

Corporate Responsibility Report

Fiscal Year 2024



Arthrex® 

Table of Contents

Introduction and Approach	05
Our Company.....	06
Company Facts.....	07
Global Recognition.....	07
A Message From Our President and Founder	09
Making People Better	11
Making Patients Better.....	12
Making Employees Better	18
Making Our Communities Better	24
Making the Planet Better	33
Making the Planet Better.....	34
Governance and Ethical Responsibilities	45
Compliance Program.....	46
Code of Conduct.....	47
Acting Responsibly	49
Acting With Integrity	50
Protecting Data, People and Patients	51
Supply Chain Accountability (Governance)	51

Introduction and Approach

Our Company.....	06
Company Facts.....	07
Global Recognition	07
Fiscal Year 2024	07
A Message From Our President and Founder	09



Our Company

Arthrex, Inc. is a global leader in multispecialty minimally invasive surgical technology, scientific research, manufacturing and medical education. Arthrex pioneered the field of arthroscopy and sports medicine and develops more than 1,000 new products and related procedures annually to advance minimally invasive surgical technology worldwide.

Arthrex is proud to be a privately held company focused solely on one mission: Helping Surgeons Treat Their Patients Better®, which allows for the rapid evaluation of new technologies and ideas, and the freedom to develop products and technology that truly make a difference in people's lives. This mission also drives the company's commitment to delivering innovative solutions, clinical excellence, operational results and value for our customers.

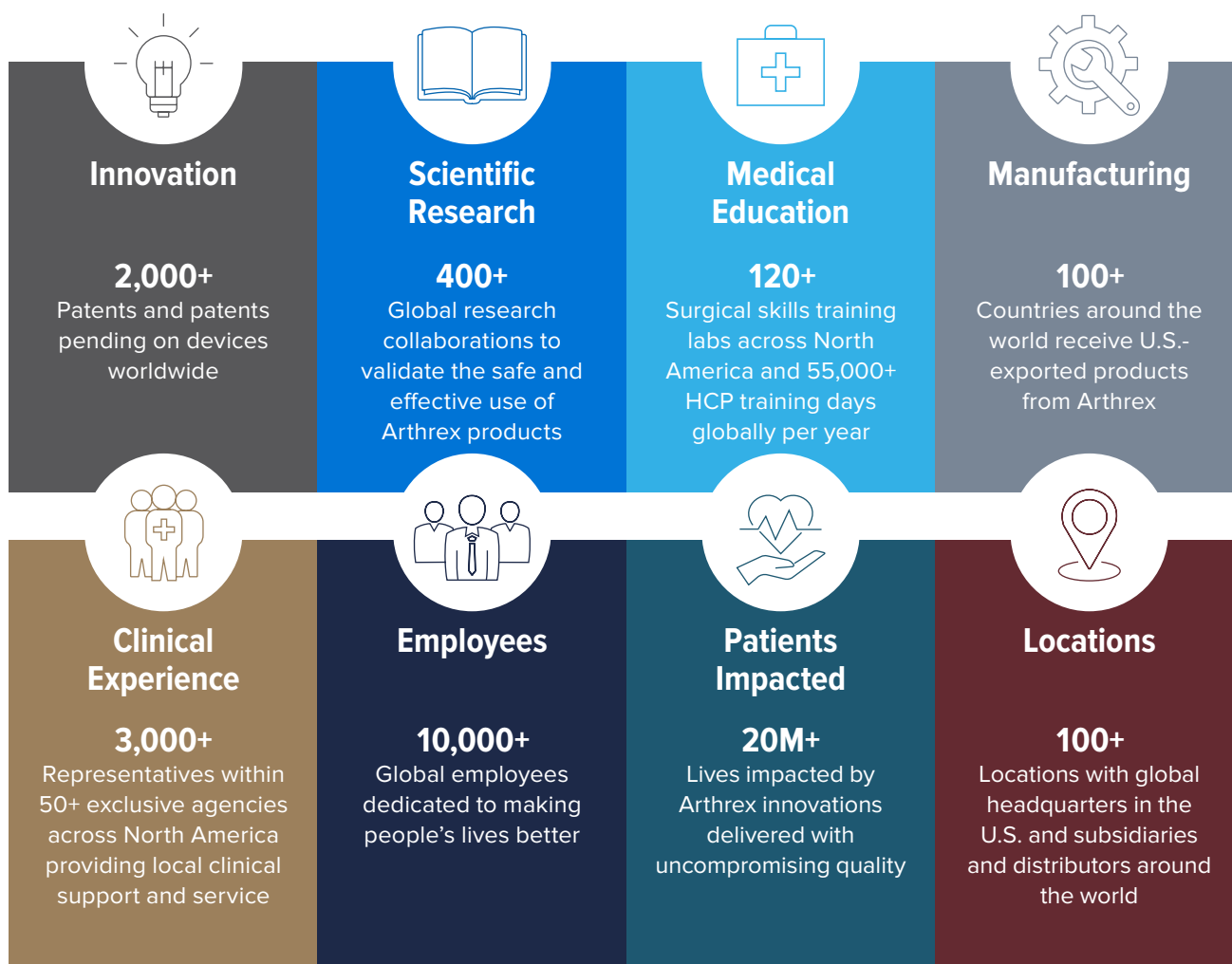
The story of Arthrex's humble beginnings, and how hard work, creativity and tenacity turned an impossible dream into reality, serves as the foundation and inspiration for everything we do.

It all began in 1980 on a simple drafting table in the Olympic Village in Munich, Germany. Anticipating that arthroscopy might revolutionize sports medicine and orthopedics, Reinhold Schmieding founded a small start-up company to pioneer this new technology. His vision was to make it possible for surgeons to treat joint injuries and arthritis by means of minimally invasive arthroscopic techniques.

It was on that simple drafting table that Reinhold developed the company logo, which still stands today.



Company Facts



Global Recognition

Fiscal Year 2024

- 2023 Great Place to Work® Best Workplaces in Manufacturing & Production™
- 2023 Great Place to Work Best Workplaces for Millennials - Austria
- 2024 Great Place to Work Best Workplaces in Germany
- 2024 Great Place to Work Best Workplaces in Austria
- 2024 Great Place to Work Best Workplaces for Millennials - South Korea
- 2024 Edison Award, Gold for Surgical Innovations, MIS FiberTak® Achilles SpeedBridge™ Repair Implant System With Knotless Rip-Stop
- 2024 Edison Award, Silver for Orthopedic & Musculoskeletal Innovations, SutureLoc™ Implant
- 2024 SECEC Grammont Award





A Message From Our President and Founder



Arthrex was founded in a small apartment in the Olympic Village in Munich, Germany. It was a humble beginning as a new start-up company in a foreign country, without any outside financing, developing the first arthroscopic surgical instruments for a market that did not exist. We remain grounded in vision, perseverance and the desire to help surgeons treat their patients better.

With its global headquarters in Naples, Florida, Arthrex has become the recognized global leader in sports medicine and less invasive orthopedic surgery. As we expand into new markets around the world, significantly grow our employee base and make important economic, philanthropic and sustainable contributions to the communities we serve, we remain committed to preserving our unique mission and the principles on which this company was founded.

The Arthrex global ethos, One World One Team, embodies the spirit of our more than 10,000 employees around the world. We celebrate a diverse and inclusive family culture that values individuals' uniqueness, backgrounds and skills that lead to innovation, creativity and growth.

As a private company, we are dedicated to compliant business practices based solely on advancing medicine and have experienced unprecedented growth without compromising our ethics and integrity. We have earned our reputation as a trustworthy partner, and that is the legacy of Arthrex that will continue into the future.

As One World One Team, we also have an obligation to act as responsible global citizens dedicated to creating a better, healthier world. We are mindful of the effect that our corporate and manufacturing activities have on the earth and support continuous improvements in our systems and processes to minimize our environmental footprint and strengthen our resources for the future.

Through a robust corporate responsibility program based on our company's core value of Making People Better, we are committed to perpetual innovation that delivers the most advanced products and technologies to the health care professionals treating millions of patients around the world, while contributing to a sustainable and healthy environment that creates well-being and a high quality of life for all.

We invite you to learn more about this company's remarkable story and impact.

A handwritten signature in black ink, reading "Reinhold Schmieding". The signature is fluid and cursive, with a long, sweeping underline.

Reinhold Schmieding
President and Founder

Making People Better

- Making Patients Better 12
 - Patient Stories..... 12
 - Patient Education..... 17
- Making Employees Better..... 18
 - Employee Stories..... 18
 - Employee Benefits 23
- Making Our Communities Better 24
 - Economic Impact, Charitable Giving and Volunteerism 24
 - Community Support..... 28



Making Patients Better

Patient Stories

Our core value, Making People Better, encapsulates our cultural purpose and unites us as a global family, dedicated to preserving our unique mission. We are committed to making people's lives better through health care technology innovation and education as well as a commitment to the growth and well-being of employees and communities. Making People Better has three pillars: Making Patients Better, Making Employees Better and Making Communities Better.

As a leading health care technology innovator, we are committed to making patient's lives better. The contributions we make to science and medicine have the potential to get an elite athlete back in the game or improve the quality of someone's life.

Read the stories of lives that are made better with the help of Arthrex innovation.



Arthrex Innovation Helps Professional Hockey Player Get Back on the Ice

Tampa Bay Lightning forward Alex Killorn fractured his fibula in Game 1 of the 2021 Stanley Cup Finals. The Lightning were playing the Montreal Canadiens, leading 2-0 in the second period when Alex was hit in the ankle by the puck.

“One of the defensemen winded up for a big slap shot, and I decided to lay out to block it. It got me in the wrong spot, and I just couldn’t skate,” Alex said. “That’s when I knew something was really wrong.”

Alex had just come off a successful 2020-2021 season, and in 19 playoff games leading up to the finals, he’d scored eight goals and had nine assists.

“The Stanley Cup Finals is what you work your whole career for,” Alex said.

“Alex wanted to get back and play at all costs,” said Sean Lannon, MD (Tampa, FL).

Dr. Lannon performed surgery on Alex using an Arthrex FibuLock® intramedullary nail, a minimally invasive treatment for high ankle fractures. When compared to traditional treatments involving plates and screws, the FibuLock nail avoids creating unnecessary bulk along the bone and eliminates the need for a second surgery to remove the hardware.

Three days after surgery, Alex was back on the ice. “Getting him back as soon as we did is a remarkable testament to how far we’ve come in orthopedics,” Dr. Lannon said. “I don’t think Alex would have been able to get back without a device like the FibuLock.”

Arthrex has been a leader in ankle fracture repair since 2010 with the initial release of the “all-in-one” ankle fracture set, the first set of its kind which allowed most ankle fractures to be treated with one case and tray. The addition of the FibuLock fibular nail to this set created a market-leading alternative to plate fixation.

“He broke his leg on a Monday. On Thursday, had a rod inserted in his fibula, and was skating by Saturday,” said Julien BriseBois, General Manager of the Tampa Bay Lightning. “That’s how you win the Stanley Cup.”

In the season following his surgery, Alex played in all 82 regular-season games, finishing with 26 more points than he’d scored in the previous year.

“I feel like my fibula’s stronger now than it was before,” he said.

References

1. Lavender C, Hewett T, Johnson J, Peluso R, Patel T, Taylor S. Return to activity following ACL reconstruction with the fertilized ACL: a retrospective study. *Marshall J Med.* 2023; 9(3). doi:10.33470/2379-9536.1410

The *Internal/Brace* surgical technique is intended only to augment the primary repair/reconstruction by expanding the area of tissue approximation during the healing period and is not intended as a replacement for the native ligament. The *Internal/Brace* technique is for use during soft tissue-to-bone fixation procedures and is not cleared for bone-to-bone fixation.

This real patient was compensated for the time they took to share their experience.

Physician is a paid consultant of Arthrex, Inc.



Quarterback Riley Leonard at the Top of His Game After High Ankle Sprain

The legacy of college football in South Bend, Indiana is unrivaled. Since the program's first season in 1887, the team has won 11 national championships and its players have claimed seven Heisman Trophies.

Now, many believe starting quarterback Riley Leonard is a candidate for the eighth one — even after a high ankle sprain that caused him to miss several games last season.

"I am so excited to be a part of this squad," Riley said, after transferring from Duke University to the University of Notre Dame in January 2024. "I am back to 100%. My right ankle is stronger and more mobile than it's ever been."

Ironically, Riley was injured during the 2023 football season while playing against his current team.

"You break it, you buy it," Riley laughed. "It is ironic that I now play for the team that injured me. It's all good. I am so grateful for how this team has embraced me."

"The dynamic fixation provided by the Syndesmosis TightRope® XP implant system is unrivaled,"¹ said Thomas Bemenderfer, MD (South Bend, IN), with South Bend Orthopaedics, which has served as the official team physicians for Notre Dame since 1949. Dr. Bemenderfer — who played football at Notre Dame — operated on Riley in April 2024, implanting an Arthrex TightRope XP construct in conjunction with a fracture plate. Dr. Bemenderfer says nothing should hold Riley back.

"He was walking within a couple of weeks and continues to excel beyond all expectations— he is a great example of our athletes who get back so quickly," said Dr. Bemenderfer. "This repair is flexible; it allows motion where there should be motion and stability where the ankle needs to be stable."¹

Riley said his strong faith and his trust in the procedure and his team of trainers kept him optimistic throughout the recovery process.

"I know I was in excellent hands, and I feel great," Riley said. "There may be people who underestimate my legs, but that's even better for me. I can prove them wrong. I am running the fastest I ever have, and I can't wait for what lies ahead."

References

1. Grassi A, Samuelsson K, D'Hooghe P, et al. Dynamic stabilization of syndesmosis injuries reduces complications and reoperations as compared with screw fixation: a meta-analysis of randomized controlled trials. *Am J Sports Med.* 2020;48(4):1000-1013. doi:10.1177/0363546519849909
2. Grassi A, Samuelsson K, D'Hooghe P, et al. Dynamic stabilization of syndesmosis injuries reduces complications and reoperations as compared with screw fixation: a meta-analysis of randomized controlled trials. *Am J Sports Med.* 2020;48(4):1000-1013. doi:10.1177/0363546519849909

This real patient was compensated for the time they took to share their experience.



Rising Basketball Player Rebounds Thanks to Arthrex Innovation

On the basketball court, Audrey Biggs is known for her versatility, tenacity and incredible teamwork. The same spirit that propelled her to success as a top-scoring starting forward is exactly what has helped her navigate one of the toughest challenges of her life.

“I was playing for the West Virginia Thunder traveling team. I went up for a layup with another player on my back,” Audrey said. “I came down hard and felt a pop. I let out a scream, which is something I never do — I’m not the crying type. But I knew something was wrong.”

Audrey tore her anterior cruciate ligament (ACL) and was terrified of what that might mean for her future as an athlete and her goal to play college basketball.

“My mental state was not okay. My dad had a serious conversation with me. He said that ‘things happen for a reason. You will get through this and come back as a better version of yourself,’” Audrey said. “So, I decided to improve my mindset and focus on my goals. I wanted to play at the highest level I possibly could, and I was not going to let this injury stop me.”

Audrey turned to surgeon and Assistant Professor of Orthopedics at Marshall University, Chad D. Lavender, MD (Huntington, WV), for help.

“Audrey’s injury was straightforward, but we were up against the clock to get her back on her feet and ready for the college recruiting process,” Dr. Lavender said. “We performed a QuadLink™ BioACL™ reconstruction using a quad tendon for her new ACL (graft) and FiberTag® TightRope® implants. We then augmented the reconstruction using the *Internal/Brace*™ technique.”

The BioACL reconstruction technique involves harvesting bone marrow from the patient’s shin bone, which is then spun into bone marrow aspirate. The bone marrow aspirate is added to a mixture of autograft and allograft bone to form a putty that the surgeon puts into the knee socket before pulling in the ACL graft.

“Essentially, we are fertilizing the socket with good cells and bone grafting. I liken it to a potted-plant-like technique,” Dr. Lavender said. “In a study my team conducted, the biologics help improve the healing process and the *Internal/Brace* technique allows for a faster return to rehab. We have shown very high patient-reported outcomes as well as return to sport after the BioACL technique.”¹

With her fitness and commitment to return to playing competitive basketball, Audrey jumped in. She went to therapy five days a week with fierce determination.

“I decided, I’ve got this. I am striving to be one percent better every single day,” she said. “Dr. Lavender was like a coach to me. He was there for me every step of the way and I told him, ‘I’ve got this — I am coming back stronger and better.’”

Reference

1. Lavender C, Hewett T, Johnson J, Peluso R, Patel T, Taylor S. Return to activity following ACL reconstruction with the fertilized ACL: a retrospective study. *Marshall J Med.* 2023; 9(3). doi:10.33470/2379-9536.1410

The *Internal/Brace* surgical technique is intended only to augment the primary repair/reconstruction by expanding the area of tissue approximation during the healing period and is not intended as a replacement for the native ligament. The *Internal/Brace* technique is for use during soft tissue-to-bone fixation procedures and is not cleared for bone-to-bone fixation.

This real patient was compensated for the time they took to share their experience.

Physician is a paid consultant of Arthrex, Inc.



MLB Draft Prospect Drew Beam Back on the Mound



Since he was nine years old, Drew Beam has never doubted his passion for baseball or his commitment to pitching the perfect no-hitter in the major leagues.

“I have a competitive side; it’s taken over my life, and baseball has given me something I can always strive to be better at,” he said. “I just fell in love with the game. It felt like I was home.”

That drive helped Drew excel as a pitcher through middle and high school in his hometown of Murfreesboro, Tennessee. When he signed on to play baseball at the University of Tennessee, it was a dream come true.

“I dearly love this game,” Drew said. “It brings me joy and happiness and it’s part of who I am.”

But then, a simple game of catch with a buddy led to an injury that threatened everything he had worked for his entire life.

“We were trying to throw as hard as we could and I felt a pop. It did not feel good and tingling went down my hand,” Drew said.

That pop ended up being a torn ulnar collateral ligament (UCL) in his elbow.

“When I got the call with the diagnosis, it broke me. I instantly went face down into the pillow and shed some tears,” Drew said. “I knew people end baseball careers with an injury like this.”

But then Drew met with Jeffrey R. Dugas, MD (Birmingham, AL), at Andrews Sports Medicine in Birmingham, Alabama, who helped him reclaim his hope for the future.

“Drew came to me with an acute injury but with otherwise healthy tissue that was intact,” Dr. Dugas said. “I spoke to him and his family and they wanted me to make the call between a repair and a reconstruction. Reconstruction is the gold standard for an injury like this.”

Drew’s otherwise healthy tissue allowed Dr. Dugas to repair his UCL tear using the *InternalBrace*™ ligament augmentation system.

“In the right candidates this repair is very successful,” Dr. Dugas said. “For throwing or overhead athletes like baseball pitchers, gymnasts, volleyball and tennis players, and even some football players, the *InternalBrace* system provides an augment to the ligament, so as it heals the athlete has even more than they started with — the native ligament plus the *InternalBrace* augmentation procedure on top of that.”¹

Drew jumped into rehab and was determined to get back on the field and the pitching mound in Tennessee orange. And he did just that — a remarkable one year and three days following surgery.

Today, Drew is pitching better than ever and has full confidence in his throwing arm and his sights set on pitching in the College World Series again and being a high draft pick in the 2024 MLB draft.

“The *InternalBrace* system allowed me to get back on the field a year sooner than if I had to have a full elbow reconstruction,” Drew said. “It has allowed me to showcase my talents again and return to who I am. To get to do what I love for a living, that is the dream.”

Reference

1. Walters BL, Cain EL, Emblom BA, Frantz JT, Dugas JR. Ulnar collateral ligament repair with internal brace augmentation: a novel UCL repair technique in the young adolescent athlete. *Orthop J Sports Med.* 2016;4(3 suppl):2325967116S00071. doi:10.1177/2325967116S00071

The *InternalBrace* surgical technique is intended only to augment the primary repair/reconstruction by expanding the area of tissue approximation during the healing period and is not intended as a replacement for the native ligament. The *InternalBrace* technique is for use during soft tissue-to-bone fixation procedures and is not cleared for bone-to-bone fixation.

Physician is a paid consultant of Arthrex, Inc.



Making Patients Better

Patient Education

Arthrex's innovative spirit has pioneered the field of arthroscopy and sports medicine and continuously leads to the development of more than 1,000 innovative products and associated procedures each year. By providing health care professionals with less invasive technology and medical education support, they can treat their patients with great confidence, knowing a collaboration with Arthrex will result in the best possible outcomes.

Arthrex provides the Orthopedic Patient Seminar (OPES) program, opening its doors to community members to share information about common injuries and conditions, when to seek treatment and the Arthrex innovations that are Helping Surgeons Treat Their Patients Better®. The event provides our community members with a unique opportunity to ask our Medical Education professionals questions as well as tour our global headquarters campus in an immersive experience.

Arthrex also provides online resources to educate patients about treatment options for various orthopedic injuries and conditions and to help connect them with surgeon specialists. These resources include:

- **OrthoPedia.com:** Providing patients with easy-to-understand videos covering a comprehensive range of orthopedic conditions and treatments
- **AnkleSprain.com:** Offering education for patients who have recurring ankle sprains
- **ACLTear.com:** Educating patients on ACL injuries and minimally invasive treatment options
- **BunionPain.com:** Educating patients on minimally invasive bunion correction
- **ShoulderReplacement.com:** Providing information on shoulder replacement options
- **TheNanoExperience.com:** Educating patients about treatments for injuries using Nano arthroscopy, an incisionless, more minimally invasive approach
- **JointPreservation.com:** Educating patients on comprehensive treatment options for cartilage damage or defect



Making Employees Better

Employee Stories

Arthrex employs nearly 10,000 employees across the globe and every employee plays a significant role in fulfilling our meaningful mission of Helping Surgeons Treat Their Patients Better®. With roots in Germany and the U.S., the company blends the best of two different business philosophies to create a unique, award-winning family business culture that's one of the most celebrated in the world. Together, we are One World One Team!

We make employees' lives better through educational and professional growth opportunities, unique benefits and amenities, and modern facilities that promote a secure, vibrant and dynamic atmosphere of collaboration, mutual respect and camaraderie.

Read the stories of how Arthrex has impacted the lives of its employees.



Arthrex Product Development Engineer Becomes an Arthrex Patient

When Engineer Ashley Stevens accepted her first job at Arthrex Manufacturing Inc. in Ave Maria, Florida, after graduate school, she knew she would be working on innovative products that support the company's mission of Helping Surgeons Treat Their Patients Better®. But she never suspected she would become a patient who benefited from them herself. "It's kind of a crazy, full-circle moment," Ashley said.

A life-long athlete, Ashley started waterskiing competitively at age five. "My mom would hold me in her arms on water skis before I could even walk," she said. As a student at Clemson University, she served as president of the waterskiing team, leading them to the collegiate nationals in addition to racking up her own state and national medals along the way. She's also an avid snow skier and volleyball player.

So, when she started working at Arthrex and learned of the employee volleyball league, she jumped at the chance to join. After years of playing competitive sports, Ashley says she was no stranger to ankle sprains and other injuries. But right before Christmas, she took a tumble on the volleyball court and immediately knew this was different. "My feet got caught up and I fell wrong," she said, and it left her with a broken fibula.

That was when Ashley turned to orthopedic foot and ankle surgeon Chris Hodgkins, MD (Miami, FL).

"Ashley got a 360-degree repair of her ankle, all done minimally invasively," said Dr. Hodgkins. With injuries like hers, surgeons often use a large incision to place a plate on the fibula to stabilize the fracture. In this case, Dr. Hodgkins was able to repair her fractured ankle with a FibuLock® fibular nail: a cutting-edge, minimally invasive fixation device that stabilizes the fracture and is inserted through a small incision.

"Traditionally, she would have had a big open incision with a plate or plates and screws that would have left a scar and inhibited her recovery," Dr. Hodgkins said. "Patients do not like that construct because they can feel it's prominence, it tends to heal more slowly and there's usually more post-op pain and patients can be off their feet much longer than with this new approach."

To help support the repair in Ashley's ankle, Dr. Hodgkins used two TightRope® XP implants, which consist of a suture secured between two metallic buttons against the tibia and fibula to treat her ligament injuries.

Prior to inserting the FibuLock nail, Dr. Hodgkins assessed her injuries using the Arthrex NanoNeedle scope — a small scope equipped with a bendable camera to allow surgeons a clear view of a patient's injuries inside the ankle joint.

"The beauty of this equipment and technique is that there is rarely a need to remove hardware after the patient has healed. There are no screws to break and patients can regain normal movement of the ankle," he said.

In Ashley's case, she was fully weight-bearing in a walking boot in just six weeks and even back on the volleyball court in a brace 12 weeks after surgery. "She was on my NFL athlete plan, but she pushed her recovery even harder," Dr. Hodgkins said. "I trusted her to do it — she's an engineer, so she understands the implants in her ankle."

Just a few months after surgery, Ashley is now working hard in physical therapy to regain her strength and mobility and says her recovery has been remarkable. "My ankle is very stable and I believe I will get back to all my activities again," Ashley said. "I have to trust my body so much in my waterskiing events."

Dr. Hodgkins has no doubt she will be able to do just that.

And that's exactly why Ashley says she keeps her X-rays hanging up at her desk at Arthrex, as a reminder for herself and for her coworkers that what they do every day has a lasting impact on real people and improves the quality of their lives.

"It gives a great elevator pitch when people ask me what I do. The connection back to my own work is such a cool thing," Ashley said. "I work on the products that are in my own ankle and that are allowing me to get back to doing what I love."

Postoperative management is patient-specific and dependent on the treating professional's assessment. Individual results will vary and not all patients will experience the same postoperative activity level or outcomes.

This real patient was compensated for the time she took to share her personal experience.

Physician is a paid consultant of Arthrex, Inc.

Quick Response From Arthrex Security Team Saves Employee's Life



Three members of the Arthrex Manufacturing Inc. East (AMIE) Security team were recently presented Life Saving awards in recognition of the roles they played in responding to a medical emergency.

“It started out as a normal day,” said Senior Security Officer Dan Rategan, who was in the patrol vehicle that morning, monitoring the parking lot and the exteriors of the AMIE buildings.

Lead Security Officer Mike Daily was in the Security office and Senior Security Officer Roy Porter was manning the front desk when an employee came to the lobby, saying help was needed in the cafeteria.

“In the police world, there’s typically a delay between receiving a call and arriving on the scene, but we were less than a minute away,” said Roy, who worked in law enforcement for 15 years before coming to Arthrex.

Mike grabbed the medical bag and the AED (automated external defibrillator), and he and Roy took off for the main cafeteria, arriving to find Packaging Lean Operations Technician Antonio DelSordo on the floor, unresponsive and not breathing.

“I knew immediately what we were getting involved in,” said Mike, who witnessed his father-in-law go into cardiac arrest about eight years earlier — the first time Mike saved someone’s life with the use of CPR.

“We cleared people away from the scene,” Roy said, “and Mike started the initial assessment while I got the AED ready.”

During Mike’s assessment, he was unable to detect a pulse and, because Antonio’s airways were blocked and unable to be cleared, Mike made the call to move forward with compression-only CPR.

“I started performing chest compressions, and then once we had the AED in place, it basically took over — giving verbal commands and using tones to ensure the right compression rhythm and pressure,” Mike said. “The AED administered one shock, reassessed, and then the verbal commands told us to continue performing compressions.”

The timestamped report, compiled with the aid of camera footage from the Security Operations Center (SOC), showed one shock administered four minutes after Mike and Roy were made aware of Antonio collapsing.

“Defibrillation rarely happens that fast outside of a hospital setting,” said Arthrex Medical Center (AMC) Medical Director Paul Hobaica, MD. “And, the earlier the defibrillation, the better the outcomes. The security officers getting to Antonio as fast as they did was key.”

As instructed by the AED, Roy and Mike continued doing chest compressions, switching places several times before Dan arrived on the scene and joined the rotation.

“Performing chest compressions correctly is very tiring,” Mike explained. “If the AED tells you you’re not pressing hard enough, that’s when you know you’re tiring out and it’s time for someone else to take over for a bit. That’s why our training is so important — we were able to trade places and automatically be in lockstep.”

The three security officers continued chest compressions until paramedics arrived on the scene and transported Antonio to the hospital.

“I remember going into work that morning,” Antonio said. “I got there about 4:30 [a.m.] to get everything ready for the Packaging team, which starts at 5 [a.m.]. I remember going on break with some of my team, getting a cup of coffee, and then I woke up and I was in the hospital.”

Antonio spent 14 days in the hospital followed by multiple months recovering at home.

“I was in contact with a handful of Arthrex employees through all of this,” he said, “and it was one of my coworkers who’d gone on break with me that morning who first told me about the security officers who responded when I went down.”

“Mike took charge,” said Corporate Security Supervisor Tony Shover. “He’s the Lead Officer here, and he handled the situation. He directed everyone as needed and made sure everyone we were in contact with — including the EMTs — knew where to go.”

Tony credits not only his team’s response, but also Arthrex’s focus on employee safety — particularly its hiring and training practices — for Antonio’s successful outcome.

“The majority of the Arthrex Security team has previous work experience with either law enforcement, security or working in the medical field,” Tony said. “And there’s a level of training required for security officers in the state of Florida, but at Arthrex, we ensure our team’s training is above and beyond that.”

In the interest of continuing the quality CPR training the Arthrex Security team receives — and extending that training to employees in other departments — Dan is now a certified CPR instructor.



“Having these classes available here at Arthrex is just another employee benefit,” he said.

Dan, who worked in EMS as a first responder for nearly 30 years before joining Arthrex, also acknowledged the importance of having proper medical equipment strategically placed throughout the plant.

“This was the first time one of our Arthrex defibrillators had been used,” said Dr. Hobaica, who played a pivotal role in getting AEDs placed on every floor in every U.S. Arthrex building and in the security vehicles — golf carts and patrol cars alike. “We erred on the side of more, not less, because we want to make sure they are easy to access.”

Thanks to the readily available AED and Mike, Roy and Dan’s quick response, Antonio is now back to work, resuming his 11th year of Helping Surgeons Treat Their Patients Better®.

“Of course, I want to say thank you to the security officers who responded to the cafeteria that morning,” said Antonio, “But I also want to thank Arthrex for seeing the value in having defibrillators in our buildings and ensuring there are trained individuals who know how to use them. I can say, wholeheartedly, that no company takes care of its employees like Arthrex does.”

AMISC Recognizes Employees' Impact Through Patient Connection



Arthrex Manufacturing Inc. South Carolina (AMISC) Senior Manager of Operations John Skojec likes to include what he calls “Patient Connection” as part of his department meetings, literally connecting the employees who manufacture Arthrex products to the people who have benefited from those products.

“It’s a powerful reminder that we’re not just making widgets,” John said. “That what we’re making every day is helping to improve the lives of real people.”

The patients are frequently Arthrex employees, but sometimes they’re a friend or family member of an employee.

At the December Operations’ meeting, the featured patient was AMISC Manufacturing Senior Engineer I Chris Hill.

Chris was racing his mountain bike in early November when he fell and hit his shoulder.

“I knew right away something was wrong,” he said.

Two and a half weeks later, he underwent surgery to repair his broken clavicle.

Chris had a list of parts that were used in his surgery and, thanks to the device history record for each product that goes through the manufacturing process, John was able to identify which AMISC employees had worked on those parts.

“Knowing that a screw I made ended up in a coworker fills me with pride in what I do and adds a visible and constant human aspect to my work,” said CNC Machine Operator III Chris Avery. “Every time Chris passes me, I’m reminded of the importance of what we do here and how vital it is that we do it to the best of our ability so we can continue to help as many people as possible.”

Chris said he was back to most of his normal activities within just a few weeks of his surgery, and he hopes to be back outside on a mountain bike soon.

“It’s a special experience to have the products we make here at Arthrex have such a dramatic impact on my health,” he said. “You begin to grasp how important our employees and products are to so many people.”

Postoperative management is patient-specific and dependent on the treating professional’s assessment. Individual results will vary and not all patients will experience the same postoperative activity level or outcomes.

Making Employees Better

Employee Benefits

Arthrex demonstrates its commitment to investing in the long-term growth and strength of the company by providing employees with the necessary tools and resources to produce their best work, as well as exceptional amenities and benefits to promote their well-being.

Benefits may vary by global region.



- Employee health and wellness programs
- Leadership and professional development programs
- Specialized training programs
- Company-provided insurance
- Paid parental leave
- Annual bonuses



- Free onsite medical clinics
- Free onsite lunches
- Trip of a Lifetime Years of Service program
- Community involvement opportunities
- Employee resource groups



U.S. Resource Group

Newcomers Network

Helping new employees and their families acclimate to Arthrex and the local areas through building relationships

Women's Network

For anyone employed by Arthrex who has an interest in women's development, connecting on professional topics, and personal growth

Young Professionals Network

Connecting, equipping, and inspiring young professionals to develop leadership skills and strengthen crossfunctional relationships in order to grow

Volunteer Network

For anyone interested in connecting with community involvement opportunities and activities as part of our core value of Making People Better

Mosaic Network

Maintain and foster a safe environment for all employees by creating connections and building camaraderie, recognizing they are most productive when differences and commonalities are equally valued.



Making Our Communities Better

Economic Impact, Charitable Giving and Volunteerism

Making People Better also signifies our commitment to the communities where we live and work. In addition to philanthropic and community support initiatives, Arthrex experiences unprecedented job growth annually and is continually expanding its significant economic impact.

\$1.1 Billion

economic impact

Arthrex's economic impact has been estimated at more than \$1.1 billion in Southwest Florida and Anderson County, South Carolina.



Charitable Giving Programs

We support hundreds of philanthropic efforts in the U.S. annually, concentrating on community betterment, education, health and wellness-focused organizations, as well as special initiatives for global issues and disaster relief. We also provide a Matching Gift Program whereby Arthrex matches employees' personal contributions to eligible organizations with corporate contributions.

Additionally, the Arthrex Scholars Program offers academic scholarships to students in engineering and business programs. More than 200 students have received scholarships since 2018.

Charitable Product Donations

Arthrex provides product donations for charitable purposes, including support for indigent care or in sponsorship of events where the proceeds are applied toward domestic or international humanitarian needs. Through its Vet Systems division, Arthrex also donates product to treat animals.

Community Volunteerism

In our effort to contribute to a stronger, healthier community, Arthrex partners with organizations that provide employees with opportunities to volunteer and give back to their communities. The Arthrex Volunteer PTO program gives employees eight hours of paid time off annually to make a difference in their communities. Many employees choose to volunteer together with their coworkers as a team-building event.



Supply Chain Team Uses Volunteer PTO Day to Help Feed More Than 900 Families

Twenty-eight members of the Supply Chain team at Arthrex global headquarters volunteered together at the Harry Chapin Food Bank in Fort Myers. The team used their Volunteer PTO benefit to build and pack boxes along an assembly line, restock shelves and recycle packaging materials.

The Harry Chapin Food Bank is the largest hunger-relief nonprofit organization in Southwest Florida, feeding a quarter of a million people each month between Lee, Collier, Charlotte, Glades and Hendry counties. In the time they spent volunteering, the team filled more than 900 boxes that will be distributed to 59 different mobile.

The Volunteer PTO Day allows employees to step away from their busy schedules to reconnect with the community and give back in a meaningful way. It represents the values and culture that make Arthrex a great place to work.



Injured Bobcat Saved, Thanks to Animal Advocates and Arthrex Innovation



Feline leukomyelopathy (FLM) is a disorder that can strike the two wild cats native to Florida: panthers and bobcats. FLM causes microscopic changes in the brain and spine that result in rear leg weakness and difficulty walking, which can make it difficult or impossible for them to hunt or roam across their home range.

“We don’t know the cause, but we suspect it could be environmental,” said Dave Onorato, PhD, Research Scientist at the Florida Fish and Wildlife Conservation Commission (FWC). “So, we need to continue to track the wild cats in our area to find out why it’s happening.”

FLM was first discovered in Florida in 2017 when a citizen scientist at Corkscrew Swamp Sanctuary took video of a stumbling panther kitten. To date, there have been 75 cases documented in Florida: 31 in panthers and 44 in bobcats.

That’s why the FWC is collecting animals that are found deceased to test for the disorder. They are also systematically capturing live panthers and bobcats to put tracking collars on them.

“We use a tranquilizer dart so we can safely capture them, put on a radio collar and then release them,” Dr. Onorato said. “We are most interested in female cats so we can find their dens. FLM often shows up in kittens. We can observe their walking pattern on trail cameras to know if there is a probable case.”

It’s easier and safer to capture bobcats because of their sheer numbers and smaller size. Typically it’s a seamless process, but in a recent rare event, a bobcat caught her leg and fractured it in the course of her capture.

FWC’s on-staff veterinarian palpated the injury, put a splint on the sedated bobcat and drove her to a local clinic for X-rays, before taking her to BluePearl Pet Hospital in Fort Myers, Florida, for surgery.

Injured Bobcat Saved, Thanks to Animal Advocates and Arthrex Innovation (cont.)

“She had a fracture of her tibia bone,” said Christopher Ferrell, DVM, DACVS-SA, at BluePearl, who operated on the bobcat pro bono. “Arthrex donated the fracture plates with locking screws to hold the bone in place.”

Dr. Ferrell said he would normally use three locking screws, but could fit only two in this case based on the location of the fracture.

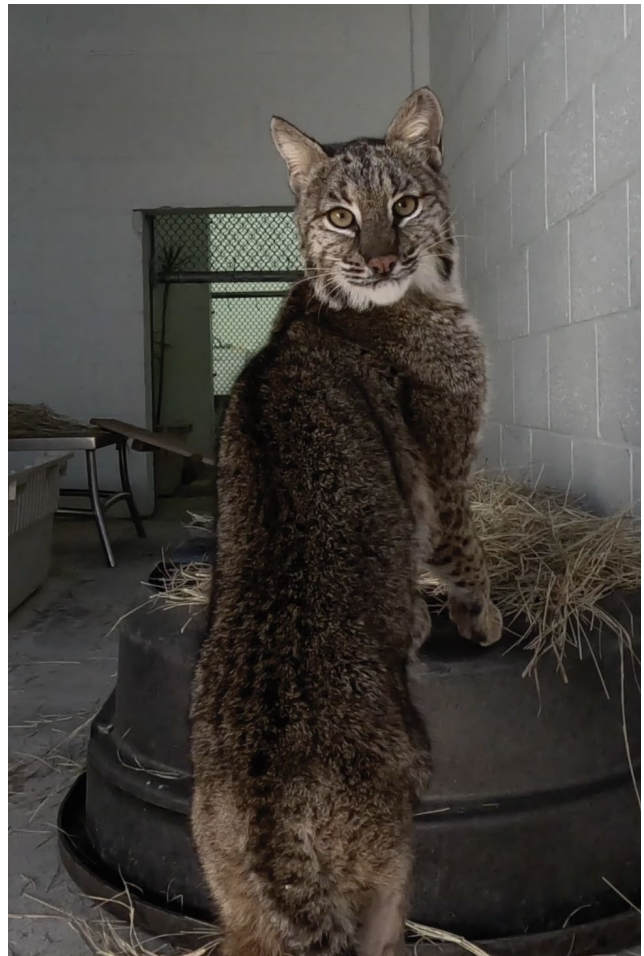
“The fracture was down by her ankle, which is a tight space,” he said. “Arthrex offers fracture plates in a wide variety of sizes, and the locking screws are ideal to hold the bone in place.”

The OrthoLine™ fracture management system includes 70 plates in sizes ranging from 1.6 mm to 3.5 mm, designed to fit both feline and canine patients, from tiny to giant breeds.

“This system was designed with the veterinarian surgeon in mind with locking plates that include a slide hole to facilitate the best plate placement,” said an Arthrex Vet Systems Product Manager. “We were happy to donate the plates for Dr. Ferrell to use in the bobcat. We are happy to be able to help in situations like this.”

The bobcat is estimated to be between three and four years old, and Dr. Ferrell expects her to make a full recovery.

“The surgery went very well, and her fibula bone was still intact, so she should heal nicely,” he said. “We will look at her X-rays again in about eight weeks, and she should be able to be released back into the wild.”





Making Our Communities Better

Community Support

Social Engagement Programs

Arthrex partners with local foundations, institutions and community partners to provide programs that engage community members with learning, educational and career opportunities. Programs at Arthrex global headquarters include:

- Arthrex Career Showcase
- Arthrex Community Newsletter
- Community Events
- Mentor Program
- PA Day at Arthrex
- STARability Foundation
- Summer Sales Program

In fiscal year 2024, Arthrex provided grants to more than 110 charitable institutions and approved 180 research grants.

Educational Partnerships and Programs

Arthrex offers an array of career opportunities for students and recent graduates preparing to enter the workforce. We have departments that are unique to Arthrex and the health care technology industry as well as departments that are commonly found at other companies, such as Human Resources, Marketing, Communications, Supply Chain, Finance, Customer Service and IT.

In addition to traditional internships and co-op programs that welcome more than 100 students from more than 60 different universities annually to our facilities, Arthrex partners with high schools and universities to prepare students to work in the medical device industry through engineering, business and other technical training opportunities.

Medical Education and Research Grants

Arthrex supports a variety of education programs including continuing medical education (CME) events as well as fellowship grants, grand rounds and other education programs. Arthrex also provides funding of independent research activities in the U.S. and EU that are aligned with our strategic initiatives and mission of Helping Surgeons Treat Their Patients Better®.

STARability Foundation Honors Arthrex with STAR Award

Arthrex is pleased to have accepted the STARability Foundation's STAR Award in 2024. Since 2022, we have partnered with the foundation to support inclusive opportunities for people with learning and developmental disabilities in our community.

The STAR Award recognizes Arthrex as a local business committed to providing employment and vocational training for people in the foundation's Trailblazer Academy. The program supports participants with learning and developmental disabilities to learn new skills, build relationships and become active and valued members of the community.

Madison Nehls, Chief Program Officer and Director of the STARability Foundation, presented the award to Arthrex.

"We're honored to have the opportunity to engage with the Trailblazer participants," said Arthrex Corporate Engagement Manager Meg Hardt, who accepted the award on behalf of the company and also serves on the Foundation's Board of Directors. "Our employees benefit as much as the participants, every time they visit our campus. Getting to know them has been such a rewarding experience."

Trailblazer participants have helped with a variety of daily tasks at Arthrex, including projects like assisting with food preparation in the kitchen, folding towels at the Wellness Center, preparing visitor nametags and assembling new employee orientation folders.

"I always have a lot of fun volunteering here," said Trailblazer participant Tiffany Weeks. "And I really love helping the culinary staff make the pizzas for lunch!"

Another participant, Daniella Garcia, said, "I like volunteering my time to help Arthrex because I get to learn all about what the company does and the different roles here."

Arthrex is proud to continue this partnership, and we look forward to welcoming more STARability participants to our campus.

"We're grateful to Arthrex for opening up their doors and helping our participants learn about the world of work," STARability Foundation CEO Karen Govern said.



Over 700 Students Attend Annual Arthrex Career Showcase in Fiscal Year 2024

The third annual Arthrex Career Showcase held at Arthrex global headquarters in Naples, Florida, was a huge success, with over 700 high school juniors and seniors, college students and recent graduates attending to learn about Arthrex career opportunities.

The first floor of the Arthrex One building became a bustling hub of activity as attendees visited the interactive exhibits and experienced Arthrex innovations firsthand, engaged in meaningful discussions with employees about necessary skills and experience, and learned more about career, internship and co-op opportunities.

As an effective way to introduce students and recent graduates to the variety of careers that Arthrex has to offer, the event draws more attendance every year with students coming all the way from schools like Michigan State and Yale.

College junior Nick Suarez was eager to learn more about opportunities in Finance.

“I’m hoping to find a summer internship this year, which is stressful,” he said. “And it’s comforting to see how well-organized and informative the showcase is.”

Tyler Myers, who is a senior studying premed at Elon University, appreciated the opportunity to learn more about Medical Education at Arthrex.

“I’ve visited the campus a few times now and there’s always something new happening,” he said. “This time I really loved seeing the surgical innovations, the changing techniques and the applicable options there are for the situations I study in my classes.”



Making the Planet Better

- Making the Planet Better 34
 - Our Environmental Impact 34
 - Spotlighting Key Sustainability Initiatives 35
 - Eco-Friendly Facilities 41

8,600

Products weighing 2,245 pounds were returned to Arthrex with superficial cosmetic damage that didn't impact product performance and were sent through a new rework process instead of being scrapped.



9,700

Products weighing 7,000 pounds were sent to Medical Education for surgeon and sales personnel education.

34,000

Products weighing 5,000 pounds were sent to Project C.U.R.E. and SIGN Fracture Care International to help with humanitarian aid.

Making the Planet Better

Our Environmental Impact

As One World One Team, Arthrex is committed to reducing its global environmental impact through responsible sustainable practices in our facilities and fostering innovation at all levels of the product development and manufacturing process.

Arthrex's programs have garnered various certifications and recognition throughout the world, including:

- Global headquarters in Naples, Florida, honored by the Florida Department of Environmental Protection for outstanding recycling efforts
- Arthrex GmbH, our EMEA headquarters located in Germany, has been a European Union Eco-Management and Audit Scheme (EMAS) certified organization since 2016

While our global footprint continues to grow, our carbon footprint keeps getting smaller. From the way Arthrex packages and ships its products to the way its employees do their part through reusable beverage containers and recyclable office materials, we remain steadfast in our global sustainability journey and are proud to share the following stories and information that highlight our achievements, milestones and innovative solutions.



Making the Planet Better

Spotlighting Key Sustainability Initiatives

Arthrex Supports Sustainability, Cost Savings and Charity Through Scrap Reclamation Efforts

Ongoing sustainability efforts at Arthrex have led to creative — and cost-saving — uses for scrap product from U.S.-based facilities: Arthrex Manufacturing Inc. East (AMIE) in Ave Maria, Florida, Arthrex Manufacturing Inc. South Carolina (AMISC) in Pendleton, South Carolina, and the Arthrex Logistics Center (ALC) in Fort Myers, Florida.

Manufacturing products, especially in the highly regulated medical device industry, inevitably leads to scrapped materials. In the past, thousands of pounds of Arthrex products were scrapped annually and sent to a landfill for a number of reasons, including the product failing Arthrex quality standards (even if that meant only minor cosmetic defects), the packaging was compromised, the product was produced during the validating of new machines or new processes or remnants from destructive testing, or the product was expired.

140,000

Scrap products weighing 14,000 pounds
have been saved from landfills as a result of these initiatives.

Initiatives from senior leadership to increase sustainability led to the funneling of “almost good-enough” devices to Medical Education for training purposes or to humanitarian aid.

Our company’s dedication to surgeon training comes with significant costs to the company. Medical Education’s annual sample expenditure amounts to over \$10 million globally, a number that is now being offset by products that in the past were being discarded.

The cobalt chrome components of the iBalance® UKA system make for a good example. The manufacturing requirements for those pieces mandate that there be no scratches on the surface and the metal polished to an almost mirror-like finish.

Operations, Medical Education, Quality, Manufacturing and Reverse Logistics team members developed a process for identifying and collecting manufacturing scrap that can be used by Medical Education, and a pilot scrap reclamation program has been implemented. Original estimates predicted \$800,000 in savings in the first year, but the project is already on pace to exceed that number.

In addition to reducing Medical Education’s direct expenditure, the new reclamation process reduces the number of samples that were previously manufactured for training purposes, thus freeing up manufacturing capacity and decreasing material usage.

What, then, happens to scrap products not needed by the Medical Education team? That’s where partnerships with organizations like Project C.U.R.E. and SIGN Fracture Care International come into play.

For more than two years, Arthrex has partnered with Project C.U.R.E., the world’s largest distributor of donated medical supplies, equipment and services. Donations through Project C.U.R.E are distributed throughout 135 countries, with Arthrex donations largely aiding Ethiopia, Ghana, Kenya, Mexico, Mongolia, Tanzania, Turkey, Ukraine and Zimbabwe. Because Project C.U.R.E. primarily operates in bulk shipments, the decision was recently made to extend our partnerships to include SIGN Fracture Care, an organization that allows for smaller, more targeted shipments of donated implant systems and the ability to address more specific and urgent requests.

To date, Arthrex has donated more than \$1.9 million in costed inventory to Project C.U.R.E. and SIGN, and surgeons from around the world have extended their overwhelming gratitude to Arthrex for the support they have received.

Most of the products donated to Project C.U.R.E. and SIGN come from ALC, which generates its own share of scrap because of expired products, products with damaged packaging and products that have been obsoleted by newer technology.

Arthrex's Tungsten Carbide Recycling Program Promotes Sustainability While Supporting the Community



Arthrex Manufacturing Inc. East's (AMIE) tungsten carbide recycling program continues to aid women and children in and around Collier County, Florida. Tungsten carbide, which is used in many of Arthrex's metal cutting tools such as drills, endmills and saws, is denser than steel and can operate at higher cutting speeds than other metals, including high-speed steel. Tungsten carbide is also consistently among the most valuable scrap metals.

The current price of scrap tungsten carbide is relatively high, ranging between \$5 and \$10 per pound. Once AMIE has collected two or three drums full, it is shipped to recycling facilities.

For comparison, scrap high-speed steel, which AMIE also recycles, pays between 15 and 40 cents per pound.

The carbide recycling project was started in 2020, after discovering that carbide was being mixed in with other raw material scrap. Leaders at AMIE saw potential for the money received in the project to make a real impact.

The decision was ultimately made to donate the money from the tungsten carbide recycling project to two local organizations — Youth Haven and the Shelly Stayer Shelter for Victims of Human Trafficking and Domestic Violence.

The Shelly Stayer Shelter is one of two facilities in Southwest Florida operated by The Shelter for Abused Women and Children. Located in Immokalee, the Shelly Stayer Shelter is a 60-bed emergency shelter serving victims of human trafficking and domestic violence, with all programs and services provided at no cost to individuals in need.

Youth Haven, based in Naples, has a mission of providing home, hope and healing to abused and neglected children and teens in Southwest Florida.

At first, it was primarily the Swiss CNC department that was participating in the program, but now all of AMIE is involved. The collection drums, each of which holds between 500 and 600 pounds of carbide scrap, are stored in the Tool Crib, where carbide is properly sorted. The most recent check received from the carbide recycling company totaled \$13,988. That money was divided between the Shelly Stayer Shelter and Youth Haven, bringing Arthrex's total recycled-carbide donations to those two organizations to nearly \$50,000.

In a letter of thanks to the AMIE team, The Shelter for Abused Women and Children's Chief Executive Officer Linda Oberhaus thanked Arthrex for not only its most recent donation, but for its ongoing support.

"Your commitment goes beyond financial support; it embodies empathy, compassion and a dedication to making our community a safer place for all. Your kindness and generosity ripple throughout our organization, uplifting both staff and the survivors we serve."

Youth Haven's CEO Linda Goldfield also thanked Arthrex, saying, "Arthrex's generous support has been instrumental in transforming the lives of vulnerable children and teens in our community. Your commitment ensures that Youth Haven can continue to provide a safe haven and essential resources for those who need it most. Together, we are giving these young lives the opportunity to heal, grow and thrive."

Arthrex Supports Sustainability With Changes to FiberTak® Production

Arthrex Manufacturing Inc. (AMI) recently identified opportunities to reduce plastic waste in the production of Knotless 1.8 FiberTak® soft anchor inserters.

FiberTak inserters, which are manufactured at both Arthrex Manufacturing Inc. East (AMIE) and Arthrex Manufacturing Inc. South Carolina (AMISC), move through multiple departments within each plant. Beginning in the Molding department, the plastic handles of the inserters are formed on the ends of nitinol rods. From Molding, the inserters are moved to Cleaning, where they are washed prior to entering the Clean Room, where the suture assemblies are attached.

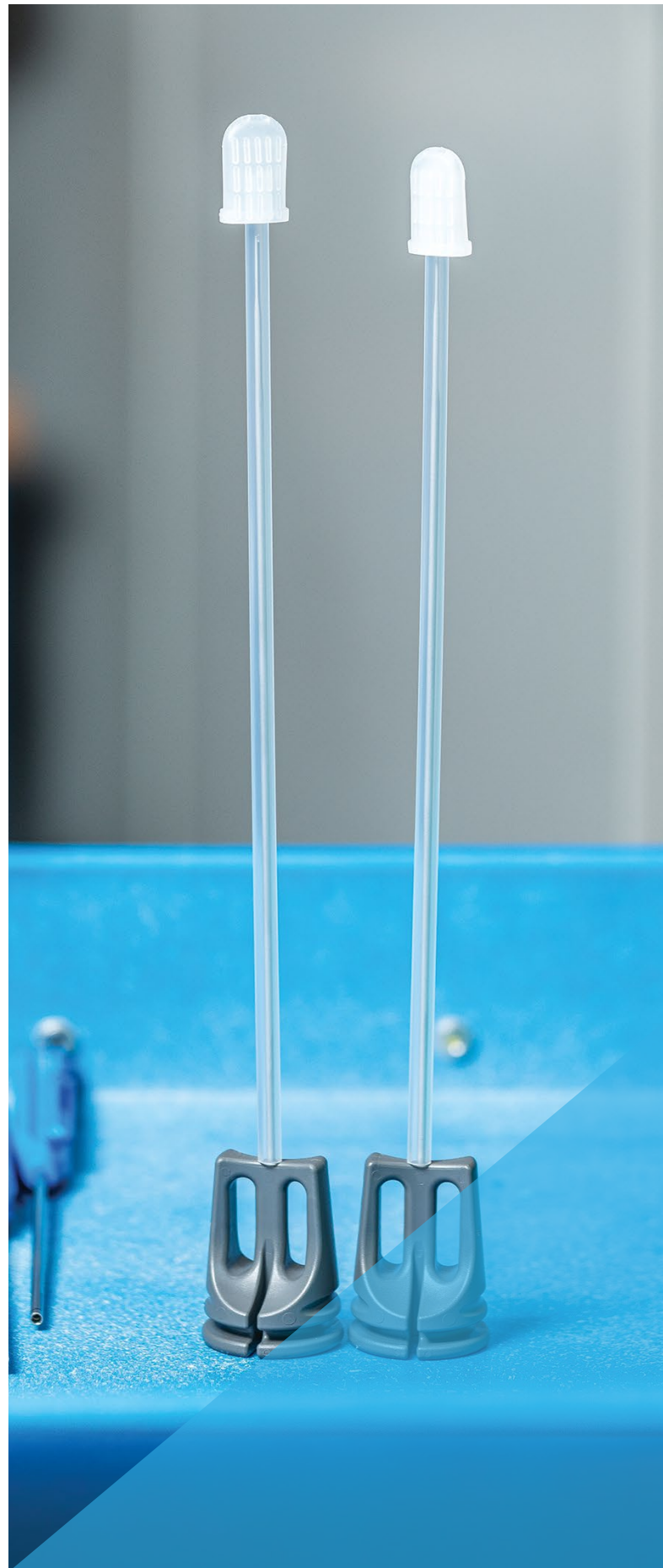
While in transit between Molding and Cleaning — and between the Cleaning department and the Clean Room — silicone straws protect the nitinol shaft. The straw's function is twofold, protecting the metal from being damaged while being moved from one stage of production to another and protecting employees from the sharp end of the inserter.

Until recently, the straws were thrown away each time the inserter arrived at a new station in the plant. The straws were referred to as “dirty” once they were removed in preparation for the next step in the manufacturing process, but in actuality weren't dirty at all.

With input from the Arthrex Quality Assurance team, Design Engineers and Product Managers, it was determined the straws could be reused in each step of the process without causing unwanted risk to the product. Using what AMI refers to as “recycle loops,” the straws that are removed when the FiberTak inserters arrive in the Cleaning department are now returned to the Molding department to be used again. Likewise, the straws that travel from the Cleaning department to the Clean Room are also being reused.

In the process of evaluating the use of the silicone straws, it was also determined that the silicone tip protectors attached to the end of the straws prior to packaging the product for sale weren't necessary, because the straws were already long enough to protect the end of the FiberTak inserter.

Arthrex is proud of the team effort involved in identifying and implementing these changes.



Reusable Foam Trays Lead to Scrap Reduction



Employees at Arthrex Manufacturing Inc. South Carolina (AMISC) recently set out to reduce material scrap by eliminating superficial — yet unacceptable — blemishes on metal components.

Because many of the metal pieces used in our hand instruments are shipped from a vendor in California — a company with which Arthrex has a longstanding relationship — it was initially assumed that the shipping packaging was insufficient, resulting in the scratches and dings that were being observed on the metal.

To test that theory, the team sent one of the shipping trays to the Packaging Test Lab at Arthrex Manufacturing Inc. East (AMIE) to go through a “shake, rattle and roll” test to simulate the worst possible conditions the metal pieces might undergo while in transit. When none of those tested pieces failed the Arthrex quality standards, the team set out to trace the path of the metal components through the assembly process.

What was ultimately found was that during kitting, the process of gathering the necessary components of a product assembly, the metal pieces were removed from their original shipping trays and dropped into a large Ziploc bag to be delivered to the Laser department. The pieces were then dumped out of the bag into a stainless-steel pan. Then, when it was time for the pieces to move on to the next process, they were once again put into a Ziploc bag.

Having identified the issue — and knowing the shipping trays worked to protect the metal components — the team set out to develop reusable foam trays that would offer protection to the pieces as they were moved from one department to another within AMISC.

The trays went through five or six iterations before landing on the current design.

“Throughout the process, we consulted with the people on the manufacturing floor,” said an AMISC representative. “We wanted to make sure we had the buy-in not just of Quality and Engineering, but also of the assembly teams, the people who know our processes best.”

The trays are currently being used to safely transport more than 100 different component SKUs at AMISC, resulting in both scrap reduction and cost savings. Additional applications are being considered throughout both AMISC and AMIE.

Arthrex Logistics Center Adds New Box-Making Machines and End-of-Line Conveyors to Enhance Sustainability

To maximize consistency, efficiency and sustainability, the Arthrex Logistics Center (ALC) in Fort Myers, Florida, has added two new box-making machines and an end-of-line automation system to its outbound shipping process.

Rightsized boxes, which have reduced the box size and amount of plastic bubble wrap filler needed to transport products, equate to more sustainable operations by dramatically reducing cardboard waste as well as packing fill materials, tape and space in trucks and planes. As a result, rightsized boxes also reduce customer freight costs.

The Arthrex enterprise resource planning software stores the weight and dimensions of every product at ALC and communicates with the box-making machines to identify the appropriate box size for each order. Each machine operates with four different sized bales of corrugate, allowing for the rightsizing of each constructed box. Previously, every order was packed in one of only 13 available box sizes.

Each machine is capable of building 425 boxes per hour and, on average, ALC ships about 5,000 boxes per day, domestically.

At the same time Arthrex was moving towards rightsized boxes, staff were looking for end-of-line solutions. Before the new system was installed, pickers would stage full carts of product at one of 15 packstations to be prepped for shipping, leading to large queues. Now, pickers unload their entire cart of orders directly onto a conveyor and they are ready to return to picking within a couple of minutes.

The team also developed a Handling Unit (HU) label to be read once end-of-the-line was implemented.

When a completed order is placed on the conveyor, the HU barcode is scanned, and goes across a moving belt scale that determines its weight. This data goes back and updates SAP to calculate the shipping cost. Both the packlist and shipping label are created from this data and held in the new system until the package reaches the print point.

The order then goes through one of two packlist Print/Fold/Insert lines where it is scanned again; the packlist is printed and is automatically dropped into the respective box; and a small QR label is printed on the packlist to confirm it matches the handling unit label before it is dropped and proceeds to a Fill Station, one of two manual processes on the line.

At this station, any remaining empty space within the box is filled with recycled paper to ensure the product is secured while shipping and to prevent damage from box cutters at customer receiving. The paper fill replaces bubble fill, which is better for the environment and takes up less storage space in the warehouse.

Once the box is filled, an associate pushes it to the semi-automatic taping machine, where it is secured on both the bottom and the top before moving to a Print and Apply station. There, another set of cameras read the HU label to pull the correct shipping label. The label is then printed and applied to the box and then rescanned for confirmation that all the information matches. If they do not, the system flags the box and requires an associate to check the box and any others on the belt.

When everything is confirmed, the shipping label is scanned once more and the package is sorted into different conveyors based on carrier.

Arthrex now has the ability to ship up to 2,400 boxes per hour, based on the speed of the system. The system has also helped to reduce the number of employees focusing on the end-of-the-line process from 22 to between two and five employees, depending on the volume of orders. The employees working the end of the line have moved to other tasks around the warehouse to help support the team, allowing us to use our team more effectively, provide more opportunities to cross-train, improve the customer experience and minimize potential shipping issues.



The Project Shaver Housing Refurb/Reuse Initiative

The Project Shaver Housing Refurb/Reuse initiative at Arthrex GmbH, started by the Technical Repair Service (TRS) team, has yielded impressive results. In fiscal year 2024 (FY24), it reduced company costs and diverted spare parts — including cables, motors and housings from shaver handpieces — from ending up in the waste stream at our Odelzhausen repair facility.

And the impact goes beyond FY24. Reprocessing is expected to triple the number of reusable housings, significantly increasing cost savings while minimizing environmental impact.

This project exemplifies how sustainability can be a win-win endeavor. Projects like this not only reduce resource consumption and waste generation but also demonstrate the power of collaboration. At Arthrex, we're committed to fostering a culture of responsible recycling, and we applaud our customers who embrace refurbished items, demonstrating a shared commitment to a greener future. By reducing reliance on virgin materials and minimizing waste, we contribute to a more circular economy.



Making the Planet Better

Eco-Friendly Facilities

Arthrex Global Headquarters Designated Certified Wildlife Habitat in 2024

Representing a Continued Commitment to Eco-friendly Campuses, Providing Essential Elements for a Thriving Ecosystem

The Arthrex global headquarters campus in Naples, Florida, has been formally recognized in partnership with The Everglades Foundation as a Certified Wildlife Habitat by the National Wildlife Federation and its Florida affiliate.

In early 2024, official signage was unveiled at the SpeedBridge, a main thoroughfare connecting the original Arthrex corporate building to the newer part of the campus, with representatives from The Everglades Foundation in attendance.

The Naples campus earned this designation because of its environmentally friendly design, landscaping and conservation initiatives like the buried canal that preserves the natural waterway running through the campus grounds.

The SpeedBridge, also built over an existing waterway, is an organic, natural space that is serene and inviting and designed to ensure a flourishing habitat for wildlife, providing food, water, cover and nurturing spaces. Cypress trees and wax myrtles were planted along the water's edge, cabbage palms and mature oaks along the higher elevations, air plants in the tree canopy, and large leatherleaf ferns and a myriad of shrubs cover the forest floor.



Smart Expansion: Arthrex Global Headquarters

- The foundation of the Arthrex One building is made from recycled material from the manufacturing building that originally stood there, saving tons of concrete and the air pollution from transporting those additional materials.
- The buildings incorporate fair trade bamboo floors, a more sustainable option than traditional hardwood flooring, and recycled rubber flooring in the fitness center.
- The ceiling tiles are made from 37 percent recycled material and are moisture-resistant, lessening the need to replace the panels as time passes.
- Natural light, including floor-to-ceiling windows, cuts down on energy usage. The glass walls and windows are made with low-emissivity ("low-e") glass for better insulation.
- Water bottle filling stations are located throughout the buildings and outdoor walking paths to cut down on single-use plastic bottles.
- Bikes are provided as an emission-free (and healthy!) means of travel between the buildings throughout the expansive university-style headquarters campus.
- The new campus cafeteria has eliminated almost 40,000 pounds of plastic waste by switching to biodegradable takeaway containers and utensils.

Arthrex GmbH

Surrounding the Arthrex GmbH location in Freiham, Germany is almost 40,000 square feet of green space filled with an apple and pear orchard, a wildflower meadow, insect hotels and two bee colonies with approximately 80,000 bees that produce hundreds of jars of honey each year.

The Freiham location also features a green roof covering, which shields the building from noise and positively impacts the thermal properties of the roof to help store heat in the winter and reflect the sun in the summer. Combined, the green roof and solar panels allow the Freiham campus to consume 100% renewable energy with net-zero carbon dioxide emissions.



Corporate Carbon Footprint (CCF)

Germany reached a significant milestone in its sustainability journey and announced the results of our first Corporate Carbon Footprint (CCF), quantifying our environmental impact at 19,021 t CO₂e.

What Is a Carbon Footprint?

A carbon footprint is a calculation of the total greenhouse gases emitted directly or indirectly due to activities such as operations, material usage and product transportation.

Why Should We Calculate Carbon Footprint?

Calculating the CCF is imperative for businesses to provide insight into current emissions, help set realistic goals, and enhance operational efficiency. It's a step towards transparency and sustainability.

What Is the Arthrex CCF Approach?

We used the leading global carbon standard, the Greenhouse Gas (GHG) Protocol, and clearly defined system boundaries to calculate our first CCF. The GHG Protocol is a comprehensive environmental guide, categorizing emissions into Scopes 1, 2 and 3.

Collaboration with various departments was crucial for meticulous data collection. Partnering with stakeholders, including suppliers, highlighted emission hotspots and underscored the importance of collective action.

What Key Insights and Actionable Steps Were Discovered?

It is vital to point out that 90% of our footprint falls under Scope 3. This highlights the importance of looking beyond our operations and collaborating with suppliers and partners to minimize their environmental impact. Our calculation revealed critical “emission hotspots”— areas where we can make the most significant difference:

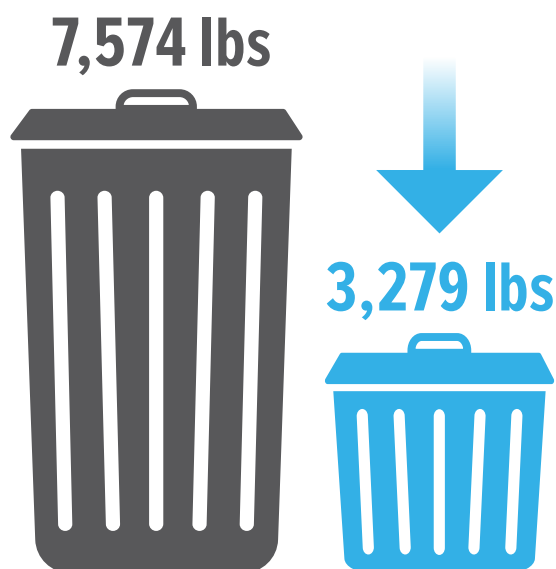
- Production of Arthrex goods and services
- Upstream and downstream transportation
- Employee commuting and business travel



At a Glance

Eco-Friendly Initiatives Around the World

- Arthrex campuses prioritize preserving the ecological habitat native to each location, adding fruit trees, seasonal plants, insect hotels and beehives onsite
- Electric vehicle charging stations
- Compostable/biodegradable packaging or reusable plates and utensils in cafeterias
- Reusable cups to reduce plastic and single-use disposable item usage
- LED, motion-activated lighting, which saves approximately 40% more energy than conventional lighting
- Electric or hybrid vehicles for 50% of the fleet at Arthrex UK
- Electric golf carts, forklifts and picking machines for U.S. manufacturing and logistics operations
- Solar panels on MobileLabs in Europe (Denmark, Belgium and UK) provide an entire day of electricity
- Cardboard consumption reduced by 20% at Arthrex France through the consolidation of orders
- Green stationary (pens made from starch, highlighters made from recycled plastic and paper) at Arthrex GmbH
- Arthrex sends its used oil from machine maintenance offsite, to be repurposed for energy recovery — amounting to nearly 14,000 gallons in FY24
- Arthrex recycled nearly 10,000 gallons of degreaser in FY24



Universal waste decreased from **7,574 pounds** in FY23 to **3,279 pounds** in FY24.



Arthrex France Earns Environmental Funding Through Run in Lyon

Through an app that turns fitness activities into funding for environmental causes, 34 Arthrex France colleagues participated in the annual Run in Lyon event, which resulted in funding for 552 mangrove trees to be planted on Kenya's east coast.

The funding was made possible by German start-up company, Active Giving, which developed an app of the same name to encourage people to do good for themselves and the planet. In this instance, a one-kilometer run equated to one tree planted.

Active Giving offers companies a variety of environmental projects they can choose to support while participating in a sports challenge. Participants chose to support the EarthLungs Reforestation Foundation in Kenya, a nonprofit organization that restores mangrove forests and helps deprived coastal communities break the cycle of poverty.

By restoring the mangrove estuary, an area rich in biodiversity, this project will help provide fishing grounds for local people and create additional sources of income, including sustainable harvests from mangroves. Restored mangroves will also help stabilize coastlines and prevent erosion by providing a vital line of defense to protect land and communities during tropical storms.

Governance and Ethical Responsibilities

Compliance Program	46
Code of Conduct.....	47
Acting Responsibly.....	49
Caring About Human Rights.....	49
Equal Respect for All	49
Acting With Integrity.....	50
Developing High-Quality Innovations Through Fair Competition	50
Protecting Data, People and Patients	51
Privacy.....	51
Supply Chain Accountability (Governance).....	51
Global Trade Compliance.....	51



Compliance Program

Arthrex is committed to maintaining the highest ethical and legal standards. Good corporate governance is fundamental to all company activities.

Arthrex maintains a comprehensive Global Risk Management & Compliance Program to prevent and detect violations of the Global Code of Conduct, company policies and applicable laws and regulations.

Arthrex has a process in place for entering, managing and investigating reports received through the Arthrex Ethics Helpline.

The Global Risk & Compliance Officers and Committee oversee any reportable events, potential risk areas and risk management activities and monitor the effectiveness of the Global Risk Management & Compliance Program.

“As our company continues to grow worldwide, we strive to provide excellence in our products and in our business practices.”

—Reinhold Schmieding



Code of Conduct

Arthrex has established a comprehensive compliance program to prevent and detect violations of company policies, applicable laws and regulations. Program components include:

Leadership

- Arthrex's Risk Management & Compliance Program is led by a Global Chief Compliance Officer with the full support of the company's President and Founder, to whom the Global Chief Compliance Officer reports.
- Our Global Chief Compliance Officer is charged with the responsibility of establishing and maintaining the Global Risk Management & Compliance Program and does so in conjunction with four Regional Compliance Officers who supervise the program in each of their respective regions.
- The Global Chief Compliance Officer provides regular updates to the Global Risk & Compliance Committee which provides strategic direction and oversight in the management of risk and the implementation of the company's compliance program.

Assessment and Management of Risk

Arthrex conducts regular risk assessments to help identify events that, considering the likelihood and impact of a given outcome, could affect the achievement of the company's objectives. Our program's risk management function develops solutions to identify and mitigate risk effectively, working closely with the business to implement necessary controls.

Policies and Procedures

Arthrex sets forth written standards, such as our Code of Conduct, and global policies and procedures. These standards are intended to help Arthrex comply with relevant laws and regulations, industry codes and best practices. Foundational to our company is the Arthrex Code of Conduct, which represents the culture, values and principles we expect our employees and third parties to uphold.

Training and Communications

Critical to the success of the compliance program is each individual employee's understanding of the policies and procedures that have been established as part of that program. Arthrex is committed to implementing a program that effectively communicates company policies and procedures to its employees and other personnel, to ensure they have an understanding and appreciation for appropriate business conduct and decision-making. Arthrex implements a risk-based training program that is tailored to relevant roles in the company. The company regularly reviews and updates its training and communications program to ensure effectiveness and identifies additional areas of training as needed.



Reporting Channels

Arthrex promotes an environment where employees can raise questions and concerns without fear of retaliation and offers the Arthrex Ethics Helpline for reporting violations. The Arthrex Ethics Helpline is promoted on the employee intranet and via other channels.

Monitoring and Auditing

Arthrex uses auditing and monitoring to verify that the business practices engaged in by its employees and third parties follow the policies and procedures that are in place to ensure compliance with the laws and regulations applicable to the company. This includes a robust Third-Party Risk Management Program designed to conduct due diligence and continuous monitoring across our global third-party network. The extent and frequency of the company's auditing and monitoring activities vary according to a number of factors, including new regulatory requirements and changes in business practices.

Program Declaration

Our Compliance Program is in accordance with the Compliance Program Guidance for Pharmaceutical Manufacturers published by the United States Department of Health and Human Services Office of Inspector General (OIG), as well as the Code of Ethics on Interactions with Health Care Professionals published by the Advanced Medical Technology Association (AdvaMed).

Our Promise

Arthrex does not tolerate any form of harassment or retaliation against an employee who makes a good faith report.

The Arthrex Compliance Program recognizes that compliance is dynamic. It provides for revisions when necessary to reflect changes in company operations, the OIG's Compliance Program Guidance, and the AdvaMed Code. The Arthrex Compliance Program is tailored to the size, structure, operational activities and resources of the organization, and to meet compliance goals consistent with our corporate ethics and with the statutory requirements of California Health and Safety Code §§119400-119402.

Arthrex is in material compliance with both its Compliance Program and the California Health and Safety Code §§119400-119402. As recognized by the OIG, a manufacturer's implementation of a compliance program may not entirely eliminate improper conduct by employees. However, Arthrex expects all of its employees to fully comply with its Compliance Program, and Arthrex takes all reasonably necessary steps to detect, prevent, investigate and properly address violations of its program.

Ethics Helpline

Arthrex is committed to a speak-up culture and provides several channels for individuals to ask questions, obtain guidance and confidentially report concerns.

Arthrex has established the Ethics Helpline to allow individuals to report known or suspected instances of misconduct. Individuals may report in several languages, 24 hours a day, seven days a week, via a toll-free telephone number or web-reporting tool.

Arthrex uses an independent third party to administer the Ethics Helpline. All submissions are confidential and can be reported anonymously where permitted by local law. Arthrex will treat each reporting instance, whether in person or through the helpline, confidentially and expeditiously, and will not tolerate any form of retaliation against anyone who reports in good faith, regardless of the findings.

Acting Responsibly

Caring About Human Rights

Arthrex respects human rights and the dignity of all people. The company's business operations reflect these values, and Arthrex expects its third parties to do the same.

- Arthrex is committed to providing a workplace free of discrimination, harassment and inhumane treatment. Arthrex therefore does not tolerate sexual harassment or abuse, corporal punishment, mental or physical coercion, threats, acts of violence or intimidation of any kind.
- Arthrex observes applicable laws and regulations governing wages and work hours, including minimum wages, overtime hours and mandated benefits.
- Arthrex respects the rights of employees to associate freely with one another. Employees may communicate openly with management regarding working conditions without threat of reprisal, intimidation or harassment.
- Arthrex supports the elimination of child labor, prohibits child labor in its operations and does not conduct business with third parties who utilize child labor for any purpose.
- Arthrex prohibits the use of slavery, forced labor and human trafficking and will not restrict access to judicial remedies and compensation for victims of such conduct.
- Arthrex prohibits the use of any form of forced, bonded or compulsory labor, including involuntary prison labor, in Arthrex facilities or by its third parties. All employees are free to leave or terminate their employment without fear of physical, psychological, sexual or verbal abuse.
- Arthrex does not restrict freedom of movement of foreign workers, including their right to return to their home country. Confiscation of foreign workers' identification documents is prohibited.
- Arthrex supports responsible recruitment practices and does not require foreign workers to pay for their employment.

Arthrex only conducts business with third parties who respect internationally recognized human rights and have adopted similar practices. As necessary, Arthrex performs due diligence on its third parties to verify their compliance with human rights.

Equal Respect for All



Creative and different ways of thinking and problem-solving, along with the diverse backgrounds of our employees, are behind the success of our company. Arthrex recruits, hires and promotes employees based on the qualifications, experiences and abilities necessary to perform the work required. We are committed to providing equal opportunities for all employees regardless of race, national origin, color, religion, religious creed, age, sex, gender identity, sexual orientation, marital status, medical condition, physical or mental disability, military service, pregnancy or childbirth and related medical conditions. Arthrex does not tolerate discrimination in any form. As a global company, Arthrex fosters a respectful and inclusive environment.



Acting With Integrity

Developing High-Quality Innovations Through Fair Competition

At the heart of Making People Better is ensuring that the products and technologies we manufacture and deliver are effective and of the highest quality. This principle has always been at the center of how we produce medical devices, starting with the selection of the highest quality materials and continuing through manufacturing. To continue this tradition, Arthrex complies with all applicable legal, regulatory and Quality Management System requirements.

Part of delivering quality products to patients is ensuring that surgeons are trained and educated on the safe and effective use of our products and technologies. We support surgeons in providing the best care to their patients through medical education presentations, surgeon observation programs and training at our labs. We also provide medical training and education necessary to help ensure that health care professionals safely and effectively use Arthrex products and therapies, as approved by the FDA or other applicable regulatory bodies.

Arthrex was created from the innovative spirit of our president and founder, and we strive to lead our industry through continuously improving existing products and developing new products and technologies.

Our products speak for themselves, and we therefore do not need to engage in dishonest or anticompetitive business practices to gain a competitive advantage. Arthrex is committed to promoting its products in a lawful and accurate manner by providing truthful and nonmisleading information. We only promote our products and technologies for their intended use as approved by the appropriate regulatory agencies.

In addition to honest promotion, Arthrex does not unfairly undermine the products or services of a competitor, or use any unfair advantage, such as manipulation, concealment, abuse of privileged information or misrepresentation of facts to promote our products. Likewise, we do not conduct business in a manner that restrains trade or monopolizes the markets where we do business. Engaging in such behaviors may not only be anticompetitive, these behaviors may also cause surgeons to make decisions that are not in the best interest of patients. Employees are expected to be familiar with the approved uses for our products, as well as the antitrust and competition laws that apply in their country.

Protecting Data, People and Patients

Privacy

In today's data-driven world, a vast amount of information is often at our fingertips. Many roles at Arthrex come into contact with varying types of information requiring protection, whether it be confidential or proprietary product information such as pricing data; personal data of employees, customers, suppliers and patients; or the systems themselves that house the data. Protecting this data is imperative for our future success. Our failure to do so could impact our reputation, advancement of our products and technologies and the safety of our employees and patients.



Supply Chain Accountability (Governance)

Global Trade Compliance

Global Trade United States

Manages import and export activities in the U.S., Singapore, New Zealand, Canada and Australia; supports, advises and consults with Brazil, China, Germany, Korea, Japan and Mexico. Works with national customs and medical device regulatory agencies to ensure the accuracy of declarations, documents, information and payments of duties, taxes and fees on imported goods.

Global Trade EMEA

Manages import and export activities in the European, Middle Eastern and African (EMEA) regions. Works with Intrastat authorities, customs and other regulatory agencies to ensure the accuracy of declarations, documents, information and payments of duties, taxes and fees on imported goods.

Global Supply Chain Disclosure

Arthrex is committed to doing business ethically and responsibly and will only work with companies that share that commitment. Arthrex enthusiastically joins the fight to end forced labor and discloses the efforts we have undertaken to ensure that our supply chain is free from such abhorrent practices. To learn more, please visit the Global Supply Chain Disclosure page on the Arthrex website.

If you have questions about the Arthrex Corporate Responsibility Report or need additional information, please contact CorporateResponsibility@arthrex.com.



This is not medical advice and is not meant to be a substitute for the advice provided by a surgeon or other qualified medical professional on the use of these products. You should talk with your physician or health care provider for more information about your health condition and whether Arthrex products might be appropriate for you. The surgeon who performs any surgical procedure is responsible for determining and using the appropriate techniques for surgical procedures on each individual patient. Arthrex recommends that surgeons be trained on the use of any particular product before using it in surgery. A surgeon must always rely on their own professional medical judgment when deciding whether to use a particular product when treating a particular patient. A surgeon must always refer to the package insert, product label, and/or directions for use before using any Arthrex product. Postoperative management is patient-specific and dependent on the treating professional's assessment. Individual results will vary and not all patients will experience the same postoperative activity level or outcomes. Products may not be available in all markets because product availability is subject to the regulatory approvals and medical practices in individual markets. Please contact Arthrex if you have questions about the availability of products in your area.

arthrex.com