employees. Similarly, we require that our suppliers adopt sound human rights practices designed to treat workers fairly and with dignity and respect. We responsibly manage and influence the impacts of our distributors through our robust compliance and governance training.

We emphasize a culture of accountability and conduct our business in a manner that is fair, ethical, and responsible to earn the trust of our stakeholders. Orthofix has comprehensive corporate governance policies and structures in place to foster accountability and transparency for our management team. These policies reflect our underlying commitment to maintain the highest standards of ethics and integrity and to operate our business in compliance with all applicable anti-corruption, anti-bribery, and anti-trust laws and regulations. Notably, our governance documents include the following:



**Conflict Minerals Report** to ensure high standards of corporate responsibility, as we take seriously the ending of the violence and human rights violations currently taking place in the Democratic Republic of the Congo (“DRC”) and surrounding countries.



**Environmental, Health and Safety Policy** communicated within our Corporate Code of Conduct, that seeks to promote the operation of our business in a manner that is environmentally responsible and protective of the health and safety of both our employees and the public. As a result of these policies, the Company reported zero work-related injuries in the U.S. in 2021, which is lower than the industry average reported by the Occupational Safety and Health Administration (“OSHA”).



**Corporate Code of Conduct** that is applicable to all our directors, officers, and employees. The Corporate Code of Conduct sets forth our policies and expectations on several topics, including conflicts of interest, compliance with laws, human rights, use of our assets, business conduct and fair dealing. All employees, directors and sales distributors participate in annual training on the Corporate Code of Conduct and related Company policies.



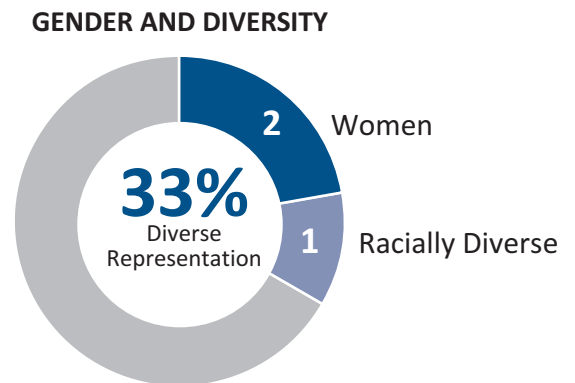
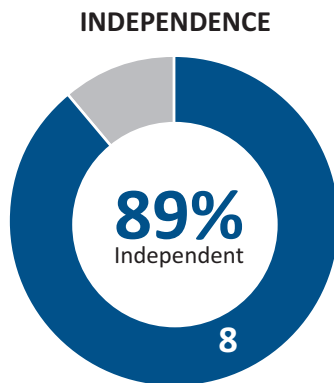
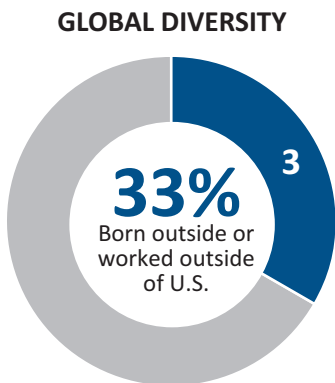
**Supplier Quality Manual** that communicates our expectations to all new and existing suppliers to ensure the delivery of high-quality products to our customers. The Supplier Quality Manual sets forth our policies and expectations of suppliers on several topics, including ethics, compliance with laws and regulations, human rights, labor and employment, health and safety, environmental responsibility, business conduct and fair dealing.



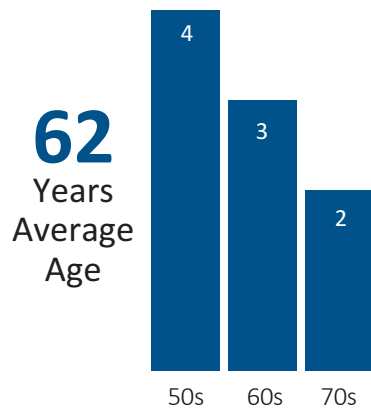
**Sustainability Policy** that guides our approach to environmental and social risk management within our Corporate Code of Conduct. Areas of focus include our corporate compliance with responsible hazardous waste protocols, recycling, emergency preparedness, and programs to enhance and promote environmental stewardship.

# Governance, cont.

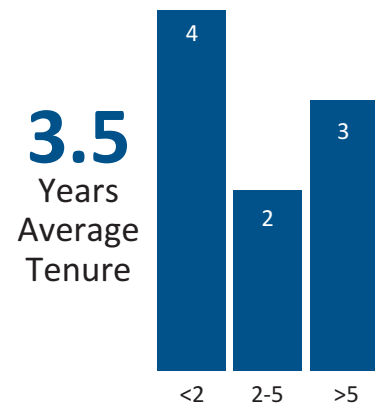
Orthofix is governed by a nine-person Board. This group is responsible for the oversight of the management of our Company and its business for the long-term benefit of our stakeholders. Its members set the tone for Orthofix and operate under a set of published guidelines, which are based on best practices that meet or exceed the existing standards of the Nasdaq Exchange and requirements of the U.S. Securities and Exchange Commission. We feature independent, experienced, and diverse leadership with expertise in a broad set of areas relevant to our business. Eight of our nine director nominees are independent under Nasdaq listing standards and all four Board committees consist solely of independent directors.



## Governance, cont.



**40%**  
of Board  
Leadership positions  
filled by women



Orthofix recognizes that effectively managing enterprise risks is critically important to the long-term success of our business. Management is responsible for our company's day-to-day risk management activities. Our Company relies on a comprehensive risk management process to aggregate, monitor, measure, and manage risks. While we exercise oversight, we do not have full control over our supply chain nor the suppliers we do business with; however, we continually seek to partner with suppliers that share common values and a shared commitment to our ESG objectives.

As a global leader in medical device industry, the Company is a trusted partner that meets the industry's high bar for data resiliency and security. We leverage the latest encryption configurations and technologies on our systems, devices, and third-party connections and further vet third-party vendors' encryption, as required, through our vendor management process. In 2021, we were audited by a third-party cybersecurity firm using the National Institute of Standards and Technology ("NIST") standard. We also require cybersecurity training as part of the onboarding process for new hires and require that all employees participate in annual cybersecurity training.



“

It's very rewarding that I'm getting the opportunity again to go out and do what I love – be a firefighter and serve my community.”

Randy, firefighter and a M6-C™ artificial disc patient

# Safety and Quality

The safety of our patients is of utmost importance. Our commitment and focus on product quality and safety is evidenced with investments across the organization in quality systems and medical device regulation compliance. This topic is also the foundation of our Quality Driven policy, which is to improve patients' lives through high-quality products, procedures, and services. We are committed to executing an effective quality management system that meets or exceeds global requirements. This focus has resulted in zero product recalls issued in 2021.

To further promote this effort, we introduced an ESG metric beginning in 2022 that ties a portion of the 2022 annual bonus plan to achieving predetermined safety and quality objectives. These ESG performance goals were introduced to continue holding our team to our commitment that stakeholders must be considered in our actions every day.

Since the start of the COVID-19 pandemic in 2020 and throughout 2021, the safety of our employees and their families has been our highest priority. Our management team continues to monitor the health and safety of our employees in accordance with the U.S. Centers for Disease Control and Prevention ("CDC") and World Health Organization ("WHO") guidelines. We recognize that as a responsible global operator, it is our obligation to ensure the safety of our stakeholders. In addition to our above principles, in 2021:



**We assessed and managed the risks associated with our activities to protect our employees** and ensure product availability for our surgeon customers and their patients during the COVID-19 pandemic.



**We remained committed to the responsible oversight of our workforce and their safety** as evidenced by our continued use of health pre-screens for our facilities and patient and customer interactions, the transition of many of our employees to permanent or flexible remote work arrangements, upgrades to filters, installation of plastic shields for office cubes, and other initiatives.



**We successfully engaged our surgeon customers and other stakeholders through the offering of virtual training sessions on the safe and effective use of our products;** more than 12,000 surgeons, healthcare providers, distributors and employees were trained via these offerings.

Going forward, we will continue to monitor the rapidly evolving situation and take guidance from the CDC, WHO, and federal, state, and local governments, as well as public health authorities.





# Annex

This annex expands transparency through key quantitative data compiled in accordance with the SASB Medical Equipment & Supplies Standard, with additional select disclosures from the Biotechnology & Pharmaceuticals Standard, along with additional details on our workforce, net sales, stakeholders, locations, and certification. Report data covers all global operations unless otherwise noted. In developing our Factsheet Report, we have compiled metrics organized by key ESG themes incorporated within our tables and throughout our organization.

# SASB Table

SASB Topic	SASB Metric	SASB Code	Data	Narrative Response and Comments
Affordability & Pricing	Ratio of weighted average rate of net price increases (for all products) to the annual increase in the U.S. Consumer Price Index	HC-MS-240a.1	The prices of our products are determined by market and regulatory factors specific to our industry and the locations we serve. These pricing factors are not reflected in such broad indicators as the U.S. Consumer Price Index; therefore, we do not consider this metric relevant for our business.	
	Description of how price information for each product is disclosed to customers or to their agents	HC-MS-240a.2	Please see Narrative Response.	<p>In the U.S., all pricing agreements are reviewed by the Company's National Accounts team with final approval provided by a designated executive. These agreements may include contracts with individual hospitals which typically begin with our hospital customers engaging with company sales representatives to request and obtain pricing for products. For larger healthcare systems, such as group purchasing organizations ("GPOs") and independent delivery networks ("IDNs"), we will typically respond to Requests for Proposals ("RFPs") with our proposed pricing and contract terms.</p> <p>International distributors of our products annually receive an electronic price listing through an electronic contract management tool. Any special offer negotiations must be approved following our Pricing Policy.</p> <p>For direct markets within France, the UK, and Germany, prices are defined based on a combination of historical prices, which are subject to an annual increase, and specific tender requirements. On a few occasions, there are tailored offers and quotes approved by the sales director based on a specific customer's usage.</p> <p>In the Italian market, customers typically engage with local sales representatives to obtain pricing for products. Pricing for domestic customers such as hospitals and private/public entities is provided by the tender staff in the form of pricing offers and tender bids, based on information provided by the sales team.</p> <p>In all interactions listed above, pricing may be communicated via hard copy, email, or electronic interchanges.</p>

SASB Topic	SASB Metric	SASB Code	Data	Narrative Response and Comments
Product Safety	Number of recalls issued, total units recalled	<b>HC-MS-250a.1</b>	2020: No recalls, 0 units recalled 2021: No recalls, 0 units recalled	
	List of products listed in the FDA's MedWatch Safety Alerts for Human Medical Products database	<b>HC-MS-250a.2</b>	2020: None 2021: None	
	Number of fatalities related to products as reported in the FDA Manufacturer and User Facility Device Experience	<b>HC-MS-250a.3</b>	2020: None 2021: None	
	Number of FDA enforcement actions taken in response to violations of current Good Manufacturing Practices (cGMP), by type	<b>HC-MS-250a.4</b>	2020: None 2021: None	
Ethical Marketing	Total amount of monetary losses as a result of legal proceedings associated with false marketing claims	<b>HC-MS-270a.1</b> <b>HC-BP-270a.1</b>	2020: None 2021: None	
	Description of code of ethics governing promotion of off-label use of products	<b>HC-MS-270a.2</b> <b>HC-BP-270a.2</b>	Please see Narrative Response.	<p>Our Corporate Code of Conduct serves as our ethical code and requires that all Orthofix sales and marketing personnel, including third parties that are engaged to promote our products, are familiar with and understand the on-label uses of products for which they sell and/or market, and must only promote the products for on-label uses. Adherence to the Corporate Code of Conduct is supported by training. At least once a year, every employee, director, and certain associates are required to attend or complete compliance training designated for their position. New employees, directors, and associates are required to complete the mandated training within the first 30 days of employment. Additional training or refresher sessions are conducted as the need arises or as part of a corrective action plan.</p> <p>Our Company policies require that all Orthofix marketing materials obtain approval in advance, and that any marketing activity that involves giving anything of value to a patient or to a potential source of patient referrals requires advance approval from the Orthofix Compliance Department.</p>

SASB Topic	SASB Metric	SASB Code	Data	Narrative Response and Comments
Product Design & Lifecycle Management	Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	HC-MS-410a.1	Please see Narrative Response.	<p>We are committed to sustainable practices in our operations, manufacturing, and supply chain. We demonstrate this commitment through our use of sustainable energy, waste reduction, and waste and equipment recycling. Our facilities employ energy efficient HVAC systems and our headquarters in Lewisville, Texas, have been powered by 100% sustainable energy since March 2020.</p> <p>We seek to minimize the waste generated at our facilities and by our products by implementing in-office recycling programs and eliminating Styrofoam from our facilities. Through a partnership with Neo Medical we have developed and distributed single-use sterile packed instrumentation for certain spine surgeries that reduce the carbon associated with repeated shipping and sterilization.</p> <p>We also offer a free product take-back program to our patients after the use phase of several of our Bone Growth Therapy devices. Patients can ship their used products directly to our recycling partner; they are then recycled for non-medical use. We are proud to be the first and only company in the U.S. to offer such a service to bone growth therapy patients.</p>
	Total amount of products accepted for takeback and reused, recycled, or donated, broken down by: (1) devices and equipment and (2) supplies	HC-MS-410a.2	<p>(1) Approximately 3,000 units of Bone Growth Therapy devices recycled in 2021, weighing 2.32 metric tons<sup>1</sup></p> <p>(2) Not applicable; our products do not include medical supplies.</p> <p><sup>1</sup> We work with a recycling partner to track the number of Bone Growth Therapy devices recycled. We estimated the number of units recycled using the number of shipping labels that customers generated for such returns in 2021.</p>	
Supply Chain Management	Percentage of (1) entity's facilities and (2) Tier I suppliers' facilities participating in third-party audit programs for manufacturing and product quality	HC-MS-430a.1	Please see Narrative Response.	<p>100% of Orthofix's manufacturing sites are ISO certified (ISO9001 or ISO13485) and go through certification audits. Additionally, 100% of our Tier 1 suppliers are ISO certified (ISO9001 or ISO13485) and go through certification audits.</p> <p>Our expectation is that our direct materials suppliers are responsible for ensuring that products or services meet established Orthofix specifications and quality requirements to ensure the highest degree of care is taken to meet or exceed all specified quality and reliability requirements. Per our Supplier Quality Policy, we expect our direct material suppliers to be ISO certified (ISO9001 or ISO13485).</p>
	Description of efforts to maintain traceability within the distribution chain	HC-MS-430a.2	Please see Narrative Response.	<p>Fundamental to the partnership between Orthofix and its suppliers is a willingness to collaborate and communicate effectively at all levels. Open and direct access to personnel and facilities is expected. As required in our Supplier Quality Manual, and within our Quality/Regulatory agreements with each of our Tier 1 suppliers, information exchanged shall include quality data, with traceability and other processing data available to Orthofix when addressing quality or compliance concerns.</p>
	Description of the management of risks associated with the use of critical materials.	HC-MS-430a.3	Please see Narrative Response.	<p>Critical materials are defined as those that are essential to our business and that may be subject to the risk of supply restriction. We consider key minerals that may be at risk of originating from conflict regions to fall in this category.</p> <p>We monitor and manage our use of minerals in line with our Conflict Mineral Policy, which commits to sourcing from conflict-free mines when possible and expecting Policy compliance from direct suppliers. We work with direct suppliers and sub-suppliers to understand the chain of custody for conflict minerals, at a minimum, to the smelter or refiner level, and we support supplier efforts to track the sourcing of minerals that do not contain minerals that finance or benefit armed groups within the Democratic Republic of the Congo.</p> <p>Although we have not historically experienced difficulty in obtaining materials, we believe alternate sources and sufficient inventories are available, should the need for a new supply arise in the future.</p>

SASB Topic	SASB Metric	SASB Code	Data	Narrative Response and Comments
Business Ethics	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	HC-MS-510a.1 HC-BP-510a.1	2020: None 2021: None	
	Description of code of ethics governing interactions with healthcare professionals	HC-MS-510a.2 HC-BP-510a.2	Please see Narrative Response.	Orthofix adheres to the AdvaMed Code of Ethics on Interactions with U.S. Healthcare Professionals and to MedTech Europe's Code of Ethics. Many of our policies and work instructions for conducting business with healthcare professionals ("HCPs") include ensuring the proper distribution of our products for evaluation and demonstration purposes; the appropriate provision of grants and charitable contributions; and limiting the dollar value of consulting service payments, gifts, and promotional materials so that none exceeds their fair market value. We require all payments and transfers of value between our representatives and HCPs to be reported to Orthofix to ensure compliance with the U.S. Physician Payment Sunshine Act and other applicable transparency laws.
Activity Metrics	Number of units sold by product category	HC-MS-000.A	Please see Narrative Response.	Our four major product categories are Bone Growth Therapies, Spinal Implants, Biologics, and Orthopedics. Because products range widely by size, function and price within each category, we consider net sales per category more meaningful than the number of units sold. Please refer to "Net Sales by Reporting Segment" on page 38 of our Annual Report for a breakdown of revenue by category.

