

Invacare Corporation

2020 Report

Environmental
Social
Governance



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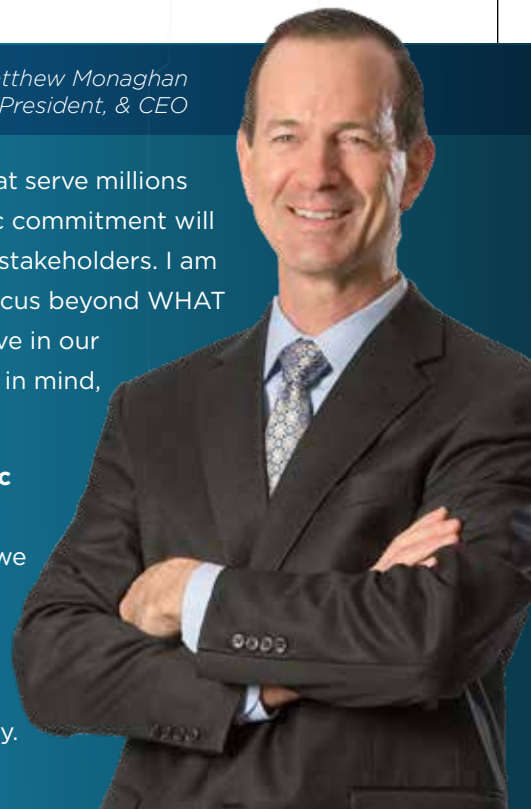
Invacare ESG Commitment

Matthew Monaghan
Chairman, President, & CEO

At Invacare, we are proud to design, manufacture and distribute innovative products that serve millions of people and caregivers around the world to make people's lives better. Our strategic commitment will ensure our resources are prioritized to making the most meaningful impact on all our stakeholders. I am excited about our future and the solutions we will create. Along the way, we should focus beyond WHAT we do to HOW we do it. Caring about the world around us and the impact that we have in our communities is critical. It is a Triple Bottom Line – People, Planet, and Profit. With this in mind, we will increasingly focus on our corporate social responsibility.

At Invacare, our Environmental, Social, and Governance (ESG) initiative is a strategic journey focused on environment, sustainability, associates, ethical labor practices, philanthropy, and DEI – diversity, equity, and inclusion. As part of our renewed focus, we recognize the need for flexibility as we continually adapt our strategy with evolving industry standards, performance metrics, goals, and expectations.

The Executive Leadership Team and I are accountable to our Board of Directors for driving our ESG vision, and across the company all of us have an important role to play.



Company Profile at a Glance

Invacare Corporation is a leading manufacturer and distributor in its markets for medical equipment used in non-acute care settings. **The company provides clinically complex medical device solutions** for congenital (e.g., cerebral palsy, muscular dystrophy, spina bifida), acquired (e.g., stroke, spinal cord injury, traumatic brain injury, post-acute recovery, pressure ulcers) and degenerative (e.g., ALS, multiple sclerosis, chronic obstructive pulmonary disease (COPD), elderly, bariatric) ailments. The company's products are important parts of care for people with a wide range of challenges, from those who are active and involved

At its core, the company designs, manufactures and distributes medical devices that help people to move, breathe, rest and perform essential hygiene.

in work or school each day and may need additional mobility or respiratory support, to those who are cared for in residential care settings, at home and in rehabilitation centers.

The company sells its products principally to home medical equipment providers with retail and e-commerce channels, residential care operators, distributors and government health services in North

America, Europe and Asia/Pacific. For more information about the company and its products, visit Invacare's website at www.invacare.com.

Special Recognition

Invacare Salutes On-site Associates COVID-19 Protocols and Response

Despite Invacare's virtual networks and resources, not every position can be conducted remotely. We salute the many manufacturing, engineering, repair, warehouse and other functional departments who worked tirelessly on-site to ensure that our products were available for those who needed it most. Due to their resilience and dedication, we were able to fend off manufacturing interruptions and maintain distribution of critical products

essential to the pandemic response.

To keep all our associates as safe as possible, Invacare implemented rigorous return-to-work protocols that included 6 feet social distancing, relocation to new workspaces, and staggered schedules when social distancing was not possible. PPE requirements and health checks have been strictly enforced and site cleaning enhanced.



Guiding Principles of Sustainability

As Invacare products, services and operations continue to evolve and transform, our team will rely on the below guiding principles of sustainability to preserve, expand and execute our ESG strategy.

- 1. Providing safe, quality products** that continue Making Life's Experiences Possible
- 2. Being a responsible steward** of the environment in the design and manufacturing of our products
- 3. Using energy efficiently** in our products and in our facilities
- 4. Remaining a supportive and influential member** in our communities
- 5. Partnering with responsible suppliers** to provide ethical sourcing of materials
- 6. Providing a safe and healthy work environment**
- 7. Mentoring talented professionals** who will guide Invacare's future
- 8. Embracing Diversity, Equity & Inclusion**



Environmentally Responsible Operations



As a global leader in the medical device industry, Invacare recognizes its corporate responsibility to promote environmental stewardship throughout the organization. Our mission is to strive for environmental excellence throughout Invacare's various manufacturing, distributing, servicing, engineering, and administrative operations across the globe. In today's regulatory landscape, the environmental laws that govern the protection of our natural resources are regularly evolving. Accordingly, we embrace continuous improvement in order to achieve and maintain environmental compliance. Working with government agencies, Invacare identifies and manages its environmental obligations through the ongoing development and review of environmental permitting, monitoring, recordkeeping, and reporting. To comply with applicable environmental obligations, Invacare adheres to a corporate environmental compliance calendar to keep tasks on schedule and an audit policy to monitor compliance.

Invacare is establishing a culture of environmental excellence.

Beyond regulatory compliance, we promote product stewardship and sustainability in all facets of the organization. Whether partnering with product stewardship organizations, pursuing waste minimization, or evaluating energy consumption, we seek to minimize our impact on the environment. Our comprehensive focus on the environment has inspired multiple sustainability initiatives:

- **Mattress and rechargeable battery product stewardships**
- **LED lighting installations**
- **Product and package design considerations for recyclability**
- **Optimization of packaging materials**
- **Energy-efficient air compressor systems**
- **Achieving ISO 14001 certification at select facilities**

Through this integrated approach incorporating compliance, stewardship, and sustainability, Invacare is establishing a culture of environmental excellence.

Renewable Energy



Invacare continues to offset carbon emissions from electricity and natural gas consumption at its Ohio facilities through the purchase of Verified Carbon Units

(VCUs) and Renewable Energy Certificates (RECs). VCUs represent one metric ton of greenhouse gas emissions reduced or removed from the atmosphere from certified emissions reduction projects.

An REC is a commodity that represents electricity delivered into a power grid in North America by a renewable resource, to include electric power from solar, wind, geothermal, biomass, hydropower, or other qualifying sources. Carbon offset opportunities will be evaluated at other facilities to further reduce impacts from the consumption of natural resources.

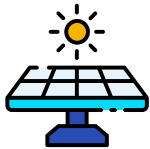
Corporate **Environmental** Stewardship

Energy Conservation

Invacare's German business in Albstadt relocated into a new facility utilizing currently available energy conservation technologies:



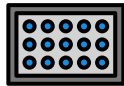
The new facility was built according to the KfW 55 energy efficiency standard, which consumes up to 55% of the energy consumed in regular, minimally compliant buildings.



The facility roof features a photovoltaic system with 750 kW/h solar panels that generates renewable energy, with approximately 60% used by the facility and 40% sold back to the power grid.



Heat recovery is obtained by a mechanical ventilation system in the office building, while heating and cooling runs on heat pumps.



All lighting in the facility is provided with LED technology.

Product **Stewardship**



Industrial Recycling Stewardships

In the United States and Canada, Invacare maintains ongoing memberships with Call2Recycle and the Mattress Recycling Council in order to educate the consumer and promote the appropriate recycling of rechargeable battery and mattress products at its end of life.

On the other side of the globe, **Invacare New Zealand pledged to prevent 1,000 mattresses from ending up in a landfill.** Collaborating with local charity Eco Shop, Invacare NZ sanitized and refurbished over 90% of the mattresses. Not only did this activity generate charitable funds, but it also helped Invacare secure a contract tender with the local health district.

Circular Sourcing Concepts

Invacare's respiratory line of portable and stationary oxygen concentrators use molecular sieve adsorption media to produce an oxygen-rich gas. Partnering with its molecular sieve supplier, Invacare has continued to collect and regenerate spent molecular sieve in a re-fired reclamation process, eliminating waste and substituting virgin molecular sieve with re-fired molecular sieve in designated service parts. From the program's inception in 2019, Invacare has delivered over 17 tons of spent molecular sieve to its supplier for re-firing.

Sustainable Product Design and Development

Invacare incorporates sustainability into the New Product Introduction (NPI) process, evaluating the use of recycled or sustainable materials and minimizing packaging materials and chemical content. Two recent product launches best exemplify the integration of ESG principles into our NPI process:



Invacare® Platinum® 5NXG Oxygen Concentrator

- Compressor rebuild kits available
- Introducing low power mode of operation at low flows
- Contributing to molecular sieve reclamation program
- Designed to minimize use of mixed material components and maximize use of recyclable material in product packaging



AQUATEC® PICO GREEN Shower Chair

- Made from Polysmart, a new sustainable material mixture of plastic and wood fibers, reducing the consumption of plastic and petroleum resources and associated emissions
- Product is naturally antibacterial, effective versus 99.9% of bacteria, minimizing the need for hazardous chemical disinfectants

Diversity, Equity, and Inclusion

Invacare acknowledges the importance and value in building a diverse, equitable, and inclusive culture and work force, fostering positivity, employee satisfaction and productivity. Regarding diversity and equity, 70% of our board of directors are diverse in terms of gender, race, and ethnicity. At an organizational level, our global and US demographics are captured in the tables below.

Diversity, equity and inclusion (DEI) efforts are continuously practiced and adhered to, which is why Invacare is emphasizing DEI globally. Invacare's commitment to DEI will be reinforced with training programs currently in development. A culture built upon DEI principles produces an accepting, thriving work environment that cultivates innovation.

A culture built upon DEI principles produces an accepting, thriving work environment

In addition to corporate initiatives, DEI progress is occurring at the regional level as well. All associates in the United States completed mandatory training on Preventing Harassment

and Discrimination. In the Asia Pacific region, Invacare's People, Culture and Capability team took part in a training course called a Culture of Care, focusing on how to identify workplace harassment and

bullying, why it happens, and how to address it with an objective of creating a safe and inclusive environment.

All levels of associates are encouraged to utilize Invacare's open door policy for voicing concerns and presenting ideas. Furthermore, associates also have the ability to report concerns anonymously through an independent third-party hotline, EthicsPoint.



Our Global and U.S. Demographics

as of December 31, 2020 are summarized in the tables below

Global Gender Demographics		
	Female	Male
Manager & Above	26%	74%
Individual Contributors (1)	42%	58%
Manufacturing and Warehouse	31%	69%
Total Invacare	35%	65%

U.S. Race and Ethnicity Demographics				
	Manager & Above	Individual Contributors (1)	Manufacturing & Warehouse	Total U.S.
Black / African American	5%	6%	11%	8%
Asian	5%	1%	2%	3%
Hispanic / Latino	6%	11%	40%	24%
White	82%	80%	46%	64%
Multiracial, Native American and Pacific Islander	2%	2%	1%	1%

(1) Below Manager who do not supervise others

Corporate **Social** Engagement

COMMUNITY

and Charitable Support

As a leading company in the medical device industry, with facilities and markets that span the globe, Invacare recognizes its responsibility to the communities we serve and impact. In the regions where Invacare and its associates live and work, we are invested and engaged in our communities by donating our time, treasure and talents to many charitable causes over the years, including:

- Free Wheelchair Mission
- Easter Seals
- CAMVETS from Challenge America
- Paralyzed Veterans of America
- United Way

- Special Olympics
- United Service Organization (USO)
- The Upside of Downs
- Harvest for Hunger/Food Collections

- Toys for Tots
- ALS Association
- Youth Challenge
- United Cerebral Palsy (UCP)
- Wheelchair Charities, Inc.
- Junior Achievement



Delivering toys to local children's homes

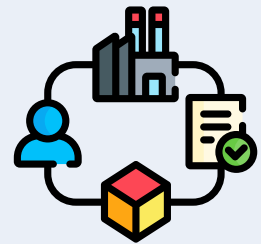
Following the example set at the corporate level, Invacare associates also give their time and resources to various charitable events and organizations with connections to their local communities. The following facilities and their philanthropic efforts exemplify the social aspect of Invacare's ESG mission.

Invamex Operations



The Invamex facility, located in Reynosa, Mexico, manufactures manual wheelchairs, lifts, and patient aids. In January 2020, Invamex organized an event called "Jugueton" in which all associates may voluntarily participate by donating toys and delivering them to local children's homes.

Volunteering associates had the opportunity to spend time with the children while donating a total of 145 toys.



Ethical Sourcing

On a product level, this includes sourcing products responsibly in accordance with Dodd-Frank Act's Conflict Minerals rules and holding suppliers to a Code of Conduct that defines, among others, standards for labor, environmental, chemical content, and ethics. More information on compliance with these standards is publicly available on Invacare's Corporate Social Responsibility website.

Invacare New Zealand officially unveiled a new ramp and platform system

After nearly a year of design and development with Life Education Trust Auckland, Invacare NZ officially unveiled a new ramp and platform system that will allow total access to the excellent Life Education mobile classrooms. **For the first time, all Auckland children will be able to access the classrooms** and benefit from all that they do. Life Education, with funding support from the Masonic Trust, will now be able to use the system across their fleet of mobile classrooms to service all Auckland schools for the first time.



Additional **Invacare NZ** activities include:



- **Registering as a corporate partner** with Volunteering Auckland group, helping connect interested associates with non-profit organizations in need of volunteers
- **Volunteering with Auckland City Mission** to provide emergency food parcels to food banks across NZ, and to sort and distribute Christmas gift donations
- **Nominated associates participated in the Auckland inaugural Kitchen Challenge Leadership program**, a transformative, innovative and immersive learning experience, pairing participants with

individuals from the community who are connected to Invacare products. This program provided the opportunity to develop a relationship and understanding of persons living with a disability.

- **In 2020 the People, Culture and Capability team introduced a People Leaders program**, providing an opportunity for the group to develop and practice leadership skills in a safe environment. Program topics included courageous conversations, recruitment 101, problem solving, and managing for performance and new leader development.

Corporate Governance Commitment











Invacare is committed to the responsible governance of its management, to include the board, executive leadership, shareholders, and other various stakeholders. Invacare strives for equal, fair and transparent participation, while being responsive and accountable to the concerns of its customers, associates, and shareholders. Effective governance should include a strategic vision for progress and growth, and accountability for the results.

Invacare's current board structure and demographics

Highly Engaged and Diversified Board of Directors

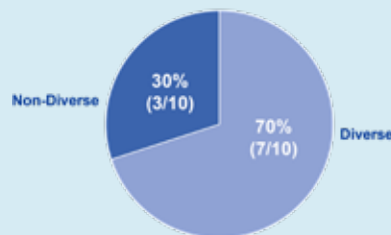
Governance, insight and strong industry experience to guide Invacare and represent shareholders' interests



										
	C. Martin Harris, M.D. (Lead Director)	Susan H. Alexander	Julie A. Beck	Petra Danielsohn-Weil, Ph.D.	Stephanie L. Fehr	Diana S. Ferguson	Marc M. Gibeley	Matthew E. Monaghan	Clifford D. Nastas	Baiju R. Shah
	Associate VP, Health Enterprise & Chief Business Officer, Dell Medical School at U. of Texas	Executive VP, Chief Legal Officer and Secretary, Biogen	CFO, NOVA Chemicals Corporation	Retired, former Regional President, Pfizer Essential Health - Europe	Executive VP and Chief Human Capital Officer, United Healthcare	Principal and Founder, Scarlett Investments, LLC	CEO, Nutritional Medicinals, LLC	Chairman, President and CEO, Invacare	CEO & President, Tempel Steel	Managing Director, Accelebrate Ventures
CEO Experience							•	•	•	•
Healthcare	•	•		•	•		•	•		•
International		•	•	•	•			•	•	
Financial Turnaround			•					•	•	
0-5 year tenure*		•	•	•	•	•	•			
Diversity (gender, racial, ethnic)	•	•	•	•	•	•				•
Independent	•	•	•	•	•	•	•		•	•
* As of 4/12/21										

Commitment to Board Refreshment and Diversity

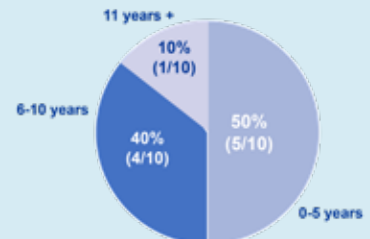
Director Nominees – Diversity*



*Gender, racial and ethnic diversity

Invacare recognized by *2020 Women on Boards, Inc.* "Winning" company

Director Nominees – Tenure



Regular refreshment of Board with 2 new directors added since 2019

Adhering to Governance **Best Practices**



Annually elected Board
with Director Resignation
Policy for less than
majority votes and with
fulfilled share holding
requirements



**Annual investor
engagement** with
shareholders >80%
outstanding shares (as
of 9/30/20) and proxy
advisory firms



**Committed to ongoing
Board refreshment,**
with 2 new independent
directors since 2019



**Nearly eliminated
all Class B shares** -
de minimis amount
remaining (~0.001%
voting power)

About the Cover

Staying connected collectively across the many functional groups

2020 was a unique and challenging year that brought about significant change to socioeconomics worldwide. In the midst of a growing global pandemic, Invacare adapted and modified its operations with the health and safety of its associates as a core priority.

Much like a redwood forest, Invacare established and trusted its networking tools and skills to thrive in a remote working environment. Redwood trees, as towering and majestic as they are, have a very shallow root system. Rather than anchoring to the soil with a tap root, redwoods rely on an interweaving vast network of roots just below the surface to provide strength and stability.

Invacare realized its own strength as associates working remotely fulfilled their individual responsibilities by using virtual systems and communication networks to stay connected collectively across the many functional groups that drive Invacare's global operations. These resilient network structures that were initially motivated by necessity have become a prominent mainstay, making Invacare a strong, stable, and dynamic corporation to confidently emulate the redwood forest for years to come.