

SUSTAINABILITY REPORT 2012

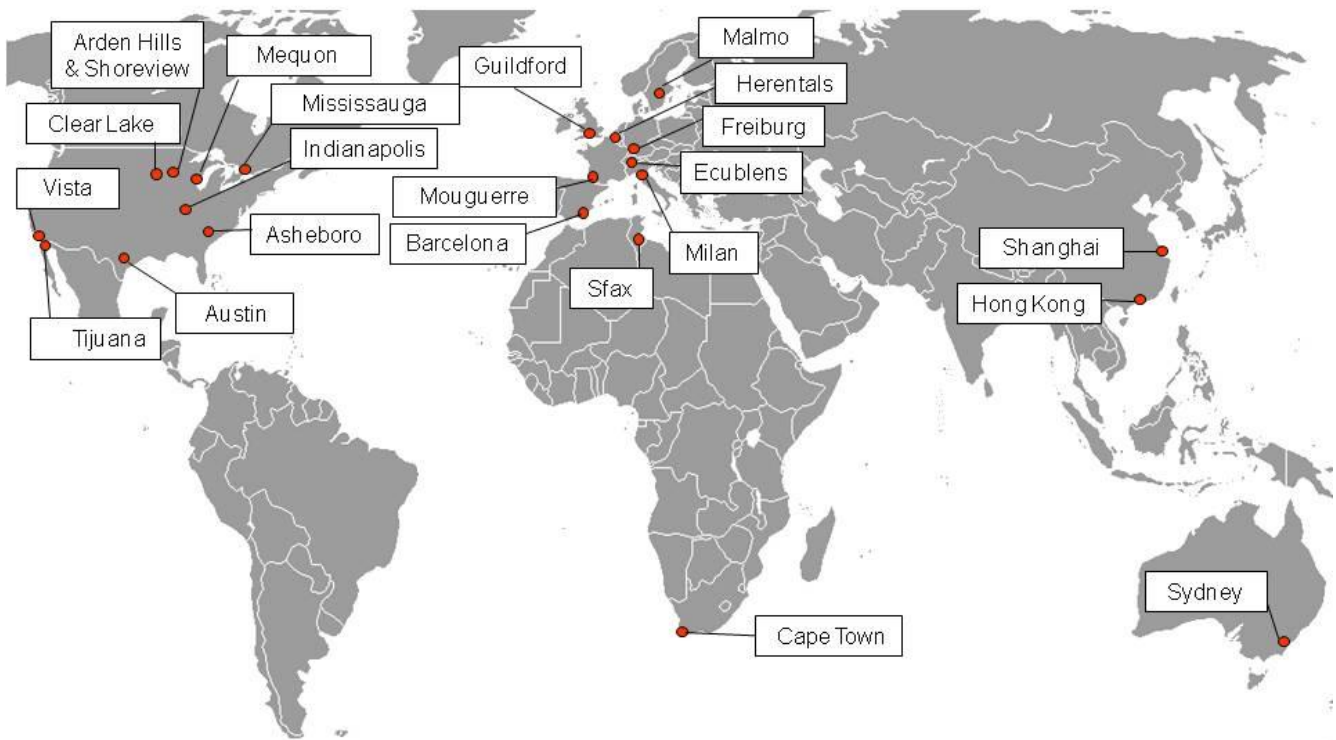


Introduction

DJO Global, Inc. (“DJO” or the “Company”), is a global provider of medical device solutions for musculoskeletal health, vascular health and pain management. Our products address the continuum of patient care from injury prevention to rehabilitation after surgery, injury or from degenerative disease; enabling patients recover more quickly and live life to the fullest.

With headquarters in Vista, CA, annual revenues of \$1.13 billion and 5,370 employees in 2012, the Company is the world’s largest orthopedic rehabilitation company and the 8th largest orthopedic company globally*. DJO is privately held by Blackstone Capital Partners V L.P. DJO has 25 locations worldwide with operations in the United States, Mexico, Canada, Europe, Africa, Asia and Australia. DJO sells its products in more than 80 countries around the world.

DJO Global Locations



Company Locations for 2012

*Source – Becker’s Orthopedic Spine and Pain Management Review – “20 of the Most Profitable Orthopedic and Spine Device Companies,” Laura Miller, April 4, 2011

DJO Global has been on its “lean” journey since 2000 and its “green and sustainability” journey since 2007. The goal of this 2012 Sustainability Report, DJO’s third such report, is to highlight the Company’s third year of reported sustainability. From the report, DJO’s Sustainability Reporting Team will develop actions and programs to continuously improve our sustainability as a global organization. Our aim is to be able to answer these questions:

1. What actions should we focus on to drive the greatest improvements in our business operations that will strengthen our sustainability (upstream and downstream) and improve our bottom line?
2. Which key stakeholders will we dialog with to effect number 1 above?
3. How will we share best practices across our sites regarding sustainability?

With the Global Reporting Initiative (GRI) G.3.1 Sustainability Reporting Guidelines as our template, our goal when we initiated this process was to report on as many GRI Key Performance Indicators (KPI) as possible to best assess the state of sustainability at DJO. As we have addressed every GRI KPI for economic, environmental and social categories, we have rated DJO’s third Sustainability Report a Level (A).

Through the development and application of the DJO Way, which embodies DJO Global’s culture and values, including our Sustainability Reporting Initiative, we believe that we are making a positive difference by making each process that we touch and each action we undertake more sustainable in our eyes and importantly, in the eyes of our stakeholders. The net result of strengthening the sustainability of our economic, environmental and social business practices is more engaged suppliers, employees and customers, which benefits the customers and patients who use our products. We will continue to live up to our DJO Way motto of **NEVER STOP GETTING BETTER!**[™]

The DJO Way

Never Stop Getting Better[™]



Strategy and Profile of DJO Global, Inc.

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Strategy and Profile

1.1 Statement from CEO presenting overall vision

Our DJO Global vision is to enable people to regain and maintain the joy and comfort of natural mobility after injury, surgery or from degenerative disease. From prevention to recovery, DJO enables people to live their lives to the fullest by providing intelligent medical devices and services which are often times less invasive than traditional modalities. Having these devices become the standard of care will enable DJO to achieve its mission. We embrace an open dialogue with our customers to gather insights that guide our device innovation and continuous improvement.

We are proud that our products and services benefit so many people around the world and that we have achieved our success through the highest standards of ethical corporate behavior. We believe the combination of these two aspects continue to benefit all of DJO's stakeholders.

2012 was another successful year for DJO Global. The Company eclipsed the \$1 billion in revenue mark, ending the year at \$1.13 billion in worldwide sales. Much of the increase in our revenue is based on our introduction of nearly a dozen great new products designed for our customers. And for those products that we have manufactured for some time, we have continued to improve our quality. Finally, through our dedicated sales, customer service and distribution teams, we drove our service and delivery to levels never realized before. It was truly a breakthrough year for DJO Global.

Our success continues to reflect our culture of urgency, accountability, high performance and continuous improvement shared throughout the organization. Hand-in-hand with this shared culture is our desire to be a good corporate citizen in all aspects of our business, providing the greatest benefit for our employees and their families, the communities where we have a major presence, our investors, the environment and our many other stakeholders. We also recognize the importance of engaging our diverse group of stakeholders to help drive more sustainable business development.

The goal of sustainable development is to meet the needs of the present without compromising the ability of future generations to meet their own needs. DJO Global believes it has an important role to play in sustainable development and our sustainability mission is to continuously improve our sustainability practices across all of our business operations. We believe sustainable development practices are not only the right thing to do, but are also catalysts that drive competitive advantages and profitable Company growth through strategic innovation, meeting customers' expectations and enhanced empowerment and engagement of our employees. In turn, our efforts will create positive impacts for our employees, customers and other key stakeholders, for the communities in which we operate and for our planet.

Our Sustainability Report for 2012 represents our third such report to stakeholders and we are pleased with what we have achieved. From the detailed waste streams that we mapped in 2011, we have reduced waste, increased recycling and protected our environment at all of our sites. As we head into 2013, we are continuing to drive initiatives that benefit our customers, employees, communities and our shareholders.

Our business strategy combined with our focus on sustainability is now paying dividends as many of our large customers begin to examine their own sustainable practices and seek to do business with those suppliers like DJO who are also committed to continuous improvement. We believe this will provide us with distinct competitive advantages as we continue to dialog with key customers and mutually strive to meet each other's goals.

DJO will continue to focus on delivering industry-leading results by providing a comprehensive range of products and solutions covering entire patient experience from injury prevention, joint replacement and through virtually every aspect of physical therapy, rehabilitation and pain management. At the same time, we will operate our business in a way that makes all of our stakeholders proud.



Sincerely,

Mike Mogul
President and Chief Executive Officer



1.2 Description of key impacts, risks and opportunities

In 2012 DJO Global continued with its third sustainability reporting process. In 2013, driven by our Global Green Team along with our Sustainability Mission Statement, we will focus our sustainability efforts on reducing our global carbon footprint, strengthening relationships with key stakeholders and continuing to improve our product stewardship.

Key Impacts on Sustainability and Effects on Stakeholders

The following areas of focus will drive our sustainability efforts in 2013:

Environmental Stewardship – DJO strives to reduce its energy and water intensity:

- Reducing greenhouse gas (GHG) emissions by purchasing electricity generated by renewable sources, working with our transportation partners to streamline operations, improving the commuting habits of our employees and by conservation measures. We strive to reduce our GHG emissions intensity again by 5% in 2013;
- Reducing consumption of water through more efficient manufacturing operations, installation of low flow appliances and conservation. We strive to reduce our water intensity again by 5% in 2013;
- Decreasing landfill waste by source reduction, increasing recyclable content and increasing levels of recycling in all DJO locations. Our goal for 2013 is to have the remainder of our major sites around the world begin the ISO 14001 environmental certification process with our 2014 goal of eliminating 25% of the waste bound for land fill compared to our baseline year of 2010;
- Promoting smart use of vehicles, travel planning and carpooling/alternative means of commuting. We will work to engage all employees to respect and optimize their commuting and travel to encourage carbon footprint reduction;

Internal programs to strengthen our diversity and culture:

- Strengthening our work culture and job satisfaction with employees: A key goal for 2013 is to complete our second year of team action planning related to the Gallup Employee Engagement Initiative as we believe that our employees are the cornerstone of our success;
- Local protection of human health and the environment through a continued focus on environmental, health and safety (EH&S) programs to make our DJO Global workplace safer for employees and for the community. Promoting safety in our work place has created a safer environment at a lower cost for the Company. DJO targets our 2013 OSHA Total Incident Rate goal to be 2.0 or less;

External initiatives to strengthen the communities where we have a major presence:

- We are an engaged corporate citizen globally and locally. In the communities where we have a major presence, we are helping to create stronger, safer and more sustainable communities through employee volunteerism, employee and corporate donations and corporate support of employee-based wellness programs;

The Impact of Key Sustainability Trends on Long-Term Prospects and Financial Performance of DJO Global

U.S. Commercial Business Commitment:

As DJO's largest strategic imperative, we are investing significant Company resources on strengthening our market-driven approach to sell our products with the goal to deliver above market sustainable sales growth. Properly executed, this goal will benefit all stakeholders from our employees, investors, communities, suppliers and others;

Product Stewardship:

The majority of DJO's products are medical devices designed for single patient use, which places a burden on our global landfills. We believe we can reduce this burden by designing better packaging that is smaller, more recyclable and includes a greater content of post-consumer recycled content. We are also examining our existing products to assess where we have the opportunity to use more environmental preferable materials and we are enlisting our supply chain to be responsive to this and other improvements;

Further, we are examining product development processes to ensure our new products are designed with environmental concerns in mind. Last, we are continuing with our program with one of our key customers to recycle one of our high-use products. We are certain that the above actions will enable DJO to strengthen its supplier-of-choice status with our customers.

Managing Sustainability Risks and Opportunities

Performance metrics related to sustainability risks and opportunities are assessed and managed by DJO's Sustainability Reporting Team (SRT), which is composed of a cross-functional representation of operations, human resources, compliance, legal, environmental health and safety (EH&S), supply chain, quality/regulatory, distribution, marketing communications, information technology, finance, facilities and research and development. This team reviews the progress of their respective areas, while simultaneously providing oversight into the overall sustainability program at DJO Global.

Additionally, the Company manages all business and financial risks, including business strategy, access to credit, cost structures, operational issues, legal issues, business integrations, new product development, EH&S issues, human resource issues, corporate culture and many others through its Corporate Leadership Team (CLT), a team consisting of the senior-most executive leaders. One of the goals of this team is to minimize possible adverse impacts on people, property and the environment as a result of our business activity.

This process is designed to help DJO work together to continuously improve employee health and morale, workplace safety, community relations, and cost structure performance. Both the CLT and the SRT communicates with internal and external stakeholders regarding risks and opportunities.

See the DJO Form 10-K Annual Report Part I, Item 1A and Part II, Item 7A for a more complete discussion of Risk Factors.

Organizational Profile

2.1 Name of Reporting Organization

DJO Global, Inc.

2.2 Primary Brands, Products and/or Services

See the DJO Annual Report on SEC Form 10-K for a complete description of the Company's operating segments, including a representative listing of products.

Corporate Profile

DJO Global is a leading global developer, manufacturer and distributor of high-quality medical devices and services that provide solutions for musculoskeletal health, vascular health and pain management. The Company's products address the continuum of patient care from injury prevention to rehabilitation after surgery, injury or from degenerative disease, enabling people to regain or maintain their natural motion. Its products are used by orthopedic specialists, spine surgeons, primary care physicians, pain management specialists, physical therapists, podiatrists, chiropractors, athletic trainers and other healthcare professionals. In addition, many of the Company's medical devices and related accessories are used by athletes and patients for injury prevention and at-home physical therapy treatment.

The Company's product lines include rigid and soft orthopedic bracing, hot and cold therapy, bone growth stimulators, vascular therapy systems and compression garments, electrical stimulators used for pain management and physical therapy products. The Company's surgical division offers a comprehensive suite of reconstructive joint products for the hip, knee and shoulder. DJO Global's products are marketed under a portfolio of brands including Aircast®, Chattanooga, CMF™, Compex®, DonJoy®, Empi®, ProCare®, DJO Surgical, Dr. Comfort® and Exos™. Financial and other material information regarding the Company is routinely posted and accessible at www.DJOglobal.com. We manufacture nearly all of our products in several facilities that are located in the United States, Mexico and Tunisia. A small percentage of our finished goods are sourced from third party suppliers.

2.3 Operational Structure of the Organization

Our current business activities are the result of a combination of two companies with broad orthopedic product offerings in the United States and foreign countries. One of those companies, ReAble Therapeutics, Inc. ("ReAble"), was a leading manufacturer and distributor of electrotherapy products for pain therapy and rehabilitation, a broad range of clinical devices for the treatment of patients in physical therapy clinics, and a broad range of knee, hip and shoulder implant products. In 2006, ReAble was acquired by an affiliate of Blackstone Capital Partners V L.P. ("Blackstone"). The other company, DJO Opco Holdings, Inc. ("DJO Opco"), formerly named DJO Incorporated, was a leading manufacturer and distributor of orthopedic rehabilitation products, including rigid knee bracing, orthopedic soft goods, cold therapy systems, vascular systems and bone growth stimulation devices. On November 20, 2007, ReAble acquired DJO Opco through a merger transaction (the "DJO Merger"). ReAble then changed its name to DJO Incorporated ("DJO") and continues to be owned primarily by affiliates of Blackstone. In 2011, DJO Incorporated changed its name to DJO Global, Inc.

We currently develop, manufacture and distribute our products through the following four operating segments of the Company as of December 31, 2012.

Operating Segment	Businesses	Products and Applications
Bracing and Vascular 39.1% DJO total business	DonJoy® Aircast® ProCare® Exos™ Dr. Comfort® Bell Horn®	Orthopedic rigid bracing and soft goods, to provide immobilization, compression, protection, pain relief and functionality for patients following musculoskeletal injuries, disease and surgery. Also includes Deep Vein Thrombosis (DVT) prevention systems, compression hosiery, custom foot orthotics and diabetic footwear
Surgical Implants 6.5% DJO total business	DJO Surgical	Orthopedic reconstruction joint implant products for knees, hips and shoulders used primarily by orthopedic surgeons
Recovery Sciences 29.6% DJO total business	Empi® Compex® CMF™ Chattanooga	Home electrotherapy - Transcutaneous Electrical Nerve Stimulation (TENS) pain management devices; home traction devices; iontophoresis (transdermal drug delivery) devices Neuromuscular Electrical Stimulation (NMES) muscle stimulation devices Class III medical devices that promote healing of non-union bone fractures (OL1000™) and spinal repair surgery (SpinaLogic™) Continuous passive motion machines; clinical traction devices; clinical electrotherapy; treatment tables; clinical therapy equipment
International 24.8% DJO total business	All brands and certain third party products sold into international markets	

Management

DJO’s day-to-day business is managed by a Corporate Leadership Team (CLT) consisting of the highest level executives in the Company. Since 2002, the Company has grown from \$145 million to over \$1 billion in annual revenues.

Our eight executive CLT positions (and the year that they joined DJO Global in parentheses) are as follows:

Mike Mogul – President, Chief Executive Officer & Director (2011)
Vickie Capps – Executive Vice President, Chief Financial Officer and Treasurer (2002)
Gerry McDonnell – Executive Vice President, Global Quality and Operations (2012)
Don Roberts – Executive Vice President, General Counsel & Secretary (2002)
Tom Capizzi – Executive Vice President, Global Human Resources (2007)
Stephen Murphy – President, International Business (1993)
Steve Ingel, President, Bracing and Supports Commercial Business (1994)
Björn Lenander, President, Recovery Sciences Commercial Business (2006)

The non-executive members of the Corporate Leadership Team (CLT) are business leaders Joseph McClung, Senior Vice President, Vascular Commercial Business (2003) and Bryan Monroe, Senior Vice President, Surgical Commercial Business (1996).

Manufacturing

We use both in-house manufacturing capabilities and relationships with third party vendors to supply our products. Generally, we use third party vendors only when they have special manufacturing capabilities or when we believe it is appropriate based on certain factors, including our in-house capacity, lead time control and cost.

Our manufacturing facilities are generally certified as complying with the standards published by the International Organization for Standardization (“ISO”) and the U.S. Food and Drug Administration (“FDA”) current Good Manufacturing Practice (“cGMP”) and Quality System Regulations (“QSR”) requirements, which provide standards for safe and consistent manufacturing of medical devices and appropriate documentation of the manufacturing and distribution process. Many of our products carry the European Community Medical Device Directive (“CE”) certification mark.

All of our North American manufacturing operations, excluding Arden Hills, Minnesota and Mequon, Wisconsin, have achieved ISO 13485 and certification to Health Canada and the European Medical Device Directive.

We source some of our finished products from manufacturers in China as well as other third party manufacturers. We also currently purchase certain continuous passive motion (CPM) devices from a single supply source, Medireha, which is 50% owned by DJO. Additional information about the organization of the Company is provided in the Company’s Annual Report on SEC Form 10-K.

2.4 Location of Organization's Headquarters

Vista, California USA

2.5 Number of Countries of Operations

We operate manufacturing facilities in Arden Hills, Minnesota; Tijuana, Mexico; Sfax, Tunisia; Asheboro, North Carolina; Clear Lake, South Dakota; Austin, Texas and Vista, California (See also “Manufacturing” in section 2.3). Our warehouse and distribution centers are located in Asheboro, North Carolina; Mequon, Wisconsin; Clear Lake, South Dakota; Plainfield (Indianapolis), Indiana; Tijuana, Mexico; Freiburg, Germany; Guildford, United Kingdom; Malmö, Sweden; Herentals, Belgium; Mouguerre, France and Sydney, Australia. We have Sales and Service offices in Milan, Italy; Cape Town, South Africa, Shanghai and Hong Kong, China and in Barcelona, Spain.

Arden Hills, Minnesota

Operations for extremity splint manufacturing; small warehouse; research and development: 24,000 square feet

Asheboro, North Carolina

Operations for compression hosiery; manufacturing; warehouse; research and development: 115,200 square feet

Austin, Texas

Operations for Surgical Implant Segment; manufacturing; warehouse; research and development: 52,800 square feet

Barcelona, Spain

Office; warehouse: 5,835 square feet

Cape Town, South Africa

Sales; distribution: 4,265 square feet

Clear Lake, South Dakota

Manufacturing; Distribution; Refurbishment and repair: 90,487 square feet

Ecublens, Switzerland

Office; sales; distribution: 9,000 square feet

Freiburg, Germany

Distribution: 48,674 square feet

Guildford, United Kingdom

International business headquarters; distribution: 23,353 square feet

Herentals, Belgium

Warehouse: 25,800 square feet

Hong Kong, China

Office: 1,248 square feet

Indianapolis, Indiana

Distribution: 109,782 square feet

Malmö, Sweden

Warehouse; distribution: 6,458 square feet

Mequon, Wisconsin

Manufacturing; Distribution; Refurbishment and repair: 101,000 square feet

Milan, Italy

Office; distribution: 4090 square feet

Mississauga, Canada

Office; distribution: 30,027 square feet

Mouguerre, France

Office; distribution: 50,000 square feet

Sfax, Tunisia

Manufacturing: 47,300 square feet

Shanghai, China

Office, sales and service: 1,830 square feet

Shoreview, Minnesota

Operations for Recovery Sciences Segment; Medical Billing: 93,666 square feet

Sydney, Australia

Office, distribution: 3,821 square feet

Tijuana, Mexico

Manufacturing and distribution: 286,133 square feet

Vista, California

Corporate Headquarters; Operations for business reporting segments, sales, marketing, distribution, manufacturing, research and development and customer service; 176,398 square feet.

Including the major sites listed above, the Company has plants and holdings in the following geographic areas:

- Asia Pacific: 3 office and warehouse locations in two countries
- Canada: 1 office and distribution location in 1 province
- Europe: 10 manufacturing, distribution and office locations in 7 countries
- Middle East and Africa: 1 manufacturing location and 1 distribution locations in two countries
- Mexico: 2 manufacturing, distribution and office locations in 1 state
- United States: 8 manufacturing, distribution and office locations in 7 states

2.6 Nature of Ownership and Legal Form

DJO Global, Inc. is a privately held company owned primarily by affiliates of The Blackstone Group, L.P. DJO reports its financial results through its wholly-owned subsidiary, DJO Finance, LLC (DJOFL). Substantially all business activities of DJO Global are conducted by DJOFL's wholly owned subsidiary DJO, LLC and its wholly-owned subsidiaries.

2.7 Markets Served

We are a global provider of high-quality orthopedic devices, with a broad range of products used for rehabilitation, pain management and physical therapy. We also develop, manufacture and distribute a broad range of surgical reconstructive implant products. We are one of the largest non-surgical orthopedic and rehabilitation device companies in the world, as measured by revenues. We market and distribute our products through four operating segments, Recovery Sciences, Bracing and Supports, Surgical Implant, and International. Our Recovery Sciences Segment offers to customers in the United States, non-invasive medical products that are used before and after surgery to assist in the repair and rehabilitation of soft tissue and bone, and to protect against further injury; electrotherapy devices and accessories used to treat pain and

restore muscle function; iontophoretic devices and accessories used to deliver medication; clinical therapy tables, traction equipment and other clinical therapy equipment; and orthotic devices used to treat joint and spine conditions. Our Bracing and Supports Segment offers to customers in the United States, orthopedic soft goods; rigid knee braces; cold therapy devices and vascular systems which include products intended to prevent deep vein thrombosis following surgery. Our Surgical Implant Segment offers a comprehensive suite of reconstructive joint products to customers in the United States. Our International segment offers all of our products to customers outside the United States.

Many of our products have leading market positions. We believe that our strong brand names, comprehensive range of products, focus on quality, innovation and customer service, extensive distribution network, and our strong relationships with orthopedic and physical therapy professionals have contributed to our leading market positions. We believe that we are one of only a few orthopedic device companies that offer healthcare professionals and patients a diverse range of orthopedic rehabilitation products addressing the complete spectrum of preventative, pre-operative, post-operative, clinical and home rehabilitation care. Our products are used by orthopedic specialists, primary care physicians, pain management specialists, physical therapists, podiatrists, chiropractors, athletic trainers and other healthcare professionals to treat patients with musculoskeletal conditions resulting from degenerative diseases, deformities, trauma injuries and sports-related injuries. In addition, many of our non-surgical medical devices and related accessories are used by athletes and patients for injury prevention and at-home physical therapy treatment.

Prevention of injuries

- Bracing & Supports products to prevent joint injury or reduce further injury
- ACL protection
- Muscle strengthening

Management of muscle and joint stress and injuries due to active lifestyles

- Cold Therapy (pain / swelling)
- Osteoarthritis Braces (OA off-loading)
- TENS (E-stimulation for chronic pain)
- NMES (E-stimulation for muscle development)
- Heat formable extremity splints/bracing

Joint Reconstruction

- Hips, Knees, Shoulders

Rehabilitation post-injury and post-surgery

- Bracing & Supports (protect joint / graft)
- Cold Therapy (pain / swelling)
- Bone Growth Stimulation (non-union fractures / spinal fusion)
- Clinical Physical Therapy Equipment
- Home Electrotherapy (pain management)

Vascular Health

- Compression hosiery
- Diabetic footwear
- Vascular DVT (Deep Vein Thrombosis) prevention pumps and appendage cuffs

2.8 Scale of Reporting Organization

As of December 31, 2012, DJO Global had:

- 5,370 employees in 15 countries around the world
- Net sales of \$1,129.6 million from more than 31.4 million units produced*
- Domestic net sales - \$848.9 million; 2,220 employees
 - Recovery Sciences - \$334.6 million
 - Chattanooga - \$55.8 million
 - Regeneration - \$104.8 million
 - Empi - \$172.9 million
 - Athlete Direct - \$1.1 million
 - Bracing and Supports - \$347.6 million
 - Surgical Implants - \$73.0 million
 - International net sales - \$280.5 million; 3,150 employees
 - Germany - \$84.5 million
 - France - \$55.2 million
 - Canada - \$24.6 million
 - Iberica/Italy/Benelux - \$24.8 million
 - UK - \$14.8 million
 - Australia/South Africa - \$13.6 million
 - Nordic - \$9.9 million
 - EMEA Export - \$27.3 million
 - Asia Pacific Export - \$16.2 million
 - Latin America Export - \$9.6 million
- Total Capitalization for 2012 - \$2.415 billion
 - Total Debt - \$2.233 billion
 - Total Assets - \$2.863 billion
- Affiliates of The Blackstone Group L.P. beneficially own 97.8% of our current outstanding common stock.

*Note: Tying sales figures to the quantity of production in units is provided as a general measure of Company output and assumes equal weight is given to large and small product units, which have significantly different sales price points and manufacturing costs of goods. While the Company's product output in various businesses is relatively constant as a percentage of sales, differential growth rates, acquisitions, divestitures and other activities can change product mix significantly making this analysis less meaningful.

2.9 Significant Changes during the Reporting Period Regarding Size, Structure or Ownership

During the reporting period, DJO Global acquired Exos Corporation. Exos is a medical device company focused on thermoformable external musculoskeletal stabilization systems for the treatment of fractures and other injuries requiring stabilization. The acquisition was finalized at the end of December, 2012.

2.10 Awards Received During 2012

1. 2012 – Deloitte Fast 500 Award - Corporate
2. 2012 – #1 Largest Privately Held Company in San Diego – 3 Consecutive Years – San Diego Business Journal - Corporate

2.10 Awards Received During 2012 (continued)

3. Association for Manufacturing Excellence – 2012 Manufacturing Excellence Award Recipient – Clear Lake
4. 2012 Great Place to Work™ Award, 2nd place in Mexico and 5th place in Latin America - Tijuana
5. 2012 Shingo Prize Silver Medallion Recipient - Tijuana
6. 2012 Baja California Gender Equity Certification – 1 of only 5 companies in the state to receive it - Tijuana
7. 2012 Baja California Quality Award for Competitiveness and Productivity – Tijuana



Report Parameters - Application Level Criteria

This Sustainability Report is at the GRI level [A] for reporting.

Report Application Level		C	C+	B	B+	A	A+
Standard Disclosures	G3 Profile Disclosures	Report on: 1.1 2.1 - 2.10 3.1 - 3.8, 3.10 - 3.12 4.1 - 4.4, 4.14 - 4.15	Report Externally Assured	Report on all criteria listed for Level C plus: 1.2 3.9, 3.13 4.5 - 4.13, 4.16 - 4.17	Report Externally Assured	Same as requirement for Level B	
	G3 Management Approach Disclosures	Not Required		Management Approach Disclosures for each Indicator Category		Management Approach disclosed for each Indicator Category	
	G3 Performance Indicators & Sector Supplement Performance Indicators	Report on a minimum of 10 Performance Indicators, including at least one from each of: social, economic, and environment.		Report on a minimum of 20 Performance Indicators, at least one from each of: economic, environment, human rights, labor, society, product responsibility.		Respond on each core G3 and Sector Supplement* indicator with due regard to the materiality Principle by either: a) reporting on the indicator or b) explaining the reason for its omission.	

*Sector supplement in final version

3.1 Reporting Period

The reporting period for this report is based on 2012 corporate data for the period ending December 31, 2012.

3.2 Date of Most Recent Previous Report

The 2012 Sustainability Report is the third GRI Sustainability Report for DJO Global.

3.3 Reporting Cycle

It is the Company's intention to report on its sustainability each year.

3.4 Contact for Questions Regarding the Report

Jerry M. Wright, P.E.
Senior Vice President, Lean and Enterprise Excellence
DJO Global, Inc.
Vista, CA 92081-8553
(760) 734-5690
jerry.wright@DJOglobal.com

Report Scope and Boundary

3.5 Process for Defining Report Content

DJO Global believes in tracking progress across all business operations. It tracks progress through a system of individual dashboards, which measure key parameters of the Company's operations. Sustainability Reporting has provided DJO with the opportunity to reduce the Company's tracking "silos" and bring together the many functional areas into a single report.

DJO Global's 2012 Sustainability Report is compiled by the Company's Sustainability Reporting Team (SRT) with contributions from the Global Green Team (GGT). Each site maintains and provides data for utilities, recycling,

landfill use and other key data such as commuting, travel, etc. All data is compiled and then redistributed for global review. The SRT and GGT members are listed on the last page of the report.

Other key stakeholder dialog comes through the key focus areas for the SRT and GGT:

- Sales growth & cost structure:
 - Implement the four Commercial Businesses serviced by the Global Quality and Operations (GQO) team to accelerate sales growth
 - Continuous improvement project (CIP) and inventory management initiatives
- Environmental responsibility to reduce global carbon footprint and to reduce cost of goods sold:
 - Greenhouse gas emission reductions
 - Reduced resource utilization
 - Greater use of renewable energy sources
 - Reducing DJO’s waste streams with the long term goal to reduce landfill volumes by 25% for all sites by 2014
 - Work to have all major manufacturing and distribution facilities ISO 14001 approved; this will take several years to complete
- Product responsibility:
 - More environmentally friendly products/packaging/end of life programs
 - Supply Chain improvements/use of environmentally preferable materials
 - Design for Environment
- Standardization of work culture, engagement and job satisfaction across all global sites
- Community support

The DJO Way is how DJO Global drives its business to exceed customer expectations and continuously improve our products and processes across all of our value streams. The goals of the DJO Way are:

- 1. Improve Quality**
- 2. Improve Customer Experience**
- 3. Reduce Lead Time**
- 4. Reduce Total Cost**

Our continuing mission will be to provide great new products for our customers, outstanding product quality, excellent customer service and sustainable revenue growth to benefit our employees and stakeholders. As a part of ensuring that we have the best people to lead that charge, we are continuing to partner with the Gallup organization to poll our workforce and further develop our employee engagement.

The Company’s determination of materiality for key aspects and indicators reflects the GRI Reporting Guidelines that state that the information in a report should cover aspects and indicators that reflect the organization’s significant economic, environmental, and social impacts; or that would substantively influence the assessments and decisions of stakeholders.

The following were identified as the primary audience members interested in the 2012 Sustainability report:

Employees	Customers	Suppliers
Investors and analysts	Communities	Industry associations
Prospective employees		

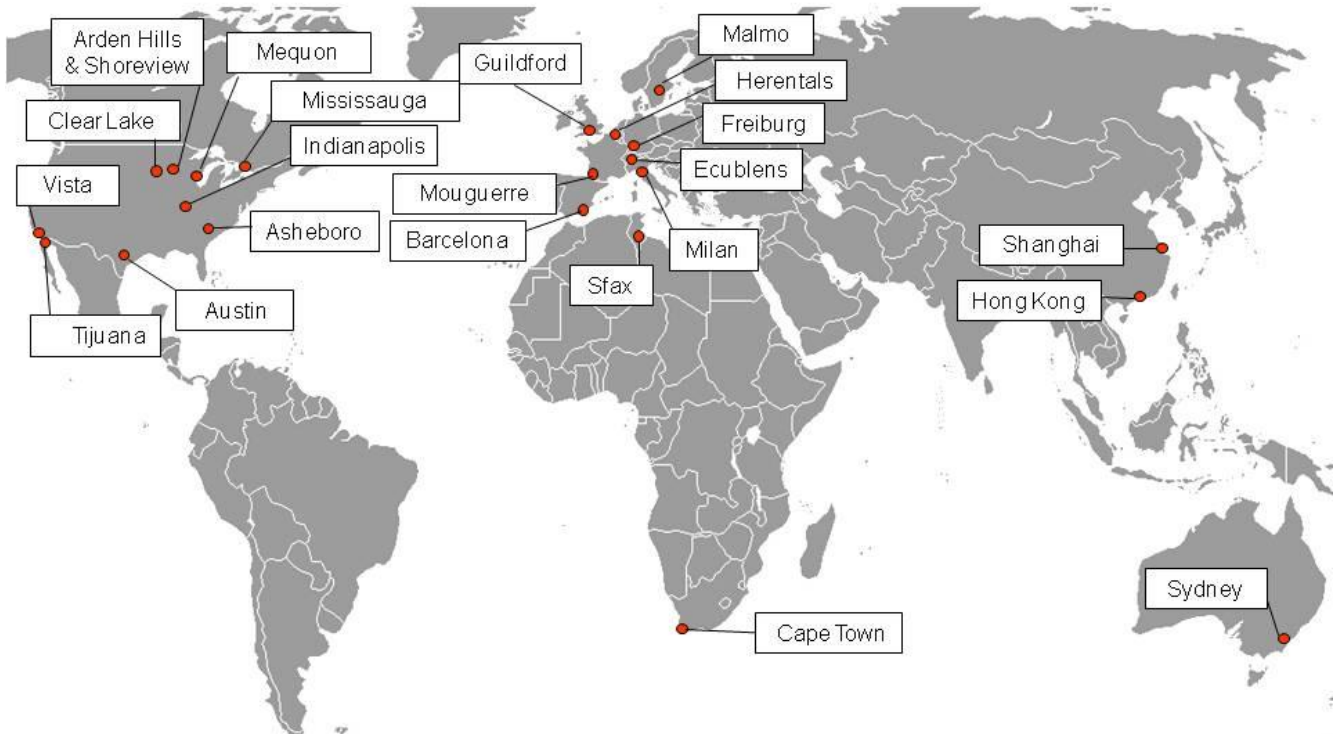
The stakeholders that have referenced and are anticipated to continue to use the report related to their businesses are the Company's parent, The Blackstone Group, L.P., as part of their global sustainability focus. Also included in this group are major national group purchasing organizations and hospital groups such as Kaiser Permanente and Novation Health Care. These two major customers expect their suppliers to engage in formal sustainability programs as a condition of doing business. DJO anticipates that this expectation will continue to grow amongst these types of organizations both domestically and internationally in the coming years.

The guidance that DJO Global used to define reporting content was based on the GRI guidelines and associated principles from the GRI Reporting Framework, version G3.1. All sections were created with the intention of comparing, demonstrating and benchmarking according to the GRI and associated Principles.

3.6 Boundary of the Report

As of December 31, 2012, the global business included only one joint venture as noted below in 3.7. All of the remaining DJO Global subsidiaries are wholly-owned and are included in DJO Global's Sustainability Report. The report boundary includes all of the Company locations as shown below.

DJO Global Locations



3.7 Limitations on the Scope or Boundary of the Report

This report has been written to provide as complete and accurate coverage of the material topics and Performance Indicators. The definition of the report boundary we believe is sufficient to reflect DJO Global's significant economic, environmental, and social impacts and enable stakeholders to assess the reporting organization's performance in the reporting period.

The Company's single joint venture includes Medireha, a German supplier of certain CPM devices, which is 50% owned by DJO Global. Our distribution agreement with Medireha grants DJO Global exclusive rights to the distribution of products that Medireha manufactures. DJO believes it maintains significant influence and control over Medireha's business and Medireha's ability to supply DJO with CPM devices is significant to our sales performance in Germany. DJO Global audited the Medireha business in 2011 and can confirm that it is in alignment and control related to supplier principles as well as DJO's sustainability expectations.

3.8 Basis for Reporting that Can Significantly Affect Comparability

The basis for reporting the Company's wholly-owned subsidiaries does not affect comparability from period to period. All of DJO Global's subsidiaries are operated with central oversight from DJO's corporate headquarters including financial reporting, environmental practices through DJO's Global Green Team, and social elements through Global Human Resources. In this report, DJO has provided all relevant issues and all information has been selected, compiled, and reported as consistently as possible. The reported information is presented in a manner that we believe enables stakeholders to analyze changes in our performance over time, and supports analysis relative to other organizations.

3.9 Data Measurement Techniques and the Bases of Calculations

Data measurement techniques employed in this report vary widely depending on the specific requirements of the topic being discussed.

Emissions Inventory:

- Energy invoices from energy providers
- "Conversion Factors – Energy and Carbon Conversions, 2011 Update" published by the Carbon Trust, United Kingdom, 2011
- NERC Region / eGRID Subregion Emission Factors (version 2.01) – developed by WRI; reference: <http://www.epa.gov/cleanenergy/egrid.htm>
- Country Level Electricity Emissions Factors, "Source: International Energy Agency 2002, CO2 Emissions from Fuel Combustion-developed by WRI; reference, <http://www.iea.org/stats/files/co2.htm>
- Employee commuting surveys
- Travel logs from travel partner provider
- UPS Commissioned Carbon Impact Analysis (2010)
- Transportation partner estimates

Water Consumption:

- Water invoices from water suppliers
- Local estimates where water is included in monthly facility leases

Effluents:

- Physical measurements and estimates based on logs and actual usage
- Invoices, weights from collection agencies and providers

Sensitive Lands:

- Google Earth

Occupational Safety & health:

- OSHA 300 logs
- Worker's Compensation logs and data
- Insurance data
- Health statistics through Human Resource and Safety programs

Human Rights:

- DJO Global Human Resource records
- Contractual language
- Employee surveys
- Personal interviews

Communities:

- Community events completed
- Qualitative information collected during events
- Financial contributions as reported by DJO finance

Measurement techniques have been standardized throughout the organization wherever possible.

3.10 Explanation of the Effect of Any Re-statements of Information

There are no restatements to the 2011 report. Any updates to information are covered with the section.

3.11 Significant Changes from Previous Reporting Periods

The primary change from the previous reporting period is the addition of Exos Corporation covered in section 2.9. The secondary change from the previous reporting period is the formation of the 4 new commercial businesses supported by a Global Quality and Operations organization. While primarily a sales and marketing division of responsibility, the change is noted here for context going forward.

3.12 Table Identifying the Locations of the Standard Disclosures in the Report

See Index (pages 4-7).

3.13 Policy Regarding External Assurance for the Report

DJO Global is not externally assuring this report.

Governance, Commitments and Engagement**4.1 Governance Structure of the Organization**

DJO Global requires all of its Directors, Officers and employees to observe high standards of integrity and honesty and to act with care, diligence and fairness in all business activities. Interactions with all stakeholders and wider society are to be conducted in an ethical and legal manner. To that end, all DJO directors, officers and employees must comply with the Company's code of conduct and all supporting policies, the laws and regulations of all countries in which we operate and with all applicable national and international codes.

The Board of Directors of DJO consists of members of the Blackstone Group, our principal stockholder, our CEO, and several independent directors. The Board sets high standards for the Company's employees, officers and directors. Implicit in this philosophy is the importance of sound corporate governance. It is the duty of the Board of Directors to serve as a prudent fiduciary for all stakeholders and to oversee the management of the Company's business. At DJO, our leadership organization effectively places decision-making at the appropriate level and ensures that proper checks and balances exist. We rely on our Board of Directors to know our

Company's business and to conduct thorough reviews and to ask difficult questions. All of our board directors have a great deal of diverse experience along with solid credentials. Corporate officers are accountable to the Board, in addition to their management roles within the Company.

The Board of Directors has extensive involvement in the oversight of risks related to the Company and its business. The Audit Committee of the Board plays a key role in representing and assisting the Board in discharging its oversight responsibility relating to the accounting, reporting and financial practices of the Company, including the integrity of our financial statements, the surveillance of administrative and financial controls and the Company's compliance with legal and regulatory requirements. Through its regular meetings with management, including legal, regulatory, compliance and internal audit functions, the Audit Committee reviews and discusses most of the principal functions of our business and updates the Board of Directors on all material matters.

DJO's Board of Directors considers whether directors and nominees have the experience, qualifications, attributes or skills, taken as a whole, that enable it to satisfy its oversight responsibilities effectively in light of DJO's business and structure. The DJO Board of Directors is focused primarily on each person's background and experience. We believe that our directors provide an appropriate mix of experience and skills relevant to the size and nature of DJO's business.

Composition of the Board of Directors

<u>Name</u>	<u>Age</u>	<u>Gender</u>	<u>Position</u>
Michael P. Mogul	48	Male	President, Chief Executive Officer and Director
Mike S. Zafirovski	59	Male	Chairman of the Board
Sidney Braginsky	75	Male	Director
John Chiminski	49	Male	Director
Julia Kahr	34	Female	Director
James R. (Ron) Lawson	68	Male	Director
John R. Murphy	62	Male	Director
James Quella	63	Male	Director

The board of directors for DJO is a unitary board containing both executive and non-executive members. No members of the current board represent an ethnic minority group. For more information on our Board members and Board committees, refer to DJO's SEC Form 10-K.

The Sustainability Reporting Team will continue to serve as the governance body within DJO for environment, health & safety and sustainability. This team will continue to provide direct reporting to the company's Corporate Leadership Team to assist in understanding of the Company's sustainability performance.

4.2 Is the Chair of the Board of Directors also an Executive Officer?

On January 5, 2012, Mr. Mike S. Zafirovski was elected director and Chairman of the Board. The Chief Executive Officer of DJO Global is Mr. Michael P. Mogul. The CEO position is separate from the Chairman position. We believe that the separation of the Chairman and CEO positions is appropriate for a privately held company of the size and nature of DJO Global.

4.3 Members of the Board of Directors that are Independent and/or Non-executive Members

As of December 31, 2012, the DJO Board of Directors consisted of seven non-executive directors and one executive director for a total of eight directors. The background and experience of these directors may be found in the Company's 2012 Annual Report on SEC Form 10-K. Directors Kahr and Quella are representatives appointed by The Blackstone Group, an affiliate of our principal stockholder. As a privately held company, the DJO Board is not required to have a majority of its directors be independent. We believe that Messrs. Braginsky, Murphy, Lawson, Chiminski and Zafirovski would be deemed independent directors according to the independence definition promulgated under the New York Stock Exchange listing standards.

4.4 Mechanisms to Provide Recommendations or Direction to the Board of Directors

Investors and other interested parties may communicate directly with the full Board of Directors or with individual directors by any of several methods. These include mail addressed to DJO Global, Inc., 1430 Decision Street, Vista, CA 92081, and through the "Contact Us" button on DJO Global's corporate website at www.DJGlobal.com.

As a privately held company, DJO Global does not publish a proxy statement or hold public annual meetings.

DJO Global maintains an anonymous compliance telephone hotline that can be used by all employees. The hotline is available 24 hours per day, seven days a week and is managed by an independent company. Employees are able to provide input to Company management and the Board of Directors through the Company's physical suggestion boxes located in each facility as well as electronic suggestion boxes within the Company's employee Intranet site.

There were no employee or investor originated topics raised to the Board of Directors during the current reporting period.

4.5 Linkage between compensation and the organization's performance

The Compensation Committee of the Board of Directors establishes salaries and reviews benefit programs for the Chief Executive Officer ("CEO") and each of our other executive officers; reviews and approves our annual incentive compensation for management employees; reviews, administers and grants stock options under our employee stock option plan; advises the DJO Global Board and makes recommendations with respect to plans that require Board approval; and approves employment agreements with our executive officers.

Our executive compensation program is designed to attract, retain, and reward talented senior management who can contribute to our growth and success and thereby build long-term value for our stockholders. We believe that an effective executive compensation program is critical to our long-term success. By having an executive compensation program that is competitive with current market practice and focused on driving superior and enduring performance, we believe we can align the interests of our executive officers with the interests of stockholders and reward our executive officers for successfully improving stockholder returns.

Our compensation program has the following objectives:

- Attract and retain talented senior management to ensure our future success
- Encourage a pay-for-performance mentality by directly relating variable compensation elements to the achievement of financial and strategic objectives
- Promote a direct relationship between executive compensation and the interests of our stockholders, with long-term incentive compensation that links a significant portion of executive compensation to our sustained performance through stock options

- Structure a compensation program that appropriately rewards our executive officers for their skills and contributions to our Company based on competitive market practice

At the present time, compensation is not directly tied to DJO Global’s environmental performance as it relates to sustainability. Compensation is tied to market rates for base salary and bonus compensation is linked to revenue and earnings performance achieved. A key means by which the latter is achieved are through our Lean Enterprise, DJO Way and Values fundamentals of our Company’s Continuous Improvement (CI) focus.

4.6 Processes in Place for the Highest Governance Body to Ensure Conflicts of Interest are avoided

All directors, officers and employees of DJO Global are expected to be familiar with the Company’s Code of Conduct, and to apply it in the daily performance of their DJO responsibilities. The Code of Conduct is intended to focus employees and officers. DJO maintains a Code of Ethics for the Chief Executive Officer and Senior Executives and Financial Officers, and a Code of Conduct for the Board of Directors. All of our Codes of Conduct help employees, officers and Directors in areas of ethical risk, help them recognize and make informed decisions on ethical issues, help create a culture of the highest ethical and business standards, and provide mechanisms to report unethical conduct. The full text of DJO Global’s Code of Conduct is available at www.DJOglobal.com, by clicking on “Our Company” followed by “Code of Conduct.” This is applicable to all employees worldwide including contracted sales people.

The processes used to ensure conflicts of interest are avoided include a quarterly questionnaire to all functional department managers and members of senior management that requires disclosure of any transactions with the Company in which the employee or any member of his or her functional area, or senior manager has a direct or indirect material interest.

Additionally, while the Board of Directors has not adopted a formal written policy for the review and approval of transactions with related persons, all such transactions will be reviewed by the Board on an as-needed basis. An annual Directors and Officers Questionnaire requires disclosure of any transactions with the Company in which the Director or executive officer, or any member of his or her immediate family, has a direct or indirect material interest. Directors also receive annually – as do all Company employees – to an annual reminder of the requirements of the DJO Code of Conduct. Separately, the Company assesses the business relationship between the Company and any other company where Directors hold a position.

4.7 Process for Determining the Qualifications and Expertise of the Members of the Board of Directors

When considering whether directors and nominees have the experience, qualifications, attributes or skills, taken as a whole, to enable the DJO Global Board of Directors to satisfy its oversight responsibilities effectively in light of DJO Global’s business and structure, the DJO Board of Directors focused primarily on each person’s background and experience as reflected in the information discussed in each of the directors’ individual biographies. We believe that our directors provide an appropriate mix of experience and skills relevant to the size and nature of DJO Global’s business.

In recommending directors, our Board of Directors considers the specific background and experience of the Board members and other personal attributes in an effort to provide a diverse mix of capabilities, contributions and viewpoints which the Board believes enables it to function effectively as the Board of Directors of a company with our size and nature of business. The Board of Directors has adopted guidelines to be used in evaluating candidates for Board membership. In addition to the characteristics mentioned above, the guidelines provide that candidates should possess individual skills, experience and demonstrated abilities that help meet the current needs of the Board, such as experience or expertise in some of the following areas:

orthopedic medical devices, global business, science and technology, finance and/or economics, competitive positioning, corporate governance, public affairs, and experience as chief executive officer, chief operating officer or chief financial officer of a major company. The Board does not explicitly consider gender, race or ethnic background in its consideration of candidates.

Other factors that are considered include independence of thought, meeting applicable Director Independence standards (where independence is desired) and absence of conflicts of interest. The Board of Directors may modify the minimum qualifications and evaluation guidelines from time to time as it deems appropriate.

4.8 Internally Developed Statements of Mission or Values, Codes of Conduct and Principles

DJO Global Vision:

We enable people to regain and maintain the joy and comfort of natural mobility.

DJO Global Mission:

From prevention to recovery, DJO Global enables people to live their lives to the fullest by providing intelligent medical devices and services. We embrace an open dialogue with our customers to gather insights that guide our innovation and continuous improvement.

DJO Global Corporate Values:

Teamwork

Urgency and Accountability

Open to New Ideas

Corporate Citizenship

Fostering People Growth

Consistently Exceeding Expectations

Customer Focus

Continuous improvement

The Company Values are constantly reinforced through company-wide training. DJO Global's employee recruiting process includes an assessment of the prospective candidate's fit with the Company's value set.

DJO Mission Statement relative to Economic, Environmental and Social performance:

DJO Global believes it has an important role to play in sustainable development and is committed to continuously improving its sustainability practices across all of its business operations. We believe sustainable development practices are not only the right thing to do, but are also catalysts that drive competitive advantages and profitable Company growth through strategic innovation, meeting customers' expectations and enhanced empowerment and engagement of our employees. In turn, our efforts will create positive impacts for our employees, customers and other key stakeholders, the communities in which we operate and to our planet.

With our Corporate Values to guide our daily actions, we will fulfill this mission through a commitment to:

- Contributing to local community success
- Embracing diversity, equal opportunity and safety in our workplace
- Employee training
- Listening to our stakeholders' concerns and responding accordingly
- Conducting all aspects of our business in an ethical manner
- Strengthening our environmental practices by reducing, reusing and recycling
- Reducing our carbon footprint, water withdrawal and weight of waste
- Measuring, monitoring and reporting our progress
- Collaborating with key stakeholders including customers and suppliers to effect change

DJO Global strives to continually improve at everything it does. The Company's internal motto is ***"Never Stop Getting Better™."***

4.9 Procedures for the Highest Governance Body for Overseeing the Identification and Management of Economic, Environmental and Social Performance

For the first quarter of 2012, the DJO Sustainability Reporting Team reported to the Company's Chief Operating Officer, Luke Faulstick. Mr. Faulstick was responsible for updating the DJO Global Board in the Board's oversight of corporate citizenship related to economic, social and environmental responsibilities. Gerry McDonnell, Executive Vice President, Global Quality and Operations, was named as successor to Mr. Faulstick on March 14, 2012.

The DJO Board of Directors oversees the following:

- Financial matters: Ensuring compliance with regulations and standards for financial reporting through the Board's Audit committee
- Compliance matters: Ensuring compliance with all applicable laws and regulations related to product, legal and all Company policies
- Compensation review: Ensuring compensation practices are consistent with DJO Global policy through the Board's Compensation Committee
- Internal policies and procedures: Ensuring compliance with applicable laws and regulations related to ethical corporate behavior
- Community Efforts: Reviewing the Company's community work and philanthropy initiatives through updates communicated by the Company's CEO and EVP Global HR
- Diversity and inclusion philosophy: Reviewing the Company's commitment and results achieved to meet internal goals through updates communicated by the CEO and EVP Global HR
- Corporate advocacy: Ensuring Company actions meet applicable laws and industry standards through updates communicated by the CEO and EVP Global HR
- Sustainable development: Reviewing the Company's progress through updates communicated by the COO or EVP, Global Quality and Operations

In 2012, there were 22 total meetings related to the Board of Directors:

- 9 Board of Directors Meetings
- 7 Audit Committee Meetings
- 6 Compensation Committee Meetings

The specific responsibilities of each of the Committees of the Board are found on DJO Global's website at www.DJOGlobal.com under Corporate Governance.

4.10 Processes for Evaluating the Board of Directors' Own Performance Particularly with Respect to Economic, Environmental and Social Performance

Each of the two Board-level Committees conducts an annual review of Committee performance and of the Committee charter. In addition to this self-assessment, each Committee makes regular reports to the Board of Directors. The Board of Directors conducts an annual review of the performance of the Chief Executive Officer. In addition, Executive Officers of the Company are reviewed for performance by the CEO, by the Compensation Committee and by the general Board of Directors.

4.11 Explanation of Whether and How the Precautionary Approach or Principle is Addressed by the Organization

As a responsible corporate citizen, DJO Global continues to use well-defined processes to manage business and product development risks. The Company's Code of Conduct addresses all aspects of Company business from individual employee compliance to corporate compliance and ethical corporate business practices. In all cases, DJO Global's business is conducted in such a manner as to be "committed to full compliance with the laws and regulations of the cities, states and countries in which it operates". This includes all environmental laws and regulations. In the absence of specific laws and regulations, DJO Global will attempt to have its decisions and actions made in such a manner as to protect the public and the environment, however at this time, DJO does not have a formal policy statement in place in support of the Precautionary Principle.

New product development follows a very well defined Knowledge-Based Stage-Gate Development system to ensure new products meet their intended market need, are safe and efficacious and consider environmental concerns, such as design for recyclability and eliminating or minimizing substances of concern. Through the Company's Voice of the Customer and Knowledge-Based design processes, customer needs are well understood and innovation and learning are optimized. Further, with our Design and Process Failure Mode Effects Analysis operating procedures, risk and benefit decisions are appropriately evaluated.

For more information on DJO's product-related and other risks, please see the SEC Form 10-K.

4.12 Externally Developed Economic, Environmental and Social Charters to Which the Organization Subscribes

International Standards for Quality Assurance and Regulatory Compliance

- In 2012, DJO was certified as compliant with ISO 13485 Quality Management System for Medical Devices
- In February 2012, DJO France obtained the EC Certificate for FULL QUALITY ASSURANCE SYSTEM regarding the Directive 93/42/EEC for Medical Devices (Annex II excluding) for the following products: Radial Pressure Wave devices; Traction units; Neuromuscular stimulators; Ultrasound units; Iontophoresis system electrodes; Diathermy units; Therapeutic lasers

International Standards for Environmental Management Systems

In 2012, DJO Global had three facilities certified as compliant with ISO 14001:

1. Guildford, United Kingdom
2. Mouguerre, France
3. Sfax, Tunisia

4.13 Memberships in Associations (Such as Industry Association) and/or National/International Advocacy Organizations in Which the Organization Participates at the Governance Level

Examples of trade, business associations and alliances where DJO Global is an active member are shown below. DJO participates in numerous additional organizations, including many at the regional and local level.

DJO Global is a member of the trade group, AdvaMed, and has adopted and complies with the AdvaMed Code of Ethics. AdvaMed advocates for a legal, regulatory and economic environment that advances global health care by assuring worldwide patient access to the benefits of medical technology. The organization promotes policies that foster the highest ethical standards, rapid product approvals, appropriate reimbursement, and access to international markets. <http://www.advamed.org>

DJO is an active corporate member of the Association of Manufacturing Excellence (AME). AME's mission is enterprise excellence through shared learning. DJO is supportive of its employees holding office in this

organization to keep DJO at the forefront of continuous improvement and the pursuit of excellence. Key areas of focus by AME are lean, green and sustainability. DJO Global has actively participated and supported AME since 2000.

DJO Global also is an active member of the Lean Product and Process Development Exchange (LPPDE). LPPDE is primarily focused on improving the design and research processes of member organizations. This includes designing products with source reduction and minimal packaging in order to be sustainable. DJO has actively supported and been a member organization of LPPDE since 2007.

The Society of Human Resource Management (SHRM) is the largest human resource management association in the world with over 250,000 members in over 140 countries. SHRM provides a wide range of member services including education, training, research, certifications, legal advice, conferences/seminars and government and media representation. DJO leverages these resources to create policies and procedures and to implement best practices throughout the organization.

The Orthopedic Surgical Manufacturers Association, formed in 1954, is one of the oldest trade associations devoted to the manufacturers of medical devices used in orthopedic surgical procedures. OSMA's mission is to facilitate the timely availability of quality orthopedic technologies by advocating clear, consistent and efficient implementation of government regulations and industry standards; educating membership, regulatory agencies and healthcare professionals; and providing regulatory professionals a forum to collaborate and communicate. DJO Global is an active member with a DJO Surgical representative serving as a member of the OSMA board.

4.14 List of Stakeholder Groups Engaged by the Organization

A list of stakeholders engaged by DJO Global during the 2012 reporting period is noted below:

- Customers – Group purchasing organizations (GPO), integrated delivery networks (IDN) and government purchasing organizations
- Employees and other workers and their worker's councils
- Communities – Non-profit organizations, public service organizations, local governments, Chambers of Commerce – Traditional and Internet-based
- Primary shareholders (Blackstone Group)
- Other Bond Investors and Market Analysts
- Transportation partners – Raw material and finished goods carrier, travel management partner
- Suppliers – Raw material, component, finished goods, utilities

4.15 Basis for Identification and Selection of Stakeholders

DJO Global's stakeholders include those individuals or groups who impact DJO's day to day business such as employees, investors, customers and suppliers, as well as individuals or groups who are impacted by the Company's business activities and decisions such as our customers and the communities in which we operate.

DJO's basis for identification and selection of stakeholders is based on the above criteria and includes key customers, employees, investors, suppliers, communities and others. These stakeholders may or may not share a similar approach to sustainability, but all offer DJO the ability to more thoughtfully examine its sustainability practices. In some cases, our stakeholders look to DJO to strengthen its sustainability practices, and in other cases, DJO reaches out to encourage stakeholders to examine their own sustainability practices.

At least one of DJO's key customers is pursuing similar sustainability practices and during 2012 was actively involved in a dialog to mutually strengthen both entities' corporate sustainability practices, including product

responsibility and waste reduction. It is through these key stakeholders that we will continuously improve our sustainability practices.

4.16 Approaches to Stakeholder Engagement

The primary approaches to DJO Global's stakeholder engagement have been through direct face-to-face discussions, conferences via telephone, employee communications through surveys, town hall meetings and email. These communication approaches will vary from time to time. Wherever possible and with cost in mind, DJO Global encourages live face-to-face meetings in lieu of other communication approaches.

4.17 Key Topics and Concerns Raised through Stakeholder Engagement

To date, the key topics that have been raised are listed in the following:

Employees

- Benefits, working conditions and labor practices
- Severance/Integration policies
- Company downsizing
- Company Growth
- Company environmental practices

Investors

- Financial performance
- Environmental disclosures
- Security of manufacturing locations

Trade Groups

- AdvaMed Industry best practices around "physician affiliation"
- Association for Manufacturing Excellence (AME)

Governments

- Centers for Medicare/Medicaid Service including the Office of the Inspector General (OIG)
- Accreditation Commission for Health Care (ACHC)
- Department of Health and Human Services
- Department of Justice (DOJ)
- Food and Drug Administration (FDA)
- Securities and Exchange Commission (SEC)

Suppliers

- Environmental disclosures regarding supplied materials
- Pricing/commodity costs
- Other topics related to procurement
- Waste streams

Customers

- Identification of chemical content in products supplied
- Reduce waste generation
- Conserving energy
- Reduced or environmentally-friendly packaging
- Increase reuse or recycle capabilities

Community Investments Benefiting:

- Boys & Girls Club of Austin, Texas
- Boys & Girls Club of Vista & Carlsbad, California
- California State University San Marcos
- Carlsbad Laguna Temecula Alumni Chapter of Kappa Alpha Psi Fraternity, Inc.
- Casa de Amparo, San Marcos, California
- Epilepsy Foundation of Minnesota
- Four Seasons Residence Club Aviara Festival of Trees benefitting Hyry's Helping Hands
- Marine Corps Scholarship Foundation
- National Football Foundation
- North County Solutions for Change
- Operation Promise Inc., San Diego, CA
- Palomar College – San Marcos, CA
- Panther Baseball Boosters – Vista, CA
- Park Hyatt Aviara Festival of Trees benefitting the Semper Fi Injured Marine Fund
- Pennsylvania Alliance Against Drugs
- Donations to Haiti of Dr. Comfort Shoes
- Community Blood Bank – Clear Lake, SD
- Adopt –a- Highway – Clear Lake, SD
- Hope Walk for Cancer – Clear Lake, SD
- Pride Martial Arts of Chula Vista, CA
- Rady Children's Hospital Foundation
- Rancho Buena Vista Longhorn Foundation Football Boosters of Vista, CA
- Sacred Heart Health Systems, Inc.
- San Diego Sports Medicine Foundation
- San Diego State University Aztec Athletic Foundation
- Scripps Health Foundation
- Special Olympics Minnesota
- Susan G. Komen 3-Day Breast Cancer Walk
- The Country Friends
- The Fellowship Center of Escondido, California
- The Music Therapy Center of California
- Titan's Baseball Club of Westminster, Maryland
- USS Midway Foundation
- Vista Community Clinic
- Vista Soccer Club
- Westchester Jewish Community Services, Inc.
- Donations of Dr. Comfort Shoes to those in need

OVER ONE MILLION DOLLARS IN SHOES DONATED FOR HAITI RELIEF

THANK YOU DR. COMFORT

Each year millions of people will develop foot complications due to health problems. Properly fitted shoes, socks and inserts are essential for reducing these risks. Dr. Comfort shoes are made from the finest leathers and are scientifically designed for various foot complications. Our footwear is extra deep with patented footbeds, our socks are created by leading designers with their Soft-Knit Channel-Knit and our uniquely patented inserts are comfortable, support the "heel" and cushion the foot. We care and pay attention to detail, with new products being developed all the time. Call now to experience exceptional quality and durability with the best. "Total System" for your professional practice.

The Science Your Feet Need-The Comfort You Deserve!
CALL 1-800-556-5572 OR VISIT www.drcomfort.com

Sun Urethane **Dr. Comfort**

DR. COMFORT WILL DONATE OVER 30,000 PAIRS OF SHOES THIS YEAR

THANK YOU DR. COMFORT AND THANK YOU DR. BELL

Each year millions of people will develop foot complications due to health problems. Properly fitted shoes, socks and inserts are essential for reducing these risks. Dr. Comfort shoes are made from the finest leathers and are scientifically designed for various foot complications. Our footwear is extra deep with patented footbeds, our socks are created by leading designers with their Soft-Knit Channel-Knit and our uniquely patented inserts are comfortable, beyond the "heel", cushion is our business and our market. We care and pay attention to detail, with new products being developed all the time. Call now to experience exceptional quality and durability with the best. "Total System" for your professional practice.

The Science Your Feet Need-The Comfort You Deserve!
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Sun Urethane **Dr. Comfort**

Economic Disclosures

Management Approach to Economic Disclosures

DJO Global has a long standing commitment to growing its sales and profitability. The Company will continue to do this by:

- Developing a broad and complementary product portfolio that covers the entire patient experience and enables its sales force to maximize account penetration
- Maintaining a leading market position with an innovative, comprehensive product offering
- Diversifying its products, customers, payors and geography
- Building a strong, diverse sales force that provides a distinctive, valuable presence to our customers
- Maintaining disciplined cost control
- Continuously improving all Company activities

In 2011, DJO Global eclipsed the \$1 billion revenue level. On its way to a large corporation with global impact, DJO realizes now more than ever, that we have an obligation to ensure that we are impacting the planet in the most beneficial way we know possible. Our mission is to help people regain the joy and comfort of natural motion. Healthy people lead more fulfilling lives and can give back to their families, friend and communities.

With our mission in focus, DJO will continue to move toward continued sustainable economic growth while striving to reduce our carbon footprint, energy use, landfill-bound waste. Disclosure of our measures will continue primarily through this annual global Sustainability Report.

ASPECT: ECONOMIC PERFORMANCE

EC1 Direct Economic Value Generated and Distributed, including Revenues, Operating Costs, Employee Compensation, Donations and Other Community Investments, Retained Earnings, and Payments to Capital Providers and Governments

Component	Value (in thousands \$)
Direct economic value generated (A)	
Revenues	\$1,129,621
Economic value distributed (B)	
Operating costs (including cost of goods sold)	\$671,083
Employee wages and benefits	\$201,997
Payment to providers of capital	\$219,055
Payments to government (taxes)	\$33,084
Community investments	\$366
Total distributed	\$1,125,585
Economic value retained	
Calculated as (A) - (B)	\$4,036
Taxes Paid By Region*	Value (in thousands \$)
North America	\$969
EMEA	\$3,735

*Note: Income taxes only. Company unable to disaggregate payroll taxes, property and other taxes by Region

EC2 Financial Implications and Other Risks and Opportunities for the Organization's Activities due to Climate Change

DJO Global senior management and the board of directors continue to evaluate the financial implications and regulatory risks to DJO's business from a variety of sources. At this time, the Company has not been able to predict to what extent, if any, physical climate changes will impact weather patterns, and in turn impact temperatures, sea levels, water availability, employee health and other environmental factors, which in turn, could impact DJO's worldwide operations. Likewise, the Company is not able to predict to what extent, if any, governmental actions, environmental actions or health and safety regulations will impact DJO as a result of climate change. At the present time, DJO is not subject to mandatory greenhouse gas (GHG) emission reporting by the U.S. EPA, but DJO is committed to measuring, reporting and reducing its total annual emissions.

DJO Global understands the importance of addressing issues related to climate change. While the Company emits GHG emissions, as do most businesses, the Company believes its emissions are relatively low. The identification of DJO's GHG sources will enable the Company to set targets for future reductions to minimize its contributions to GHG gas levels in the atmosphere over time.

In 2012, DJO began looking at natural gas fuel-cell and other alternative energy options that will reduce its GHG emissions further. Part of DJO Global's 2013 energy goals will examine local-market energy providers at the Company's subsidiaries to source a greater content "green" power, such as solar, wind and hydroelectric power. The financial implication of purchasing renewable energy credits sufficient to offset approximately 50% of DJO's worldwide electricity usage is not material (see also EN4, EN5 & EN6).

While DJO Global cannot at this point predict changes to its water availability at its global subsidiaries, three of the Company's subsidiaries reside in water stressed areas as defined by the World Business Council's Global Water Tool. DJO Global recognizes water is a precious resource and is committed to reducing its water footprint (see also EN8, EN9 & EN10).

EC3 Coverage of the Organization's Defined Benefit Plan Obligations

DJO Global's total rewards strategy is to provide compensation and benefits to employees that are competitive with other top global companies within the relevant labor market. DJO Global currently does not maintain any defined benefit plans outside of those that require funding as part of national or local pension law. DJO does offer defined contribution plans that are consistent with local market practice and competitive within the local employment market. Employees are incentivized to contribute to these plans though Company matched contributions. All regular employees are eligible to participate in these plans immediately upon hire with no waiting period.

EC4 Significant Financial Assistance Received from Government

DJO Global does not receive any financial assistance from the government that is significant or reportable.

EC5 Range of Ratios of Standard Entry Level Wage Compared to Local Minimum Wage at Significant Locations of Operation

DJO Global does not use regional minimum wage rules to define compensation strategy for employees, but does comply with any applicable minimum wage requirements. DJO offers competitive employee base pay, which is determined through our salary survey process. This process benchmarks compensation at other companies with whom we compete for talent and helps DJO maintain employee pay that is tailored to geographically competitive standards. This data is not collected on a gender basis, so reporting by gender is not available. Along with base pay, where applicable, the Company offers a quarterly bonus plan for all regular

employees that is based on Company results. We also offer other programs that keep us competitive in the market and make us an employer of choice.

EC6 Policy, Practices, and Proportion of Spending on Locally-Based Suppliers at Significant Locations of Operation

DJO Global will conduct business with suppliers who are globally competitive and who will provide the lowest long term cost of ownership. DJO is dedicated to working closely with local suppliers in the vicinity of our global manufacturing and distribution centers to educate them about our strategic purchasing requirements. DJO will help local suppliers understand the need for potential actions to make their business more globally competitive. The use of local suppliers or local content is considered in purchasing decisions. Local suppliers also help reduce the overall cost of transportation and thereby help reduce carbon emissions.

For 2012, our approximate percentages of local purchasing were as follows:

Austin	37%
Clear Lake	25%
France	27%
Germany	30%
Mexico	32%
Tunisia	60%
Vista, CA	39%

EC7 Procedures for Local Hiring and Proportion of Senior Management Hired from the Local Community at Significant Locations of Operation

DJO Global believes that our workforce should reflect the places where we do business today and tomorrow. This guides our hiring decisions in addition to the criterion of choosing the best candidate for each job. DJO strives to promote from within where possible and advertises open positions internally through the Company intranet. Where available, DJO utilizes local professional organizations and job boards in an effort to hire the best regional talent available. Approximately 90% of all DJO Global senior executives live within a 50 mile radius of their respective main offices in Vista, CA or Guildford, UK.

EC8 Development and Impact of Infra-structure Investments and Services Provided Primarily for Public Benefit through Commercial, In-Kind, or Pro Bono Engagement

DJO is a proud supporter of the Vista Community Clinic, a private not for profit community health center that provides quality health care and health education to those facing economic, social or cultural barriers. The Vista Community Clinic operates five state-of-the-art clinics with such primary care services as dental, immunizations, testing, pediatrics, pharmacy, laboratory, prenatal/obstetrics, reproductive health, teen clinic, and a wellness clinic. With DJO’s support, the Vista Community Clinic services over 57,000 patients, encompassing more than 238,000 patient visits each year with about 65% of all patients being uninsured.

DJO Global is extremely committed to making a difference within our communities and selects a number of charitable organizations and activities with which we align ourselves each year. During the 2012 year we dedicated our time and financial resources to the following organizations: Boys & Girls Clubs of America, California State University San Marcos, Casa de Amparo, Century Club of San Diego, Marine Corp Scholarship Foundation, Rady Children’s Hospital, San Diego Food Bank, San Diego State University Aztec Athletic Foundation, San Diego Sports Medicine Foundation, Special Olympics Minnesota, The Country Friends, USS Midway Museum Educational Programs, and Vista Community Clinic.

EC9 Understanding and Describing Significant Indirect Economic Impacts, Including the Extent of Impacts

DJO Global has many examples of community support that lead to indirect economic impacts, but the Company has not attempted to measure how this support, both monetary and through volunteer hours have economically impacted the communities where the support was given. DJO and its employees believe the Company's community giving program contributes to stronger local communities where we have major operations, and a stronger, safer and more sustainable community in turn, provides benefits back to DJO's local operations.

Some of DJO Global's successful "giving back" programs follow.

Corporate Programs (multiple locations):

- Boys & Girls Clubs: DJO Catalyst Leaders volunteered 45 hours of their time in February 2012 for such activities as mentoring, coaching, and homework studies at the Boys & Girls Club of Vista. The Boys & Girls Clubs in Vista and Carlsbad received 300 new backpacks filled with school supplies for their annual Back-To-School campaign; the Boys & Girls Club of Minnesota also received filled back packs for their drive.
- Annual Gala and Golf Classic: DJO holds an annual gala and golf tournament with 348 participants taking part in the 2012 two day event. The benefactor, the Marine Corps Scholarship Foundation, received approximately \$107,000 for college scholarships awarded to children who lost a parent in the war against terrorism;
- National program to help train surgeons: Working together, we create many new ideas at DJO Global. And many of the ideas that we develop come from collaborating with active minds in the medical community. Our Clinical Education and Research Facility (CERF) located in our headquarters in Vista, California and our Global Institute in Plainfield, Indiana is open to surgeons and clinicians and enables continuing education on the latest surgical procedures;

Asheboro, NC Location:

- American Cancer Society – Walk for Relay For Life
- The Human Race – Walk/Run
- Victory Junction Gang Camp – Walk/Run
- Habitat for Humanity, local hospice, Muscular Dystrophy Association, NC Zoo, Randolph YMCA, Salvation Army, Special Olympics of North Carolina, Randolph Hospital, Chamber of Commerce, Randolph Community College, Mills Children's Home – donations from the Company and employees
- Boys and Girls Club – Employee Donations/School Supplies and Backpacks
- Asheboro Kiwanis Club – Donation/Baseball Game tickets
- Christian's United Outreach Center – Food Drives

Austin, TX Location:

- 14 DJO Austin employees raised \$355 for local Boys & Girls Club of Austin
- During December, DJO Surgical also donated gifts for the children of the Austin Boys & Girls Club
- DJO Surgical contributed to the local community in 2012 by supporting the Austin Boys & Club; they held a School Supply Drive in which everyone donated usable office materials as well as items they purchased for children to use in school;
- Cash was raised through the Coin Wars competition, in which teams donated their spare change for a prize to the team donating the most money

Clear Lake, SD Location:

- Clear Lake employees with their families/friend donated 528 hours in 2012 and raised over \$6,000
- Adopt-a-Highway / Pick the Ditch – 2 mile stretch of Highway 22
- New Hope Walk for Cancer - team raised \$4,240
- Meals cooked and prepared to benefit the less fortunate through the Watertown Grace Lutheran Church
- Donations for Less Fortunate – benefitting the Sharing Tree Program and the local counties Food Pantry
- Community Blood Bank - 51 lives were saved from the blood donated by DJO Employees; since partnering with the Community Blood Bank in 2007, DJO Employees have donated 255 units of blood;
- Donations made to the Gary South Dakota Historical Association, Deuel County Community Foundation, Clear Lake Community Club and the Crystal Springs Ranch Rodeo;

Mequon, WI Location:

- “Tour De Cure” for Diabetes - raised \$6,000
- “Step Out” to stop Diabetes Volunteer program
- Hunger Task Force Collections; 2 years in a row – totaling 658 lbs as of the end of 2012
- Shoe donations locally, nationally and internationally – over 30,000 pairs worth \$1 million donated

Shoreview, MN Location:

- Ten employees volunteered 80 hours with Special Olympics Minnesota Summer Games
- Memorial Blood Centers – blood drives
- Leukemia & Lymphoma Society – raising funds and donations
- American Cancer Society – donated funds and received daffodils for Daffodil Days
- Salvation Army Angel Tree – holiday gifts to local children in need
- Alexandra House – employees donate their holiday gift cards to women in violence situations

Vista, CA Location:

- In addition to volunteering their time, DJO employees contributed \$355 in cash donations and collected approximately 200 new household items for Casa de Amparo
- Over 200 toys donated to Rady Children’s Hospital
- Over 100 lbs. of food donated to the San Diego Food Bank
- 15 volunteer hours for the Vista Community Clinic one-day Holiday Home’s Tour
- 57 pounds of Halloween candy donated to Operation Gratitude for care packages to the U.S. Military
- 18 Employee volunteers filled new backpacks with school supplies for the local Boys & Girls Clubs
- 12 volunteer hours for the Vista Community Clinic Annual Gala
- 58 pounds of soup and beans donated to The Angel’s Depot
- 200 Books, CDs and DVDs donated to North County Solutions For Change, “Books For Real Change”
- Employees recycled 122 Greeting Cards and gave to the St Jude’s Ranch for Children - Kid’s Corp program

Tijuana, Mexico Location:

- Tijuana employees donated nearly 64,000 hours and raised \$192,717 for community projects in 2012
- Lunch Day – Combat Hunger
- Together Vs. Cancer program
- Hands That Transform project
- Tree planting for Baja California
- Recycling “Fashion” Show to demonstrate awareness of the importance of recycling
- Health Fair for employees and their families
- Kids Olympics to build fitness awareness

Together in Motion.

"Adopt a Tree" program

Made 150 environmental commitments! Thanks to everyone who took a tree!

In late December of 2012, DJO Global acquired the Exos Corporation in Arden Hills, Minnesota. This was the only acquisition completed in 2012. All employees were transitioned to DJO Global payroll in early 2013. There have been no direct negative impacts to the existing Exos business or employees as a result of the acquisition.



Environmental Disclosures

Management Approach to Environmental Disclosures

At DJO Global, we take pride in making sure we protect both our people and the environment as part of corporate culture. Our worldwide operations will meet or exceed applicable government and/or DJO Global standards.

With our lean culture to guide us, we strive to eliminate all work-related injuries and adverse health impacts, reduce wastes and emissions and promote resource conservation to minimize our environmental impacts. We will account for our progress on these efforts in our annual sustainability report, which can be found on the DJO Global website. While we have not yet set specific long-term goals, future goal setting at DJO for our environmental, economic and social categories will involve the following areas of focus:

Environmental Stewardship

DJO strives to reduce its energy and water intensity. Related to Climate Change, we will be reducing GHG emissions by purchasing more electricity generated by renewable sources, working with our transportation partners to streamline operations, examining commuting habits of our employees and by conservation measures. We will strive to reduce our total GHG emissions by 5% in 2013. We also continuously examine our distribution network to consolidate freight costs, which also yields environmental benefits.

Reduce consumption of water through more efficient manufacturing operations, installation of low flow appliances and through conservation. We will strive to reduce our water intensity by 5% in 2013.

Decrease landfill waste by source reduction, increasing recyclable content and increasing levels of recycling in all DJO Global locations. In 2012 we mapped and measured our waste streams at all of our major facilities. Armed with that information, our teams have made progress to reduce landfill disposal amounts and costs. Our goal for 2013 is to continue to drive this effort aiming at 25% reduction in landfills versus our baseline year of 2010.

Through Lean techniques we are reducing the amount of scrap in our manufacturing processes. Many of these practices reduce scrap on the front end, eliminating not only the back end scrap, but also the energy required to recycle and reprocess the scrap material. Office-based recycling and corrugate recycling has reduced the amount of waste destined for landfills. We are also working to ensure our e-waste partners are being environmentally responsible.

Internal programs to strengthen our diversity and culture

We believe that our employees are the cornerstone of our success. DJO Global makes every effort to increase employee involvement and participation by embracing diversity and equal opportunity in our work place, be active in employee training and foster a culture based on defined corporate values.

We will protect our employee's health and the environment with a continued focus on environmental, health and safety (EHS) programs to make DJO Global's workplace safer for employees and for the community. Promoting safety in our work place has created a safer environment at a lower cost for the Company. DJO Global targets our OSHA Total Incident Rate goal to be 2.0 or less.

External initiatives to strengthen the communities where we have a major presence

We are an engaged corporate citizen globally and locally. In the communities where we have a major presence, we are helping to create stronger, safer and more sustainable communities through employee volunteerism, employee and corporate donations and corporate support of employee-based wellness programs.

Product Stewardship

The majority of DJO Global's products are medical devices designed for single patient use, which places a burden on our global landfills. We believe we can reduce this burden by designing better packaging that is smaller, more recyclable and includes a greater content of post-consumer recycled content. We are also examining our existing products to assess where we have the opportunity to use more environmental preferable materials and we are enlisting our supply chain to be responsive to this and other improvements. We are also exploring tear-down and recycling options for devices and equipment where possible.

Further, we are examining product development processes to ensure our new products are designed with environmental concerns in mind. Last, we are continuing the third year of a pilot program with one of our key customers to recycle one of our high-use products. In 2013, the company is looking to lease certain capital type equipment in one of our channels to further reduce disposal issues for customers and recycle/refurbish equipment rather than replace it. We believe the above actions will enable DJO to strengthen its supplier-of-choice status with our customers.

Compliance

DJO Global will conduct all aspects of our business in an ethical manner. The Company requires that all of its directors, officers, and employees observe high standards of integrity and honesty and act with care, diligence and fairness in all business activities. Interactions with all stakeholders and wider society should be conducted in an ethical and legal manner. All must comply with DJO Global's Code of Conduct and all supporting policies, the laws, regulations and codes of all countries in which we operate.

Energy Conservation

DJO Global is working to reduce its global energy usage through conservation programs that will target reducing energy consumption. Through purchase of Renewable Energy Credits (REC), DJO reduced its total Greenhouse Gas (GHG) emissions in 2011 and 2012 while providing clean power sources to the much of North America's energy grid from wind, solar, geothermal and hydroelectric sources. In 2013 and beyond, we will work to identify new means of conserving energy, insulating our facilities and reducing our carbon footprint globally.

The most senior position with responsibility for DJO Global's sustainability is Gerry McDonnell, Executive Vice President, Global Quality and Operations.

ASPECT: MATERIALS

EN1 Materials Used by Weight or Volume

DJO Global operates in an integrated manufacturing and distribution environment. Basic raw materials are processed through many stages to produce products that are sold as finished goods. Additionally, the Company buys certain finished products from manufacturers to modify or sell to customers.

The seven major raw materials streams that feed the integrated production of the Company’s finished goods include: fabrics and laminates, polypropylene, nylon, PVC, ABS, Acetyl and metals such as steel, stainless steel and aluminum. The Company purchases these raw materials on both short and long-term contracts.

Fabrics and Laminates	Yards per Year
Fiber laminate	40,000
Suede laminate	75,000
Foam/Laminate	150,000
VF Cuff laminate	96,000
Urethane laminate	234,000
Total	595,000

Polypropylene	Pounds per Year
Gray Boots	825,000
White Shells	132,000
Total	957,000

Nylon - pounds per year 832,000

PVC Film - Yards per year 400,500

ABS 190,000 lbs per year

PVC (resin) 121,000 lbs per year

Acetyl 23,000 lbs per year

Metals	Pounds per year
Aluminum 5052	1,200,000
Aluminum 6061	445,000
Stainless 304	482,000
Stainless 301	21,000
Carbon Steel	21,000
Total	2,169,000

EN2 Percentage of Materials Used that is Recycled Input Materials

Most DJO Global production processes and products do not involve externally-sourced recycled materials with the exceptions of MRO (Maintenance, Repair and Operations) materials, office supplies and packaging materials. We are increasing the amount of recycle-based materials on a category by category basis. Currently the external recycle stream in our business is less than 1 percent of total raw material. Many of the externally sourced metals stock we utilize do contain a certain percentage of recycled content, but we are unable to quantify this amount.

Recycled Materials Summary:

Office copy paper:

Contains 30% post consumer recycled content

Packaging materials:

Outer shipper corrugate containers contain at least 45% recycled material

Primary packaging boxes contain 90% post consumer recycled content

ASPECT: ENERGY

EN3 Direct Energy consumption by Primary Energy Source

DJO Global’s total direct energy consumed from burning fossil fuels in 2012 totaled 43,607 gigajoules. Of this amount, 23,459 gigajoules were consumed in our knitting plant in Asheboro, North Carolina alone. In 2013, DJO Global will address means to reduce this consumption where possible around the world.

Global Direct Fossil Fuels Usage (Therms and Gigajoules)					
Site	Fuel Type	Therms	Gigajoules	People	Intensity
Asheboro	Natural Gas	222,342	23,459	228	103
Austin	Natural Gas	2,936	310	179	2
Clear Lake	Natural Gas	13,551	1,430	152	9
Ecublens	Fuel Oil	1,953	206	31	7
Freiburg	Fuel Oil	11,513	1,215	221	5
Guildford	Natural Gas	13	1	58	0
Herentals	Natural Gas	9,580	1,011	19	53
Indianapolis	Natural Gas	33,660	3,551	105	34
Mequon	Natural Gas	22,851	2,411	163	15
Mississauga	Natural Gas	3,634	383	28	14
Shoreview	Natural Gas	18,298	1,931	381	5
Vista	Natural Gas	32,207	3,398	458	7
		372,538	39,306	2,023	19
Total LPG (Propane Gas) used:			662	Gigajoules	
Diesel fuel from company vehicles:			3,196	Gigajoules	
Gasoline from company vehicles:			443	Gigajoules	
DJO Global Inc. Total (all sources):			43,607	Gigajoules	

Note that the majority of energy in Scope 1 emissions is used to heat water for our Asheboro dyeing operation (54%) and to heat our factories and offices (36%). The small balance (10%) not used for heating is used to provide vehicles such as trucks and forklifts with motive power.

EN4 Indirect Energy Consumption by Primary Source

Indirect energy consumed by the Company is primarily related to the global consumption of purchased electricity. In 2012, the Company estimates that indirect energy usage to run DJO Global’s worldwide operations to produce products in our manufacturing facilities and run our office spaces came from purchased electricity totaling approximately 34.8 million kilowatt hours or 125,324 gigajoules. This amount includes approximately 6.8 million kWh of electricity, or 24,437 gigajoules that DJO Global estimates its contract manufacturing partners consumed in connection with DJO-related business.

In 2012, DJO did offset its electricity purchases with 28.5 million kilowatt hours or 102,600 gigajoules of renewable energy credits (REC) or electricity produced from renewable sources such as wind, solar and hydroelectric power. This quantity of renewable energy was be added into the electrical grid on DJO Global’s behalf in 2011 and 2012. This amount of energy is equivalent to reducing 10,400 Metric Tons of CO2.

Global Electricity Consumption (Gigajoules)				
Site	kWh	Gigajoules	People	Intensity (per EE)
Asheboro	7,202,660	25,930	228	114
Austin	2,675,000	9,630	179	54
Barcelona	66,656	240	32	7
Cape Town	46,713	168	11	15
Clear Lake	1,148,914	4,136	152	27
Ecublens	25,804	93	31	3
Freiburg	226,008	814	221	4
Guildford	47,854	172	58	3
Herentals	30,535	110	19	6
Hong Kong	5,774	21	4	5
Indianapolis	1,042,260	3,752	105	36
Malmo	49,934	180	26	7
Mequon	1,232,480	4,437	163	27
Milan	14,450	52	15	3
Mississauga	156,960	565	28	20
Mouguerre	248,276	894	163	5
Sfax	553,979	1,994	221	9
Shanghai	2,509	9	10	1
Shoreview	4,427,040	15,937	381	42
Sydney	36,602	132	15	9
Tijuana	8,248,606	29,695	2,278	13
Vista	7,323,239	26,364	458	58
	34,812,253	125,324	4,798	26
Add subcontracted production (est.):		24,437	Gigajoules	
DJO Global, Inc. & Subcontracted:		149,761	Gigajoules	

EN5 Energy Saved Due to Conservation and Efficiency Improvements

2012 is DJO Global’s third year for officially reporting its energy consumption and the Company has been focused on reducing its energy intensity (energy consumed per unit manufactured) annually for several years through Lean initiatives and through conservation measures.

Many energy conservation projects have been undertaken and are continuing through 2013. Primary improvements have been focused on lighting improvements; moving to more energy efficient lighting and timers and sensors to turn off lights when not in use. Other projects have been undertaken to improve boiler and water heating systems and better insulate our facilities to both heat and cold intrusion. Investigation into natural gas fuel cell systems are being investigated for our eligible US operations.

Global Electricity Comparison (Gigajoules)					
Site	2012		2011		Usage Change (%)
	People	Gigajoules	People	Gigajoules	
Asheboro	228	25,930	208	23,555	10%
Austin	179	9,630	183	10,256	-6%
Barcelona	32	240	30	244	-2%
Cape Town	11	168	14	63	166%
Clear Lake	152	4,136	166	3,748	10%
Ecublens	31	93	19	121	-23%
Freiburg	221	814	216	789	3%
Guildford	58	172	49	259	-33%
Herentals	19	110	19	236	-53%
Hong Kong	4	21	3	26	-20%
Indianapolis	105	3,752	80	2,940	28%
Malmö	26	180	27	247	-27%
Mequon	163	4,437	170	3,942	13%
Milan	15	52	14	63	-18%
Mississauga	28	565	25	565	0%
Mouguerre	163	894	146	709	26%
Sfax	221	1,994	221	1,433	39%
Shanghai	10	9	10	13	-31%
Shoreview	381	15,937	390	7,838	103%
Sydney	15	132	12	132	0%
Tijuana	2278	29,695	2175	27,741	7%
Vista	458	26,364	468	13,009	103%
	4,798	125,324	4,645	97,930	28%

Global Fossil Fuel Comparison (Therms)						
Site	Fuel Type	2012		2011		Usage Change (%)
		People	Therms	People	Therms	
Asheboro	Natural Gas	228	222,342	208	217,343	2%
Austin	Natural Gas	179	2,936	183	1,787	64%
Clear Lake	Natural Gas	152	13,551	166	14,813	-9%
Ecublens	Fuel Oil	31	1,953	19	1,950	0%
Freiburg	Fuel Oil	221	11,513	216	185,373	-94%
Guildford	Natural Gas	58	13	49	11	18%
Herentals	Natural Gas	19	9,580	19	24,021	-60%
Indianapolis	Natural Gas	105	33,660	80	26,478	27%
Mequon	Natural Gas	163	22,851	170	32,257	-29%
Mississauga	Natural Gas	28	3,634	25	4,024	-10%
Shoreview	Natural Gas	381	18,298	390	20,147	-9%
Vista	Natural Gas	458	32,207	468	24,460	32%
		2,023	372,538	1,993	552,664	-33%

From 2011 to 2012, the energy consumed per unit manufactured was increased due several factors. First, the Vista site increased its energy intensity by adding a Manufacturing Facility about a half mile from the corporate headquarters. The additional 53,000 square feet is an air-conditioned space with an additional custom brace manufacturing line that consumes electricity for the curing ovens and compressors. Second, in 2012 all of the United States experienced a record hot summer. This added additional cooling requirements compared to 2011. Third, volume has increased in our electrically intensive processes such as injection molding in our Tijuana operation.

The 6% increase in units manufactured was not in line with the 28% increase in electricity usage from 2011 to 2012. The primary reason for the large reduction in Therms from 2011 to 2012 is the adjustment of the usage in Freiburg. The number from 2011 is out of line but remains what was reported and purportedly used in 2011. The large increase in Therms for the Vista site is the addition of natural gas for paint system air intake heating at the new manufacturing location.

EN6 Initiatives to Provide Energy-Efficient or Renewable Energy-Based Products and Services and Reductions in Energy Requirements as a Result of these Initiatives

DJO Global primarily manufactures and distributes medical devices and orthopedic products that are not dependent on energy for their use and application by patients. Products that do use electrical energy for power in order to provide therapy and treatment include battery operated TENS and other electro-therapy stimulation units. Battery powered devices represent approximately 2% of our total units produced.

Certain other products that utilize plug in electricity include cold therapy devices for home use, laser/ultrasound therapy machines, hot/cold therapy collators, powered tables and continuous passive motion machines used in clinical physical therapy settings, but these items, calculated on a percent of units sold represent a small part of the total. Our product development teams consider energy efficiency when developing new technology platforms or new products. DJO Global provides computers to its employees worldwide. The computers are rated EnergyStar™ 5.0 compliant.

EN7 Initiatives to Reduce Indirect Energy Consumption and Reductions Achieved

DJO Global has made efforts to conserve and reduce indirect energy consumption. One minor reduction from 2011 to 2012 was in air travel by employees. For 2012, the number of flights was reduced by 0.4%. Other key reductions have been in reducing trash/landfill hauling and disposal. As measures and trends are captured, more efforts will be directed toward improvements in this aspect for 2013 and beyond.

2012 Employee Air Travel GHG Comparison									
Country	2012			2011			Miles	Flights	GHG
	Total Miles	Total Flights	GHG (kg)	Total Miles	Total Flights	GHG (kg)	Change (%)	Change (%)	Change (%)
Australia	466,988	230	76,056	244,259	181	35,441	-91%	-27%	-115%
Belgium	343,615	304	88,973	258,344	299	68,635	-33%	-2%	-30%
Canada	255,695	232	38,376	225,845	201	39,116	-13%	-15%	2%
France	210,785	244	58,788	263,271	386	51,010	20%	37%	-15%
Germany	167,838	122	31,676	121,183	144	15,027	-38%	15%	-111%
Hong Kong	63,670	24	9,803	148,522	98	34,119	57%	76%	71%
Spain	0	0	0	42,784	81	7,427	100%	100%	100%
Sweden	36,862	104	6,442	58,594	110	9,058	37%	5%	29%
Switzerland	426,941	315	71,291	393,457	345	73,172	-9%	9%	3%
United Kingdom	18,208	9	4,743	311,373	488	57,975	94%	98%	92%
United States	15,347,696	17,263	2,708,880	15,816,090	18,445	2,715,989	3%	6%	0%
	17,338,299	18,847	3,095,027	17,883,724	20,778	3,106,969			
Improvement from 2011 to 2012:			0.4%						

In 2013, DJO Global's primary efforts to reduce indirect energy consumption will be from the following actions:

Employee travel:

- Encourage more efficient travel through combined destinations
- Use web-based teleconferencing as much as possible
- Eliminate unnecessary trips;

Employee commuting:

- Encourage car pooling and use of energy-efficient vehicles (hybrid, NGV, electric vehicles, bicycles)
- DJO Global subsidize use of mass transportation
- DJO Global sponsorship of work from home programs;

Employee sales travel:

- Encourage the purchase of more energy-efficient vehicles (hybrid, NGV, electric vehicles, bicycles)
- Make sales call patterns more efficient;

Transportation of raw materials and finished goods:

- Increase production volume in Tunisia that is currently made in Mexico but sold in Europe to have production volumes closer to the point of sale. Use more efficient intermodal shipping strategies, for example, ocean freight instead of air freight;
- Drop ship to Europe/Africa versus shipping to North America and then again to Europe/Africa

Use of "Energy-Intensive" materials:

- Through our design processes, our R&D teams will be looking for opportunities to use less energy intensive materials. Primarily this means transitioning from metals to fabrics and plastics or composites. Development in composite and other nanotechnology-based materials is providing new opportunities to reduce strength dependence on metals, one of the primary energy-intensive materials utilized by DJO

Subcontracted production:

- Utilize subcontracted production closer to the markets where products are sold to reduce transportation-related costs and GHG emissions;

Transportation of waste:

- Reduce the output of waste generated through conservation and reusing, reducing and recycling. In some sites, the transportation of waste has been reduced from every two weeks to just one time per month due to recycling improvements.

ASPECT: WATER

EN8 Total Water Withdrawal by Source

Water is a precious resource and DJO Global is committed to reducing its water footprint in addition to its carbon footprint. The Company has undertaken a number of initiatives to reduce water usage at its North American manufacturing sites, including the use of low flow fixtures, water sensors and waterless systems in restrooms; reducing landscape irrigation times; and the use of recirculation systems where water is used in manufacturing operations.

Global Water Usage (Cubic Meters)				
Site	Gallons	CU Meters	People	Intensity (per person)
Asheboro	10,632,819	40,249	228	177
Austin	1,982,283	7,504	179	42
Barcelona	36,815	139	32	4
Cape Town	67,984	257	11	23
Clear Lake	818,720	3,099	152	20
Ecublens	34,701	131	31	4
Freiburg	155,145	587	221	3
Guildford	285,517	1,081	58	19
Herentals	12,664	48	19	3
Hong Kong	6,332	24	4	6
Indianapolis	60,156	228	105	2
Malmo	57,053	216	26	8
Mequon	360,272	1,364	163	8
Milan	13,946	53	15	4
Mississauga	8,415	32	28	1
Mouguerre	341,090	1,291	163	8
Sfax	562,612	2,130	221	10
Shanghai	1,188	4	10	0
Shoreview	2,044,194	7,738	381	20
Sydney	13,946	53	15	4
Tijuana	4,906,612	18,573	2,278	8
Vista	2,285,888	8,653	458	19
	24,688,352	93,455	4,798	19
Add subcontracted production:		9,990 Cubic Meters (est.)		
Add sales people (4 CU each):		2,216 Cubic Meters (est.)		
DJO Global, Inc. & Subcontract		105,661 Cubic Meters (est.)		

Worldwide, DJO Global sources its water from municipal suppliers. DJO did not utilize any direct water source from surface water, ground water, rain water or waste water supplies. DJO’s total withdrawal in 2012 was approximately 105,661 cubic meters. This global total includes 9,990 cubic meters attributable to outsourced suppliers of finished goods. It was determined by applying a water intensity factor (water consumed per unit produced), estimated from our own Tijuana plant usage, and multiplied by the number of units purchased from the outsourced suppliers.

DJO Global’s water consumption in 2012 was up just 3% on an absolute basis compared to 2011. The primary contributor to this increase was the 40,249 cubic meters consumed at the company’s dyeing operation in Asheboro, North Carolina. Using water consumed per unit manufactured, the change from 2011 to 2012 was a reduction of 2.5%.

EN9 Water Sources Significantly Affected by Withdrawal of Water

Of DJO Global’s worldwide sites, over 90% of the total Company’s water consumption occurs through its eight largest operations. Each of these eight sites and their water sources are listed in the following chart.

<u>Site</u>	<u>Water Source(s)</u>
Vista, CA	Colorado River, San Francisco/San Joaquin Bay, Lake Henshaw
Shoreview, MN	Jordan aquifer
Clear Lake, SD	Brookings-Deuel Rural Water System: Clear Lake and Joint well fields
Austin, TX	Colorado River
Tijuana, Mexico	Colorado River, Carrizo Dam
Sfax, Tunisia	National Company of Exploitation and Distribution of Water
Asheboro, NC	W. Clyde Lucas Lake, W.A. McCrary Lake, Back Creek Lake, Richardson Lake
Mequon, WI	Lake Michigan

DJO has utilized the World Business Council for Sustainable Development water analysis tool to enable us to determine whether or not any of our office, manufacturing and distribution locations around the world operate in a water stressed region as defined by the World Business Council’s Global Water Tool. This tool allowed DJO to better analyze and understand any local water-related risks and challenges. The analysis identified three locations as water stressed priority sites from a water management perspective.

<u>Location</u>	<u>Water Source(s)</u>
DJO Global Vista Headquarters	Purchased freshwater
DJO Global Tijuana, Mexico manufacturing facility	Purchased freshwater
DJO Global Sfax, Tunisia manufacturing facility	Purchased freshwater

EN10 Percentage and Total Volume of Water Recycled and Reused

Recycled water and water reuse totals are not compiled for the total company. Some water recycle and reuse data is collected for two specific sites, namely DJO Global’s Tijuana, Mexico operations, which is the site of the second highest water consumption for the total company, representing about 20% of DJO Global’s total annual water withdrawal, and the Company’s world headquarters in Vista, CA, which represents about 9% of DJO Global’s annual water withdrawal. Overall, the volume of recycled and reused water is insignificant compared to DJO’s total global withdrawal. That said DJO recognizes the need to continue to look for new ways to conserve, recycle and reuse water in its manufacturing and office locations.

In the Company’s Tijuana, Mexico facility, DJO Global has reduced its water usage associated with the testing of its circulation pumps that are part of the Company’s cold therapy devices. The site now re-circulates the water used to test these pumps instead of using a continuous flow process, reducing its water withdrawal and discharge. In 2011, the facility also installed zero water flush urinals to further reduce water consumption in Tijuana. In total these measures have reduced the annual use of virgin water by approximately 1.3 million gallons (5,100 cubic meters), or approximately 21% of the Mexico plant’s intake.

Some other recycle and reuse measures utilized in Vista, CA include:

- 1) Water is used to lubricate and cool some manufacturing processes. It also helps to trap the fiber dust created in other processes. While the amount of water used in the process is not significant, DJO Global has modified the process to use very little water. This has cut the water usage by 90% for this process;
- 2) In other DJO processes, the Company has reduced its water usage in certain operations by approximately 70% by recycling water. In addition to this, the Company has switched from a distillation process, which is both inefficient and consumes large amounts of electricity to boil water, to a Reverse Osmosis system. While still not an efficient water system, the RO systems does not consume electricity.

ASPECT: BIODIVERSITY**EN11 Location and Size of Land Owned, Leased, Managed in, or Adjacent to, Protected Areas and Areas of High Bio-Diversity Value outside Protected Areas**

This indicator helps DJO Global identify and understand risks associated with biodiversity. Since 2011, DJO Global has reviewed the locations where its operations exist in proximity to areas of high biodiversity value. Refer to section 3.6 for site inventory (company locations).

Each of DJO Global's worldwide facilities was analyzed for its location according to the following registries:

- United Nations Biosphere Reserves
- Conservation International's Biodiversity Hotspots and Wilderness Areas
- World Wildlife Fund's Global 200 Eco Regions
- Bird Life International's Important Bird Areas
- IUCN's Centers of Plant Diversity

None of DJO Global's facilities are located within or in proximity to any areas considered high in biodiversity.

A number of DJO Global's sites are located with the World Wildlife Fund Global 200 Eco-regions:

- Asheboro – Temperate coastal rivers
- Austin – Temperate coastal rivers
- Australia – Temperate broadleaf & mixed forests
- Barcelona – Mediterranean forests, woodland & scrub
- Cape Town - Temperate coastal rivers
- Clear Lake – Freshwater
- Freiburg - Freshwater
- Hong Kong – Tropical & subtropical moist broadleaf forests
- Mequon – Large lakes
- Milan– Mediterranean forests, woodland & scrub
- Sfax – Mediterranean forests, woodland & scrub
- Shoreview – Temperate grasslands, savannas & shrub-lands
- Tijuana – Mediterranean forests, woodland & scrub
- Vista – Mediterranean forests, woodland & scrub

Additionally, two of DJO Global's sites, Vista, CA and Austin, TX are located within the IUCN's Centers of Plant Diversity.

EN12 Description of Significant Impacts of Activities, Products, and Services on Biodiversity in Protected Areas and Areas of High Biodiversity Value outside Protected Areas

None of DJO Global's facilities are located within or in proximity to any areas considered high in biodiversity. The Company is not aware of any events in 2012 that could have caused any significant impact on biodiversity in protected areas or areas of high biodiversity value.

EN13 Habitats Protected or Restored

At this point in time, DJO Global has not undertaken any projects to protect or restore any habitat.

EN14 Strategies, Current Actions, and Future Plans for Managing Impacts on Biodiversity

This indicator does not apply to DJO Global (see EN11 and EN12).

EN15 Number of IUCN Red List Species and National Conservation List Species with Habitats in Areas Affected by Operations, by Level of Extinction Risk

This indicator does not apply to DJO Global.

ASPECT: EMISSIONS, EFFLUENTS AND WASTE

EN16 Total Direct and Indirect Green-house Gas Emissions by Weight

Approximately 28.4% of the Company’s 2012 GHG emissions resulted from direct and indirect emissions related to the consumption of energy. This percentage is unchanged from 2011. This offers DJO Global an important avenue to approach its newly established annual GHG emission reduction target of 5% by continually exploring ways to conserve fossil fuel and electricity consumption through employee behavior, more efficient equipment and lighting, as well as purchasing electricity from renewable sources.

Global (GHG) Emissions (Metric Tons CO2)				
Source	Type	GHG	Per Person	Per Unit Mfg
Scope 1	Direct	2,077	0.448	0.000066
Scope 2	Indirect	18,202	3.927	0.000579
Scope 3	Other Indirect	53,507	11.544	0.001702
		73,786		

Direct GHG emissions (Scope 1 emissions), are emitted from sources owned by DJO Global, and include Kyoto greenhouse gases such as carbon dioxide, methane and nitrous oxide. The Company does not believe it is an emitter of sulphur hexafluoride. Our 2012 direct GHG emissions are expressed as carbon dioxide equivalents. Indirect GHG emissions (Scope 2 emissions), are the consequence of DJO’s consumption of purchased electricity. Emissions from purchased electricity are actually emitted by the company generating the electricity. DJO’s contract manufacturers located throughout the world had their Scope 1 and Scope 2 emissions estimated based on manufacturing type and similarity to DJO’s global production emissions. DJO Global’s primary sources of Scope 1 and Scope 2 green house gas emissions in 2012 are as follows:

- Scope 1: Stationary and mobile consumption of fossil fuels totaled **2,077 metric tons** (2.8% of total GHG emissions). These emissions result primarily from the consumption of natural gas used in some manufacturing operations and to heat and cool our buildings (See also EN3). Measurement of Scope 1 emissions was made from utility records, fuel receipts and extrapolations from fuel receipts and estimations for contract manufacturers;
- Scope 2: Indirect energy usage from purchased electricity totaled **18,202 metric tons** of CO2 equivalents (24.7% of total emissions). Purchased electricity is used to power DJO Global’s manufacturing operations, as well as its office spaces (See also EN4). Measurement of Scope 2 emissions was made from utility records and estimations for contract manufacturers.

EN17 Other Relevant Indirect Green-house Gas Emissions by Weight

DJO’s relevant indirect GHG emissions are reported below and the sources noted. DJO Global was not able to estimate other relevant indirect emissions for its U.S.-based contract manufacturers, but believes the GHG emissions related to this are insignificant to the Company’s total Scope 3 emissions. Emissions from contract manufacturers outside of the United States that supply DJO Global with certain purchased finished goods were estimated by applying known energy intensity factors (energy consumed per unit manufactured) from the Company’s manufacturing operations in Mexico to the total quantity of units purchased.

DJO's global Scope 3 "Other Indirect" GHG emissions totaled **53,507 metric tons** of CO₂ in 2012. This is a 4% reduction from 2010 for the sources listed:

Other Indirect GHG Emissions Comparison (Metric Tons CO ₂)			
Emission Type	2012	2011	Source/Comments
Employee Air Travel	3,095	3,107	Corp Travel Agency data
Employee Car Rental	311	295	Car Rental Agency data
Employee Commuting	6,435	6,275	Commuting surveys and estimates
Employee Sales Mileage	3,979	7,216	Mileage reimb. Data
Transportation of Materials	18,515	17,453	UPS 2011/2012 data and estimates
Energy Intensive Materials	10,082	9,503	Research papers, data, and estimates
Defiance Volitale Organic Compounds	14	13	Estimates and records tied to disposal
Subcontracted Production	11,061	10,435	Estimates tied to DJO production
Transportation of Waste	15	16	Estimates based on actual mileage
	53,507	54,313	

EN18 Initiatives to Reduce Greenhouse Gas Emissions and Reductions Achieved

DJO Global has identified and implemented a number of ways to reduce its GHG emissions. From 2011 to 2012, DJO Global achieved a 2.2% net reduction in total GHG emissions. From 2010 to 2012, a reduction of 8% was achieved in total tons of GHG. While some reduction was through conservation and reduction efforts, most came from the Renewable Energy Credits (REC) purchased in 2010. Note that on a per person basis and per unit manufactured basis, our GHG emissions for Scope 1 and Scope 3 sources actually decreased from 2011 to 2012. In 2013, our goal is to achieve a global GHG reduction of 5% (see also EN7). All of our GHG reporting and initiatives to reduce GHG emissions are voluntary.

Global Greenhouse Gas (GHG) Emissions (Metric Tons CO ₂)										
		2012			2011			2010		
Source	Type	GHG	Per Person	Per Unit Mfg	GHG	Per Person	Per Unit Mfg	GHG	Per Person	Per Unit Mfg
Scope 1	Direct	2,077	0.448	0.000066	3,234	0.698	0.000103	3113	0.700	0.000105
Scope 2	Indirect	18,202	3.927	0.000579	18,162	3.918	0.000578	15786	3.547	0.000533
Scope 3	Other Indirect	53,507	11.544	0.001702	54,005	11.652	0.001718	55676	12.511	0.001879
		73,786			75,401			74,575		
GHG reduction due to RE		5,200	Metric Tons (actual REC)		5,200	Metric Tons (actual REC)		-	Metric Tons (actual)	
DJO Global Net GHG:		68,587	Metric Tons		70,201	Metric Tons		74,575	Metric Tons	

DJO Global Initiatives implemented toward reduction of Greenhouse Gas Emissions:

- Centralized our distribution network to consolidate freight costs. We established a distribution center (DC) adjacent to our manufacturing facility in Mexico that serves the western states of the U.S. Simultaneously, we established a second DC in Indianapolis, IN that serves the eastern states of the U.S.
- In 2012, on two routes of intercompany transfers, we implemented intermodal (primarily railroad) transportation services to replace traditional trucking services:
 1. Mexico manufacturing and distribution center to Indianapolis distribution center
 2. Mexico manufacturing and distribution center to Clear Lake manufacturing facility
- In 2011 DJO Surgical completed the transition to using re-usable plastic outer transport boxes to carry sterilized surgical instrumentation to hospitals instead of corrugate containers.

- Purchased 28.5 million kWh of Renewable Energy Credits over a two year period to offset DJO Global's GHG emissions from purchased electricity (2011 event that applies to 2011 and 2012) – this is equivalent to 10,400 Metric Tons of CO2 reduction
- Implemented "Floor Loading" in the trailers that leave our DC's to maximize the size of the load. Floor loading enables DJO Global to carry 15% more finished goods per load
- Recycling shipper boxes used to transport finished goods between the Company's manufacturing plant in Mexico and its distribution center in Indianapolis
- DJO Global's facility in Canada switched to 100% renewable electricity in 2010
- Initiated a Sustainability Reporting process throughout DJO Global enabling the Company to measure its emissions
- Use of environmentally friendly cleaning products by DJO Global staff and cleaning crews
- Implemented automated lighting and/or air conditioning controls in all facilities
- Forced (via computer network systems) an automatic screen saver to majority of DJO employees to put computer monitors to sleep after 15 minutes of inactivity
- Implemented new manufacturing processes and equipment that use less electricity
- Designed and implemented energy efficient lighting systems in many DJO Global facilities
- At DJO surgical, we switched many products from outsourcing from external vendors to manufacturing ourselves in our own facilities to cut transportation costs and time in transit. It accomplished the goals of reducing freight costs, product costs, inventory and reduce transportation related CO2 emissions

EN19 Emissions of Ozone-depleting Substances by Weight

DJO Global does not use or emit ozone-depleting substances (ODS) in its products or services.

EN20 NO_x, SO_x, and Other Significant Air Emissions by Type and Weight

DJO Global is not a significant emission source for NO_x, SO_x, persistent organic pollutants (POP), volatile organic compounds (VOC), hazardous air pollutants (HAP), stack and fugitive emissions, particulate matter (PM) or other regulated compounds.

The relatively small amount of VOC emissions from the Company's manufacturing sites is related to the use of primer, paint and other coatings, adhesives and cleaning solvent. These emissions are regulated by various authorities and used under the requirements of permits by authorized agencies. For the most recent data available from DJO Global's Vista, CA location where Defiance braces, VenaFlow and CMF units are assembled; the emissions of VOC in 2012 were estimated at 14.4 tons of CO2 and included in Scope 1 direct emissions (see EN16). This estimate includes a reduction of VOC emissions from the use of lower VOC clear coat paints. An even lower VOC paint system has been tested and adopted in 2012. Further reductions through even lower VOC paints are being tested in 2013.

By comparison, the tons of CO2 emitted in 2009 were 14.9. In 2010, the amount was 13.1 tons with 11.9 tons in 2011. The increase in tons of CO2 in 2012 was directly attributed to large amounts of rework required due to extensive employee training following relocation of the production operation in the summer. It is anticipated that we will see an amount about 10-20% less than the 2012 emissions in 2013.

EN21 Total Water Discharge by Quality and Destination

In general, DJO Global consumes very little of the water withdrawn as noted in EN8 and it can be assumed that nearly all of the water withdrawn becomes water discharged. Except as noted below, nearly all discharged water is not utilized in production processes and therefore does not contain chemical contaminants. DJO Global does not attempt to measure the discharge streams for quality or destination. The primary discharge streams from DJO Global facilities are sanitary waste, which are directed to sewage treatment facilities. There

are limited discharges of wastewater directly to subsurface or surface waters via septic tank systems, for example in our Clear Lake, SD facility.

Certain aqueous waste streams are generated in very small amounts. These effluents are contained, hauled off-site and treated by licensed waste haulers and facilities. DJO Vista generates a non-hazardous wastewater stream from the Defiance brace operation in small amounts that are collected in drums and periodically hauled off-site for treatment. In 2010, this amounted to slightly more than 900 gallons of effluent generated and treated. In 2011, a Vista operations employee determined a method to reduce the water used and was able to reduce the effluent to just 133 gallons, a reduction of 82%. The disposal amount for 2012 was reduced to zero.

EN22 Total Weight of Waste by Type and Disposal Method

In 2012, DJO Global was not able to accurately measure waste streams at all of its global sites. However, very accurate records are kept at the Company’s manufacturing facilities and major sales and distribution centers. As a result, previous estimates have now been replaced with actual quantities of waste and recycling for the majority of the company’s waste and recycling levels. Smaller sites have been estimated based on similar functions and populations to arrive at the totals for Global Waste Weight.

Global Waste Weight (Tons)		
Waste Type	Method	Weight
Biohazardous Waste (medical)	Incineration	0.58
General Waste	Land disposal	816.07
Hazardous Waste	Land disposal	32.48
Manufacturing Waste	Land disposal	1,032.47
Biohazardous Waste	Land disposal	1.06
Total Waste Disposed	Disposed	1,883
Manufacturing Waste Recycling	Recycled	579.62
E-waste	Recycled	15.69
Computers/Equipment	Recycled	2.85
Hazardous Waste	Recycled	2.12
Corrugate/Paper	Recycled	2,132.21
Pallets/Wood	Recycled	529.37
Plastic/Shrink Wrap	Recycled	223.14
Metals	Recycled	520.37
Batteries	Recycled	3.05
Total Waste Recycled	Recycled	4,008

Compared to 2011, the total weight of waste decreased by 12.7% and the total weight that was recycled increased by 20.6%. Most of these improvements are due to the increase in recycled materials that previously have been land disposed. Most of DJO Global’s locations have undertaken steps to reduce the impact of general waste generation. A baler is used to compact cardboard/carton materials in most major sites, which are then recycled instead of being mixed with common trash. Compactors for non-recyclable trash/waste are used at Asheboro, Mequon, Tijuana and Vista. As part of DJO Global’s Green Team efforts, most of the Company’s locations recycle glass, plastic bottles, aluminum cans, white paper, printer/toner cartridges, cell phones, batteries and fluorescent light bulbs.

Hazardous waste

Certain wastes by their nature are defined as hazardous and subject to stricter treatment and/or disposal standards. Hazardous waste is inclusive of special waste (non-hazardous but special handling) from the Vista, CA, Clear Lake, SD and Tijuana, Mexico manufacturing plants.

Electronic Waste

DJO Global uses a multi-pronged approach to managing electronic waste. The Company’s Vista headquarters is the centralized purchasing center for all of the Company’s business related computers globally and domestically for cell phones. Our computer supplier in 2012 had a take-back program and as these devices were decommissioned, the supplier recycled them. The supplier is an e-steward.org approved recycler.

In the U.S., DJO Global utilizes a cell phone recycling partner to recycle, reuse or to refurbish decommissioned cell phones. Our partner is fully compliant with EPA’s Universal Waste Rule established May 11th, 1995 and utilizes e-steward.org listed recyclers for phones that are recycled.

All other e-waste is managed by local e-waste recyclers. In 2011, DJO Global Vista audited its e-waste partner and found substantial compliance with proper (accepted) recycling measures. None of the recycled electronic waste was shipped to third party recyclers overseas. No hazardous materials were shipped.

Global Waste Expense (\$)		
Waste/Recycling Type	Method	Cost/Refund (\$)
Biohazardous Waste	Incineration	\$8,464
General Waste	Land disposal	\$177,153
Hazardous Waste	Land disposal	\$54,931
Manufacturing Waste Recycling	Land disposal	\$13,466
Biohazardous Waste	Land disposal	\$3,605
Total Waste Disposal Cost	Disposed	\$257,619
Manufacturing Waste Recycling	Recycled	\$122,343
E-waste	Recycled	\$1,143
Computers/Equipment	Recycled	\$0
Hazardous Waste	Recycled	\$330
Corrugate/Paper	Recycled	\$46,936
Metals	Recycled	\$488,563
Total Recycling Cost/Refund	Recycled	\$ 656,370

For 2012, collection of expenses related to waste disposal and recycling were captured for all of the manufacturing and distribution centers. In 2013, the goal is to collect expenses for all sites along with improved waste reporting for all sites. Note that in 2012 disposal costs were nearly 39% of the credits received for recycling. Previous to the 2012 report, the metal recycling from the Tijuana Machine Shop operations was not being accounted in the totals.

All of our DJO Global locations have a Green Team and Global Green Team Representative. Each site reports at monthly Global Green Team meetings on their green initiatives and results. Most of our sites have adopted recycling improvement programs. Below are several representative examples from our sites around the globe.

Mequon, Wisconsin (Dr. Comfort):

An example of one program at our Mequon, Wisconsin location is the Green Team program. At Mequon, the Green Team has introduced several recycling programs. Through their efforts, they have saved 13 barrels of oil, 46,865 gallons of water, saved 114 trees and reduced 20 cubic yards of waste that would have gone to the landfill in 2012.



Mequon, Wisconsin Green Program Efforts

Mouguerre, France:

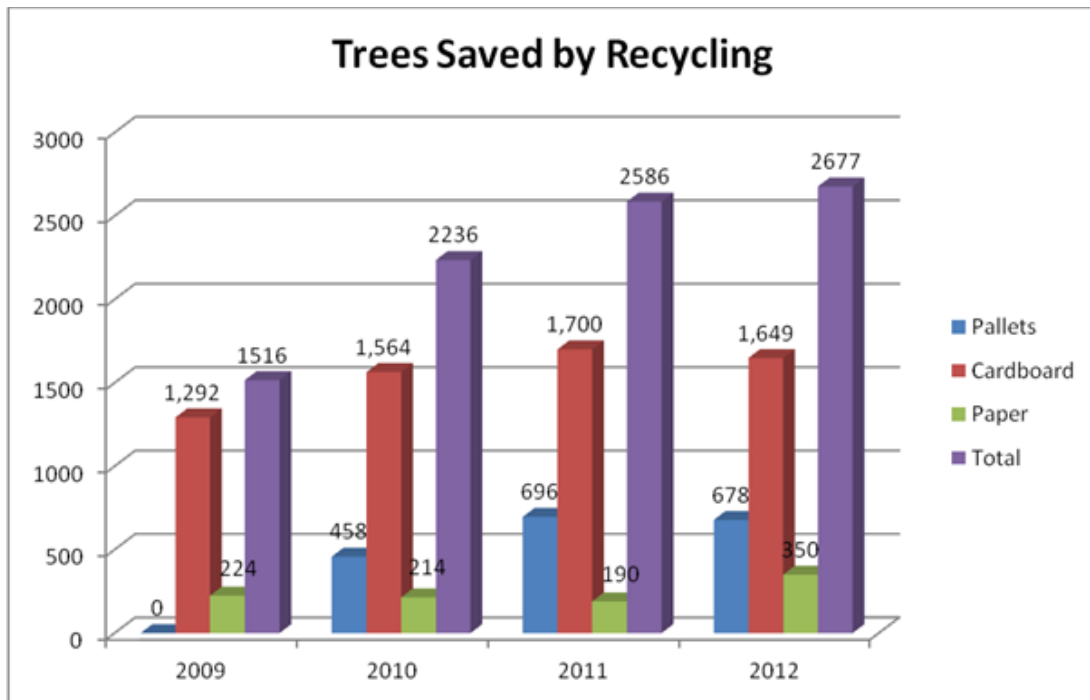
An example of one program at our Distribution Center in Mouguerre, France is implementation of a new corrugated compactor. The compactor reduced disposal trips by employees, pick-ups by the recycler, who pays for the corrugate. In 2011, the site recycled 96 tons with 69 trips to the collection bin. In 2012, even with an activity increase of 15%, the site recycled 80 tons with only 36 trips! Additionally, the distribution center employees re-use at least 95% of the boxes for internal shipments to conserve usage and reduce waste!



New Mouguerre, France Compactor and Conveyance to Recycling Bin

Clear Lake, South Dakota

In order to continue to build awareness and drive improved recycling, the Clear Lake Green Team equates paper, corrugated and pallets to trees saved. In 2012, the site recycled enough materials to equal 2,677 trees!



Clear Lake, South Dakota Recycling

Guildford, United Kingdom

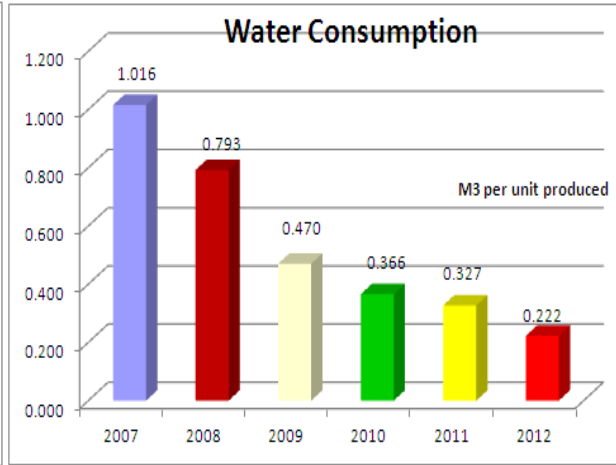
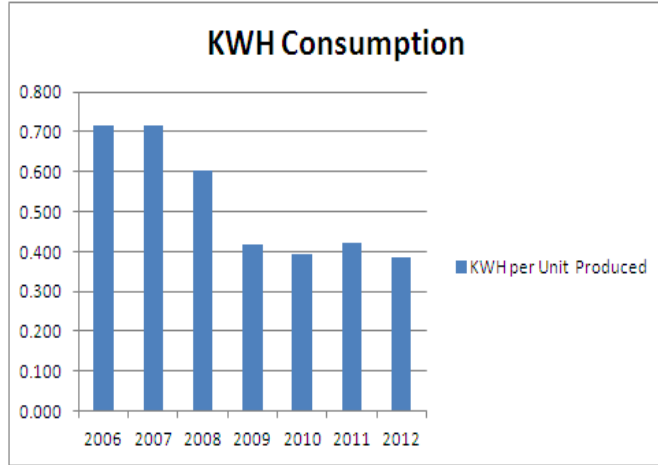
The Guildford site was the first site to achieve the ISO 14001 certification within DJO. Below is their certificate from the 2012 renewal of their certification.



Guildford, United Kingdom ISO 14001 Certificate

Tijuana, Mexico

The Tijuana site is our largest site and has made significant reductions in energy, water usage as well as reducing landfill waste and creating a consciousness around “being green” and earth-friendly! Below are examples of the efforts of the site on a per-unit-produced basis.



Tijuana, Mexico Energy and Water Consumption Reduction Trends



Tijuana, Mexico “Fashionable to Be Green” Show

- Recycled water use for landscaping irrigation only



We already bought 2,500 m3 from the Proyecto Morado city water line which represents around \$5,000 USDLLS of savings, plus the positive ecological impact!

Tijuana, Mexico Water Re-use Project

Foam Recycling – Only in 2012 we have stop sending to landfill around 80 tons of foam, **with an income of \$3,547 USD**, we are also saving a few more dollars in transportation and of course the positive impact on our lands.



Tijuana, Mexico Foam Recycling Project

Vista, California

The Vista site is located in a semi-arid region where water conservation is important. During 2012, the Vista headquarters had its landscaping modified to be more water conserving and drought resistant. The site also added corrugated drop bins near the document shredding bins to increase recycling versus disposal.

Additionally, a 5 to 1 ratio compactor was purchased for the non-recyclable wastes to reduce landfill requirements and cost.



Vista, California Water Conserving Landscaping



Vista, California Recycling Improvement and Waste Compaction

EN23 Total Number and Volume of Significant Spills

There have been no spills in the last 5 years. There have been no accidental releases of hazardous substances that can affect human health, land, vegetation, water bodies and ground water.

EN24 Weight of Transported, Imported, Exported, or Treated Waste Deemed Hazardous Under the Terms of the Basel Convention Annex I, II, III, and VIII, and Percentage of Transported Waste Shipped Internationally

Refer to EN22. No hazardous waste was transported across international boundaries.

EN25 Identity, Size, Protected Status, and Biodiversity Value of Water Bodies and Related Habitats Significantly Affected by the Reporting Organization’s Discharges of Water and Runoff

DJO Global’s water discharges are related to storm water runoff and to a lesser extent, a small volume of sanitary waste water discharged into local ground waters via septic tank operations. The runoff from storm waters, a common issue for businesses, is directed into the municipal storm drain system. DJO Global’s

operational processes are confined to building indoors and therefore are protected from rainfall and hence do not pose a threat to the environment including water bodies and related habitats.

DJO Global’s corporate headquarters in Vista, CA, has a very specialized storm water filtration and sediment collection system. The system helps protect our beaches so that contamination is filtered before entering the storm drains that lead to our beaches and bays. The Company also has special vegetation swales that filter the parking lot water run-off through a natural system of grass, vegetation and soil. This filters into another special unit (Vortex Separator) which screens the storm water and collects any debris (paper, cans, cigarette butts, etc) before discharging the water into the main storm drain which runs to the ocean.

ASPECT: PRODUCTS AND SERVICES

EN26 Initiatives to Mitigate Environmental Impacts of Products and Services, and Extent of Impact Mitigation

DJO Global attempts to mitigate the environmental impact from its packaging materials by selecting materials that are recyclable and incorporate a high degree post-consumer recycled content wherever possible. Back in 2010, DJO Global engaged its primary packaging supplier in an effort to promote more environmentally friendly packaging components. As a result, the majority of the packaging components used in the Company’s Bracing and Supports business, for example, which represents approximately 36% of DJO Global’s revenue are constructed from 90% post-consumer waste content, are printed with agri-based inks and are fully recyclable. We still use these environmentally-preferred packaging solutions today.

In addition, packaging boxes have been reduced or resized to minimize wasted air space and minimize corrugate and paper use. Where applicable, better recyclability is achieved using low density polyethylene (LDPE) bags instead of high density polyethylene bags. Corrugate shipping containers contain at least 45% recycled content. DJO Global has a practice of dialoging with its primary packaging partners and end user customers in an effort to continuously improve the environmental friendliness of its packaging and will continue to do so in the future.

One key mitigation projects undertaken in 2011 was with our customer, Kaiser Permanente. Kaiser is a key customer with DJO Global and is heavily focused on Sustainability programs with their suppliers. As a result of ongoing stakeholder discussions between Kaiser and DJO, a team was assembled to look at recycling walker/fracture boots returned by patients to Kaiser after treatment. DJO created a “kit” of a return container with the preaddressed labels and recycling bin labels (see below):



From each of the containers returned to DJO (approximately 12 per box), the boots were disassembled and then segregated into streams for disposal and recycling. In 2012, Kaiser had 17 of 23 facilities using the recycling program with DJO sending in 982 boots representing 2,340 pounds of material.

EN27 Percentage of Products Sold and Their Packaging Materials that Are Reclaimed by Category

DJO Global's product line is varied, with the majority of it being bracing and supports products, intended for single patient use. Most packaging materials that are used are done so at hospitals, clinics and physician or clinician offices. The vast majority of these medical professional offices and sites already have recycling programs to handle post consumer disposal (paper, cardboard and plastic). More than 95% of DJO's packaging materials are recyclable – paper, cardboard (paper), corrugated and low-density Polyethylene (LDPE) plastic bags.

Other DJO medical products can be reused after proper disinfection, refurbishment and strict inspection to ensure that they meet the standards for rental or resale products. Products that may be refurbished for resale/rental include electrotherapy devices for pain management, continuous passive motion (CPM) machines for orthopedic rehabilitation and vascular system pumps used to prevent post surgical deep vein thrombosis in recovering patients. All these products undergo rigorous processes of disassembly, repair, cleaning, remanufacturing, testing and verification to ensure that they meet the product standards, functionally and cosmetically. By preventing these products from needlessly ending up in landfills, the environment is protected without any loss of safety or quality to the patient.

ASPECT: COMPLIANCE

EN28 Monetary Value of Significant Fines and Total Number of Non-Monetary Sanctions for Non-Compliance with Environmental Laws and Regulations

DJO was not assessed with significant fines or non-monetary sanctions in 2012 for non-compliance with environmental laws and regulations. It is the Company's goal to ensure this achievement is continued, and to also improve the compliance processes. Increasing corporate understanding of the various federal and regional environmental laws and regulations for the locales wherein DJO operates will support this goal.

ASPECT: TRANSPORT

EN29 Significant Environmental Impacts of Transporting Products and Other Goods and Materials Used for the Organization's Operations, and Transporting Members of the Workforce

Transportation of DJO Global's products and other goods and materials used for operations is a significant component of the Company's environmental impact and is primarily related to GHG emissions from the combustion of fossil fuels.

In past years DJO Global relied heavily on air freight shipment for both U.S. domestic and International shipments. With only one distribution center at that time, located in Vista California, and with a majority of its U.S. customer base on the East Coast, DJO utilized air freight to meet customer orders and satisfy the customer's time requirements. During this same time frame, DJO also had distribution facilities in Europe. Inventory in Europe was replenished from Vista utilizing air freight.

In 2012, we implemented intermodal (primarily railroad) transportation services to replace traditional trucking services in major US intercompany transfers. Based on Wall Street Journal articles on Mar 27th, 2013, trains can move one ton about 500 miles on one gallon of fuel, which makes them three to four times more fuel efficient.

While DJO does provide transportation to approximately one-third of its employees in its manufacturing facility in Tijuana, Mexico, the GHG emissions related to this transportation is not significant (less than 1% GHG emissions related to employee commuting) but is captured in the Company’s calculation of GHG emissions related to employees commuting to work.

DJO has not attempted to quantify the significance of “noise” as an environmental impact.

ASPECT: OVERALL

EN30 Total Environmental Protection Expenditures and Investments by Type

DJO has only 3 people that perform this type of work within the company.

Waste Disposal, emissions treatment and remediation costs			
<u>Description</u>	<u>Amount</u>	<u>Site</u>	<u>Detail</u>
Environmental Managememe	\$6,000	Tijuana	
General Environmental	\$1,100	Tijuana	
Hazardous Waste Costs	\$11,534	Vista	Hazardous/special wastes costs
APCD Permits	\$7,577	Vista	Included fees for permitting VMC
HMMD Permits	\$1,923	Vista	
BOE Fees incl DTSC	\$1,548	Vista	
Subtotal	\$29,682		
Prevention and Environmental Management costs			
<u>Description</u>	<u>Amount</u>	<u>Site</u>	<u>Detail</u>
Management Expense	\$1,100	Tijuana	
Management Expense	\$39,060	Vista	
Subtotal	\$40,160		
Total Expenditures	\$69,842		



Labor Practice Disclosure

Management Approach to Labor Practice Disclosures

At DJO Global, we strive to create a working environment that is considerate of all employees, regardless of where DJO's business is being conducted around the world. It is DJO's policy to provide a work environment that meets the highest standards of equal opportunity employment. Employees, customers, patients or suppliers will not be discriminated against because of age, disability, gender, military status, national origin, pregnancy, race, religion, sexual orientation or any other factor not related to DJO legitimate business interest.

DJO maintains a policy of equal treatment of all employees and applicants for employment without regard to race, color, religion, national origin, sex, sexual orientation, age, veteran status, disability or other characteristics unrelated to a person's qualification and/or job performance, or any other basis protected by state, federal or local law, in all employment decisions including, but not limited to: recruitment, hiring, job assignment, compensation, training, apprenticeship, promotion, demotion, transfer, lay-off, discipline and separation, and with regard to all other terms and conditions of employment.

In addition, DJO maintains outreach programs for minorities, women, individuals with disabilities, veterans of the Vietnam Era, and disabled veterans that have been adopted in compliance with applicable laws and regulations. These programs set forth the specific outreach and equal employment opportunity responsibilities of managers, supervisors, and all employees. All employees are expected to ensure that equal opportunity is available to all and to demonstrate sensitivity to and respect for others.

It is the policy of DJO Global that employees be provided a work environment which is respectful and free from any form of inappropriate or unprofessional behavior, such as harassment including sexual harassment, pestering or bullying and any form of unlawful discrimination based on sex, gender, race, sexual orientation, gender identity, disability, age, ethnic origin, or other inherent personal characteristic protected by law.

We outline DJO Global's policies in our "Code of Conduct", which is provided to all new employees and may be found on DJO's public website and our internal website that is accessible to DJO employees only. Our internal website also contains a listing of all DJO policies, including competitive pay, comprehensive benefits, learning and training, career opportunities, health programs, a diverse and inclusive work environment, a harassment and drug-free work environment, handling protected patient information, how to ask a question and more.

To ensure employees remain at the top of their responsibilities and remain in compliance with all applicable laws, DJO requires continuous learning through mandatory and selected training programs, including:

- Antitrust: Talking With Your Competitors
- Confidentiality Under HIPAA: Patient Rights
- Confidentiality Under HIPAA: Using Information
- Diversity at Work
- Information Security
- Legal Basics for Medical Device Sales Representatives
- Preventing Workplace Harassment
- Preventing Sexual Harassment (employee and supervisor level training)
- Promotion of Medical Products: Basic Issues

- Performance Management (annual review focused on career development and alignment of individual and global objectives)
- The AdvaMed Code on Interactions with Healthcare Professionals
- The Federal Anti-Kickback Law
- Understanding the Foreign Corrupt Practices Act
- What You Need To Know About Email

DJO Global takes workplace safety very seriously and through management leadership, employee commitment and continuous improvement, the Company is committed to creating a safe and healthy work environment for all employees worldwide that meets or exceeds governmental safety regulations. As discussed in DJO's Code of Conduct, each employee must be aware of the rules and procedures that apply to the workplace and diligently follow the rules. There is a corporate Environmental, Health and Safety (EHS) representative. The Company ensures employees receive training on proper ergonomics and handling of hazardous materials to prevent injuries, damage to products or equipment and avoid environmental contamination.

Through our culture and our work practices, DJO Global is committed to complying with all labor and employment laws pertaining to freedom of association and collective bargaining, privacy, immigration, working time, wages and hours, as well as laws prohibiting forced, compulsory and child labor and employment discrimination. DJO is also focused on driving the necessary programs to make the Company's workplace safer for employees and for the community.

More than just legal compliance, we want to create the best possible working environment for our employees to succeed in, because when our employees succeed, DJO Global succeeds.

And while we strive to create working environments that foster success, nothing is more gratifying than having our efforts recognized and rewarded through independent evaluation. In 2012, our manufacturing and distribution plant in Tijuana, Mexico was named as the fifth place for the "2012 Best Companies to Work for in Mexico" by Great Place to Work Institute, Mexico. This operation represents over 43% of DJO's total work force. We could not have earned this distinction without great employees who embrace our culture of urgency, accountability and continuous improvement.

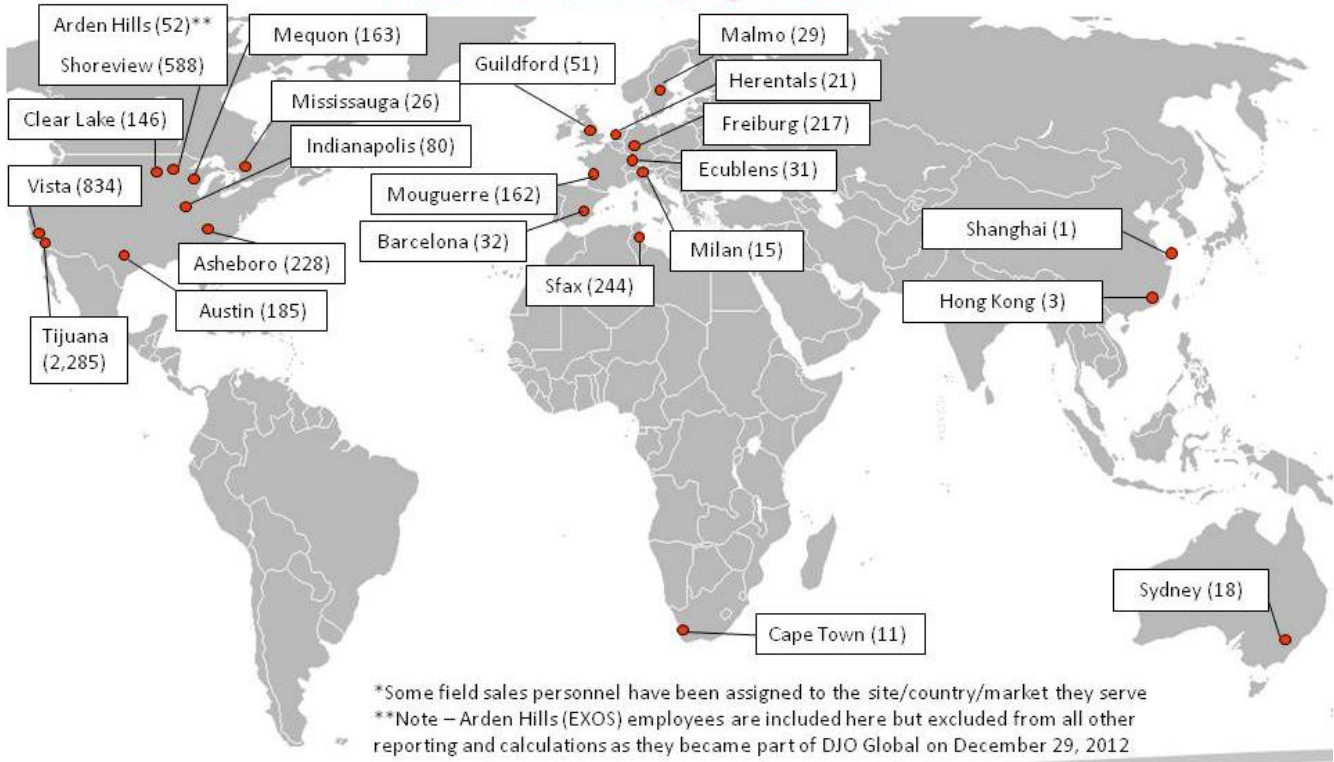
The most senior position with responsibility for Labor Practice Disclosure is the Executive Vice President of Global Human Resources, Tom Capizzi.



ASPECT: EMPLOYMENT

LA1 Total Workforce by Employment Type, Employment Contract, and Region

2012 Headcount by Location*



DJO Global Company Employees for 2012

Total DJO Global Workforce: 5,370 global employees as of December 31, 2012

Site:	Female:	Male:	Site:	Female:	Male:
Australia	6	12	Norway	1	0
Austria	0	3	South Africa	8	3
Belgium	7	13	Sweden	13	11
Canada	11	15	Switzerland	4	27
Denmark	3	0	Spain	8	24
France	87	75	USA	1,236	980
Germany	123	91	Finland	0	1
UK	20	38	Netherlands	0	1
Hong Kong	2	2	Subtotals:	2,797	2,329
Italy	10	5			
Ireland	0	1	Tunisia	44	
Mexico	1,258	1,027	Total:	5,370	

Note: DJO does not collect gender data in some international locations. The data above is representative of all locations where gender data is known.

Breakdown by Employment Type:

Full-time DJO Global employees:	5,282 or 98.3%
Part-time DJO Global employees:	88 or 1.7%

Breakdown by Employment Contract:

Full-time DJO Global employees:	5,370 or 95.8 %
Temporary DJO Global employees	231 or 4.2% (not counted in total employee number)

LA2 Total Number and Rate of Employee Turnover by Age Group, Gender and Region

DJO Global reports attrition based on the number of regular employees who leave the Company and is based on both voluntary and involuntary reductions. In 2012, 917 regular employees left or retired from DJO Global. The attrition rates by demographic are reflected below.

The rates of attrition by gender:

- 50.4 percent for males
- 49.6 percent for females

DJO Global does not report attrition based on age. The 2011 rates of attrition by region, based on average headcount for these groups are:

- 16 percent for North America (2,242)
- 17 percent for Latin America (2,285)
- 10 percent for Europe (566)
- 36 percent for India, Middle East and Africa (255)
- 36 percent for Pacific (22)

LA3 Benefits Provided to Full-Time Employees That Are Not Provided to Temporary or Part-Time Employees, by Major Operations

DJO Global's compensation strategy is to provide compensation and benefits to employees that are competitive with other top global companies within the relevant labor market. As such, DJO offers a wide variety of benefit plans to its employees. Plans vary considerably by country as DJO's benefit plans are designed to coordinate with the social security benefits provided in each country, and social security systems vary widely.

DJO offers the following benefits to its US based employees which constitute 42% of the total global workforce:

- Pension Plans – defined contribution plans
- Medical Plans – often including prescription drug coverage dental and vision
- Life Insurance – Company paid and voluntary
- Disability protection
- Paid Vacation, Sick and Holiday Leave
- Paid Jury Duty
- Paid Bereavement
- Accident Insurance
- Auto and Home Insurance programs
- College Savings Plans
- Employee Referral Bonuses
- Tuition Reimbursement Plans
- Employee Assistance Plans

These plans are offered to all eligible regular full-time and less-than-full-time employees who work 20 or more hours per week. Less-than-full-time employees participate in these plans on a prorated basis. Temporary employees do not typically have access to these benefits.

ASPECT: LABOR/MANAGEMENT RELATIONS

LA4 Percentage of Employees Covered by Collective Bargaining Agreements

DJO Global currently does not have any employees covered by collective bargaining agreements in the US and the UK. In other countries where local law requires such agreements, DJO has minimal operations. There are no significant collective bargaining agreements in any DJO location worldwide.

LA5 Minimum Notice Period(s) Regarding Significant Operational Changes, Including Whether It Is Specified in Collective Agreements

DJO Global keeps employees informed of operational changes through a variety of channels. Important news announcements are communicated through DJO’s email system for instant access. In addition, leaders provide important news communications that are delivered throughout the organization. Quarterly all-employee meetings hosted by Corporate and site leadership executives share Company quarterly results and new business activities to all levels of employees.

While there is no global minimum timeframe for notifying DJO Global employees of significant operational changes, the Company makes every effort to give a reasonable amount of notice to all employees in the event of a significant business change. DJO recognizes and respects all Labor and Employment Laws that govern our operations worldwide and notifies employees of operational changes in excess of or in compliance with these laws.

ASPECT: OCCUPATIONAL HEALTH AND SAFETY

LA6 Percentage of Total Workforce Represented In Formal Joint Management-Worker Health and Safety Committees That Help Monitor and Advise On Occupational Health and Safety Programs

It is estimated that about 10% of the total workforce participates in formal committees. DJO Global locations actively engage employees to improve safety and health at the facility level with safety and workplace organization teams that routinely meet and also do workplace inspections. A site safety scorecard is used to quantify the observations and compare areas against each other and over time.

LA7 Rates of Injury, Occupational Diseases, Lost Days, and Absenteeism, and Total Number of Work-Related Fatalities by Region

There have been no fatalities at DJO Global locations. DJO Global does not collect these rates based on gender. The global data for most recent year:

Location	CA	IN	MN	SD	TX	NC	WI	US DJO	Mexico	North America
Average Employee Headcount	996	91	392	160	183	215	164	2041	2234	4275
# Recordable Injuries & Illnesses	22	1	5	15	4	6	3	56	17	73
Injury & Illness Incident Rate	2.2	1.0	1.3	10.3	2.0	2.4	1.8	2.7	0.637	1.54
Days Away Restricted Time Rate	1.7	1.0	0.3	4.8	2.0	1.6	1.2	1.7	N/A	1.12
# Lost-time Cases	10	1	1	5	1	4	1	23	17	40
# Restricted Cases	7	0	0	2	3	0	1	13	N/A	13
# Lost-work days	542	161	43	177	48	5	29	828	534	1362
# Restricted days	456	9	0	137	14	0	30	509	N/A	509
Total Hours Worked	1,974,089	192,280	754,836	292,207	399,179	505,639	337,153	4,118,230	5,337,520	9,455,749

DJO North American OSHA Rate Data for 2012

Note that EU and ROW locations do not track injuries congruent with US and Mexico [OSHA type] methods and are not included in this report.

LA8 Education, Training, Counseling, Prevention and Risk-Control Programs in Place to Assist Workforce Members, Their Families or Community Members Regarding Serious Diseases

DJO Global offers medical education, counseling, and preventative information to its employees primarily through the voluntary medical benefit programs offered to all employees who work 20 hours or more. Depending on the coverage and enrollment options chosen, employee family members may also receive various preventive, diagnostic and treatment services offered by the plans. Programs vary by country and other criteria.

DJO Global Employee Assistance Programs								
	Education/ Training		Counseling		Prevention/Risk Control		Treatment	
	Yes	No	Yes	No	Yes	No	Yes	No
<i>Program recipients</i>								
Workers	X		X		X		X	
Workers' families	X			X	X		X	
Community Members		X		X		X		X

DJO makes the following available in the area of Occupational Health and Health Promotion services in its domestic operations and some international sites:

- Workers’ Compensation - Employee clinical treatment services for work-related conditions and limited non-work related conditions through various clinics nationwide
- Through our medical plans, enrolled employees and their family members are offered periodic health assessment examinations that provide screening for a variety of diseases. Specific counseling and follow-up are provided to assist employees in reducing or mitigating any identified risks
- Health Promotion programs are offered on a free or minimal cost basis:
 - The corporate fitness program includes on-site group exercise with certified professional trainers.
 - Periodic “Health Fairs” are held on site to educate on a wide variety of health issues. These fairs offer chair massages, lunch and learns, nutritional information and resources for community health programs available
 - Corporate access to full-time, on-site wellness coordinator
 - In our Mexico and Asheboro sites, a full-time nurse is on site for all employee health needs.
 - Select sites offer flu vaccinations and discounted memberships to local fitness facilities
 - Select sites have on-site Gyms and fitness equipment
 - Corporate smoking cessation initiatives and resources
 - Select sites have organized weekly walking and running groups
 - Corporate monthly wellness newsletter highlighting various health topics

All of these programs include education on important health risks, opportunities to assess those risks and a variety of interventions that individuals can participate in to reduce their risk. Additionally, Employee Assistance Programs are offered to select domestic locations. These programs provide assistance and individual counseling for a variety of personal issues impacting employees and their families.

LA9 Health and Safety Topics Covered in Formal Agreements with Trade Unions

DJO Global does not have any formal trade union agreements in any of its company locations around the world. All DJO employee relationships are either on the basis of short-term employment contracts (from 1 month to 36 months) or “at will” employment. Our major operations in Europe including our facilities in Mouguerre, France and Freiburg, Germany operate under a works council approach with each works council member elected by the site employees.

ASPECT: TRAINING AND EDUCATION

LA 10 Average Hours of Training per Year per Employee by Employee Category

Training is highly dependent upon job classification, but also by job specific duties. Excluding job specific duties, the average training hours per employee for our primary company locations (those with 50 or more employees) are as follows:

Management/Administrative:	42 hours per year
Professional/Technical:	80 hours per year
Production/Distribution:	72 hours per year

Note – DJO does not track training on the basis of gender.

These hours include mandatory global Code of Conduct, compliance, classroom and other training sessions including lean and DJO Way training, computer classes, new product training and similar. Mandatory compliance, Code of Conduct and regulatory awareness trainings are delivered to DJO employees on-line through the company’s Compliance & Ethics Education Center. The training programs offered through this portal feature both audio and video content as well as interactive quizzes and a final test to ensure training has taken place. The sessions are time-recorded and tracked per employee through the system’s tracking software ensuring that all users have participated and successfully completed the courses. Additionally, non-compliance and non-participation issues are reinforced through a tiered disciplinary process with disciplinary action up to and including termination of employment.

LA11 Programs for Skills Management and Lifelong Learning That Support the Continued Employability of Employees and Assist Them in Managing Career Endings

DJO Global is committed to keeping employees engaged throughout their careers. The Company makes every effort to provide outplacement assistance to employees displaced by layoffs or plant closures. In addition to reference letters and assistance with filing for various State unemployment benefits and services, DJO maintains a standardized severance policy which provides financial compensation as well as company paid outplacement assistance through external partner organizations in appropriate instances. Benefits vary by length of service and job level but are consistently applied and provided wherever possible.

Current late stage career management is limited, but DJO recognizes this as an opportunity to develop new and innovative pathways to retain key employees and plan for the transfer of knowledge to the next generation of leaders. In 2012 DJO began a long term partnership with the Gallup Inc. Consulting Group in order to measure and develop strategic initiatives that increase employee engagement and effectively manage talent at all levels of the organization including late stage career employees. After a successful first year implementation, great strides were made in building employee career development, identifying opportunities to increase employee engagement and creating and executing employee driven action plans to improve in these areas. This partnership with Gallup and the employee engagement initiatives, among others, will continue through 2013.

LA12 Percentage of Employees Receiving Regular Performance and Career Development Reviews

DJO Global has a performance management process that supports the Company's culture and value system and ensures each employee's quarterly and annual goals drive both company and individual performance and growth. All domestic employees and international management staff currently participate in the Company's annual paperless online performance reviews and goal setting process.

The appraisal process includes:

- Individual and manager performance feedback and ratings on previous year's goals and individual objectives.
- Goal setting process for the coming year
- Compensation review
- Mid-year goal adjustment and informal coaching review

The annual appraisals occur in the first quarter of the year following the reporting period. For the reporting period 2012, appraisals were conducted in Q1 2013. For the 2012 reporting period all domestic and international managers completed the paperless process making up approximately 50% of all global employees. An additional 40-45% of the remaining international employees received annual reviews through each site's individualized process.

ASPECT: DIVERSITY AND EQUAL OPPORTUNITY

LA13 Composition of Governance Bodies and Breakdown of Employees per Category According to Gender, Age Group, Minority Group Membership and Other Indicators of Diversity

In order to provide equal employment opportunities to all individuals, all employment decisions at DJO Global are based solely on merit, qualifications, and business needs. DJO maintains a policy of equal treatment of all employees and applicants for employment without regard to race, color, religion, national origin, sex, sexual orientation, gender identity, age, veteran status, disability or other characteristics unrelated to a person's qualification and/or job performance, or any other basis protected by state, federal or local law, in all employment decisions including, but not limited to: recruitment, hiring, job assignment, compensation, training, apprenticeship, promotion, demotion, transfer, lay-off, discipline and separation, and with regard to all other terms and conditions of employment.

Pursuant to privacy laws in most of the countries where DJO has its operations, information regarding age, minority group and other diversity indicators is not collected or reported. DJO strives to maintain a diverse workforce in all of its locations with a goal of representing the local community's diversity within the local site's employment. The global measures available to report include:

- Global age range: **16 to 80**
- Average global age: **40**
- Global workforce by gender: **45.4 % Male**
54.6% Female

LA14 Equal Remuneration for Women and Men

DJO Global strives to establish and maintain a system of compensation that, with reasonable availability of resources, is consistent with total compensation in comparable labor markets for similar jobs being performed.

Our compensation system is driven by a number of factors including, but not limited to, the current market value of a position based on the skills, knowledge and competencies required of a fully competent incumbent; internal equity of a job as compared to other similar jobs within the organization; the strategic value of a position, and the Company's ability to pay based on current economic and business factors.

The Compensation system must be flexible enough to ensure that the Company is able to recruit, retain and motivate a highly qualified work-force, while providing the structure necessary to effectively manage the overall compensation program. DJO's compensation philosophy, as approved by the Board of Directors, is to target base salaries at the market median and incentive compensation at the 75th percentile of the market; total compensation is targeted at the upper quartile.

Human Rights Disclosures

Management Approach to Human Rights Disclosures

Our corporate culture and our resultant workplace practices, derive from our belief in respecting the dignity, rights and ambitions of all people. Upholding fair employment practices contributes to a culture of respect for one another inside the Company, while keeping DJO in compliance with all applicable labor and employment laws. It also strengthens our relationships outside the Company with the many stakeholders we interact with on a daily basis.

DJO Global's Human Resource and Compliance functions manage our ethics and compliance efforts by providing employee training, information and guidance regarding issues of legal compliance and ethical conduct. We outline DJO Global's policies in our "Code of Conduct", which is provided to all new employees and may be found on DJO Global's public website and our internal website that is accessible to DJO Global employees only.

DJO Global believes that through its Code of Conduct training for all employees, we are fostering an environment of high ethical compliance. DJO's Code of Conduct addresses many of the ethical principles and policies that deal with issues such as confidential Company information, handling protected patient information, fraud and abuse, manufacturing and promotion of products, bribery, political contributions, diversity, equal opportunity, respect in the workplace, insider trading, environment, health and safety and how to ask a question. In situations where employees or other stakeholders believe there have been instances of non-compliance with DJO's Code of Conduct, we have provided mechanisms whereby these issues may be brought to the attention of supervisors, senior leadership or even the board of directors, all free from the threat of retaliation.

The DJO Global Code of Supplier Conduct addresses the following:

DJO is committed to complying with all laws pertaining to freedom of association and collective bargaining, privacy, immigration, working time, wages and hours, as well as laws prohibiting forced, compulsory and child labor, equal opportunity. Beyond legal compliance, we want to create the best possible working environment for our employees to succeed in, because when our employees succeed, DJO succeeds.

All DJO employees are expected to ensure that equal opportunity is available to all, to demonstrate sensitivity to and respect for others and to promote a work environment that encourages diversity and supports the ongoing development of individuals' skills and abilities. Employees are also expected to respect and care for the Company, including the Company's name, property and ideas, and avoid

conflict of interest situations, or outside influences which could interfere with an employee's ability to represent the Company appropriately or perform his or her job responsibilities fully.

DJO seeks to have a positive impact on the reduction of unlawful child labor and child exploitation. DJO expects the suppliers and contractors with whom it does business to embrace similar values and standards. For 2012, DJO has provided inclusion of this expectation in supplier agreements and on our corporate website.

It is DJO's policy to provide all employees with an environment of mutual respect that is free from any form of harassment and discrimination. Harassment and discrimination of any form is not acceptable and will not be tolerated in any of DJO's locations around the world.

DJO maintains a toll-free anonymous Compliance Hotline that is available 24 hours a day, 7 days a week. There is also an email compliance option for employees. These options are available to all DJO employees who wish to ask questions about DJO policy, seek guidance on specific situations, report violations of DJO's Code of Conduct or other unethical business practices.

The most senior position with responsibility for Human Rights Aspects is the Executive Vice President of Global Human Resources, Tom Capizzi.

ASPECT: INVESTMENT AND PROCUREMENT PRACTICES

HR1 Percentage and Total Number of Significant Investment Agreements That Include Human Rights Clauses or That Have Undergone Human Rights Screening

In 2012, DJO Global did not have any significant investment agreements beyond our 50% ownership in the small manufacturing and repair facility for CPM devices called Medireha. An audit was performed on the Medireha facility in 2011 by DJO Management. During the audit, there were no human rights violations found. Additionally, the Medireha business is in full compliance with the German laws related to fair labor practices.

HR2 Percentage of Significant Suppliers and Contractors That Have Undergone Screening on Human Rights and Actions Taken

DJO Global seeks quality products and services through mutually beneficial and ethical relationships with suppliers who act responsibly, respect the environment and demonstrate integrity in the marketplace. At this time, no suppliers or contractors have undergone formal human rights screening. DJO conducts periodic on site visits to top suppliers representing the top 50% of DJO spend. For 2012, we have included human rights clauses in our Code of Supplier Conduct (CSC). Our intention is to have all new suppliers agree to this code. Any existing suppliers will have this new code agreed upon at renewal of their Supply Chain Agreement.

HR3 Total Hours of Employee Training on Policies and Procedures Concerning Aspects of Human Rights that Are Relevant to Operations, Including the Percentage of Employees Trained

DJO Global does not have any specific training related to human rights. The Company does conduct significant training in the USA to ensure employees remain in compliance with all applicable laws through mandatory and selected training programs as noted in Labor Practice Disclosure.

Applicable to HR3, this includes:

- Diversity at Work
- Preventing Workplace Harassment

- Preventing Sexual Harassment
- Confidentiality Under HIPAA: Patient Rights
- The AdvaMed Code on Interactions with Healthcare Professionals

While nearly all of this training occurs in the USA, which represents approximately 42% of total global employees, DJO believes its culture, values and belief in respecting the dignity, rights and ambitions of all people are understood and upheld by all DJO employees globally. All employees are expected to ensure that equal opportunity is available to all and to demonstrate sensitivity to and respect for others.

ASPECT: NON-DISCRIMINATION

HR4 Total Number of Incidents of Discrimination and Actions Taken

Based on available records, there were no incidents of illegal discrimination in 2012. DJO Global defines incidents of discrimination as substantiated findings of a violation of local law and/or DJO's internal policies., which state:

"It is DJO's policy to provide a work environment that meets the highest standards of equal opportunity employment. Employees, customers, patients or suppliers will not be discriminated against because of age, disability, gender, military status, national origin, pregnancy, race, religion, sexual orientation or any other factor not related to DJO legitimate business interest."

"DJO Global is committed to providing a work environment that is free from discrimination and unlawful harassment." DJO prohibits sexual harassment and harassment because of race, color, gender, national origin, ancestry, religion, creed, physical or mental disability, medical condition, marital status, gender identity, sexual orientation, age, or any other basis protected by federal, state or local law.

The Company also prohibits discrimination or harassment based upon the perception that a person has, or is associated with a person who has, any of these characteristics. "All employees are expected to conduct themselves in a business-like manner that provides respect for others. Any behavior or action that is coercive, intimidating, harassing, or sexual in nature is inappropriate and prohibited."

DJO's policy prohibits discrimination, harassment or the inappropriate treatment of employees, applicants, business partners, clients, agents, customers, vendors, visitors and persons providing services pursuant to contract. The Company is committed to taking all reasonable steps to prevent discrimination or harassment from occurring and ensuring that workplace actions are based on dignity, courtesy and respect. DJO actively encourages reports of potential policy violations through on-going communications and training, and offers employees several different avenues to do so. They may raise concerns with any manager of the Company, Human Resources, or through the DJO Anonymous Compliance Hotline. The Hotline is a safe, reliable and convenient alternative to reporting ethical concerns in person. It is available 24 hours a day, seven days a week. DJO did not have any incidents of discrimination reportable in 2012.

ASPECT: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING**HR5 Operations Identified in Which the Right to Exercise Freedom of Association or Collective Bargaining May Be at Significant Risk and Actions Taken to Support These Rights**

DJO Global currently does not have any employees covered by collective bargaining agreements in the US and UK. In other countries where local law requires such agreements, DJO has minimal operations. In those locations, DJO has not recognized any operations that put collective bargaining at risk. It is DJO's policy to comply with all labor and employment laws in the cities, states and countries where we operate, including those laws as applied to freedom of association, collective bargaining, equal opportunity, a harassment free and nondiscriminatory workplace, privacy, fraud and abuse and corruption. DJO does not have any operations or suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated or at significant risk.

ASPECT: CHILD LABOR**HR6 Operations Identified as Having Significant Risk for Incidents of Child Labor and Measures Taken to Contribute to the Elimination of Child Labor**

DJO Global has not identified any operations with a significant risk for incidents of unlawful child labor or the potential for minors to be exposed to significant hazardous conditions. DJO prohibits unlawful child labor and child exploitation and complies with all child labor laws in all the countries in which it has operations. For 2012, the new Code of Supplier Conduct outlines DJO's policy related to fair labor practices. Within the next year, all DJO suppliers will have agreed to this code. DJO does not have any operations or suppliers that are identified as having significant risk for incidents of child labor.

ASPECT: FORCED AND COMPULSORY LABOR**HR7 Operations Identified as Having Significant Risk for Incidents of Forced or Compulsory Labor and Measures Taken to Contribute to the Elimination of Forced or Compulsory Labor**

DJO Global has not identified any operations that have a significant risk for incidents of forced or compulsory labor. DJO recognizes and respects all labor and employment laws in all the countries and districts in which it operates and believes in giving all employees the dignity, rights and respect they deserve.

Through the Company's Code of Conduct manual, which is applicable to all DJO employees worldwide, DJO ensures its culture, values and belief in respecting the dignity, rights and ambitions of all people are understood and upheld by all DJO employees. All employees are expected to ensure that equal opportunity is available to all and to demonstrate sensitivity to and respect for others. DJO Global does conduct extensive and required annual employee Code of Conduct training that includes Diversity at Work, Preventing Sexual Harassment and Preventing Workplace Harassment.

DJO Global recognizes and respects all labor and employment laws – As stated in our Code of Conduct, "The Company is committed to full compliance with the laws and regulations of the cities, states and countries in which we operate", including those respecting freedom of association, privacy and equal employment opportunity.

Furthermore, DJO's Code of Supplier Conduct (CSC) also addresses this issue to ensure that our Suppliers do not condone or utilize forced or compulsory labor. DJO does not have any operations or suppliers that are identified as having significant risk for incidents of forced or compulsory labor.

ASPECT: SECURITY PRACTICES

HR8 Percentage of Security Personnel Trained in the Organization’s Policies or Procedures Concerning Aspects of Human Rights that Are Relevant to Operations

DJO Global does not conduct any training specific to human rights with security personnel. All US based security personnel are made aware of DJO’s Code of Conduct policy as part of their agreement to provide security for the Company.

ASPECT: INDIGENOUS RIGHTS

HR9 Total Number of Incidents of Violations Involving Rights of Indigenous People and Actions Taken

DJO Global has not had any incidents of violations involving rights of indigenous people.

HR10 Assessment

DJO Global does not have any operations that have been subject to human rights reviews and/or impact assessments.

HR11 Remediation

DJO Global does not have any grievances related to human rights filed through formal grievance mechanisms.



Social Disclosures

Management Approach to Social Disclosures

DJO Global's contributions to society are guided by our corporate Values: Corporate Citizenship, Team Work, Fostering People Growth, Urgency and Accountability, Open to New Ideas, Customer Focus, Consistently Exceeding Expectations and Continuous Improvement.

DJO's Code of Conduct summarizes many of the ethical principles and policies created to deal with issues such as compliance with all laws and regulations, including laws related to fraud and abuse, bribery, fair dealing with competitors, suppliers and customers, political contributions, equal employment opportunity and environment, health and safety. This code applies to all full and part-time DJO officers, directors, employees and temporary staff. It also applies to all DJO business partners, including our independent sales force, except those parts of the code specifically applicable only to employees. All employees at DJO are expected to apply these principles and policies in the daily performance of their job responsibilities.

As a growing company committed to improving the quality of life of the people who use our products, DJO Global, its employees and suppliers believe in giving back to the local communities where DJO Global holds a significant or strategic presence to better address community quality of life issues. DJO's Community Outreach Process provides qualitative and quantitative input into many quality of life issues the community faces such as housing, health, and education.

Our Community Outreach Program involves corporate support of local programs, national campaigns and volunteerism. Corporate citizenship is a Company value that strengthens the fabric of DJO as an organization and supports the Company's mission of "from prevention to recovery, DJO Global enables people to live their lives to the fullest by providing intelligent medical devices and services. We embrace an open dialogue with our customers to gather insights that guide our innovation and continuous improvement."

DJO also uses its knowledge and influence in our medical industry to help drive positive change on issues significantly affecting medical device companies today. Many of these issues impact DJO's future, and our ability to understand social trends and to stay informed of pending government, trade and other activities, will enable us to find positive solutions that address the common good.

DJO's compliance and legal professionals offer expertise in policy development, process expertise and relationship development. They identify government actions and other issues important to DJO and then develop and execute responses to positively affect the outcome for our company and our industry. DJO believes it must establish and strengthen its relationships with key stakeholders that impact DJO's business.

The compliance team advocates DJO's position on key issues affecting our business. The team regularly meets with key government stakeholders and industry trade associations to share our position and help shape policy decisions that improve our industry's competitiveness, consistent with our Code of Conduct and sustainability efforts.

The most senior position with responsibility for Society Aspects is the Executive Vice President of Global Human Resources, Tom Capizzi.

ASPECT: COMMUNITY

SO1 Nature, Scope, and Effectiveness of Any Programs and Practices That Assess and Manage the Impacts of Operations on Communities, Including Entering, Operating and Exiting

A substantial portion of DJO's growth has been by acquisition and as such, many of our significant locations around the world were already operating in their existing communities prior to DJO's presence. Where possible, DJO continues to maintain the current community practices, until such time the Company is able to evaluate the site's conformance with the "DJO Way". Through the development and application of the DJO Way, which embodies DJO's culture and values, we believe that we are making a positive difference in our communities where we have a major presence.

In the circumstance where DJO must leave a community for business reasons, the process that DJO follows is to work with the local business leaders to source alternate employment for displaced employees, provide job training through local institutions and outplacement services for employees seeking new positions. When exiting a community, DJO always strives to ensure all affected employees, partners (suppliers or vendors) are treated with dignity and respect. Employees are typically provided severance and in most cases retention bonuses where their service is required during the transition period.

For 2012, there were no significant impacts to any DJO operating location that apply to this aspect.

ASPECT: CORRUPTION

Management Approach to Corruption

DJO Global complies with the US Foreign Corrupt Practices Act (FCPA) and the UK Bribery Act (UKBA) and has the expectation that all of its employees will as well. The FCPA prohibits US business entities and individuals from directly or indirectly paying or giving a gift of any value to a foreign official in order to obtain or retain business, or secure any improper business advantage.. The UK Bribery Act introduces a new crime of "failure to prevent" bribery which means that companies unable to demonstrate that they have implemented "adequate procedures" to prevent corrupt practices within their ranks or by third parties on their behalf, could be exposed to unlimited fines. The UK Bribery Act applies to both UK companies and foreign companies with operations in the UK, such as DJO, even if offenses take place in a third country and are unrelated to UK operations.

SO2 Percentage and Total Number of Business Units Analyzed for Risks Related to Corruption

No DJO business units were analyzed for risks related to corruption in 2012. In 2013, DJO intends to implement a compliance program to assess potential corruption risk internally and through third parties and to provide more in depth and specific training to identify and monitor potential conflicts.

SO3 Percentage of Employees Trained in Organization's Anti-Corruption Policies and Procedures

Employees of DJO are prohibited from offering, promising, or making payment of anything of value, directly or indirectly, or through an intermediary or for the benefit of any Foreign Public Official, foreign political party, or foreign political candidate that is or may appear to be related to the obtaining, retaining or directing of business to the company or any other improper business advantage. This prohibition expressly precludes the provision of any bribe or kick-back aimed to influence the decision of any foreign public official in her or her official capacity, including a decision not to perform an official function. As a result of the UK Bribery Act, the above prohibitions have expanded to include any such offers, promises or payments to individuals or entities within the private sector.

In the U.S., all employees receive education on DJO's corporate policies, Code of Conduct and corporate expectations as part of their corporate training. Training is conducted upon hire and annually thereafter. Included in the training modules are DJO's policies and procedures related to the law and policies prohibiting corrupt practices when dealing with foreign countries. Applicable international employees have received training on DJO's Anti-Corruption policy. DJO intends to release its international Code of Conduct and continue its training of international distributors on DJO's Anti-Corruption policy throughout 2013.

SO4 Actions Taken in Response to Incidents of Corruption

There were no reported incidents or outstanding cases of corruption at DJO Global in 2012.

ASPECT: PUBLIC POLICY

SO5 Public Policy Positions and Participation in Public Policy Development and Lobbying

Laws of certain jurisdictions prohibit the use of company funds, assets, services or facilities on behalf of a political party or candidate. DJO works through AdvaMed on key medical device issues and contracts with lobbyists as needed. However, to ensure compliance with applicable laws, consent must be obtained from the DJO Legal Department prior to committing any company time or resources for political activities.

SO6 Total Value of Financial and In-Kind Contributions to Political Parties, Politicians and Related Institutions by Country

Presently, DJO Global does not track total financial or in-kind contributions to political parties, politicians and related institutions by country. It is DJO's policy to not make political contributions to political parties.

ASPECT: ANTI-COMPETITIVE BEHAVIOR

SO7 Total Number of Legal Actions for Anti-Competitive Behavior, Anti-Trust and Monopoly Practices and Their Outcomes

In 2012, there were no legal actions initiated, pending or completed for anti-competitive or anti-trust behavior.

ASPECT: COMPLIANCE

SO8 Monetary Value of Significant Fines and Total Number of Non-Monetary Sanctions for Non-Compliance with Laws and Regulations

In 2012, no significant monetary fines or non-monetary sanctions for non-compliance with laws and regulations were imposed on DJO Global or its affiliates.

SO9 Operations with Significant Potential or Actual Negative Impacts on Local Communities

DJO Global had no significant potential or actual negative impacts on local communities in 2012.

SO10 Prevention and Mitigation of Negative Impacts on Local Communities

DJO Global had no significant potential or actual negative impacts on local communities in 2012.

The most senior position with responsibility for Legal Issues and Corruption Aspects is the Executive Vice President and Chief Legal Counsel, Donald Roberts.

Product Responsibility Disclosures

Management Approach to Product Responsibility Disclosures

DJO Global is committed to the health and safety, information and labeling, marketing and privacy of our products. As stated in our Code of Conduct (available on our website at www.DJOGlobal.com):

In developing and manufacturing medical devices and other products, the Company has established and will comply with standards that meet or exceed regulations issued by the Food and Drug Administration or the laws and regulations of the country of development and manufacture. In manufacturing its products, the Company will comply with all applicable laws and regulations, including those relating to the environment and occupational health and safety.

Promotional materials are considered “labeling” and are regulated by the U.S. Food and Drug Administration (FDA) as well as internationally by Medical Device Directive 93/42/EEC for those products that are CE marked. The promotion regulations are designed to safeguard public health by ensuring that health care professionals and consumers are provided with information regarding the product’s uses, risks, and benefits that is truthful, adequate, balanced, and based on valid scientific evidence and sound clinical medicine.

Promotion and claims made about products must be consistent with all applicable regulations. No public communication should be made with the intent of promoting products as safe and effective for any use before FDA and/or other appropriate regulatory agency approval is obtained, as required. However, the FDA does not intend to restrict the full exchange of scientific information, so it distinguishes between a company’s promotional activities (which must focus on approved uses) and company-supported scientific and educational activities which are independent of promotional influence. Additionally, the FDA requires that product claims made to compare different products can only be made under certain limited circumstances.

Certain Company employees, such as those individuals who process patient claims or supply DJO products to patients, have direct access to patient information. In order to comply with privacy regulations, such as the Health Insurance Portability and Accountability Act and to maintain the respect and trust of patients and the health care professionals with whom DJO does business, employees must safeguard patient Protected Health Information (PHI) from misuse, alteration, theft, fraud, unauthorized disclosure and unauthorized use.

Employees with authorized access to PHI must protect this information not only from individuals outside the Company, but also from other Company employees whose duties do not require access to the information. The law requires that the Company disclose patient information only for the purposes of treatment, payment and health care operations, unless patient consent has been obtained. A copy of the Company’s Notice of Privacy Practices is posted on the DJO public website and employees are encouraged to review this document. Should an employee become aware of a potential unauthorized release or mishandling of PHI, that individual should immediately contact the DJO Corporate Compliance Department.

The most senior person with respect to PHI and Government Compliance is Dale Hammer, Senior Vice President, Compliance and Government Relations. The most senior position with responsibility for Product Aspects for 2012 was Senior Vice President, Global Quality Assurance and Regulatory Affairs, Ken Fisher. As of May 6th, 2013 the responsible person is Ghazi Kashmolah, Senior Vice President, Global Quality & Regulatory.

ASPECT: CUSTOMER HEALTH AND SAFETY

PR1 Life Cycle Stages in Which Health and Safety Impacts of Products and Services Are Assessed for Improvement and Percentage of Significant Products and Services Categories Subject to Such Procedures

Global portfolio management is employed across all product channels which includes product assessment for improvement opportunity. DJO Global applies a collaboration of risk management and management review to identify opportunities for improvement and to assess, monitor and control undesirable impacts on people, property and the environment which may result from the manufacture and/or the use of DJO products.

With corporate oversight, management review of product quality is conducted semi-annually or when new information is made available including changes in regulation or awareness of any relevant issue that may affect the health and safety of DJO products in use.

DJO applies a risk management system throughout the product life cycle to assess foreseeable adverse impacts to people and environment and to eliminate or minimize their effect. Consistent with today’s standards, risk management and critical supplier qualification reviews are conducted during design, market release, post-market and as information is received from internal and external resources to ensure that our products meet the intended use and do not pose unacceptable health and safety risk to people and/or the environment.

Sustainable Practice / Conservation of Resource	Yes	No
Development of product concept	√	
R&D	√	
Certification	√	
Manufacturing & Production	√	
Marketing and promotion	√	
Storage distribution and supply	√	
Use and service	√	
Disposal, reuse, or recycling	√	

All of the aforementioned policies, procedures, tools apply to one hundred percent (100%) of DJO products.

PR2 Total Number of Incidents of Non-Compliance with Regulations and Voluntary Codes Concerning the Health and Safety Impacts of Products and Services during Their Life Cycle, by Type of Outcomes

DJO Global businesses are subject to Quality Management System audit by certification bodies, government authorities and distributor partners/customers. Consistent with the Company’s commitment to the health and safety in the use of our products, the company initiated 4 voluntary recalls in the past year.

2012 Non-compliance with Regulations	Incidents
Incidents of non-compliance with regulations resulting in a fine or penalty;	0
Incidents of non-compliance with regulations resulting in a warning;	0
Incidents of noncompliance with voluntary codes	0
Voluntary Product Recalls	4

ASPECT: PRODUCT AND SERVICE LABELING

PR3 Type of Product and Service Information Required By Procedures and Percentage of Significant Products and Services Subject to Such Information Requirements

DJO Global designs, manufactures and distributes many medical devices that are subject to the labeling requirements by the U.S. Food and Drug Administration, Health Canada, European Union Medical Device Directive and other Competent Authorities.

Our products and their accessories meet safe use standards when used in the manner and environment set out in our Instructions for Use / Operator's Manuals. The product development process and subsequent changes to materials and components take into consideration chemical content that are considered hazardous to people and the environment.

DJO Global is in the process of developing a program in compliance with EU REACH regulations, which will require complete information on products containing Restricted Substances List (RSL) manufactured in or imported into the EU.

Information Requirements	Yes	No
Sourcing of Components of the product or service		√
Content that might produce environmental impact		√
Safe use of product	√	
Disposal of product and impacts		√

PR4 Total Number of Incidents of Non-Compliance with Regulations and Voluntary Codes Concerning Product and Service Information and Labeling by Type of Outcomes

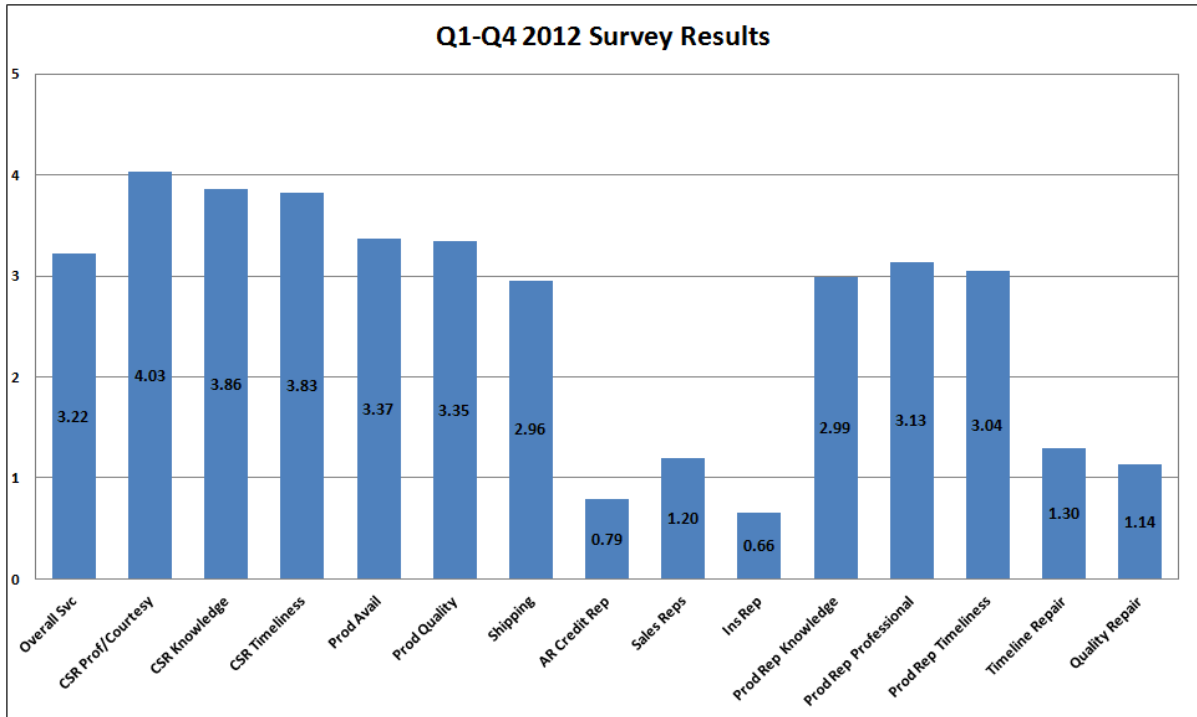
DJO Global has not received any report of non-compliance with regulations and voluntary codes. An internal review of label compliance is currently underway.

Number of Incidents	Yes	No
Incidents of non-compliance with regulations resulting in a fine or penalty;		√
Incidents of non-compliance with regulations resulting in a warning;		√
Incidents of non-compliance with voluntary codes		√

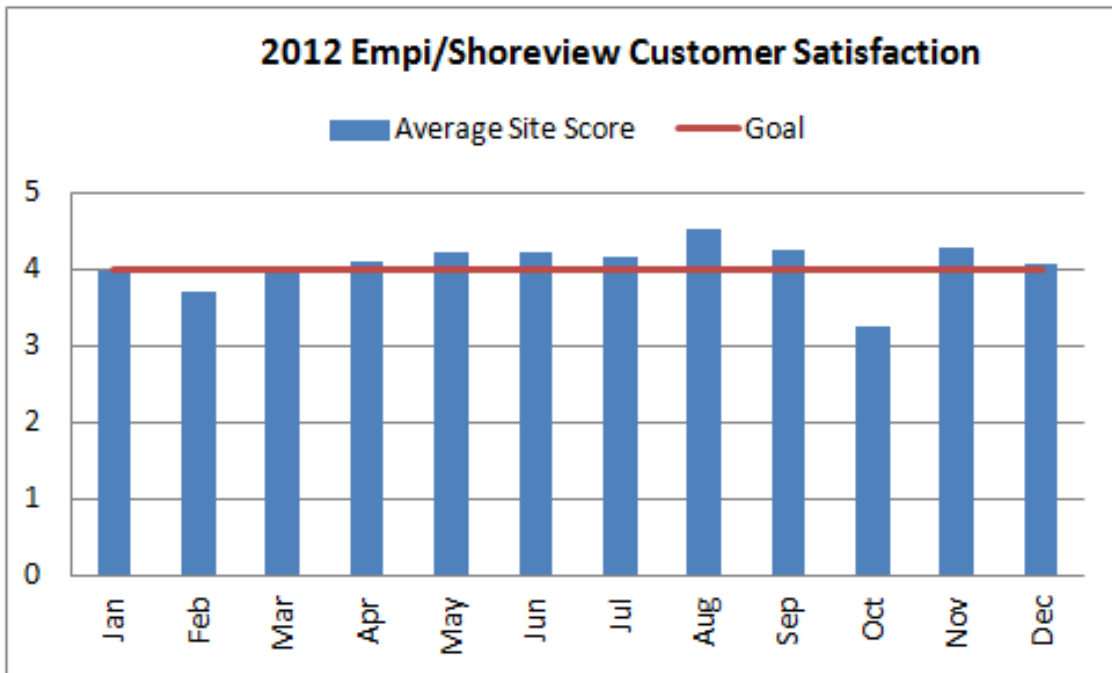
PR5 Practices Related to Customer Satisfaction, Including Results of Surveys Measuring Customer Satisfaction

Customer Satisfaction is measured utilizing a variety of mechanisms across all DJO Global product categories. Distribution tools include return reply comment cards, web based surveys and links available to customers via electronic correspondences. Services accessed include Customer Care, Shipping, Product Quality, Billing and Sales Representatives.

Category ratings for professionalism, timeliness, product availability and marketing support are analyzed quarterly. Feedback gained is assessed, disseminated and utilized to improve services and overall customer satisfaction. 2012 Summary results for the various businesses are illustrated in the following charts and tables.



DJO Bracing, Chattanooga and Vascular Business Customer Satisfaction Survey



DJO Empi® / Shoreview Customer Satisfaction Survey

DJOS 2012 Customer Satisfaction Survey							
1. What is your overall satisfaction rating with the Commercial Logistics team. Customer Service, Distribution							
Answer Options	Very Satisfied	Somewhat Satisfied	Neutral	Somewhat Dissatisfied	Very Dissatisfied	Rating Average	Response Count
Overall rating	91	50	11	2	1	4.50	155

Customer surveys are done continuously throughout the year using direct feedback by phone, return mail post cards and website links. Formal web-based surveys of all customers are typically completed annually. In 2012, we added the capability of to do a phone-based survey tool that will allow continuous customer satisfaction monitoring. Implementation of the tool is being planned for 2013.

ASPECT: MARKETING COMMUNICATIONS

PR6 Programs for Adherence to Laws, Standards and Voluntary Codes Related to Marketing Communications, Including Advertising, Promotion and Sponsorship

DJO Global requires its sales and marketing personnel to observe high standards of integrity and honesty, and to act with care, diligence and fairness in all business activities. The DJO Sales & Marketing Code of Conduct is an extension of the DJO Code of Conduct. It reflects the principals, guidelines, and requirements set forth in DJO policies and procedures, the AdvaMed Code of Ethics, state and federal laws.

DJO is committed to providing information that is truthful and balanced based on valid scientific evidence and sound clinical medicine. Promotion and claims made about products must be consistent with all applicable regulations, market clearance and approvals as applicable. Marketing communications and materials are reviewed by Regulatory Affairs and legal (when necessary) to ensure that they are compliant with local, state and federal laws, regulations and DJO policies and procedures. This includes product marketing information on the website, literature, news releases, trade shows and product packaging.

DJO does not sell products that are generally considered unsafe, banned in any markets or that are subject of stakeholder questions or public debate regarding its safe and effective use.

PR7 Total Number of Incidents of Non-Compliance with Regulations and Voluntary Codes Concerning Marketing Communications, Including Advertising, Promotion, and Sponsorship, by Type of Outcomes

No incidents of non-compliance concerning marketing communications were identified for the last twelve months (LTM) (see PR 6).

Incident Reports	Yes	No
Incidents of non-compliance with regulations resulting in a fine or penalty;		√
Incidents of non-compliance with regulations resulting in a warning;		√
Incidents of non-compliance with voluntary codes		√

Additional information is also provided in DJO’s Annual Report on SEC Form 10-K for the year ending December 31, 2012– Part 1, Item 3 Legal Proceedings.

ASPECT: CUSTOMER PRIVACY

PR8 Total Number of Substantiated Complaints Regarding Breaches of Customer Privacy and Losses of Customer Data

DJO Global respects the privacy of its patients/customers and takes the responsibility seriously. In the US, DJO complies with HIPAA and safeguards patient information from misuse, alteration, theft, and unauthorized use and disclosure. DJO’s Notice of Privacy Practices is posted on our public website. Policies are in place to

address any potential patient privacy breach and have been updated to comply with the HITECH Act. DJO also uses modern security and data encryption of all mobile data devices such as Blackberries and laptop personal computers. This helps secure patient data in the event of theft or loss of a device. In 2012, there was only 1 privacy breach which impacted fewer than 59 individuals. DJO followed all federal and state laws in response to these breaches and there is no evidence of any resulting patient harm. Corrective actions were implemented to prevent similar occurrences in the future.

ASPECT: COMPLIANCE

PR9 Monetary Value of Significant Fines for Non-Compliance with Laws and Regulations Concerning the Provision and Use of Products and Services

DJO Global is unaware of any significant fines resulting from our products in use in 2012.

2012 Sustainability Reporting and Global Green Teams

Sustainability Reporting Team:

Adam Shively, Vista
Christine Mark, Vista
Ed Garvey, Vista
Eric Tuholski, Vista
Jeff Monroe, Vista
Jeff Palmer, Vista
Jerry Wright, Vista
Joe Martinez, Vista
Joshua Gao, Vista
Kimberly Iufer, Vista
Mark Johnson, Vista
Matt Herrington, Vista
Melissa Vickers, Vista

Global Green Team:

Amin Fourati, Sfax
Bianca Lewis, Shoreview
Christopher Seine, Herentals
David Malley, Mississauga
Ed Garvey, Vista
Eduardo Morales, Tijuana
Felicia Reichard, Mequon
German Villa, Tijuana
Ginger Milliner, Asheboro
Guadalupe Mendoza, Tijuana
Jay Freyer, Mequon
Joe Cheung, Hong Kong
Kaci Dahl, Clear Lake

Global Green Team (cont'd):

Kelli Bauman, Clear Lake
Linda Pederson, Malmö
Marco Santinello, Milan
Mark Johnson, Vista
Michele Crouch, Cape Town
Najd Amami, Sfax
Nikki Tugano, Sydney
Oscar Faure, Barcelona
Paul De La Haye, Guildford
Roland Luchte, Freiburg
Sylvain Andrieu, Mouguerre
Sylvain Helfer, Ecublens
Tammy Miller, Indianapolis

The DJO Way

Never Stop Getting Better™

