



**Q'Shaun**  
*TL-Hex Hexapod  
System Patient*

# 2022 ESG Factsheet



**STRONGER TOGETHER**

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# STRONGER TOGETHER



**43 Years**  
of Experience

**68**  
Countries Served

**1,600+**  
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. Following our recent merger with SeaSpine Holdings Corporation ("SeaSpine"), which was effective on January 5, 2023, our newly merged Orthofix-SeaSpine organization is a leading global spine and orthopedics company with a comprehensive portfolio of biologics, innovative spinal hardware, bone growth therapies, specialized orthopedic solutions, and a leading surgical navigation system. Our products are distributed in 68 countries worldwide.

Our medical device company is headquartered in Lewisville, Texas, and has two reporting segments — Global Spine and Global Orthopedics — with more than 1,600 employees developing, manufacturing, and distributing our diverse product lines worldwide. Orthofix's common shares trade on the NASDAQ under the symbol OFIX.

In our mission as a combined organization, we collaborate, innovate, and improve the lives of patients. WE MAKE IT PERSONAL. Our vision is that we strive to be the partner of choice recognized by our customers as a team winning with agility, tenacity, and innovation. 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, with updates provided on ESG matters on at least a quarterly basis.

In 2022, we completed our first assessment of ESG priorities, examining a range of key stakeholders, including investors, customers, employees, and ESG rating organizations, and by studying industry peers. Our analysis of ESG topics included alignment with the Sustainability Accounting Standards Board (“SASB”). We also drew upon the subject matter expertise of colleagues throughout our organization to collect and organize content.

In 2023, we continued to build on our strong foundation, accelerating the positive impact on our stakeholders through education and awareness of our ESG strategy, embedding ESG principles into every part of our business, and setting realistic targets for measuring our efforts as we make progress. With a strong foundation and clear direction, we are moving forward post-merger in 2023 with new programs and initiatives designed to advance our long-term ESG, financial, and reputational goals.

We also bolstered our ESG Working Group, which is responsible for leading our ESG strategy and monitoring our corporate responsibility initiatives, to include employees from the recent merger with SeaSpine. This group includes cross-functional subject matter experts from across the company, including team members from Finance, Operations, Supply Chain Management, Human Resources, Legal, Corporate Communications, Marketing and Communications, Quality, Facilities, and Regulatory Compliance. 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 second ESG Factsheet Report (“Factsheet”), which takes a materiality-based approach to disclosure and primarily covers data through December 31, 2022, unless otherwise noted. All financial information is presented in U.S. dollars, unless otherwise noted. This Report was prepared in accordance with the SASB Standard. In compiling this Report, we completed a SASB materiality assessment. The assessment began by examining a range of key stakeholders. We then reviewed the recommended ESG topics for inclusion based upon applicable sustainability disclosures, rating methodologies, investment decision-making criteria, goals we have set, and our overall ESG strategy. For additional information on our ESG initiatives, please visit our website at [www.orthofix.com](http://www.orthofix.com).

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# 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. We also looked to global ESG ratings agencies such as Sustainalytics, Morgan Stanley Capital International (“MSCI”), and Institutional Shareholder Services (“ISS”) during this process to ensure alignment with assessment frameworks. Working with investor stakeholders, the SASB has developed industry-specific standards to provide standardized disclosure on specific

issues most important to each industry’s respective investors. This Report also highlights key initiatives we have underway and provides historical baseline data for important energy and sustainability matters including Greenhouse Gas Emissions (“GHG”), waste generation, and water usage. This is our first year in providing such data and we plan to expand upon such disclosures in the future to provide a meaningful trend of data on these topics.

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 we expect countless other benefits to come indirectly from improvements in these material ESG areas.



**The simple things you appreciate. I can play with the grandchildren. I can go fishing again. I can run up and down barefoot. And it’s wonderful.”**

Helen, Bone Growth Therapy patient



*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.*

# A Message to Our Shareholders

In 2022, we strengthened our organization, drove strong financial performance, and positioned ourselves for continued success. Shortly thereafter, in January 2023, we completed a merger of equals with SeaSpine following the approval of each company's stockholders. The completion of this merger catalyzes our ambition to be an industry leader in spine and orthopedics. We believe we are stronger together and better positioned to collaborate, innovate, and improve the lives of patients.

We continued to make notable progress on ESG matters in 2022, including developing our ESG risk framework and purposefully integrating ESG initiatives into all aspects of our operations. We have focused our efforts on those areas that we believe have the most impact. We approach issues surrounding sustainability with a collaborative mindset that is focused on providing innovative, quality-driven solutions to improve the lives of patients. At the same time, we never lose sight of growing our businesses, developing our people, and enhancing our communities. These values inform the five tenets of our ESG strategy: Our People, Community Involvement, Environmental Responsibility, Governance, and Safety and Quality.

During 2022, we reported annual net sales of \$461 million, a decrease of less than 1% on a reported basis and an increase of approximately 2% over the prior year, including double-digit sales growth on a constant currency basis in our Global Orthopedics segment. We are incredibly excited

to build upon this momentum, coupled with the integration opportunities within our Global Spine segment as a result of the merger with SeaSpine, as we remain focused on driving recurring sustainable growth. This momentum carried into the first quarter of 2023 as we reported net sales of \$175 million, representing an increase of 65% on a reported basis and 12% on a pro forma constant currency basis over the prior year in our first period of reported results following the completion of the merger.

As we move into 2023, we are focused on the swift integration of these two highly complementary businesses to realize the significant synergy opportunities that exist. At the same time, we plan to continue to execute our industry-leading innovation efforts to provide cutting-edge solutions to our surgeon and hospital partners, helping them evolve in the way they treat patients and ultimately improve outcomes. Going forward, we believe Orthofix is well positioned to execute on this 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 now have over 1,600 employees worldwide, and our commitment to build a diverse and inclusive culture has never been stronger. This is reflected in our Board, as we have a female Chair of the Board and as three of our nine Board members are either female or represent a racial minority. Additionally, 22% of our executive

**\$461M**

2022 annual  
net sales

**22%**

of our executive  
leadership team is female

**5%**

increase in diversity  
hires over 2021

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leadership team is comprised of women, including one of our two business unit presidents. Throughout this past year, we had a 3% increase in women hired at the director level or above and a 5% increase in diversity hires over 2021.

We are focused on delivering innovative and differentiated solutions to both our surgeon and hospital partners, helping them provide the best treatment to their patients through a full continuum of care from pre-operative planning through post-surgical recovery. Our strategic investments in new technologies, products, and innovation over the last few years also include investments in our quality assurance systems and infrastructure. These investments help us provide the platform for future innovation and new products. The quality of our products and the safety of our patients are paramount to our business. We are equally enthusiastic about our environmental initiatives. We remain committed to reducing the waste we generate and in using our expertise to produce high quality and sustainable products. For example, we have continued our 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. To date, we have sent shipping labels to over 14,000 patients to facilitate recycling of these devices.

We are pleased to present Orthofix's second ESG Report. This Report builds on last year's inaugural report and demonstrates our continued commitment to publishing high quality sustainability disclosure across the SASB reporting framework. Also included are updates on important measures of our ESG progress, such as GHG emissions, waste generation, water usage, and human capital metrics. In addition, we are thrilled to have completed the recent merger with SeaSpine, which has created an industry leading global spine and orthopedics company with the power to drive sustainable top-tier growth and scale.

Sincerely,



**Suzanne  
Armstrong**  
Chief Human  
Resources 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 are confident 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, but we are also measuring our progress and making ourselves accountable for meeting certain goals. In fact, in 2022, we 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. We anticipate including variable compensation goals tied to ESG-related metrics again in 2023.



**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 highly skilled, properly motivated, and valued employees.

We demonstrate our commitment to providing equal and equitable opportunities to all employees through training, mentoring, education, and an inclusive culture. We engage our employees in a number of ways, including our Moving4ward Program, which was created to improve diversity, equity, and inclusion, and through the Orthofix Women's Network, which strives to support the women of Orthofix around the globe in the areas of development, mentoring, and engagement. Throughout the year, we promote a variety of diverse voices by recognizing events such as Black History Month, Martin Luther King Jr. Day, Women's History Month, Asian Pacific American Heritage Month, LGBTQ Pride Month, Juneteenth, and Hispanic Heritage Month.

We seek to embrace and encourage our employees' differences and know that diversity, equity, and inclusion help build a truly global, transformative business and will continue to be a source of our strength. Building on this belief, we launched a companywide training titled, "Hiring, Leading, and Fostering Diverse and Inclusive Teams." We intend for all hiring managers, leaders, and interviewers to have completed this training by the end of 2023. Training at all levels of the company is foundational to our diversity efforts.

Our commitment to diversity, equity, and inclusion extends to our Board of Directors, which has a female Chair of the Board, and our executive leadership team. In 2022, we had a 3% increase in women hired at the director level or above and a 5% increase in diversity hires over 2021. Additionally, in 2022 we matched interns hired from our 2021 internship program to employee mentors, continued our 2021 Leadership Excellence and Acceleration Program ("LEAP") inaugural cohort, and prepared for a second cohort to launch in 2023, which will include a minimum of 25% minority participation.





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

We are 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 communities 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.

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 HCM practices include standards for setting goals, performance evaluations, succession planning, and learning and development.

As an organization, we provide a comprehensive and competitive benefits package that supports the physical and mental well-being of our workforce, including a focus on financial wellness. We believe that when our people are in good health, they are more likely to perform at their best, be more engaged, and be more involved in their communities. To promote employee mental health and well-being, we now offer a “Balancing Work and Family” virtual training to our employees that is charged with providing ongoing recommendations to help employees achieve optimal work-life balance.

Other benefits offered to our employees include medical, dental, vision, life, and disability coverage, an employee assistance program, parental leave, a stock purchase plan, and flexible paid time off. We also provide competitive retirement benefits, including a 401(k)-match program.



# Community Involvement

At Orthofix, community involvement is woven into our company and culture. We're committed to making strategic investments that strengthen our communities and create opportunities for our people to engage through volunteerism and giving.

We support a variety of charitable organizations through donations, fundraising efforts, educational partnerships, and local community development.

Our focus on community engagement, which we have branded Orthofix Gives Back, was

evidenced by the inclusion of a new aspect of our employee bonus plan in 2022, which rewarded employees for meeting company-wide community engagement and volunteerism goals. In 2022, our employees contributed 1,988 hours to community outreach programs benefitting more than 25 organizations, which exceeded our communicated goal. Additionally, we anticipate including variable compensation goals tied to ESG-related metrics, such as community service, again in 2023.

## Some of the organizations supported by these efforts in 2022 included, but were not limited to:

- Donate Life America
- Toys for Tots
- Veterans Coalition of North Central Texas
- Crisis Assistance Ministry
- Texas Scottish Rite Hospital for Children
- Soldiers' Angels
- Hope Supply Company
- North Texas VA Health System
- Vogel Alcove
- The Red Cross
- Second Harvest Food Bank
- Arizona Law Enforcement
- Verona High School Internship Program
- North Texas Giving Day
- Carter BloodCare



In addition to community service, we are proud to collaborate with leading clinical organizations such as MTF Biologics and 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.



# 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:

- Completion of an inaugural GHG inventory, primarily focused on Scope 1 and Scope 2 emissions, to better understand where and how GHG emissions are created in our operations
- Minimization of paper-based shareholder communications by utilizing a notice and access approach for our annual proxy statement
- 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. In evidence of this commitment, we partnered with an environmental engineering firm to complete an inaugural GHG emissions inventory for 2021 emissions. This inventory will serve as a base year emissions inventory for Orthofix and will facilitate the monitoring and tracking of such emissions at the corporate level. The results of this inventory are detailed beginning on page 21. As a newly merged company, we anticipate expanding this analysis in 2023.

Since February 2021, we have offered a free recycling program to 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 14,000 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% sustainable energy in 2020. We also offer electric vehicle charging stations to our employees at certain of our facilities, free of charge, to incentivize our employees to partner with us in our efforts to reduce GHG emissions. 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. Moving ahead, we expect to 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.



**I have the ability to bike again. I'm able to participate in doing things I want to do with my family. I'm very grateful."**

Dr. Kenneth Sullivan-Bol, Chiropractic Physician and M6-C™ Disc Patient





# 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 offer compliance training to 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 antitrust 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, we are pleased to report an Occupational Safety and Health Administration (“OSHA”) Incident Rate of 0.37 for the 2022 reporting year.



**Corporate Code of Conduct** for each of our legacy Orthofix and SeaSpine businesses that are applicable to all employees worldwide of the respective business. All of our directors and executive officers are subject to the Corporate Code of Conduct for the legacy Orthofix business, which is available for review on our website at <http://www.orthofix.com>. These codes of conduct set 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 and directors participate in annual training on our corporate codes of conduct and related Company policies.



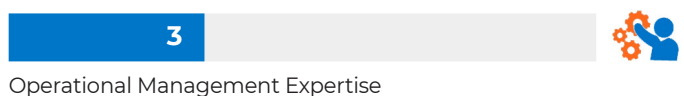
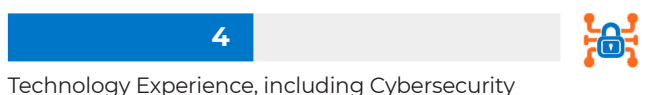
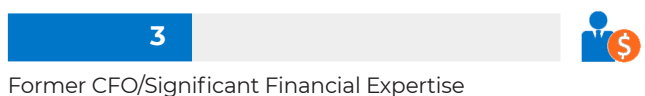
**Supplier Quality Manual** that communicates our expectations to all new and existing suppliers to ensure the delivery of high-quality products to our customers. The Supplier Quality Manual sets forth our policies and expectations of suppliers on several topics, including ethics, compliance with laws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



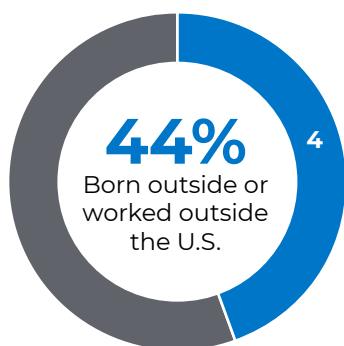
**Sustainability Policy** that guides our approach to environmental and social risk management within our Corporate Code of Conduct. Areas of focus include our corporate compliance with responsible hazardous waste protocols, recycling, emergency preparedness, and programs to enhance and promote environmental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

Orthofix is governed by a nine-person Board. This group is responsible for the oversight over management of our company and its business for the long-term benefit of our stakeholders. Our Board 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

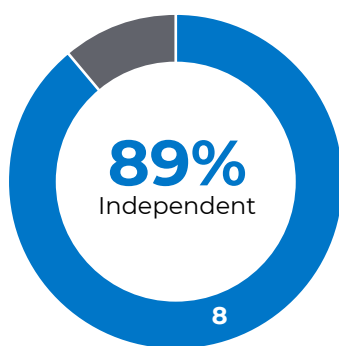
Exchange and requirements of the U.S. Securities and Exchange Commission. We have independent, experienced, and diverse leadership with expertise in a broad set of areas relevant to our business. Eight of our nine directors are independent under Nasdaq listing standards, and all four Board committees consist solely of independent directors.



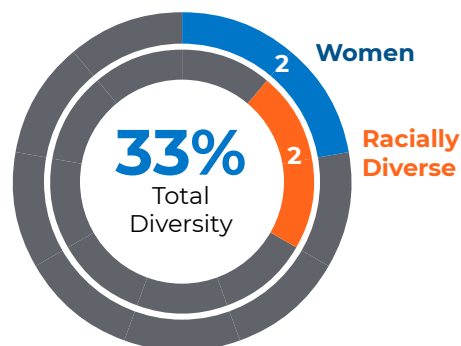
## BOARD DIVERSITY



Global Diversity



Independence



Gender/Racial Diversity

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. We rely 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 with a shared commitment to our ESG objectives.

As a global leader in the medical device industry, we are a trusted partner that meets the industry's high bar for data resiliency and security. We have implemented robust cybersecurity programs to ensure compliance with applicable laws and regulations governing ethical business practices, including our relationships with suppliers, customers, and business partners. Our IT team uses a combination of industry-leading tools and innovative technologies to help protect our stakeholders' data. Our employees are responsible for complying with our data security standards and complete mandatory annual training to understand the behaviors and technical requirements necessary to keep data secure.

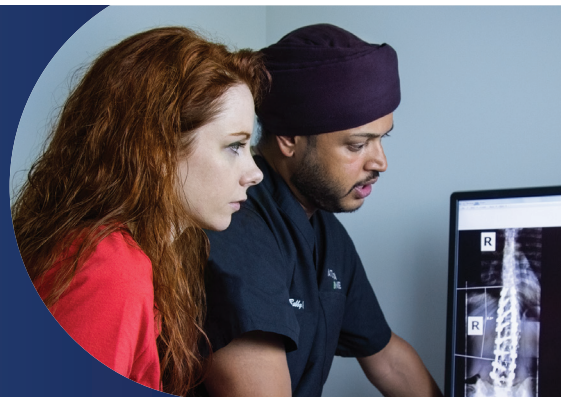
We leverage the latest encryption configurations and technologies on our systems, devices, and third-party connections and further vet third-party vendors' encryption, as required, through our vendor management process. In 2021, we were audited by a third-party cybersecurity firm using the National Institute of Standards and Technology ("NIST") standard and in 2022, we implemented certain recommendations resulting from the audit. We also require that cybersecurity training be part of the onboarding process for new hires and require that all employees participate in annual cybersecurity training.

The Audit and Finance Committee has oversight over cybersecurity, including IT risks, controls, procedures, and plans to mitigate cybersecurity risks and respond to security incidents. The Audit and Finance Committee receives reports on at least a quarterly basis from the Chief Information Officer and the Vice President of IT Security and Controls on, among other things, our cyber risks and threats, the status of projects, management's strategies to strengthen our IT systems, assessments of our security program, third-party assessments and testing, our emerging threat landscape, and the review of our cybersecurity insurance policy. Due to the importance of this topic, the Board also receives periodic updates on cybersecurity matters.



**I never wanted to be photographed.  
In my eyes, I was this deformed girl.  
Now, I am the beautiful person  
that I always wanted to be."**

Jennifer, Scoliosis suffer and Spine Fixation patient







# Safety and Quality

Promoting and protecting the safety of our workforce and the patients we serve is a top priority. Health and safety is a responsibility that we share throughout our organization. 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 resulted in zero product recalls issued in 2022. To further promote this effort, we introduced an ESG metric in 2022 that tied 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.

In addition, during the last few years, we have evolved as an organization to meet the needs of our changing workforce. Employees' safety risks vary depending on the roles they perform, and we seek to tailor our safety efforts accordingly. Orthofix is serious about the safety and health of our employees and recognizes the need to comply with regulations governing injury, accident prevention, reporting, and employee safety. As such, we are pleased to report a low OSHA Incident Rate of 0.37 for the 2022 reporting year (compared to 1.05 for 2021 and 0.00 for 2020). We also periodically measure the sentiment of our global employee base through an employee engagement survey and share the results and action items identified from the survey with our employees. Our most recent employee survey was

conducted in 2022 and included 86% participation across our employee population.

In addition to our above principles, the following items highlight our commitment to product quality, patient safety, and the well-being of our workforce:

- Our STIM onTrack™ mobile app was recognized as the “Best Patient Engagement Mobile App” by MedTech Breakthrough, an independent market intelligence organization that recognizes the top companies, technologies, and products in the global health and medical technology market. Via this app, patients can track the daily use of their Bone Growth Therapy device to help them stay on schedule with their treatments. The app enables the sharing of treatment data and patient reported outcome measures with physicians to assist in monitoring progress and overall recovery status. Through the app, patients can also connect with the Orthofix Patient Care team to help address questions about their treatment regimen.
- In 2022, we announced the results of five-year data from our M6-C™ artificial cervical disc single-level IDE study. Included in these results, it was observed that the M6-C disc continues to demonstrate one of the lowest subsequent intervention rates at 3.1% when compared to other FDA-approved artificial discs and that at five years post-operation, subjects had a mean shoulder/arm pain VAS score of 0.5, which was significantly better than the mean of 2.1 observed in the anterior cervical discectomy and fusion (“ACDF”) control group.

- In 2022, we achieved our 100th placement of our 7D FLASH™ Navigation System. The 7D FLASH™ Navigation System uses visible light to create a three-dimensional image for surgical navigation in just seconds. It is the only marketed image-guidance system that utilizes novel and proprietary camera-based technology, coupled with machine-vision algorithms, to eliminate the long-standing frustrations with legacy surgical navigation platforms. The speed, accuracy, and efficiency of machine-vision technology is intended to provide significant economic value, lower radiation for staff and patients in open procedures, and harnesses the true potential of image-guided navigation — providing a truly unique offering for both open and minimally invasive spine procedures.
- In 2022, our engagement survey results showed improvement in employee satisfaction with “practices and programs that promote diversity in the workplace” as compared to our previous survey. Results also conveyed that employees are passionate about the mission of our company and clearly understand how the work they do contributes to the accomplishment of our corporate goals and objectives.
- In 2021, employees asked for more scheduling flexibility and in response Orthofix implemented hybrid work arrangements for eligible employees. In the 2022 survey, 78% of employees indicated that the flexible work options met their needs.

**86%**

participation in  
employee survey  
last year

**0.37**

OSHA incident  
rate for the 2022  
reporting year

**78%**

of employees have  
their flexible work  
needs met

# 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 ESG Factsheet Report, we have compiled metrics organized by key ESG themes incorporated within our tables and throughout our organization.

This annex also includes supplementary Greenhouse Gas Emissions (GHG) data. Our baseline year is 2021 and the GHG Protocol Corporate Accounting and Reporting Standard was used in the calculation of energy use and GHG emissions. All energy sources are included in intensity calculations. Gases covered in GHG emissions calculations include carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), and fluorinated gases (HFCs). Orthofix has no emissions from biogenic sources.

# SASB Table

SASB Metric	SASB Code	Data	Narrative Response and Comments
<b>Affordability &amp; Pricing</b>			
Ratio of weighted average rate of net price increases (for all products) to the annual increase in the U.S. Consumer Price Index	<b>HC-MS-240a.1</b>	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	<b>HC-MS-240a.2</b>	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 Metric	SASB Code	Data	Narrative Response and Comments
<b>Product Safety</b>			
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 2022: 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 2022: 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 2022: 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 2022: None	

<b>Product Design &amp; Lifecycle Management</b>			
Discussion of process to assess and manage environmental and human health considerations associated with chemicals in products, and meet demand for sustainable products	<b>HC-MS-410a.1</b>	Please see Narrative Response.	<p>We are committed to sustainable practices in our operations, manufacturing, and supply chain. 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 are in process of developing 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 usage 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 in the U.S. to offer such a service to bone growth therapy patients and to date, we have sent shipping labels to more than 14,000 patients to facilitate the recycling of these devices under this program.</p>

SASB Metric	SASB Code	Data	Narrative Response and Comments
<b>Product Design &amp; Lifecycle Management, cont.</b>			
Total amount of products accepted for takeback and reused, recycled, or donated, broken down by: (1) devices and equipment and (2) supplies	<b>HC-MS-410a.2</b>	(1) Approximately 8,000 units of Bone Growth Therapy devices were recycled in 2022, weighing 6.51 metric tons, whereas approximately 3,000 units of Bone Growth Therapy devices were recycled in 2021, weighing 2.32 metric tons <sup>1</sup> (2) Not applicable; our products do not include medical supplies.  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 2022 and 2021, respectively.	

<b>Business Ethics</b>			
Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	<b>HC-MS-510a.1</b> <b>HC-BP-510a.1</b>	2020: None 2021: None 2022: None	
Description of code of ethics governing interactions with healthcare professionals	<b>HC-MS-510a.2</b> <b>HC-BP-510a.2</b>	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.
Number of units sold by product category	<b>HC-MS-000.A</b>	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 62 of our Annual Report for a breakdown of revenue by category.

# Supplementary Tables

We recently partnered with an environmental engineering firm to complete an inaugural GHG emissions inventory for 2021 emissions and to estimate our water usage and waste generation for fiscal year 2021. This inventory will serve as a base year for Orthofix and will facilitate the monitoring and tracking of such GHG emissions, water usage, and waste generation at the corporate level for subsequent years.

## GHG Inventory

Location	Scope 1	Scope 2		Scope 3
Amounts in tCO <sub>2</sub> e*		Location-Based	Market-Based	Remote Work
Orthofix U.S.	130	1,322	1,447	60
Orthofix Italy	259	283	487	0
Orthofix France	363	6	6	2
Orthofix Germany	118	65	73	1
Other Locations	2	59	103	5
<b>Total Company</b>	<b>871</b>	<b>1,735</b>	<b>2,118</b>	<b>68</b>

\* Amounts are reported in tons of carbon dioxide equivalents ("CO<sub>2</sub>e"), which is a unit of measure that normalizes the global warming potential to that of an equivalent amount of CO<sub>2</sub>.

## Water Usage

Location	Water Usage	Wastewater Discharge
	(Gallons, In Thousands)	(Gallons, In Thousands)
Orthofix U.S.	2,830	2,123
Orthofix Italy	237	237
Orthofix Germany	65	65
Other Locations	9	9
<b>Total Company</b>	<b>3,142</b>	<b>2,434</b>

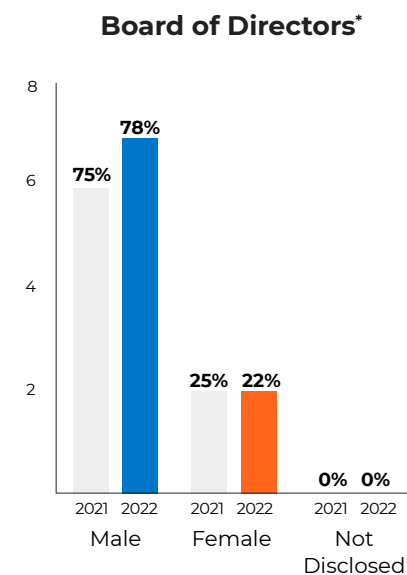
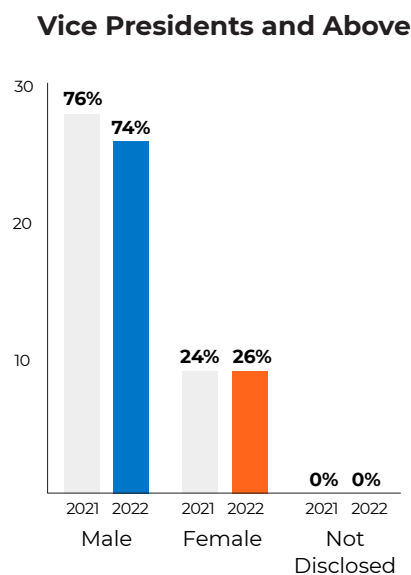
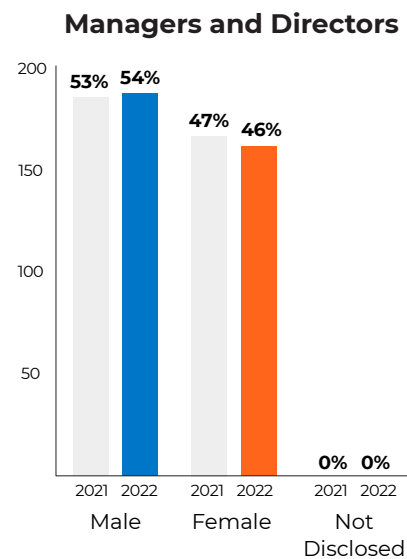
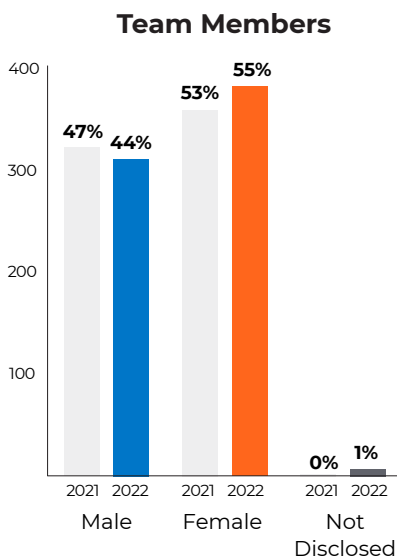
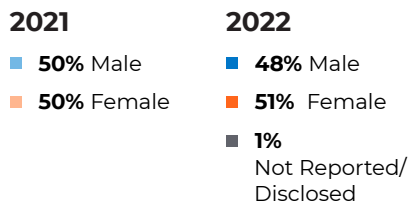
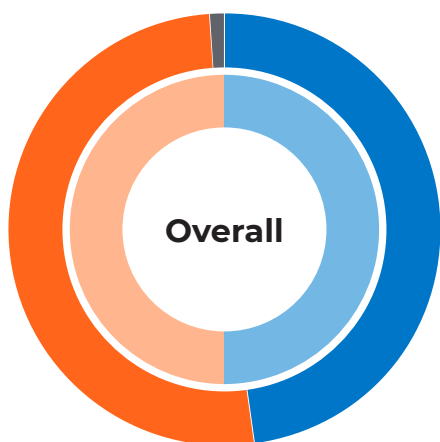
## Waste Generation

Location	Non-Hazardous Waste	Non-Hazardous Waste Recycled*	Hazardous Waste Generated
	(Tons)	(Tons)	(Tons)
Orthofix U.S.	109	11	7
Orthofix Italy	84	62	72
Other Locations	1	<1	<1
<b>Total Company</b>	<b>193</b>	<b>73</b>	<b>79</b>

\* Non-Hazardous Recycled Waste is included in Non-Hazardous Waste Generated

# Workforce Representation

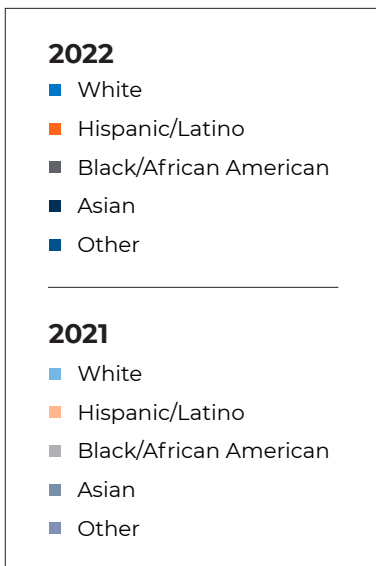
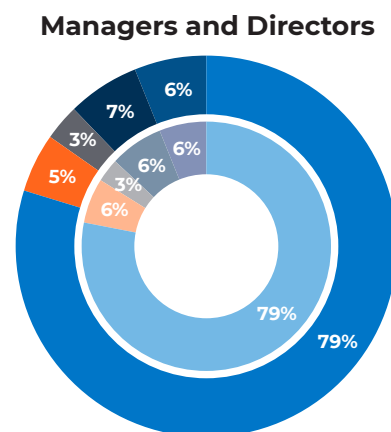
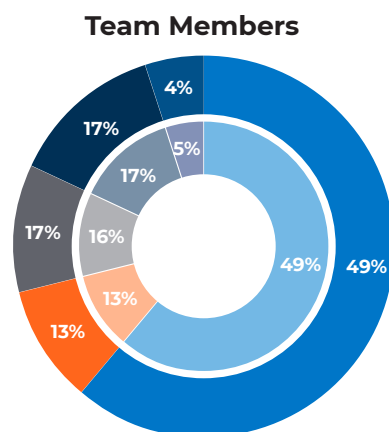
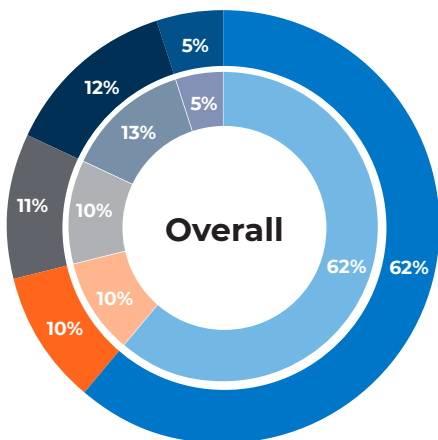
## Gender (Global)



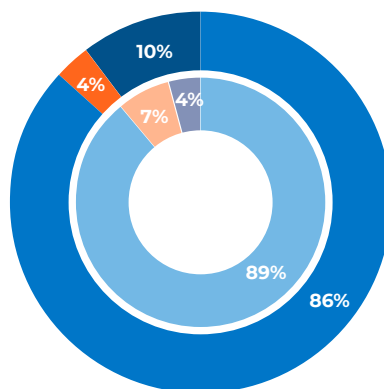
\* Calculated on the day that directors were elected at each of the 2021 and 2022 annual shareholder meetings



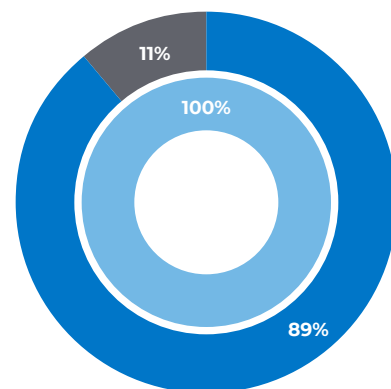
## Race and Ethnicity (U.S. Only)



**Vice Presidents and Above**



**Board of Directors\***



\* Calculated on the day that directors were elected at each of the 2021 and 2022 annual shareholder meetings

