

A REAL DIFFERENCE.  
NOW & FOR THE FUTURE.

Wellspect®

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# ABOUT WELLSPECT

At Wellspect we develop innovative continence care solutions that change people's lives. We are committed to our users good health and well-being, inspiring them to build self-confidence and reach independence. We have been leading the industry for almost 40 years with our product brands LoFric® and Navina™. We create reliable and user-friendly products for bladder and bowel management with as little environmental impact as possible. We passionately strive to become climate neutral and work closely together with users and healthcare professionals who constantly inspire us to improve our products and services in a sustainable way, now and for the future.

With headquarters in Mölndal, Sweden and more than 1,000 employees, Wellspect is present in more than 30 countries, and part of Dentsply Sirona, the world's largest manufacturer of professional dental technologies.

### About this report

Wellspect comprises two manufacturing sites (Mölndal, Sweden and Kazan, Turkey), two distribution centers (Netherlands, Sweden), two warehouses (Germany, UK), two (shared) warehouses (France, US) and sales offices in Austria, BeNeLux, Denmark, Finland, France, Germany, Italy, Norway, Spain, Sweden, Switzerland, Turkey, UK and US. There are also distributors world wide.

This is the first global Wellspect Sustainability Report. Besides a collection of sustainability data, it is a statement of our responsibility and ambition. The purpose is to meet our stakeholders' expectations, to demonstrate that we are taking on a wider approach that aims to integrate all parts of the Wellspect business and show in detail how we are working to become a sustainability leader in our industry. 71% of our staff are located at the two manufacturing sites in Sweden and Kazan, and most of the data in this report is based on the activities at these sites. Belonging to Dentsply Sirona and abiding by its sustainability strategy means we are part of a broader context, but this report is a disclosure of the Wellspect business's sustainability program. The Dentsply Sirona Sustainability Report, publish date September 2021, (as well as a Sustainability Fact Sheet and Environmental Scorecard) can be found [here](#).

The photos in this report were taken at various points in time - both prior to and during the Covid-19 pandemic - and the risk of infection was considered when creating and selecting photos.

### Disclaimer:

Wellspect Healthcare is a business division within Dentsply Sirona and the information in this report covers the business division of Wellspect Healthcare only, not Dentsply Sirona as a whole. Wellspect Healthcare has taken every reasonably possible measure to ensure the accuracy and reliability of the information provided.

## PROUD OF 2020

1,034  
EMPLOYEES

Offices in 14 countries  
in three continents

0.49  
LTIF

Lost time injury reduced with  
71% compared with 2019



MANAGING THE  
PANDEMIC

Maintained business during an  
extraordinary year of the pandemic



SOLAR PANELS

First solar panels installed  
at our manufacturing site



REDUCING CARBON  
FOOTPRINT

Implemented a catheter coating process  
with better environmental performance

# SUSTAINABILITY – EVEN MORE IMPORTANT IN CHALLENGING TIMES

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Svenn Poulsen, Group Vice President  
 Wellspect HealthCare.

Looking back at the year 2020, it is clear that it has been one of the most challenging, demanding and disruptive years in modern time. Never before have we experienced such global and rapid changes to our business environment, to society and to our private lives. It's made me reflect upon the core meaning of the word "sustainability" – the ability to maintain ourselves without depleting resources, balancing individual and societal needs, economic stability and environmental health.

The minute the Covid-19 pandemic struck, we were forced to reconsider how we protect the health and safety of our employees and customers, while at the same time preserving our ability to produce and supply products that are vital to people who need them every day, regardless of the Covid-19 pandemic or other factors. This has been a true test of our company's sustainability strategy, and with a dedicated effort from health care professionals, our customers and partners, and not least from all Wellspect employees, I think it is fair to say that we actually managed to strike a good balance in the spirit of sustainability.

That is not to say we were not challenged along the way. With a focus on employee safety, we needed to take extensive measures

to protect employees from infection risks. The need to maintain our supply to customers and users, despite disruptions in our distribution channels, unfortunately forced us to send some shipments by air. This meant an increase of our logistical footprint as a temporary measure, where the balance needed to favor those who rely on our products.

At Wellspect, we embrace sustainability, to the extent that leading sustainable business efforts within our industry segment has now become one of our three strategic mainstays for the next five-year period. Our legacy testifies to our long-lived commitment to sustainability with some important milestones in our history. Our journey towards a true sustainable business started almost 40 years ago, in 1983, when we launched the world's first catheter (LoFric®) with a Urotonic® hydrophilic surface, which has meant more comfort and fewer complications for those who need to use catheters on a daily basis. Undoubtedly, this has made, and still makes a real difference to our users, but we also wanted to minimize our environmental footprint to make a real difference to society and the environment as well. We soon embarked on a development project to remove chemicals and excess water from our processes and 2020 marked the launch of the new, greener LoFric®, which preserves the clinical superiority of the Urotonic® coating, but uses fewer and less chemicals, less energy, produces a minimum amount of wastewater, and uses a solvent from a renewable source. The electricity for our manufacturing is sourced primarily from renewable sources and is supplemented by solar panels newly

installed on one of our buildings. As a result, the carbon footprint of the coating process has been cut in half without compromising safety or quality performance.

This is, indeed, a major milestone – but it is not the end goal. Rather, it is an important step on our path to become climate neutral, and by applying a Life Cycle Assessment (LCA) tool, we are now in the process of mapping out all the steps towards this ultimate goal. We take pride in our unique competencies and technologies, and as an organization of committed employees, we have turned this pride into obliging ourselves to lead the way within our industry towards true sustainability.

With our historical achievements as foundation, we continue our evergreen ambition to make a real difference for our stakeholders with a triple bottom-line mindset. We continue our journey to improve our solutions and services to patients, caregivers and the clinical community, with renewed energy. With increased investments into our goal to become climate neutral and with more focus in the safety and development of our employees, we contribute to the society and our environment. It all comes together in our strategy, our values, and our operational plans and in the mindset and commitment of all our employees. I am very proud to conclude that:

**SUSTAINABILITY DEFINES WELLSPECT**

Svenn Poulsen,  
 Group Vice President, Wellspect HealthCare

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# HIGHLIGHTS 2020

- The Covid-19 pandemic posed severe challenges for our organization and our personnel, but we maintained delivery volumes to ensure the health of our users.
- Wellspect adopted a new 5-year strategy with an emphasis on sustainability.
- A new catheter coating process was introduced at the Swedish manufacturing site; reduced energy and water consumption and a 100% biobased solvent with better environmental performance.
- We continue to strive to deliver superior user experience with expanding retrieval of their feedback with the aim to further understand the true needs of our users. Knowledge gained will be the basis for future product and services development. These activities are examples of Wellspect’s contribution to the Global Goals #3 and #10.
- Sustainability week – a digital communication event over one week with the objective to communicate challenges and achievements. Inspiring stories from our global company were shared internally.
- Intensified communication, externally as well as internally, around our engagement and achievements within the area of sustainability.
- Sustainability training of our sales representatives to support our contribution to the UN Global Goals as well as training in Life Cycle Assessment and other product related sustainability topics.
- The sterilization process at site Kazan was optimized during 2020, leading to 21% reduction of required ethylene oxide gas.
- The LoFric Sense packaging foil was updated during 2020 and a barrier layer of aluminum oxide has been removed. This has resulted in a decrease in the carbon footprint for the LoFric Sense yearly volume, equivalent to driving approximately 153,000 km with a diesel car.
- Wellspect added a new solution to its product portfolio, the Navina Fecal Incontinence Insert. This broadens our product portfolio, and helps people suffering from fecal incontinence and leakage.
- Hazardous waste in total was reduced by 10%. Non-hazardous waste increased by 1% due to adaptations to the new coating process during the start-up, and circumstances due to the Covid-19 pandemic.
- At the Kazan manufacturing site, waste from scrapped catheters was reduced by 41%, which resulted in a major reduction in our carbon footprint.



**5-YEAR**  
 Wellspect adopted a new 5-year strategy with an emphasis on sustainability

- At our Mölndal site, seven chemicals – prioritized by the Swedish Chemicals Agency – have been phased out, removed or substituted.
- Air travel for personnel was heavily reduced due to the Covid-19 pandemic, but the air freight for products increased for the same reason.
- At the Mölndal site, the consumption of office paper was reduced by 29% due to both the Covid-19 pandemic and improved software tools. This trend was seen already before the pandemic.

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# OUR STRATEGY FOR A SUSTAINABLE FUTURE

We are dedicated to providing products for an independent and dignified life, with minimal environmental impact, respecting human rights and social needs.

## The main ambitions of Wellspect's sustainability strategy for 2025:

### Good health and well-being

*Empowering more people to gain independence, confidence and able to lead a full life.*

- Continue to assure innovative premium solutions.
- Reach more users by serving even more markets.
- Contribute actively to reduce the stigma that surrounds bladder and bowel dysfunction.
- Help users minimize their environmental impact by offering products that promote resource efficiency and circularity.
- Contribute positively to society and be recognized as a good corporate citizen.

### Safe, committed and inspiring workplace

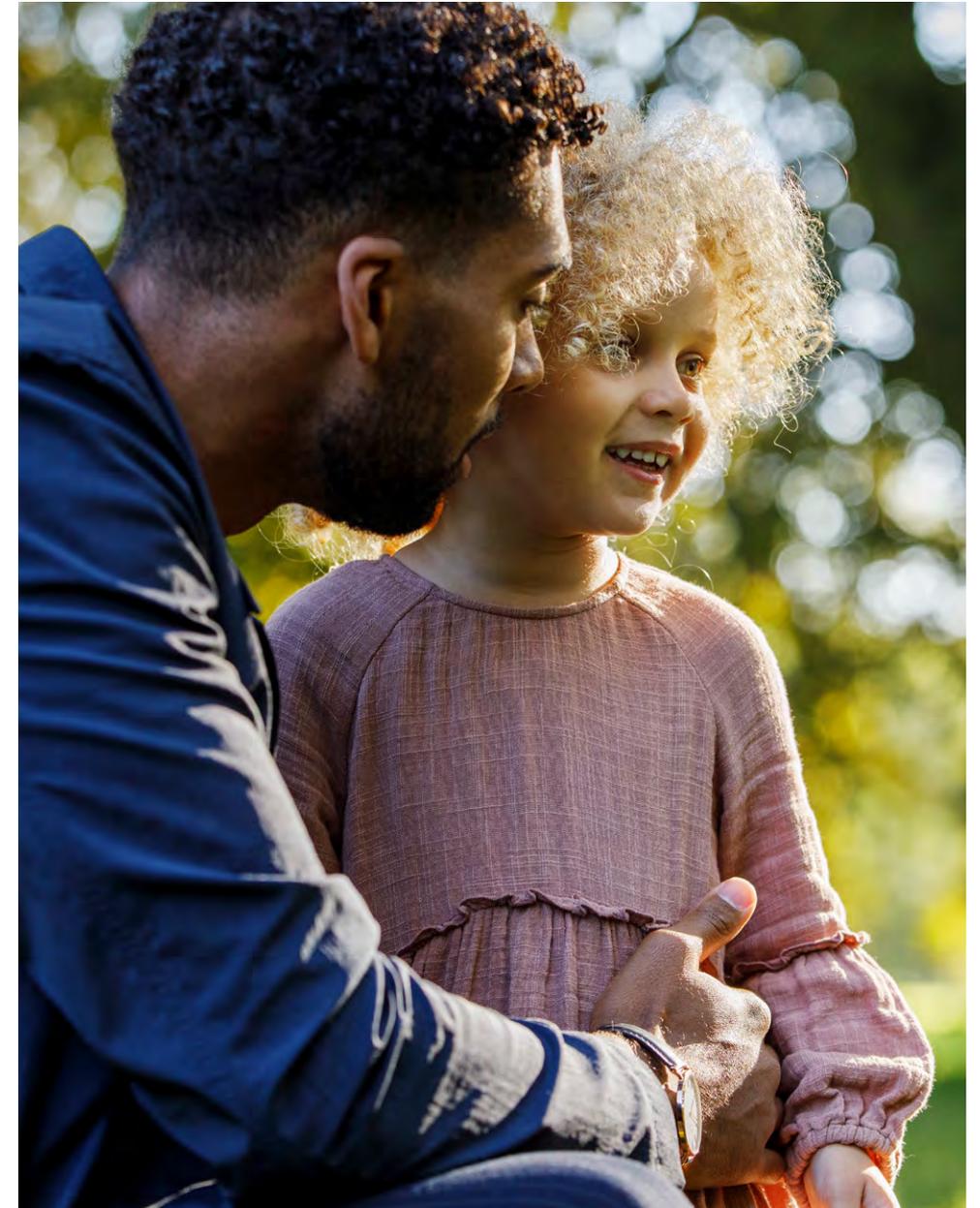
*We shall provide great workplaces that promote well-being, belonging and a sustainable worklife for our employees.*

- Put safety first - nobody shall get injured or get ill at our workplace.
- Promote a culture that creates an inspiring and highly engaging workplace where all employees are part of our success.
- Provide leadership engagement focusing on empowerment, diversity and inclusion.
- Encourage employee commitment to sustainability.
- Support our suppliers to continuously improve as part of our responsible supply chain.

### Reduced environmental footprint

*There shall be no compromise between product and environmental performance.*

- Drive innovation throughout the company
- Become a climate neutral business.
- Reduce emissions and chemical use.
- Promote operational resource efficiency
- Select materials and services with the lowest environmental footprint.
- Encourage users to recycle our products.
- Inspire our entire supply chain to improve.



# WELLSPECT FOCUS AREAS AND MAIN ACTIVITIES

## MAKING A REAL DIFFERENCE, NOW AND FOR THE FUTURE

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### GOOD HEALTH AND WELL-BEING

Empowering more people suffering from bladder and bowel dysfunction to gain independence and enjoy a full life through access to innovative continence care solutions. Providing easy to learn and teach products, committed support and education to healthcare professionals.

#### Good health and well-being

- Expand our geographic market, providing good health and well-being to more people.
- Develop products aimed at emerging markets.
- Share knowledge about bladder and bowel management, through social media, blogs and articles.
- Aim for zero recalls.

#### Community engagement

- Establish a Corporate Social Responsibility (CSR) profile to be proud of and inspired by.
- Continue to sponsor the International Wheelchair Basketball Federation.
- Continue to hire people with diverse backgrounds and abilities.



### SAFE, COMMITTED AND INSPIRING WORKPLACE

Ensuring Wellspect is a desirable workplace and attractive business partner – together. Being an inspiring and challenging partner, leading to improved workplace conditions throughout the value chain.

#### Safe and sustainable workplace

- Implement an extended safety program within manufacturing, to achieve and sustain zero recordable injuries.
- Set global Environment, Health and Safety (EHS) objectives
- Implement health promotion programs.
- Provide Code of Conduct and sustainability training.
- Empower our people to reach their full potential.
- Embed our culture in our people processes.
- Increase virtual and digital training for employees and leaders.

#### Sustainable procurement

- Involve all suppliers in our sustainable supply chain procedures.
- Encourage our main suppliers to abide by our values and ambitions.
- Ensure suppliers sign our Business Partner Code of Conduct and manage their risks.
- Engage with crucial suppliers and audit when required.



### REDUCED ENVIRONMENTAL FOOTPRINT

Wellspect actively works to reduce its environmental impacts – both for its operations and products. This includes its carbon footprint, chemical use, water consumption, energy consumption, paper use, waste to landfill.

#### Carbon footprint

- Develop a climate neutrality roadmap and set targets, strategies and actions.
- Improve energy efficiency.
- Adopt climate-neutral transport to/from manufacturing.
- Maximize use of renewable energy for our manufacturing.
- Encourage environmental considerations in customer requirements on products.

#### Chemicals

- Optimize core manufacturing processes.
- Reduce the use of ethylene oxide.
- Phase out DEHP (a phthalate-based plasticizer) and avoid PVC.

#### Natural resources

- Reduce, reuse and recycle resources.
- Optimize manufacturing productivity and minimize waste.
- Use FSC certified paper.



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## 2020 PERFORMANCE REVIEW

The progress in 2020 of our main KPIs, split into our three focus areas. More detail on our progress can be found in the Sustainability Data section.

Target/KPI	Result 2019	Result 2020	Target 2021	Target 2025
<b>Good health and well-being</b>				
 Increase in number of countries where products are sold	0	+1	+1	+ 5 vs 2020
Minimum number of projects aiming to develop products for developing countries	1	1	1	1
Number of mandatory recalls <sup>1</sup>	1	0	0	0
<b>Safe, committed and inspiring workplace</b>				
LTIF, Lost Time Injury Frequency <sup>2</sup>	1.70	0.49	0	0
TRIF, Total Recordable Injury Frequency <sup>2</sup>	1.93	0.56	0	0
 Attendance rate <sup>2</sup>	93.7%	93.8%	>95%	>95%
Relevant employees trained in business ethics <sup>4</sup>	98.4%	98.1%	100%	100%
Prioritized suppliers risk classified from a CSR perspective <sup>5</sup>	100%	100%	100%	100%
<b>Reduced environmental footprint (percentage difference from preceeding year)</b>				
 Energy usage/sold volume <sup>2</sup>	-4.9%	+4.2%	+/- 0%	To be defined, see <a href="#">page 26</a>
Product transport by air <sup>3, 8</sup>	-24%	> 300%	To be reduced	To be defined, see <a href="#">page 26</a>
CO <sub>2</sub> e/sold volume <sup>2</sup>	n/a (new KPI)	-30.3%	-5%	To be defined, see <a href="#">page 26</a>
Waste/sold volume <sup>6</sup>	n/a (new KPI)	-2.7%	To be reduced	To be reduced
Waste sent for material recovery <sup>6</sup>	31%	28%	To be increased	To be increased
Water consumption/sold volume <sup>2</sup>	-10%	-1%	-14%	To be reduced
Converted to new coating process <sup>7</sup>	n/a (new process)	12%	70%	100%

1. Excludes voluntary recalls.

2. Manufacturing sites in Kazan and Mölndal.

3. Product transport by air: Calculated by spend based method. As the cost for air freight increased in 2020 due to the pandemic, the years 2019 and 2020 cannot be compared correctly. 2021, we aim to calculate CO<sub>2</sub>e instead, and to compare the years correctly going forward.

4. 2019: Wellspect Mölndal, 2020 and 2025: Wellspect globally.

5. 2019: Mölndal. 2020 onwards: All manufacturing sites.

6. Waste is characterized in accordance with local regulatory definitions.

7. Calculated as the ratio of catheters coated in new process, yearly average.

8. Based on CO<sub>2</sub>e emissions for scope 1 and 2.

# GOOD HEALTH AND WELL-BEING

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“Independent and dignified life by increased awareness and access”

**Our goal is to make a real difference, every single day. With the help of our products, our users can have a freer, more independent life. Our products contribute to good health and well-being in themselves, while also having high standards for quality and patient safety.**

### Why we do it

In 2020, many of us experienced a situation where we were forced to stay at home for months without being able to socialize with family, colleagues and friends. This situation is often endured every day by many people whose life is inhibited by bladder and bowel dysfunction.

At Wellspect, we strive to make a real difference. Having introduced the first hydrophilic catheter as early as 1983 and, more recently in 2016, the world's first digital solution for bowel management, Wellspect is the pioneer within intermittent catheterization and continence care.

Our core business is to help people, suffering from bladder and bowel dysfunction, to live a normal, active and independent life, without isolation at home or having to think about their next visit to the restroom.

### Facts on transanal irrigation (TAI)

Transanal irrigation (TAI) is a successful therapy for many people living with bowel dysfunction. TAI effectively empties the bowel and eases the evacuation of stool by passing water into the bowel. Our solution for TAI is Navina.

### To whom

Sometimes people's lives can change in a split second, through an accident, and never be the same again. Some people are born with a condition or have contracted a disease at a later stage in life that effects important body functions. And as people grow older, they can be forced to adjust their daily lives. No matter the circumstances, being able to empty the bladder or bowel properly often has a major effect on people's lives, both for the person experiencing the problem and for their immediate family and caregivers. Their social life often suffers severely, and it is not unusual for people with severe bladder and bowel conditions to be unable to participate in work or even leave their home.

People who suffer from urinary retention and chronic bowel conditions include people with a spinal cord injury, multiple sclerosis, an enlarged prostate, spina bifida, and women who experience dysfunction after childbirth or people who have survived a cancer diagnosis.

Our solutions for bladder and bowel management, and the subsequent support, help our users overcome the challenges that would otherwise restrict their lives. Despite their conditions, many users of our products now

### Facts on intermittent catheterization (IC)

Intermittent catheterization (IC) is the first choice for bladder management for people who cannot empty their bladder in a normal manner. IC is associated with the least risk of complication during long-term use. Our solution for IC is LoFric.



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lead busy lives, which is why more and more people want the convenience of home delivery. This is something that we can offer in several markets.

**How we do it**

Our Bladder and Bowel products have been engineered for state of the art functionality and safety. We are constantly considering how they can become even better by working closely with both healthcare professionals and users to advance bladder and bowel management.

**Innovation – better health to more people**

Our aim is to develop relevant, easy to teach and learn solutions for bladder and bowel management that contribute to good long-term health and well-being, making a real difference in people’s lives.

In 2020, the implementation continued for our new and award-winning catheter for women, LoFric® Elle™. This product is a ready-to-use, single-use hydrophilic catheter where the container becomes a handle when connected to the catheter. The handle is ergonomic and improves control, secures better hygiene and increases dignity for women. The innovative design allows more women to catheterize by themselves without any help from a family member or care giver, which often restores the feeling of dignity and consequently improves their quality of life.

Functional constipation is considered to be multifactorial; the most common factors being genetic or psychological, but also related to lifestyle.

By the end of 2020, Wellspect expanded the Navina portfolio by adding Navina Fecal Incontinence Insert. This solution is designed to prevent accidental bowel leakage. The insert is made of a soft and flexible silicone and represents a new, innovative way to help patients feel safe in their daily lives. The number of patients in the world suffering from fecal incontinence is unknown, as the subject is not readily talked about. According to a study by Meyer and Richter (Women’s Health 2015;11/2) “Up to 70% of patients with Fecal Incontinence have not reported their symptoms to healthcare professionals”. Which means they spend their lives in constant fear of the embarrassment of having accidents in public – or remain involuntary and socially isolated, which can lead to depression. There are many possible causes behind the symptoms, such as the removal of hemorrhoids, pelvic floor dysfunction after childbirth, functional bowel disorder (even more common with old age) or neurogenic bowel dysfunction with, for example, Multiple sclerosis (MS). What they all share is that the daily life of the patient revolves around the toilet. The Navina Fecal Incontinence Insert is being launched in Europe throughout 2021.

**Going the extra mile**

Not every healthcare system reimburses our products or product categories, which presents a challenge to our vision to provide our therapies to everyone who needs them. But we always have at least one ongoing project to support this ambition.



Navina Fecal Incontinence Insert

**Driving continuous improvements**

The safety of our customers, while also respecting natural resources and mitigating our impact on climate change, is of the highest importance for Wellspect. Our aspiration is for our users to be able to trust us to provide safe and well documented products that fulfill their requirements. That means that we have to consider more requirements and qualifications than our users and caregivers may be aware of. When it comes to production processes, we take full responsibility to continuously minimize the environmental footprint. Wellspect’s target is to use as little and as few chemicals as possible, both in production processes and in products. We perform rigorous monitoring towards specific targets. Our products contain

no substances listed on the EU’s SVHC list (Substances of Very High Concern).

For several years our LoFric catheters have already been free from DEHP (a phthalate-based plasticizer), and all products produced at our Mölndal site are free from PVC (polyvinyl chloride). Our target is to have the same high level of environmental performance at all our manufacturing sites regardless of geographical location.



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**Product Quality**

Wellspect has a documented system in order to gather feedback and track any potential complaints.

All complaints are classified by whether they could potentially risk the safety of our users and if a mistake has occurred, we investigate this extensively and document the outcome to prevent any reoccurrences. Any incidents that occur during production that could potentially compromise our high standards for product quality are constantly monitored and followed up.

Wellspect has a robust Post-Market Surveillance Process across its entire product range. This covers risk management, design, and manufacturing to guarantee we can provide safety improvements in every step of the patient pathway. We are converting our 'technical files' (the product documentation) to meet the new EU Regulation for Medical Devices that replaces the earlier directive.

Our target is always to have zero Significant Product Recalls.

Results 2020: Zero forced recalls. One voluntary recall with a small number of urinary catheters that were potentially out of specification.

**Reaching more geographical markets**

One method for providing good health and well-being to more people is to expand our geographic market. Our target is to add at least one country per year. In 2020, people in Argentina obtained access to our products

LoFric Sense and LoFric Origo through a local distributor, Droguería LUMA.

**Impact of the pandemic**

The Covid-19 situation has not significantly affected already existing users. On the other hand, if complications have arisen, care has not been as readily accessible as before.

Potential new users of our solutions have been affected: non-urgent care was largely scaled down as healthcare professionals were deployed to the front lines of pandemic care. Many of our users are also at risk, either due to age or other conditions, and actively avoided hospital visits. As a result they may have been treated at home, with the insertion of an indwelling catheter (Foley catheter). Although this increases the risk for infections and hospitalization, it has been the reality in most markets. A significant part of this group of patients remain with their initial therapy and have not adopted IC, intermittent catheterization. Consequently, patients have not had the opportunity to get to know new products, such as LoFric Elle.

Ensuring a steady supply of our products has been a priority during the pandemic. While it may differ between local markets, one way of securing delivery has been the development of a streamlined process – a prescription submission – with health insurance companies, to ensure product supply. In addition, some markets have offered a Direct-to-patient service where the patients can order the products online. In other markets the authorities have

accepted extra deliveries during the lockdown. In addition, the Direct-to-patient service also takes the workload away from healthcare professionals.

The local Wellspect teams have stayed in touch regularly with healthcare professionals, arranging assistant programs for users as well as online product and therapy training. Examples are monthly webinars on topics of interest and national online symposiums for prescribing nurses. Nurse referral has increased as patients have not been able to see their normal healthcare professional. Managing expectations and customer anxiety have also been important tasks for the local organizations during the pandemic.

**Wellspect Customer Service & Support**

Support to healthcare professionals as well as users is essential to Wellspect, and as a supplier of premium products, we offer local customer service and support for all local markets. Markets run by distributors and agents handle the support themselves, with the support from our export organization and marketing. The size of the customer service and support team varies with the size of the local markets.

**Direct-to-patient Service (DTP)**

In some markets (DE, FI, FR, GB, IT, NO and US) Wellspect offers a Direct-to-patient service. The Wellspect DTP service offers a range of home delivery options. Patients can obtain a product subscription, order express deliveries, or temporarily change the delivery address. In addition, they can also receive information about products in stock, returns or delivery times. Regulated by local authorities, the conditions of the services offered differs between markets.

If Navina is part of the local product offer, there is also a local support team available dedicated to Navina and transanal irrigation, which ensures getting correct instructions and advice when needed. Our local Customer and Support team includes the delivery and supply of products, handling of product samples, handling of customer communication and complaints. Other important tasks are follow-ups, compliance, and support for technical issues as well as product matters.

**Other factors influencing our users' health and well-being**

Several factors contribute to improving the health and well-being of our users. The number of geographic markets covered, the products and services offered, as well as new indications added, are all contributing factors to a users' good health and well-being. In addition, the education and training of healthcare professionals and users, as well as comprehensive information to these groups also play a key part. The more people who are aware of bladder and bowel symptoms, therapies, and the solutions available, the more people can be helped.



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Inviting healthcare professionals to our [ACCT-webinars](#) during the pandemic has been one way for Wellspect to ensure support and offer continuous training.

**Shared knowledge through ACCT - contributing to improved therapy**

Knowledge sharing is another important part of improving health and well-being. Wellspect's global forum ACCT (Advancing Continence Care Together) is taking a patient-centered holistic approach to bladder and bowel dysfunction. The forum brings together professionals from clinical practice, science, and industry to explore the frontiers of bladder and bowel related research to improve people's lives.

Due to the Covid-19 situation, the physical events scheduled in 2020 had to be cancelled. To maintain momentum, they took place in online webinars that replaced the physical meetings. One of the advantages with webinars is the opportunity to reach out to even more people, and the recording of the event is made available and promoted on Wellspect's online platforms. In 2020, our ACCT events focused on women's health and the challenges of catheterization.

**Contributes to the Global Goals in particular objectives:**



- 3.8 Achieve universal health coverage.
- 3.9 Reduce illnesses and death from hazardous chemicals and pollutions.
- 3.B Support research, development and universal access to affordable vaccines and medicines.



- 10.2 Promote universal social, economic and political inclusion.
- 10.3 Ensure equal opportunities and end discrimination.

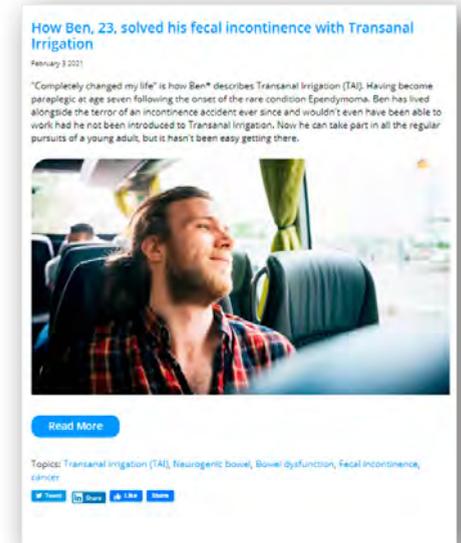
This is an excerpt of the Agenda 2030.  
[For more information, please visit globalgoals.org](https://www.globalgoals.org)

## COMMUNICATION FOR INCREASED AWARENESS

Bladder and bowel issues are sensitive topics to talk about. As a result many people are not always aware of the conditions causing their problems. They may believe that it is a natural condition due to age, surgery or childbirth. It is therefore an important task for Wellspect to draw people's attention to the fact that there's no need to suffer in silence - their condition can be resolved or highly improved.

With the support of our user blog and social media channels including Facebook, Instagram, and LinkedIn, as well as our user-guides, we share patient stories from all over the world about people who have been helped by their healthcare professionals and our solutions. Many of them claim that they have "got their life back".

We believe that the more people with bladder and bowel conditions who are visible in the media, and the more their stories are told, the more the stigma surrounding these matters will be reduced. Knowing more about the everyday challenges that many people experience will increase the understanding of their needs.



**Follow us in social media:**





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## HOW INNOVATION AND IMPROVEMENTS BENEFIT OUR USERS

Wellspect products are manufactured to the highest standards, and users and healthcare professionals are involved with the development of these products from the beginning. Feedback, clinical studies and consultation are crucial in creating these essential products for our users.

All users are different and the reasons for them to use a Wellspect product are always individual. It could be a neurogenic diagnosis, an enlarged prostate, complications from surgery or an accident, from childhood or much later in life.

Lucia, 51, from Italy, is an administrative employee who has had many complications since being diagnosed with stage 4 endometriosis. Having undergone a total hysterectomy, Lucia experienced many issues with her continence. Nerve impairment removed the sensation of needing to visit the toilet and the operation caused bowel dysfunction:

“I wasn’t able to empty my bladder effectively, yet thought I could – I had no sensation for when I needed to visit the toilet to urinate, and the effort I was using to empty the bladder was actually harming my kidneys. Realizing I couldn’t rely on my body to signal when I needed to go was scary, and the need for intermittent catheterization made that very clear.”

Gerard, 64, from Australia, formerly a photography tutor and now retired, experienced spinal arteriovenous malformation, a tangle of the blood vessels and spinal cord, that eventually lead to surgery, impaired mobility, and urinary and fecal incontinence.

“In the space of six months, I went from being an active man to losing my mobility and continence.”

Pilar is a 46-year-old woman who has cauda equina syndrome (CES) due to a recent accident. CES is a condition that occurs when the nerves below the end of the spinal cord known as the cauda equina are damaged. This condition affects bladder and bowel functioning:

“When I was told I would have to catheterize, I felt a wave of resignation.”

Finding the right products is not a straightforward process. Lucia met with an experienced team that understood the relationship between the bladder and bowel, and empathetic continence specialists who took the time to train her in intermittent catheterization and transanal irrigation. Gerard, on the other hand, had to try a few catheters before he found LoFric, and had to inform his rehab team of the latest developments in urinary continence care; he was given a minimum of training and was left to fend for himself. Pilar’s continence team put her in contact directly with Wellspect, and the customer support has been invaluable in ensuring that these users are matched with the right product and expertise.

“It’s made a big difference to my life, immediately,” says Gerard about Navina.



“LoFric Elle is more practical than other catheters when it comes to insertion thanks to the L-shaped handle”

Lucia



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Being a wheelchair user, Gerard remains a very active man who attends pilates many times a week. Before the onset of his condition, Gerard enjoyed mountain biking, motorcycling and camping out in the bush. It was only when a Wellspect affiliated representative visited his disability support group that he became aware of TAI - transanal irrigation. And the impact was immediate - now he need not worry about fecal leakage, is confident and able to maintain his social life and doesn't have to spend hours on the toilet or deal with ineffective medications to manage his bowel. Using TAI on average every two days, it takes him between 10 to 30 minutes with Navina, and then he can get on with his day.

"It's been a real game changer," says Gerard.

For Lucia, the difference the LoFric Elle catheter has made to her life has been incalculable:

"I feel like a woman again!"

"Having suffered so much; finding IC and TAI makes me so happy and relieved and leaves me with a sense of well-being. I can use a toilet independently again like everyone else - just in a new way. I don't feel different - I feel free from problems."

Pilar is unequivocal in how essential these products perform:

"Thankfully, Wellspect has been very helpful in supporting my use of both products. I had used another TAI product, but I encountered difficulty as it was often unreliable - I don't have this issue with the Navina Smart system."

While previous catheters proved less than satisfactory, with issues surrounding the insertion and removal of the catheter causing pain and trauma to the ureter, Gerard found the Uro-tonic™ Surface Technology of LoFric catheters was the deciding factor in choosing a catheter. It has a salt and solutes concentration similar to urine so that the catheter's surface layer is in balance with the body.

As a result, the lubricated catheter surface stays smooth at both insertion and withdrawal, minimizing the risks of urethral trauma, bleeding and strictures. Gerard has penile sensation, and the smooth insertion and removal offers piece of mind. But it's also the other features that enhance a user's experience. Users with limited hand mobility may struggle with a conventional catheter:

"LoFric Elle is more practical than other catheters when it comes to insertion thanks to the L-shaped handle," says Lucia. "It's also very hygienic because it is difficult for the catheter to come into contact with anything external, it's all self-contained."

For Gerard, the plastic grip, discreet packaging and easy carrying and disposal have given him welcome relief from the indwelling catheter that he first had to use. As self-catheterization is often a lifelong therapy, catheters have to be suitable for long-term use. It's "a love affair" and he couldn't wish for a better catheter.



Pilar

"I shudder to think what my quality of life would be like without these products and therapies - the peace of mind from not having to worry about urinary or fecal incontinence is priceless"



Gerard

"It's been a real game changer"

LoFric catheters have been used clinically and documented for almost 40 years, longer than any other hydrophilic catheter available.





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## WE BELIEVE IN WHEELCHAIR SPORT!

### Social responsibility the Wellspect way

As of last year, Wellspect is a proud sponsor of the International Wheelchair Basketball Federation (IWBF). We believe in parasports as a means for disabled persons to focus on what they can do, rather than what they can't.

It aligns well with our ambition to make a real difference for people who need our products and services, offering them dignity and control of their own lives. With the help of our products, they can have a freer, more independent life. It also coincides with our efforts to support the UN Global Goal 10: "Reduced inequality".

When the sponsorship was announced last summer, Sven Poulsen, Group Vice President, said:

"We feel confident that our partnership with the IWBF will help demonstrate our joint vision of making a real difference to society. Reducing inequalities and offering opportunity to those in need of our products is a core area for us. We understand and respect the commitment and passion needed to overcome obstacles and meet new challenges, facing our users on a daily basis." Or, to quote Paralympics champion and MBE Anne Wafula Strike: "Disabled persons have so much to offer. All they need is opportunity free of stigma."

### Empowerment through social media

Under the hashtag #RoadToTokyo we are posting a series of blog articles and social media posts to provide encouragement and a sense of empowerment, proving that even if disabled, you can do it. You can actually fight to become a champion, although it is of course a tough and demanding road to get there.

The pandemic was obviously a huge disappointment to all of the athletes working hard to be in perfect shape for the Games in Tokyo 2020. However, 2021 offers a new opportunity, as the Olympic Committee has promised that the games will definitely take place, although perhaps in a different shape or format. As we are moving closer to August 24, the Grand Opening of the Paralympic Games, we will intensify our publishing of reports, interviews and encouraging stories in our News & Event blog and our social media channels. Then once these Games come to an end we will start looking further ahead, as our focus changes to #RoadToParis 2024. Stay tuned!



Wellspect believes that parasports help you focus on what people can do, rather than what they can't.



### Wellspect's collaboration with Wheelchair sport contributes to the Global Goals.

- 10.2 Promote universal social, economic and political inclusion.
- 10.3 Ensure equal opportunities and end discrimination.

This is an excerpt of the Agenda 2030.

[For more information, please visit globalgoals.org](https://www.globalgoals.org)



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## ENGAGEMENT AT WELLSPECT HEADQUARTERS

During 2021, we will formulate a common approach for our activities within social responsibility throughout the Wellspect organization. Today, a number of local initiatives are made to sponsor local activities supporting good health and well-being; here are some examples from Wellspect headquarters in Sweden:

Since 2013, we have sponsored youth activities that in some way are linked to health and quality of life. The activities must be aligned with our company's values and Code of Business Conduct. The purpose of this sponsorship is to visualize our brand and to encourage employees to be committed to supporting youth activities. Our employees can submit a request that justifies why the company should sponsor a specific activity. All requests are handled by a group of employees. In 2020, the company sponsored a riding school, a wrestling club, a floorball club and a football club.

Over Christmas, we supported the **Gothenburg City Mission's** work with families living in social and financial vulnerability. Wellspect contributed with gifts and support in the form of food, clothes and help with homework. Together, we want to create a more humane society for everyone and to take social responsibility by participating and creating opportunity for change.

For several years, we have organized a Children's Winter Party for our employees and their families. The revenue from the party goes to the Fundraising Foundation for **Queen Silvia's Children's Hospital in Gothenburg**.



Wellspect supports



**About Wheelchair Basketball**

- Wheelchair basketball was invented in the 1940s as a rehabilitation for war veterans.
- It now has approximately 90,000 participants worldwide.
- Biggest Paralympic Sport in the World.
- Played by all ages and genders.
- It's been part of every Paralympic game since 1960, in Rome.
- The sport is one of the most inclusive parasports and open to anyone who has a lower limb impairment.

**About the International Wheelchair Basketball Federation (IWBF)**

The International Wheelchair Basketball Federation is the international governing body responsible for wheelchair basketball. It is a non-profit organization whose purpose is to provide opportunities for persons with a disability to play the game of wheelchair basketball.

**About IWBF**

- Founded in 1989.
- Headquarters: Patrick Baumann House of Basketball in Mies, Switzerland.
- 4 Zones: Africa, Americas, Asia Oceania, and Europe.
- The total number of National Organizations governing Wheelchair Basketball is 95.
- Africa: 14, Americas: 20, Asia Oceania: 26, Europe: 35.

[+ For more information, please visit www.iwbf.org.](http://www.iwbf.org)

**Future events**

- 2022 U23 World Championship for Men - Chiba, Japan.
- 2022 World Championships for Men and Women - Dubai, United Arab Emirates.
- 2026 World Championships for Men and Women - Ottawa, Canada.
- Current World Champions, Men: Great Britain. Women: Netherlands.

Wellspect also supports local wheelchair rugby and wheelchair basket clubs, e.g.. in Gothenburg in Sweden, Bologna in Italy and the National male, female and junior teams in Germany. Wellspect Switzerland has a cooperation with two wheelchair tennis players and two paracycle athletes. The US organization supports the United Spinal Association.



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## NEW UNIFORM EU REGULATION ENSURES PATIENT SAFETY

Wellspect is in the process of converting its product documentation – the Technical files – to meet the new EU Regulation for Medical Devices. This regulation replaces the earlier directive, leaving no room for ambiguous interpretation.

Ann-Charlotte Ryrman is Head of Technical Product Management, the department that manages Wellspect’s Technical files, and is leading the thorough initiative to ensure compliance with the new regulation.

The regulation is compulsory for all medical products sold in the EU, and the standard is independent of country and Notified Body; the organizations that assess the conformity of a product. This will ensure an overall higher safety standard and places the user at the heart of the new regulation.

The requirements and standards of clinical studies have been increased. It is no longer permissible to use results from other companies as a basis for documentation.

“Instructions For Use” documents are also subject to increased scrutiny and a demand to encompass the entire user cycle to include warnings and potential differences between product models and in relation to gender.

This will support correct and independent use, ensuring the safety and health of the user when healthcare professionals are not present. Improved legibility for symbols that indicate the sterile barriers support the user in the correct handling of the product without jeopardizing sterility.

The regulation also demands:

- Strict adaptation of REACH<sup>1</sup>.
- A risk-based approach.
- Increased level of biocompatibility tests.
- Requirements on used hazardous substances.
- Post Market Surveillance plans.

All of these requirements support and enhance user safety.

Ann-Charlotte also sees some benefits for the environment; with standardized documentation, the Notified Bodies can perform intensive audits remotely, leading to less travelling. Higher efficiency means reduced cost, which is another important objective for the health sector in general.

We are proud that we’ve been able to successfully reflect this standardization within the industry and ultimately benefit the users of medical products.



The purpose of the new uniform EU Regulation (MDR) is to ensure patient safety.



“There has been a great effort by a cross-functional team to meet the requirements of the new regulation. We are confident that the new standard has been enacted and that our documentation adheres to the new requirements, with the benefit of increased efficiency in our collaborations.”

Ann-Charlotte Ryrman,  
 Head of Technical Product Management at R&D

<sup>1</sup> REACH: Registration, Evaluation, Authorisation and Restriction of Chemicals, an EU regulation for the protection of human health and the environment from risks originating from chemicals.



# SAFE, COMMITTED AND INSPIRING WORKPLACE



**We are convinced that an atmosphere that motivates and inspires, and where we can challenge each other and explore new ideas, is crucial for developing new innovations. We take responsibility by investing in safety, training and well-being for our employees. We care about each other and face our challenges with joy and mutual respect.**

### Why we do it

Engaged and motivated employees and a capable organization will enable us to deliver on our business strategy. The focus on the development of capabilities in superior customer understanding, growth and innovation, on a foundation of operational efficiency, as well as the ability to utilize new technologies will be critical for our future success. This will require careful use of workforce planning and responsible leadership. To be successful and to promote a safe working culture, we need to continuously develop our leadership, organization, competencies and processes.

### For whom

Wellspect is part of Dentsply Sirona and hence shares the overall vision for diversity and inclusion, providing opportunities for all employees in an empowered and inspired workplace.

Being part of Dentsply Sirona, we benefit from the processes and activities of a global organization. Please refer to Dentsply Sirona's sustainability information.

[+ Read more at Dentsply Sirona](#)

Wellspect is a division with specific challenges and solutions, and we nurture a Wellspect atmosphere that motivates and inspires, offering a safe and attractive workplace.

Our responsibility goes beyond our own workplace. We demand that our main suppliers share our values on human rights, social conditions, work environment, sustainability, and anti-corruption, in addition to applicable legislation.

### How we do it

An atmosphere that motivates and inspires, where we can challenge each other and explore new ideas, is crucial for success. Success for our users, our customers, our employees, and for a sustainable future.

At Wellspect we share a common and important culture vision. This guides how we behave and how we act with one another, across teams and regions.

Each day, every one of us chooses to commit ourselves - to our goals and objectives, to our plans, to our organization. We bring a winning spirit and powerful dynamic to each project, activity and engagement we undertake.

It reflects our courage to genuinely challenge ourselves and to continuously improve ourselves individually and as a team.

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Teamwork is our way and Wellspect people work in teams, collaborating across boundaries to reach our goals and tackle our challenges. By working closely together, challenging each other in open discussion, and committing to realizing our goals, we believe we can move mountains and perform better than even larger companies in our field.

We often say that joy is our spice. This is the little extra that sets Wellspect apart from others. We care for each other and take real pleasure in working closely together, especially during difficult times. We are good at this, and we tear down any obstacles with grace and humor.

**Targeting zero workplace accidents**

The health and safety of our employees is of paramount importance and our aim is for zero workplace accidents.

The focus of our health and safety strategy is to enable employees to work in an inspiring and caring culture, free from any harm to mind or body. Managers, employees and suppliers receive training on a regular basis and all Wellspect manufacturing sites have plans in place to improve safety. Since 2020, we have implemented a safety green cross for all of our manufacturing sites.

Safety representatives for production workforces participate in safety rounds, investigations, risk assessments and planning of changes that could influence safety and health.

The two KPIs of Lost time injury frequency, LTIF, and Total Recordable Injury Frequency, TRIF, support our work to reach zero injuries.

- LTIF at our two manufacturing sites was 0.49 in 2020 (1.70 for 2019), which is a reduction of 71% from the previous year.
- TRIF at our two manufacturing sites is 0.56, which is a reduction of 71% since 2019.

In 2021, an enhanced safety program will be implemented covering safety training for all employees involved in manufacturing and other activities to further improve safety engagement among the staff of the entire organization including top management.

**Attractive and sustainable workplace**

Being an attractive and sustainable workplace where our employees are the most important resource is a prerequisite for financial growth and a prosperous company. Physical safety is a priority to us, as well as the social working environment for our employees' individual well-being.

The attendance rate during 2020, a year of Covid-19 pandemic, was 93.8%, covering our two manufacturing sites, where our target is 95%.

**Performance Development**

The Performance Development process gives an opportunity for the manager and employee to discuss and review a number of areas, for example, work situation, goals/activities, expectations and development opportunities. Performance Development is our process for all employees and is focused on the employee's development as a key component in establishing a stronger organization for future growth,



Employees at Wellspect are encouraged to take part in different kinds of activities that promote good health and well-being.

success, and achieving our organization's business goals. This process is a common platform for the entire global Wellspect organization and aims at integrating all activities relating to performance and development. The process includes continuous performance management in order to ensure accountability and achieve results.

**Employee Engagement**

Each year we conduct our Employee Engagement survey to listen and understand what drives our employees' engagement and what we can do better. Utilizing our employees' own perceptions and knowledge, we work in direct teams with discussions of the daily priorities and find solutions to strengthen what we do well and develop where improvement is needed.

**Well-being**

Wellness in the workplace means that together we create the conditions for a prosperous team spirit and a healthy environment. We encourage activities that make you feel good and have fun together and promote a good balance between work and leisure.

A variety of initiatives have been taken, including workshops and seminars focusing on stress, work/life balance and general workload.

Health promotion programs are part of the company's well-being program and some offices have introduced a wellness allowance.



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**Awareness and engagement within sustainability**

Sustainability is an inspiring area and an opportunity for further engagement with our employees in our sustainability targets. The goal is that sustainability should be a natural, everyday part of our work, for our colleagues around the world. In 2020, we had an inspiring digital week of sustainability and increased the level of internal communication within this area.

During 2021, all employees will be part of our sustainability training programs and for 2022, the individual goal plans will include sustainability targets.

**Safe way home**

At our Turkish factory, safety precautions are taken for female workers travelling home from work following late shifts; the staff commuting bus takes them straight to their homes.

**Reaching out**

One example of reaching out to the organization is to engage a group of local Sustainability Champions, one for each market. They have been trained within sustainability and take an active part in our sustainability work, focusing on information and engagement for customers, users as well as our employees.

Sustainability training for our local sales representatives is of great importance because they transfer knowledge and information about our achievements and products to our customers and users. The sustainability training of our sales representatives is provided by our local Sustainability Champions and last year they managed to educate more than half of our sales force about Wellspect sustainability and our contribution to the UN Global Goals, Life Cycle Assessment (LCA) and other product-related sustainability topics. This important work will continue during 2021.



**Managing the pandemic**

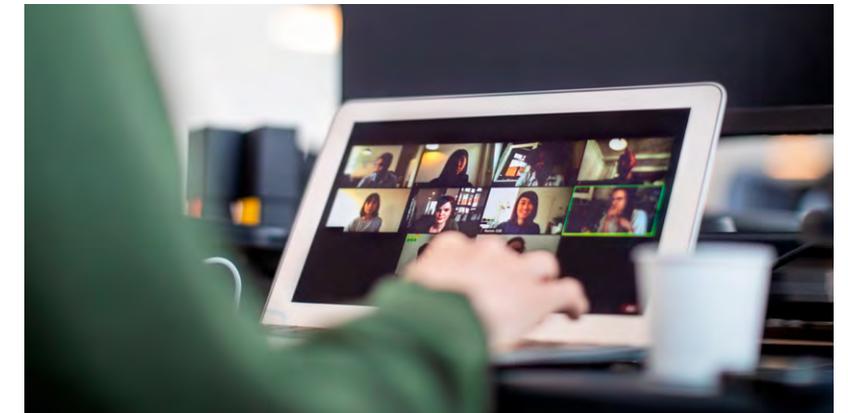
2020 was an extraordinary year, and the pandemic continues into 2021. To meet the challenges posed by the Covid-19 pandemic, the Dentsply Sirona Corporate management team meets regularly to monitor the evolving situation and has set up a crisis information hub, with regular communications to all employees about progress and company policy. This includes a flexible work arrangement policy and prevention guides to maintain a healthy work environment.

At Wellspect sites, we modified the planned activities in order to fulfill all requirements of well-being for all employees, on site, and working remotely. We have increased our efforts and worked with adapted local initiatives such as inspirational, motivational and fun webinars.

Our focus is to create and maintain our open and collaborative culture through digital solutions. During 2020, some activities were paused until these tools were in place.

To strengthen the resilience of employees to meet the challenges of the pandemic, the company provides and encourages different wellness activities such as mental health training and ergonomics instructions when working from home.

Another example is Wellspect Sweden, which collaborated with external partners to deliver inspirational webinars for employees and training for managers to lead their team remotely.





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**Diversity and Inclusion**

In our company, everyone is welcome and we want to be an attractive employer. We develop awareness and foster inclusion as a key part in our efforts to continuously strive to be a company for everyone. This is where training and education on diversity and inclusion are important in educating our leaders, people managers and our employees. We coach managers to use performance development tools to drive inclusive behavior and practices as well as challenge and explore potential bias. Our recruitment process focuses on experience, competence and traits that will benefit the team and organization, in line with our culture values.

We demonstrate our commitment to a diverse global workforce and strive to introduce programs that develop and source diverse and early career talent. We evaluate and benchmark current policies and processes to ensure they are inclusive.

During 2020, we promoted the establishment of and participation in different company-wide groups where employees across our organization participate and contribute. The Diversity & Inclusion Council sponsored by Executive Team members include key stakeholders throughout our company.

[+ Read more at Densply Sirona.](#)

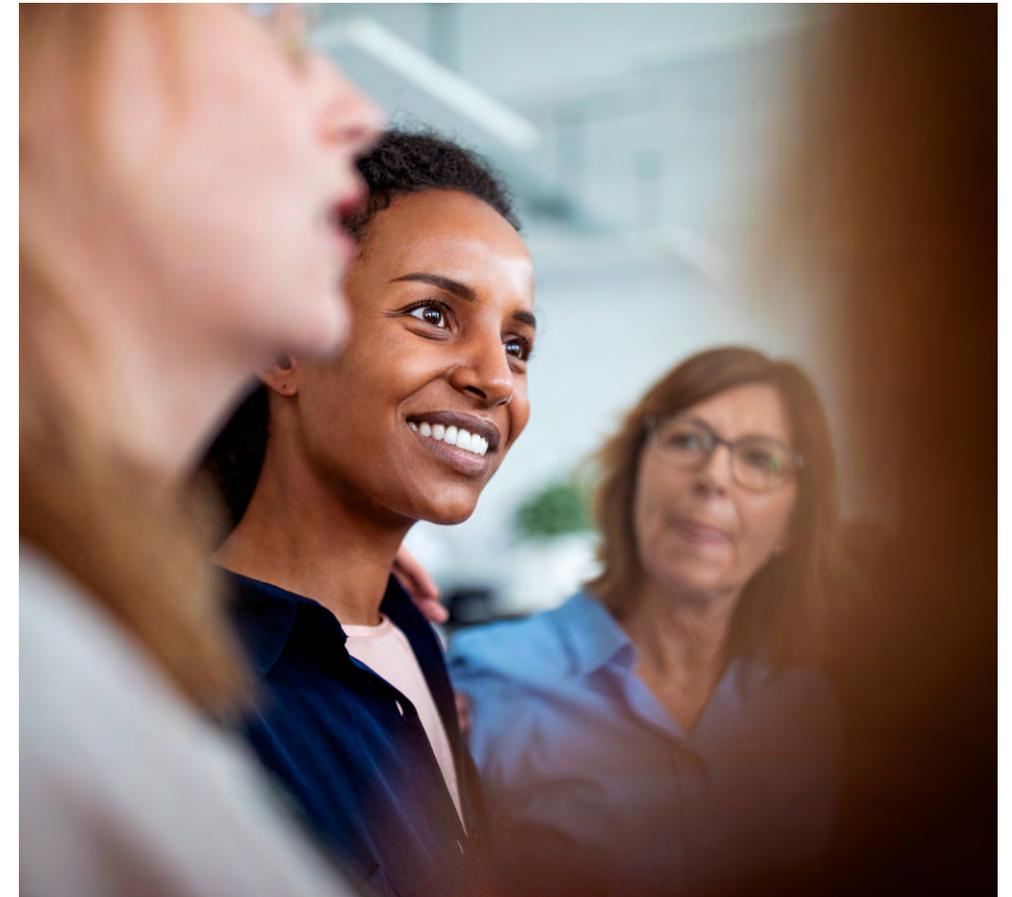
**Some examples of what we do**

The Swedish manufacturing site encompasses employees from 30 different countries. Our processes seek to improve everyone's ability

to grow regardless of gender, race, religion, nationality, ethnicity, disability and/or protected classification, sexual orientation, age or other parameters that include different experiences, family constellations and background. We also implemented a Language Café to encourage mutual learning, taking advantage of the different languages and cultural backgrounds of our employees.

In Sweden, there is an opportunity to fill competence gaps with resources that are currently outside the labor market, and this is made through a collaboration with "Jobbsprånget" - internships lasting four months for newly arrived graduates - engineers, architects, scientists and economists. The purpose of the program is to utilize their skills and accelerate their introduction to the Swedish labor market, and is run by the Royal Swedish Academy of Engineering Sciences (IVA). Through the internship, participating graduates can network and receive validation of competence. Another collaboration is with the Swedish "Tekniksprånget", a project run by IVA on behalf of the National Agency for Education. Through our collaboration, young adults who have recently completed their high school studies had the opportunity to gain work experience within the engineering profession to attract young people, and in particular women, to study engineering or a related technical education.

During 2020, we continued to show our support for the West Pride Festival at our headquarters.





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Lab evaluation and testing during product development of our latest innovation, LoFric Elle. In this project many women were involved, for example this team from the Research & Development and the Marketing departments.

**Empowering women**

We want to recognize leadership potential and accelerate career development for women throughout the organization and during 2020 an inclusive employee resource group called Dentsply Sirona Women (DS Women) has been started. This is an incarnation of our ambition to champion women.

DS Women is tasked with the objective of empowering all women within the company to excel and realize their fullest potential. Our task is to create a forum of support and growth for DS Women, inclusive of all gender identities, that enables channels for advocacy,

talent development and resource sharing, fostering alliance and mentorship.

The goals for 2021 are:

- Closing the gender gap at Dentsply Sirona when it comes to the number of women and men in positions of senior leadership.
- Inspire and provide a path for women to reach their full potential.
- Provide a supportive network for women.

In 2020, DS Women had 548 participants, representing employees from all parts of the company.

**Developing capable and engaging employees**

Every employee should be given the opportunity to develop skills in their own professional role so that they can contribute to achieving our goals. It is important that each employee receives regular feedback on their development needs if competence levels in the company are to be maintained and raised.

In 2021, Dentsply Sirona will launch a global online learning library, with a multiple language capability, which all employees can use for an on-demand, self-designated learning experience 24/7. This offers over 16,000 functional, professional and leadership development options in addition to our existing custom courses. The online university offerings will serve as a core part of our blended learning strategy. This is part of our ambition to enhance our global online learning capabilities, and accessibility.

All new employees must participate in our introduction program, which begins as soon as the employment agreement is signed. We want to ensure that all new employees receive a good start with their new tasks and workplace.

For employees to be able to develop within their specialist area or cross functionally, implementation of a company specific career ladder, Triple Ladder (3L) is made successively. The objective is to visualize the career opportunities for office workers.

Talent Management reviews are conducted annually from 2021 on a global scale to identify employee performance and potential. This process is used to strengthen our talent pipeline and to increase development through empowerment. This allows us to ensure we are accelerating innovation and strategically increasing organizational performance for the benefits and good health of our users at the end.

**Managers by gender**





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**Leadership**

We want our managers to be role models. Responsible people managers act as role models, set good examples and represent the company’s view of leadership. Through self-knowledge of their strengths and areas of development, people managers can develop as managers and thus lead themselves. By the manager’s understanding of the managerial role and acting according to the company’s competencies, conditions are created for leading others and the business.

The Wellspect’s view of leadership is based on the company’s core values, ethical rules, policies, common goals, corporate culture and view on quality, safety, health and the environment. We see great leadership when managers act on the basis of these values, understand what the role of manager entails and acts according to the company’s common way of working. The managerial role conveys the requirements and expectations that the company places on the manager in the form of employer responsibility, financial responsibility and responsibility for employees and operations.

Through the established and continued improvement of leadership programs and training, the leader is supported to manage and coach their team to fulfill their responsibilities and develop to meet higher expectations. We produce and launch in-house leadership development programs that accelerate internal succession in alignment with our business strategy.

2020 was challenging in terms of training due to Covid-19. Therefore, Dentsply Sirona Corporate enhanced its global online learning capabilities and started redesigning the global leadership program to be launched in 2021.

Dentsply Sirona Corporate Leadership College is an online learning library that supports our employees in enhancing leadership skills including skills in leading oneself as well as leading others. The content is for example Self Development, Inclusive leadership, Remote working, Perseverance and Resilience, Personal effectiveness.

*Our guidelines within good leadership:*

- We identify all employees including emerging leaders with prerequisites for becoming good leaders and support them with tools and knowledge to be able to succeed in a people manager position.
- People manager recruiting should be based on the demands and expectations the company has on a people manager role.
- We should have a gender balance between men and women in people manager positions.
- People managers get continuous feedback on results and leadership behaviors to be able to develop in their role as managers and leaders.
- People managers that need development in their role will get support and help.
- New people managers go through an introduction for managers at an early stage to gain understanding of the company view on leadership, demands and expectations on the manager role.

- The company manager’s program shall clarify the people manager’s responsibilities and support the manager with competence and tools, to enable development in leadership and the manager role.

**Sustainable procurement**

An important part of our sustainability work is to ensure that we have necessary control over our supply chains. We demand that our suppliers share our values and requirements as described in our Business Partner Code of Conduct, which includes demands on human rights, social conditions, work environment, sustainability and anti-corruption, in addition to the applicable legislation.

We continue to strengthen our ambitions in this area by continuously developing our procedures and knowhow in how to evaluate new suppliers, as well as follow-up on existing suppliers, with the objective to ensure that the intention of the Business Partner Code of Conduct is fulfilled throughout the complete value chain with initial focus on first and second tier suppliers. We want to work more closely with our suppliers in these matters and widen the number of suppliers that are part of this work.

We work to ensure that our suppliers - currently our direct material suppliers but aiming to cover the most prioritized indirect material suppliers as well - share our values and work actively to fulfill a corresponding interpretation of UN Global Compact. We estimate risk and classify suppliers, based on country and product. As a next step, we will go through the suppliers’ ambitions and policies.

**Progress 2020**

*Of our direct material (DM) suppliers to our Swedish manufacturing site:*

- 81% of DM suppliers are located in Europe, 10% in North America, 6% in Australia and 3% in Asia.
- 100% of DM suppliers have been evaluated and classified with a CSR class according to internal procedures based on type of material delivered and supplier country.
- 78% are classified as low risk, based on country and type of product. These represent 73% of our DM spend.
- No suppliers are identified as posing risks for significant actual or potential negative social impacts.
- 100% of our new DM suppliers have signed our Business Partner Code of Conduct, or have a corresponding document.
- 62% of all our DM suppliers share our values, either by signing our Business Partner Code of Conduct or by having a corresponding document.
- 0% of our DM suppliers were discontinued, as a result of breaches due to issues related to the UN Global Compact.

*Of our direct material (DM) suppliers to the Turkish manufacturing site:*

- 85% of DM suppliers are located in Europe, 11% in Asia and 4% in Africa.
- 100% of DM suppliers has been evaluated and classified with a CSR class according to internal procedures based on type of material delivered and supplier country.



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- 22% are classified as low risk, based on country and type of product. These represent 72% of our DM spend.
- Four suppliers are identified as having risk for significant actual or potential negative social impacts. We will continue our follow-up to risk mitigate, or replace these suppliers. These represent 3% of our DM spend.
- No new suppliers were added during 2020.
- 41% of all our DM suppliers have signed our Business Partner Code of Conduct, or have a corresponding document.
- No DM suppliers were discontinued, as a result of breaches due to issues related to the UN Global Compact.

**Contributes to the Global Goals in particular objectives:**



- 8.1 Sustainable economic growth.
- 8.4 Improve resource efficiency in consumption and production.
- 8.5 Full employment and decent work with equal pay.
- 8.7 End modern slavery, trafficking and child labour.
- 8.8 Protect labour rights and promote safe working environments.



- 9.2 Promote inclusive and sustainable industrialization.
- 9.4 Upgrade all industries and infrastructures for sustainability.
- 9.5 Enhance research and upgrade industrial technologies.

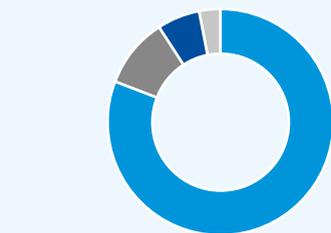


- 12.6 Encourage companies to adopt sustainable practices and sustainable reporting.
- 12.8 Promote universal understanding of sustainable lifestyles.

This is an excerpt of the Agenda 2030.

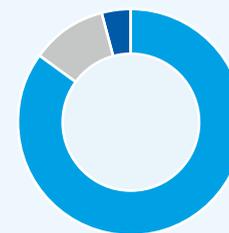
[For more information, please visit globalgoals.org](https://globalgoals.org)

**Geographical location of our DM suppliers to the Swedish manufacturing site**



■ Europe, 81%    ■ Australia, 6%  
■ North America, 10%    ■ Asia, 3%

**Geographical location of our DM suppliers to the Turkish manufacturing site**



■ Europe, 85%    ■ Africa, 4%  
■ Asia, 11%

**Targets for 2021**

100% of our prioritized<sup>1</sup> DM suppliers shall share our values either by signing our Business Partner Code of Conduct or by possessing a corresponding document.

We aim for increased insight of the next tier of our supply chain, and to ensure that our suppliers have an appropriate methodology to abide by the UN Global Compact. 100% of DM suppliers shall be assessed by this criteria, and

if identified as having risk for significant actual and potential negative social impacts, additional steps shall be made.

For 2021, we aim to include indirect material and services (IDM) in the above-mentioned procedures. The focus will be on suppliers with whom we have significant repeat business. Particular importance is placed on suppliers operating in countries and industries deemed to be more vulnerable to risks.

<sup>1</sup>. Suppliers with high procurement spend and/or suppliers with high negative social / environmental impact.

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## SECURING DELIVERY OF ESSENTIAL PRODUCTS TO THOSE WHO RELY ON THEM

The pandemic presents a challenge to all companies. To meet that challenge, we have identified three priorities. Two of these are; focus on ensuring the delivery of our products to users and keeping our production running. The third is protecting the safety of our employees involved in production, quality control, maintenance and other critical supporting functions that keep our production running. Staff on site were swiftly reduced to a minimum and those of us who can perform our tasks off-site have been working from home since the middle of March 2020.

In the line of production we organize small teams isolated from each other, in order to control and minimize risk of infection. Upon risk of infection, we employed a quarantine set-up for the team. Only essential contact between teams and functions are permitted, and social distancing is observed.

It's been hard at all levels of society. Above all, the pandemic is a tragedy for so many people, including our own employees. We are so grateful for the understanding and support between our colleagues and teams.



### 50,000 L

To support healthcare professionals in the front line of Covid-19, Wellspect has produced 50,000 liters of disinfectants for hospitals, at our own production facility in Mölndal, Sweden.



“The measures were wholly accepted by our employees, and we took collective pride in this unified effort to protect our production, since we know that our products are critical for those who rely on them.”

Jimmy Pedersen, Vice President, Manufacturing & Supply Chain



“With the help of our dedicated employees, we were able to set this up in a very short time. We are striving through these difficult times, and we are succeeding in making a real difference to those who need our products and services.”

Svenn Poulsen, Group Vice President of Wellspect

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## CONTRIBUTING TO OUR SOCIETY THROUGH COLLABORATION

Samhall is a government-funded organization that trains and matches people with disabilities to the right job. This is a sustainable business concept, and one that has seen Samhall named the most sustainable company in Europe. Samhall is working with companies that share their values on diversity in the labor market. For more than 20 years, Wellspect has enjoyed a collaboration with Samhall, with nearly 200 Samhall employees working at Wellspect's production site in Mölndal, Sweden.

Wellspect's production site in Mölndal has a strategy of highly automated production requiring skilled machine operators. But there are processes where some repetitive manual labor remains to be done. This is a challenge since it requires personnel with different skills. By defining these subprocesses and contracting them to Samhall at an agreed service level, Wellspect's team of operators can focus on the automated production lines to maximize output and minimize waste. It is a win-win situation. Magret Storch, Shift Manager at Wellspect manufacturing in Mölndal, describes the arrangement for Samhall employees at Wellspect:

"Within our manual processes, the tasks require careful and meticulous work by hand. To support work training, two Samhall employees share one position, working one hour, followed by one hour for rest."

The pandemic poses challenges with the restrictions that have to be enforced in the workplace.

"The cooperation works very well", says Magret, "but the Covid-19 pandemic does present a new way of working. During this period, we have isolated all teams in Wellspect

production as much as possible and found new solutions to ensure we provide a sustainable environment."

### An integrated workplace

Swedish society is culturally diverse; and the workplace is no different, and Samhall adds to that diversity by the profile of the company including personnel that otherwise would not be in the workplace. Sometimes there can be friction; for example, there may be a history of conflict between ethnic groups from specific regions of the world. Or, men from different backgrounds may not be used to women being leaders. These issues are solved through dialogue and a clear policy aligned with Wellspect's core values, with an ambition to maintain and foster an integrated and welcoming working culture for all employees.

In the Mölndal workplace, Swedish is used, even between colleagues who share another native language; this is for safety reasons, and for the training and inclusion of all colleagues.

Wellspect's mission is to make a real difference, now and for the future. With our continued collaboration with Samhall, we can make a real difference in society.



"Wellspect has granted access to personnel for less advanced tasks - and our Samhall employees receive the training they need. Together we are stronger!"

Bo Gustavsson, Samhall Team Coordinator



"Dedication and attention to detail is of highest importance."

Magret Storch, Shift Manager

# REDUCED ENVIRONMENTAL FOOTPRINT

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**We want our customers to be able to trust that our products are manufactured in a sustainable way, both in our own production processes, as well as at our suppliers. We strive to reduce our climate footprint as much as possible, in line with the Paris Agreement for CO<sub>2</sub> reduction.**

### Why we do it

We believe in a future where our society is taking a greater responsibility for being more sustainable. We hope that the major environmental issues we currently face will be resolved, that ecosystems are recovering, we create a resource-efficient society, achieve an increased share of renewable energy and that human health is no longer impacted by negative environmental issues, but rather exposed to the positive impact of a healing environment instead.

Climate change is among the most critical environmental problems threatening humanity. An average global temperature increase of more than 1.5 °C from pre-industrial levels will have catastrophic consequences for people and nature. Several international frameworks for climate change have been established, such as the Paris Agreement and the UN Global Goals. These frameworks include greenhouse gas (GHG) emission reduction targets based on scientific evidence.

We recognize these guidelines and we work actively to gain more knowledge and find ways how we can change our business to combat climate change. We want to be sustainability leaders within our industry.

We are proud to have been on a journey towards reduced environmental footprint for a long time. Since we acquired the manufacturing

site in Kazan in 2016, we also stepped up our ambitions for this site.

### For whom

Our responsibility as a company is a principle larger than the company itself. It is about respect for us that are living now, for those that have lived before us and for future generations. We must always remember that we are not alone in this. We as a company take that responsibility, not just because we must, but because we want to.

We want our customers, who depend on our products, to know that we are doing everything we can to reduce the environmental footprint our products create. At the same time, we are humbled by the fact that the task is challenging, especially to reduce greenhouse gas emissions per product sold.

The effects of climate change constitutes a risk for all of us. We take the issue very seriously and want to do our part to limit climate change by setting science-based targets for our entire supply chain including our own business.

### How we do it

Bringing the focus on our own impacts, we know that the production, transportation, and disposal of our products generate an environmental impact and a significant amount of greenhouse gas emissions which contribute to climate change. We work actively to reduce that climate impact, while also making sure we comply with existing medical guidelines. We are, however, prepared to take on the challenge of developing a future climate-neutral product.

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**Product and production development - the foundation**

Our products contribute to a substantial portion of our total carbon footprint. We perform detailed Life Cycle Assessments (LCAs) for our LoFric products and from these we can quantify their environmental impact including a carbon footprint for each product.

New LCAs for LoFric Origo, LoFric Sense and LoFric Elle have been performed in 2020.

From the work with LCAs we also learn about which components and processes have the highest environmental impact.

This knowledge is used to help us improve our products and make them more sustainable. During 2020, an internal guideline was established in order to help with the development of more sustainable products in the future. The use of fossil-free materials in the products will eventually be the obvious choice but, so far, the availability of such materials with the required quality grades and properties is not sufficient. For now, our focus lies on reducing the carbon footprint as much as we can. For instance by a product design that allows for use of sustainable materials, and as low amount as possible, and also on recyclable components.

Our boxes are developed to protect our products during storage and transportation, be easy to open and use and subsequently easy to fold for transportation to a recycling station. Meeting these requirements cannot be compromised, but we are constantly working on ways to reduce the amount of material in our packaging since the amount of packaging

our users must handle is a recognized problem. The material in our customer and transport packaging are cellulose based and are therefore renewable. A large proportion of the transport boxes also contain recycled material. The possibility of reusing the transport boxes is currently being investigated in a research project with external partners.

Wellspect participates in several external research programs, for example with Chalmers University of Technology and partners, where the focus lies on the development of functional plastic materials from cellulose resources (FibRe). Another example is a research project within circular economy and packaging. These collaborations are not only of value to Wellspect as a company, but to society as a whole, as they help contribute to the development towards a more sustainable way of living.

**Improving existing products**

We also strive to replace existing materials to reduce our carbon footprint, working in cross-functional teams throughout the company.

The LoFric Sense packaging foil was updated during 2020 and a barrier layer of aluminum oxide has been removed. This has resulted in an annual decrease in the carbon footprint of LoFric Sense, which is equivalent to driving 153,000 km by diesel car.

LoFric Hydro-Kit used to be sold in boxes of 20 products. During 2020, the production line was rebuilt to handle larger boxes, with 30 products per box. Due to a more compact pattern in the box, the change resulted in the



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reduction in paperboard per product, less energy consumption during E-beam sterilization and less space needed during transport. It also reduced the amount of paperboard scrap, as prior to the change, re-packaging was needed for one of our markets due to regulatory requirements.

**Increased capacity**

Where we invest in new, or expand current production capacity, a new instruction for sustainability aspects in production development is applied, covering e.g. low scrap levels, minimized waste, recycling, energy efficiency and resource management (e.g. water and steam).

**Becoming climate neutral**

At Wellspect we strive to reduce our carbon footprint, with a long-term goal to become climate neutral. Therefore, we map our sources of greenhouse gas emissions, both from direct and indirect sources, and through planned practical measures we aim to gradually reduce our climate impact. We need to look at both our own operations as well as the activities carried out within our supply chain. As a first step, we aim to be climate neutral in scope 1 and 2. It is, however, important for us to work actively with our suppliers since our greatest opportunity for creating positive change is to reduce the entire climate impact of our value chain. This is where about 80% of Wellspect's carbon footprint originates. This ratio might change when more data is added to our scope 3 disclosures.

To reduce these emissions, we need to reduce scrap produced and energy from non-renewable sources in production and distribution, limit waste from our products as well as reduce the footprint from our business travel.

**Calculating our carbon footprint**

In 2020, we started an initiative to expand the scope of our carbon footprint measurement and improve the accuracy of our calculations by including input data for more categories and sites of our operations. We expect this work to continue during the coming years to achieve a comprehensive picture of the carbon footprint from our operations. Our aim is to continuously work on improving our emissions calculation by increasing the completeness and improving data quality.

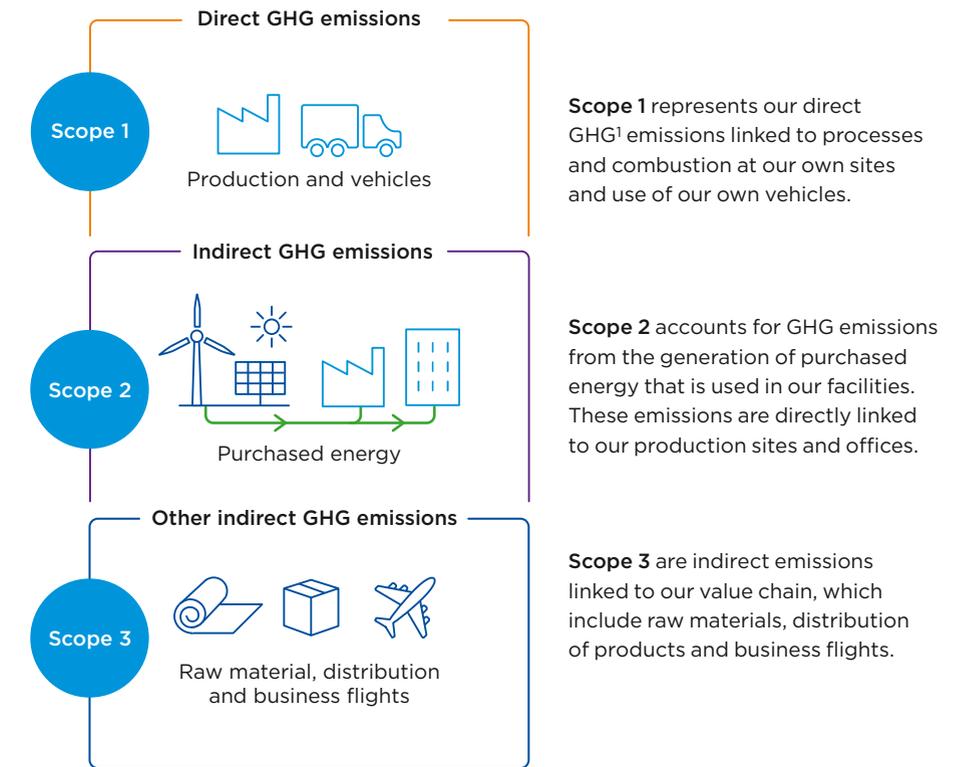
**Activities in our own operations**

At Wellspect, we work intensively to reduce the climate impact of our operations. We are doing this by:

- Implementing our climate strategy
- Setting goals.
- Switching to renewable energy at all production sites.
- Including our employees in our sustainability work.

Our focus throughout 2020 has been to implement our new climate strategy and to start up several climate reduction projects within the business, helping us work towards the goals we have set for the company.

## OUR CLIMATE EMISSION ACTIVITIES DIVIDED INTO THE THREE SCOPES



<sup>1</sup>. GHG: Greenhouse gas.

Note: The disclosure of climate emissions represents the knowledge about our GHG emissions at present. Of all subgroups of the GHG protocol emission types the most relevant to our business are included.



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Our travel policy will be analyzed in the coming year and potentially revised in the light of this; air travel was reduced by 87% in 2020 compared with 2019. We believe that this is a behavioral transformation that will continue after the Covid-19 pandemic, which will support our overall sustainability goals.

**Improving energy efficiency**

One policy we have adopted to reduce our greenhouse gas emissions is investing in renewable energy and energy-saving programs. By working with a cross-functional team we have the ambition to increase energy efficiency as well as make solar panels an increasing part of our energy supply. In order to achieve this, we will:

- Map office consumption to identify potential reductions.
- Increase the number of measuring points on a machine level to support activities, evaluation and visualization.
- Conduct an energy audit, by a certified energy auditor, at the Mölndal plant.
- Seek out and improve any compressed air systems and strive to use electrical components instead of pneumatic.
- Explore all possibilities to maximize the use of renewable energy<sup>1</sup> including self-produced at all locations.
- In 2020, we reduced required levels of ethylene oxide, an indirect greenhouse gas, with 21%.The reduction will continue in 2021.

During 2020, solar panels with a capacity of 27 kW were installed at the production site in Mölndal, and these will be expanded in the coming years. In 2021, solar panels will be installed at our production site in Kazan, thereby reducing the ratio of fossil-based energy used at the facility.

**Manufacturing**

We strive to have a manufacturing facility that minimizes climate impact and that conserves energy and natural resources. Our production units are continuously working on improving the production processes to have less climate impact. Therefore, we have started several initiatives to increase our energy efficiency, such as reducing our amount of scrap and to improve and develop our coating process. In recent years, investments in new technology have been made in order to increase process efficiency and reduce greenhouse gas emissions.

A large contributor of our greenhouse gas emissions comes from scrap and the energy used during our coating process. A major step was achieved during 2020 when a new catheter coating process was introduced at the Swedish manufacturing site; with reduced energy and using renewable solvents. The conversion to the new process will continue during 2021, and will be implemented at the Turkish manufacturing site as well. Meanwhile, the Turkish plant strives to reduce the amount of solvents used, and managed a reduction of 12% in 2020.

<sup>1</sup> Renewable energy is defined as sourced market-based electricity with Guarantees of Origin, electricity from self-generated wind and solar power, renewable fuels, as well as district heating with Guarantees of Origin from renewable and recovered energy. The portion of renewable energy use for 2020 can be found in the Sustainability Data section.



During 2020, solar panels with a capacity of 27 kW were installed at the production site in Mölndal. In 2021, solar panels will be installed at our production site in Kazan, Turkey.

Reducing scrap and waste is an ongoing target, especially for our catheters as it is a significant part of the footprint deriving from the product's life cycle. Therefore, extensive work has been made in order to minimize the scrap of catheters.

Regrettably, there are not yet technologies available to recycle the waste that consists of different types of materials but we continue to follow the development in this area.

**Transportation**

Transportation also contributes to our overall carbon footprint. Transportation mainly involves raw materials for our production and delivery of finished products to our warehouses and customers.

We use external transport companies for the distribution of our products and our distribution center works actively with climate effi-

cient transportation. Transport shall be made over land, whenever possible, and the trucks shall have a high fill rate. We are actively working with reducing the amount of goods transported by air. The chosen mode of transport shall preferably be made using non-fossil fuel.

Despite our efforts, the ratio of air freight increased in 2020 compared to 2019. There is no single explanation for the increase, although the most common root cause is increased sale volumes of LoFric. To counter this, we will strive for improvements and have made investments in additional LoFric capacity. We expect this will be reflected in a reduction of air freight during 2021.

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Wellspect is participating in different collaborations with our transportation providers with the aim to reduce emissions from transportation. During 2021, we will begin a study with the aim to investigate how our transportation from the production site in Mölndal can be made climate neutral as another way to continue reducing the climate impact of our distribution.

In Sweden, thinner wrapping film is now used in outbound shipping, thereby reducing the amount of plastics used.

**Activities together with our suppliers**

We want to create supplier engagement. When developing new products, the selection of suppliers is made with consideration to the material's environmental impact, and the suppliers work to minimize their footprint. We invite them to join us in our efforts to reduce our overall environmental footprint and carbon footprint in particular. By collaborating we can create leverage. We request input to our LCA analysis as part of the process.

For existing suppliers of direct material, our Business Partner Code of Conduct addresses the need to work on minimizing our environmental footprint. In addition, we want to keep an ongoing dialog with our prioritized suppliers as to how the impact from our products throughout the complete value chain can be minimized. This work will be intensified during 2021, and we will also include prioritized indirect material suppliers.

**Activities together with our users**

Our users shall be able to recycle our products, whenever possible. Due to limited possibilities to recycle combined material and due to limitations in recycling systems throughout the world, this is not a simple task, but for parts of the products it is possible. During 2021, Wellspect will launch a campaign, informing the users in different countries, how they can contribute to increased recycling.

**Reducing the environmental impact of our manufacturing**

Our products shall have as little environmental footprint as possible, with maintained quality. Wellspect strives for a resource efficient manufacturing, in terms of material, energy, water and chemicals. The aim is to reduce waste and increase recycling. To support this, we evaluate the consequences in all new and changed processes and use digital techniques to measure waste levels. Cross-functional groups have the responsibility to improve in this area, and this will be further developed during 2021 and include the suppliers of direct material.

In many areas this work has been successful and the waste rate reduced, but in some processes it has increased. The increase is partly due to ramp-up and need for fine-tuning of the new and less energy-consuming coating process. Another reason is increased sick leave and the need to work from home due to the Covid-19, which has challenged the capacity to

explore new options in our daily operations and impacted those working in groups on long-term improvements.

In Q1 2021, there are still challenges related to the Covid-19 pandemic, but root-causes for waste have been investigated and confirmed in the most important areas and focus groups are initiated to implement improvements. We are convinced that 2021 will be successful regarding improvements in the processes where the waste rate increased during 2020.

In 2021, we will perform systematic and focused waste reduction work and increase the recycling rate in our manufacturing and supply chain. The waste produced outside of production, such as in quality control, storage and the R&D lab, will be mapped in order to identify areas where we can improve. Recycling of materials is challenging due to the lack of companies that receive our type of mixed materials.

In the Kazan manufacturing site, catheter waste was reduced by 41% during 2020, a major contribution to reduce our carbon footprint.

We also strive to reduce waste in the entire supply chain and discuss improvement opportunities with our suppliers. One example is that during 2020 we discovered and prepared for a change of coil size for a label material that will be implemented during the spring of 2021. This will result in a big reduction of waste in the supplier's manufacturing.

**Use of natural resources: Water consumption**

Wellspect's manufacturing requires a relatively small amount of water, and with the new coating process, the water consumption will be even smaller – the coating process itself will use almost no water at all.

**Use of natural resources: Paper**

The manufacturing sites continues to strive for a reduced environmental footprint regarding paper and paperboard consumption by:

- Updating the materials in our customer boxes to more environmentally friendly materials: In the spring of 2021, we will change materials on LoFric Sense to a FSC (Forest Stewardship Council) certified customer box material of lower weight. We have also carried out tests on LoFric Primo's boxes and plan to change these to a FSC material. Several transport boxes will also be replaced with FSC material in the future.
- Continue to transfer all "instructions for use" to FSC paper.
- Paperboard is now recycled as a separate fraction from Mölndal manufacturing site and the process will in 2021 be fine-tuned for an increased recycling rate.
- At the Turkish site, we will implement a digital batch record system during 2021, with a target to reduce the use of paper and printer components in the production by 90%.



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**Waste handling**

Wellspect has a strict policy for waste handling and all waste is collected by certified handlers at both manufacturing sites.

At both the headquarters in Mölndal, as well as the manufacturing site in Kazan, the number of recycling containers was increased during 2020 for the more precise sorting and recycling of materials and waste.

At Wellspect's headquarters, a recycling service for paper towels ("Tork Paper Circle") was implemented during 2020, turning waste into new resources.

During 2021, the risks in the downstream waste handling will be investigated at the Kazan site and potential improvements identified.

Also during 2021, we aim for continued dialogue with waste collecting companies, to search for better alternatives in terms of our overall carbon footprint, including the distance and method of transporting waste.

**How we define scrap and waste**

**Scrap** - waste materials that are unplanned, such as disposed products or components. We work actively to reduce scrap from our products through preventative activities and to increase recycling of scrap.

**Waste** - all waste streams, including scrap as well as waste materials that are foreseen; such as punch residues and carrier paper.

**Chemical management**

Wellspect has comprehensive handling procedures for chemical procurement, storage, use and disposal.

We have been working for a long time to reduce the amount of solvents in our production, with our work processes, technologies and planning. For example, the Turkish plant managed to reduce the use of coating solution by 12% in 2020.

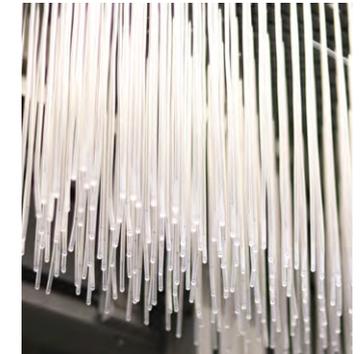
Wellspect is also actively working to replace chemicals with alternatives that have less environmental impact and are fossil-free, the new coating process in Mölndal is an example of that.

Within Wellspect, we work actively to prevent and minimize the impact of chemicals on employees, users and the environment. The work process consists of: identifying chemical products with hazardous properties and, if possible, substituting them or reducing the risk by creating a safer way of working. This process was revised during 2020 and is being implemented at the Kazan site during 2021.

In the manufacturing process, solvents are used. Some solvents are evaporated as VOC (Volatile Organic Compounds). In the Mölndal manufacturing site, these emissions are absorbed as much as possible and then cleaned: Halogenated solvents are cleaned by coal filters and non-halogenated solvents are cleaned by regenerative thermal oxidizer methodology.

**THE NEW COATING PROCESS**

In 1983, Wellspect launched the world's first intermittent hydrophilic catheter, LoFric. The catheter's surface coating mimics the body's internal environment, which allows for a smooth insertion and extraction, supporting both short and long-term good bladder health. All catheters undergo an advanced coating process to obtain this unique surface. This process has now been further developed. The carbon footprint of the coating process has been cut in half. During 2020 the main part of LoFric Origo and LoFric Sense have been converted to the new process. When the entire volume of these product is converted the reduction of carbon footprint will be 123 tons CO<sub>2e</sub> yearly compared to 217 tons CO<sub>2e</sub>.



The carbon footprint of the coating process is halved through:

- the main process chemical now being 100% biobased, i.e. of renewable origin.
- energy consumption has been halved.

In addition, water consumption has been reduced by 98%.

All this has been achieved while maintaining the same quality and patient safety of our coating properties, verified by the medical device extensive and strict regulations. The quantified improvements of environmental performance as a result of the new process are based on the conditions related to the production in Mölndal in Sweden.

**Close collaboration with operators and maintenance technicians**

A cross-functional team has worked on the challenge of scaling up capacity from laboratory and pilot scale to industrial scale. The new process is fully automatic, and the project team has included operators and maintenance technicians to ensure a safe and efficient workplace. The process will also be implemented within Wellspect's other manufacturing unit in Kazan, Turkey, and will be the standard for any future production expansion. The coating project for site Mölndal will be finalized in 2022 and a new project to convert to the new process at the Kazan site will be started.

**Increased focus on sustainability**

The company's new process uses digital tools to ensure quality and increase production efficiency. This has led to a reduction in waste, which is another key component of Wellspect's sustainability initiatives and contributes to the UN's Global Goals for 2030 - specifically Goal # 9 "Sustainable industry, innovations and infrastructure" and Goal # 12 "Sustainable consumption and production".

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At the Kazan site, VOC emissions are absorbed and emitted to air. The ambition is to replace the process generating halogenated VOC by 2025.

Emissions from ethylene oxide, used for sterilization, is absorbed and cleaned in recovery units.

Wellspect follows local legislation for the handling of emissions and waste. The target is to harmonize all our manufacturing to the same, high requirement level. This will involve replacing major manufacturing equipment, and we aim to complete this by 2025.

In 2020, we also saw a reduction of the number of biological indicators (used for sterility controls) by 13%.

**Emissions to water**

In its permit for environmentally hazardous activities, Wellspect Mölndal has conditions for emissions to air and water. In 2020, all conditions in the permit were complied with.

All local regulations are fulfilled at the Kazan site.

**Reducing impact from warehousing and distribution**

In 2021, we will further incorporate our warehouses into our work, with the aim to reduce the environmental impact from goods purchased and used by these sites.



The new highly automated coating process in Mölndal, developed to enhance a sustainable production.

**Contributes to the Global Goals in particular objectives:**



- 9.2 Promote inclusive and sustainable industrialization.
- 9.4 Upgrade all industries and infrastructures for sustainability.
- 9.5 Enhance research and upgrade industrial technologies.



- 12.2 Sustainable management and use of resources.
- 12.4 Responsible management of chemicals and waste.
- 12.5 Substantially reduce waste generation.
- 12.6 Encourage companies to adopt sustainable practices and sustainable reporting.
- 12.8 Promote universal understanding of sustainable lifestyles.

This is an excerpt of the Agenda 2030.

[For more information, please visit globalgoals.org](https://globalgoals.org)

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## HALVING THE CARBON FOOTPRINT WITHOUT COMPROMISING SAFETY WITH WELLSPECT'S NEW CATHETER COATING PROCESS

Launched in 2020, Wellspect's new coating process reduces the environmental impact by halving the carbon footprint, almost completely eliminating water consumption, and utilizing more environmentally friendly chemicals for the catheters at the Swedish manufacturing site. The project presented many challenges, and cross-functional collaboration ensured an effective journey from development to launch.

Developing, manufacturing and launching a new coating technology without sacrificing safety, while maintaining a commitment to sustainability, requires a unified effort across the organization, as well as with Wellspect's stakeholders. Jeanette Häggedahl, Process Operator and Erik Bengtsson, Project Manager tell us about the challenges and triumphs of delivering the new process.

The team was able to share our experience and ideas with the engineers in the project. The cooperation established a firm foundation, built on trust between the different disciplines within the company, and a mutual understanding of where the challenges lay. This enabled us to move the project forward together.



We achieved our goal of having a single operator running the whole coating process – without incidents or a perception that safety was being compromised.

The outcome was a safe, smooth, and efficient production with the highest quality requirements fulfilled – resulting in an improved product, better for the environment. “I am so proud of being part of that achievement,” Jeanette concludes.

Erik describes another key to success: “The development journey is unique – we build modules with our external partners from the start. We utilize internal competences as well as specialist consultants. This gave us the best chance of developing a customized, seamless and safe working environment, right down

to the smallest detail. It also enables us to continue to develop machine learning and we made use of digital tools and apps to provide data at specific maintenance points or when specific alarms were generated. For example, we use Power BI (a data visualization tool) to collect, analyze and visualize information to monitor these functions.

When witnessing the production, we were struck by the low noise level. We could conduct this interview next to the equipment without being disturbed. No ear protection needed, no blinking lights or screaming alarms – without compromising the supervision of safety control.

Jeanette and Erik agree; the project has been a huge undertaking, and the magnitude of this achievement is impressive.

Continuous improvement, training, and new technologies – these initiatives ensure that Wellspect is leading the industry in our commitment to sustainability.

Minimizing scrap as well as optimizing use of energy, process solutions and water are focus areas for reducing the environmental impact without sacrificing the quality of the product. With machine learning, Wellspect can connect the parameters and further refine processes, expanding these efficiencies to Wellspect's other manufacturing site in Kazan, Turkey, which was acquired in 2016.

We are looking forward to a project that aims for the new coating process at the Kazan site and are excited about the challenges we are going to meet during that journey.



“A problem-solving culture was the key to success. When encountering challenges, we found the solutions together”

Jeanette Häggedahl, Process Operator



“The heart of the process; the overall control and transport of the catheters, is developed in-house”

Erik Bengtsson, Project Manager

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Interview with Christoph Kimling, Marketing Manager for Germany, Austria and Switzerland

## LAUNCHING ‘LOFRIC JUST GOT GREENER’ IN GERMANY, AUSTRIA AND SWITZERLAND

**Please tell us briefly about yourself.**

**What is your position at Wellspect DACH?**

Christoph Kimling, Wellspect’s Marketing Manager for Germany, Austria and Switzerland. In our team of five, we manage all our local online and offline marketing strategies and initiatives.

**What was your first thought when you heard about the new coating process of LoFric and its environmental impact?**

When I heard about the project for the first time, I thought: Great, now we’re taking the next big step and I know our customers will also welcome this.

Our LoFric brand has a unique product range with a lot of benefits, especially when it comes to environmental impact, for example none of the products contain PVC or Phthalates. Our healthcare professionals, customers and users tell us that they appreciate this.

Now, more than ever, environmental issues are in focus – on a personal, national and international level. I see many opportunities to have positive conversations with customers and colleagues about it. It’s our planet and it’s important to us all and Wellspect must play its part to help protect it.

**How did you introduce the “LoFric just got greener” offer to your customers?**

The pandemic struck when we started to promote this campaign, it wasn’t possible to talk to customers in person. So we had to focus on other channels internally and via our online activity.

Now we’re in 2021 and we still cannot interact face to face with our customers. We’ve published several press releases, blogs and social media posts, and these online tools are essential and very effective.

We are expanding our reach to a broader audience and get very good feedback from our customers.

Activity and efforts in the area of sustainability, both by local companies and by governments, are increasing and becoming more and more visible. Companies publish their aspirations, plans and sustainability measures. It’s really good to see that we are aligned with the same goals, bringing these initiatives forward together.

**Has the launch affected the DACH business – in the short and long term?**

When it comes to Wellspect brand awareness – most definitely. Patients are the focus of our efforts and we passionately strive to make a real difference for everybody who needs our products and services. These initiatives are essential; it’s a solid, demonstrable commitment to our dedication to behave sustainably.

**Do you think that Wellspect has a strong focus on sustainability?**

Absolutely, as a company and also as an employee or as a private person – we all have a responsibility to our job, our colleagues, family, society and the environment.

For example, Wellspect offers secure jobs, works sustainably with our production, demands higher standards from our partners and is pursuing ambitious climate targets to help protect our planet.

It is precisely because of these measures that Wellspect is seen as a company that makes a real difference.

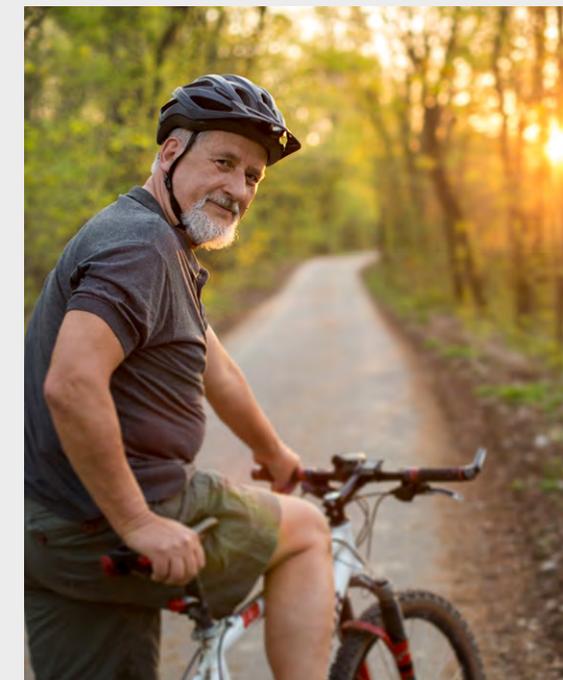
**What are your wishes for the future regarding the area of sustainability?**

Wellspect is leading by raising the standard within our industry and I hope this motivates others in our line of business.

I sincerely wish that the national government’s sustainability goals will be realized and that more governments all over the world will get on board.

I believe that everybody has the chance to make the planet a little safer and better by sharpening their own awareness of what it means to be sustainable.

I might be dreaming a little here – but my wish is for the welfare of our planet to be in the mind and heart of everybody.



“Wellspect is leading by raising the standard within our industry and I hope this motivates others in our line of business”

Christoph Kimling, Marketing Manager for Germany, Austria and Switzerland

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## CONTINUOUS IMPROVEMENTS AT WELLSPECT'S MANUFACTURING SITE IN KAZAN, TURKEY

Wellspect acquired a production site for its urology products in Kazan, Turkey in 2016. Significant leaps have been made in aligning on-site standards with the Swedish production facility. Seda Bas, Quality & Regulatory Manager, and Bertan Baran, Plant Manager, explain their improvements and ambitions for sustainable operations.

**Seda Bas, Quality & Regulatory Manager:**  
 “We are constantly applying a rigorous and ongoing assessment of our working practices, emissions and systems to ensure that the working environment for our operators is of the highest standard. To achieve this, we work closely with our colleagues at the Mölndal site in Sweden.

The preparation of solutions is now made in closed containers. Regrettably, we experienced a leakage incident in 2019, and to mitigate identified risks, we installed alarm systems, as well as improving the building construction during 2020.

We have implemented systems to monitor the level of exposure from solutions and chemicals, using European maximum exposure levels. To this end, the ventilation system has been upgraded to reduce the amount of emissions our operators are exposed to.

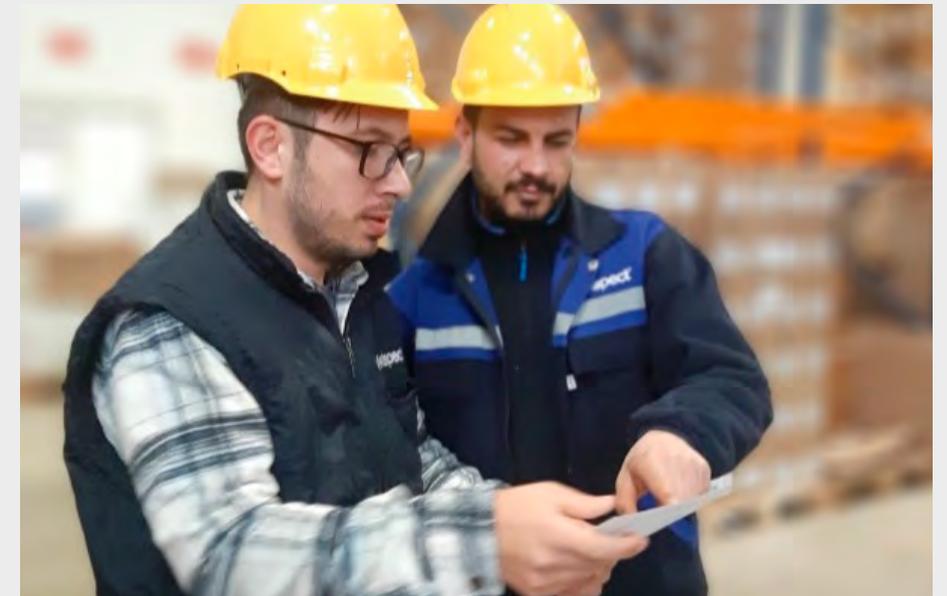
Ergonomics have been improved during 2020, based on the most recent risk analysis. Footwear, benches, protective equipment and working methods have all been improved and emergency equipment and training have been upgraded.

Because of these measures, we have seen a reduction in workplace accidents from 12 in 2019, to 3 in 2020.”

**Bertan Baran, Plant Manager:**  
 “The environmental impact is under constant review; we have undertaken an extensive and thorough review of our entire operations at our Kazan site. Across the site we have introduced more recycling containers and facilities, in both the office and production areas, and there are more initiatives in the pipeline. For 2021, we intend to implement a digital batch record system, with a target to reduce the use of paper and printer components by 90%. Like the Mölndal site, solar panels will be installed to increase the amount of energy consumed from renewable sources.”

“Thanks to collaborative efforts between our manufacturing sites, we have been able to create a better environment for both our operators and the planet.”

Bertan Baran, Plant Manager



**For our production, we have achieved the following:**

- Reduction of catheter waste by 25% in 2019 and 41% in 2020. The target for 2021 is to reduce catheter waste by a further 8%.
- The coating solution has seen a reduction of 12% during 2020.
- During 2020, the number of biological indicators (used to confirm that sterility was achieved in the sterilization process) were reduced by 13%.
- Consumption of ethylene oxide<sup>1</sup>, an indirect greenhouse gas that implies direct and indirect health and safety risks, has been reduced by 21% per unit sold. This was enabled through process optimization. New products will have alternative sterilization methods; the long-term target is to minimize the use of ethylene oxide altogether.

In 2021, we will begin the transformation of our coating process to a method with better environmental performance that has been implemented at Wellspect's Swedish site. Solar panels will be installed to reduce our reliance on non-renewable energy sources.

<sup>1</sup> Ethylene oxide is a universally accepted sterilization technology that is commonly used for the sterilization of healthcare products, e.g. medical devices such as catheters. However, with the use of ethylene oxide as a sterilant, human safety and environmental challenges must be considered.

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# SUSTAINABILITY INFORMATION

## SUSTAINABILITY GOVERNANCE

Wellspect’s sustainability management is based on strategic sustainability work that is anchored in the entire business through continuous follow-ups and improvements.

### Our policy

Wellspect works for a sustainable society with a holistic approach where environmental, social, and economic aspects are interdependent and crucial to the result. We use our resources effectively and responsibly and

work to make a difference for current and future generations.

As a leading healthcare company, we are: **Proactive** in our view of the environment.

We take our responsibility seriously and encourage the development and implementation of processes and technologies with as little impact as possible on the environment. We reduce the environmental impact by using the principles reduce, reuse, and recycle. We use life-cycle assessments to reduce the environmental impact of our products.

**Caring** when it comes to protecting the health and well-being of our employees.

We want our employees to feel safe and happy at work, and to have the opportunity to develop both professionally and as individuals. Our work environment should be characterized by openness and all individuals should be treated equally and with respect. No employee should suffer from illness or injury because of work. We are constantly improving our work environment, both organizationally, socially, and physically.

We comply with all applicable governmental requirements and other commitments that we have made. We run our business from a sustainability perspective and have guidelines in place for the environment, health and safety in all parts of the organization and value chain.

**Committed** to continuous improvement for a sustainable future. Continuous improvement is a must for us to fulfill our corporate responsibility and strengthen our competitiveness. Through open dialogues with our stakeholders, we can understand what expectations we face as a company and how we can develop and improve. We carry out materiality analysis in order to find out which sustainability aspects should be prioritized. Our processes ensure that we respect human rights and counteract corruption, and the same goes for our partners. Our responsibility as a company is about respect for the people who live now, for those who lived before us and for future generations.

During 2020, the project “Sustainability integrated in everything we do” continued. Part of the result is a new sustainability strategy for 2025. During 2021, the project continues to

modify processes and establish KPIs, as well as broaden the know-how through extensive training programs.

### Organization and responsibilities

Wellspect Healthcare is a business division within the Dentsply Sirona group. Dentsply Sirona has a board of directors and an executive team. Top Wellspect representatives together with representatives of some shared service functions within Dentsply Sirona constitute the Wellspect management team. Wellspect’s Group Vice President reports to Dentsply Sirona’s Chief Executive Officer.

The Wellspect management team has the overall responsibility for our sustainability strategy and follow-up of our sustainability performance. Each local business unit within the Wellspect business unit has the responsibility to implement the sustainability strategy and to comply to local regulations within Environment, Health and Safety (EHS). Dentsply Sirona has a global EHS organization that supports all units within the group.

At the two largest manufacturing sites there are EHS committees with representatives from each business area and representatives for the working staff that on a regular basis follow-up the EHS work, with a focus on safety, health and work environment.

All employees must actively participate in improving sustainability at work. They must follow the specified regulations and instructions, use personal protective equipment, and use the specified protective devices that are available to prevent ill health and accidents.

### About the Sustainability Report

This report covers Wellspect’s business division within Dentsply Sirona. Wellspect is a global business, with two manufacturing sites: Mölndal in Sweden and Kazan in Turkey. Both manufacturing sites are covered by this report. Wellspect also operates two distribution centers and four warehouses, with sales offices in 13 countries. These are not covered by this report in terms of quantifiable results, but are covered in terms of 2021 objectives and general strategies. The results for Dentsply Sirona as a whole, will be reported on a corporate level and the report will be published in September 2021.

[+ Read more about sustainability at Dentsply Sirona.](#)

A report on the Swedish legal entity covering both Dentsply Sirona Implants and Wellspect Healthcare is available as legally required according to the Swedish Annual Accounts Act.

### Disclaimer:

Wellspect Healthcare is a business division within Dentsply Sirona and the information in this report covers the business division of Wellspect Healthcare only, not Dentsply Sirona as a whole. Wellspect Healthcare has taken every reasonably possible measure to ensure the accuracy and reliability of the information provided.

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**Policies, management system and certifications**

The company has established an evolving Quality Management System and our facilities are certified as appropriate to ISO 13485, EU MDD, EU MDR and comply with FDA QSR 820 and other international regulations.

The Dentsply Sirona Group has a common Code of Ethics and Business Conduct, which all employees shall read, understand and follow. The Code of Conduct covers the areas of human rights, social rights, work environment, environment and anti-corruption. The policy establishes the company's values and sets forth the guiding principles for the conduct of our business that must be followed by everyone who does business on the behalf of Dentsply Sirona.

The two manufacturing sites are certified according to ISO 14001 and has EHS management systems in place. Our management

systems are based on legislation and EHS regulations as well as our company policies.

The company regularly conducts systematic surveys to assess business risks from a EHS perspective, which are documented in accordance with internal and external regulations.

**Follow-up and revision**

Policies and requirements according to the quality management system are made through internal and external audits. During the audits, the handling, delegation and execution of the sustainability work within the organization is reviewed.

In 2020, targeted internal environmental audits were carried out, in accordance with ISO 14001. Local audits or inspection programs cover the follow up on EHS compliance and performance.

During 2020, external surveillance audits were carried out at each manufacturing site, with zero non-conformities.

**External regulations**

Wellspect operations are governed by laws, ordinances, and regulations. A basic prerequisite for being able to operate within these regulations is that we adapt to updated regulations, and have them easily available.

Wellspect follows the development of relevant legislation and ensures that all products are safe for both people and the environment.

**Wellspect Mölndal** holds a permit for environmentally hazardous activities with the City of Mölndal as the supervisory authority. The environmental impact mainly consists of emissions to air and water from these activities. Reporting of emissions to air and water is made in accordance with the agreed control program. The current control program was

approved in 2020 after the new environmental permit was received.

As part of the control program, periodic inspections shall be carried out in order to ensure that the company conducts continuous self-control in accordance with current legislation and that conditions in the permit are complied with. During 2020, third-party inspections and an inspection by the supervisory authority were performed accordingly without any non-conformities that required additional measures.

**Wellspect Kazan.** No environmental permit is required, local regulations apply on external environmental impact and work environment and/or Wellspect policies when that requirement is considered more conservative. Wellspect reports upon requests from the environmental authorities and regular reviews are made by authorities to assess the applicability of the permit.

**Sustainable value chain**

Wellspect procures material and components on a global market, with the majority of the suppliers based in Europe. Our procurement policy directs the process, where our Code of Ethics and Business Conduct is an important tool as well as the Anti-Corruption and Anti-Bribery Policy. The policies, based on applicable regulations and UN Global Compact, are the foundation for our procurement process and how we work with our suppliers.

[+ Read more about Code of Ethics and Business Conduct policy.](#)

**Our supply chain management process**



Screening of new suppliers is carried out as needed and can be initiated by modified manufacturing methods, rationalization activities or the development of new products. In the assessment phase, a risk evaluation is made based on country and type of product. All new suppliers must fill out a questionnaire regarding social and environmental responsibility. Based on the risk classification, further evaluation of the supplier may be carried out before approval. We strive to improve quality and continuously follow up the work provided by our suppliers.

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# STAKEHOLDERS, MATERIALITY ANALYSIS AND VALUE CHAIN

Through dialogue with our stakeholders, we understand the expectations placed on us as a company and how we can develop and improve. We also perform materiality analyses to identify which areas within sustainability we should prioritize and make visible.

Our stakeholders



The selected five areas that stakeholders consider most important for Wellspect to prioritize from a sustainability perspective<sup>1</sup>

Stakeholder	Key topic	Stakeholder	Key topic
<b>Investors</b>	<ul style="list-style-type: none"> <li>• Business ethics</li> <li>• Working conditions and human rights</li> <li>• Working environment</li> <li>• Consumption of natural resources</li> <li>• Climate impact</li> </ul>	<b>Customers</b>	<ul style="list-style-type: none"> <li>• Waste management of product and packaging</li> <li>• Additives and chemical substances in products</li> <li>• Climate impact</li> <li>• Business ethics</li> <li>• Working conditions and human rights</li> </ul>
<b>Employees</b>	<ul style="list-style-type: none"> <li>• Economic balance</li> <li>• Innovation</li> <li>• Business ethics</li> <li>• Working conditions and human rights</li> <li>• Working environment</li> </ul>	<b>Non-governmental organizations</b>	<ul style="list-style-type: none"> <li>• Consumption of natural resources</li> <li>• Additives and chemical substances in products</li> <li>• Waste management of product and packaging</li> <li>• Emissions (air/water/soil)</li> <li>• Climate impact</li> </ul>
<b>Suppliers</b>	<ul style="list-style-type: none"> <li>• Innovation</li> <li>• Working conditions and human rights</li> <li>• Consumption of natural resources</li> <li>• Waste management of product and packaging</li> <li>• Climate impact</li> </ul>	<b>Authorities</b>	<ul style="list-style-type: none"> <li>• Working environment</li> <li>• Consumption of natural resources</li> <li>• Additives and chemical substances in products</li> <li>• Emissions (air/water/soil)</li> <li>• Climate impact</li> </ul>
<b>Users</b>	<ul style="list-style-type: none"> <li>• Innovation</li> <li>• Waste management of product and packaging</li> <li>• Additives and chemical substances in products</li> <li>• Diversity and inclusion</li> <li>• Climate impact</li> </ul>	<b>Community</b>	<ul style="list-style-type: none"> <li>• Economic balance</li> <li>• Working conditions and human rights</li> <li>• Diversity and inclusion</li> <li>• Community involvement</li> <li>• Emissions (air/water/soil)</li> </ul>
<b>Healthcare professionals</b>	<ul style="list-style-type: none"> <li>• Innovation</li> <li>• Waste management of product and packaging</li> <li>• Working conditions and human rights</li> <li>• Consumption of natural resources</li> <li>• Climate impact</li> </ul>		

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The materiality analysis takes into account what people in our organization want and can influence in sustainability and what our stakeholders think is most important. The result is the basis for the continued strategic work within sustainability and described in the Sustainability Report.

The most recent materiality analysis was conducted during the first quarter of 2021. We sent out a web-based survey to all Wellspect employees<sup>1</sup> globally, selected suppliers to our production sites in Mölndal and Kazan, health-care professionals and NGOs. 444 people responded to the survey.

The stakeholder group “customers” was replaced by an internal group at Wellspect, as we could not get replies directly. Questions were based on previous inquiries from our customers.

Investor prioritization was reported by Dentsply Sirona.

<sup>1</sup> The web-based survey for our employees has been translated into Swedish, English and Turkish.

We have continuous dialogue with authorities and communities in order to understand where to prioritize our internal efforts at Wellspect.

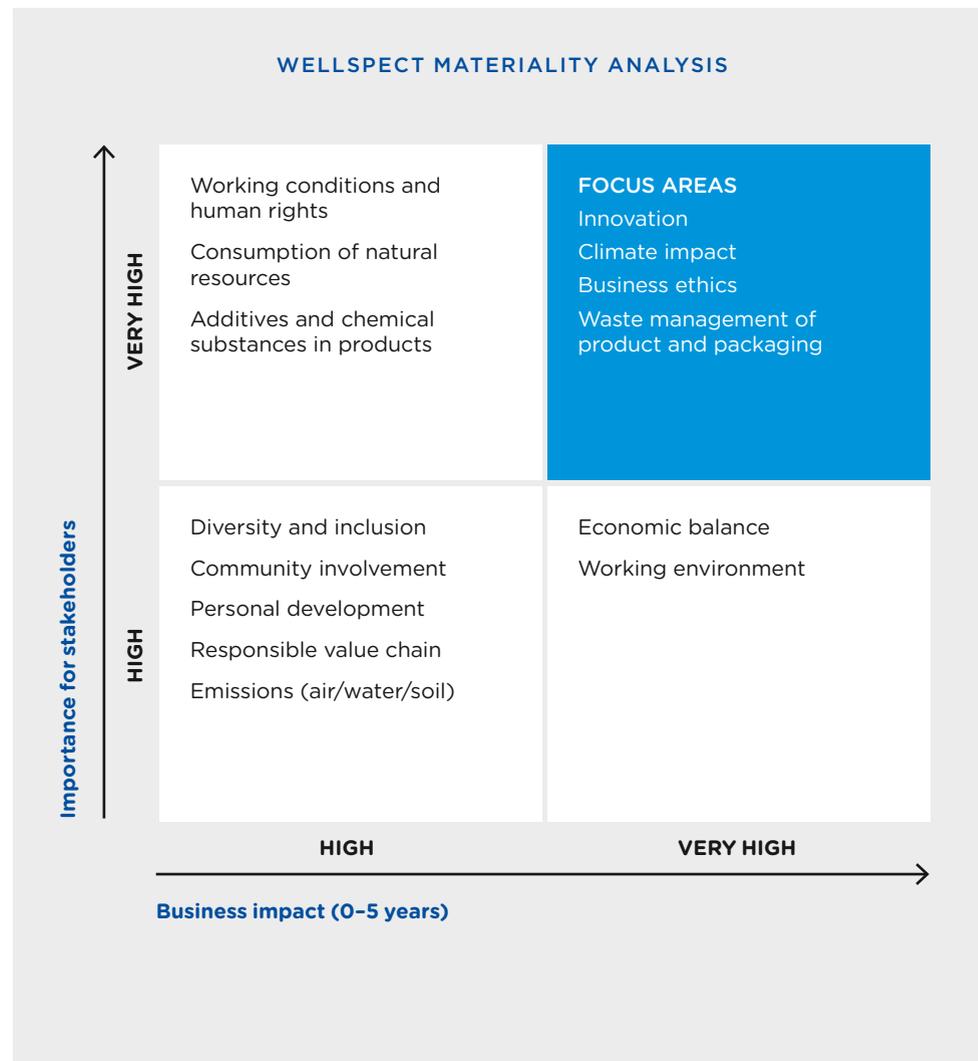
Input from users is based on a large number of individual dialogues with our teams during product development.

The respondents’ prioritization of areas has been weighed against the business’ own assessment of how important the area is for the company’s business strategy. Wellspect’s own assessment is based on the management group’s response in alignment to the strategy for 2021-2025.

The sustainability areas that have received the highest priority from both stakeholders and the management team are Innovation, Climate impact, Business ethics and Waste management of products and packaging.

The figure on the right shows how the 14 different sustainability areas are placed in the materiality analysis: the vertical Y-axis shows all respondents’ responses in addition to the management group’s responses, which are reported in the X-axis.

How these focus areas are handled is described in the chapter [Risks and risk management on page 41](#).



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## VALUE CHAIN AND KEY TOPICS

This is a description of how we handle the risks throughout our value chain.

Wellspect’s ability to manage, take responsibility and impact differs depending on where in the value chain we focus. Naturally, we have the highest degree of influence in our own operations and thus the highest opportunity to manage sustainability issues here as well.

As we move through the value chain and further away from our own operations, it is important that we make choices that reflect our sustainability goals by:

- Assuring contracts with external parties that reflect our standards.
- Assure that our suppliers operate their business in accordance to our requirements.
- Assure that our Business Code of Conduct is understood and respected.
- Provide clear information to our users regarding how to use and recycle our products.

### Key topics

	RAW MATERIALS	PROCESSING	WELLSPECT OPERATIONS	CUSTOMERS	USERS
Key sustainability topics	<ul style="list-style-type: none"> <li>• Product quality and safety</li> <li>• Disruption of supply</li> <li>• Efficient use of water, energy, chemicals and materials</li> <li>• Working conditions and Human Rights</li> <li>• Chemicals used</li> <li>• Business Ethics</li> </ul>	<ul style="list-style-type: none"> <li>• Product quality and safety</li> <li>• Disruption of supply</li> <li>• Efficient use of water, energy, chemicals and materials</li> <li>• Working conditions and Human Rights</li> <li>• Transport</li> <li>• Chemicals used</li> <li>• Business Ethics</li> </ul>	<ul style="list-style-type: none"> <li>• Product quality and safety</li> <li>• Disruption of supply</li> <li>• Efficient use of water, energy, chemicals and materials</li> <li>• Working conditions and Human Rights</li> <li>• Minimize the use of fossil fuels and fossil-based materials</li> <li>• Transport and distribution</li> <li>• Business Ethics</li> <li>• Diversity and Inclusion</li> </ul>	<ul style="list-style-type: none"> <li>• Clinical evidence</li> <li>• Minimize the use of fossil fuels and fossil-based materials</li> <li>• Reimbursement levels and health economics</li> <li>• Business Ethics</li> </ul>	<ul style="list-style-type: none"> <li>• Functional and safe products</li> <li>• Waste handling/recycling</li> <li>• User experience</li> <li>• Stigma around the therapy and underlying illness</li> <li>• Access and affordability</li> </ul>
	LIMITED DEGREE OF INFLUENCE		HIGH DEGREE OF INFLUENCE	LIMITED DEGREE OF INFLUENCE	

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## RISKS AND RISK MANAGEMENT

Wellspect has a great responsibility to provide safe products, manufactured with social considerations and with as little environmental impact as possible. We want to contribute to better health and well-being via our products. This presents both risks and opportunities for us as a company. This table shows the risks that Wellspect is exposed to throughout the value chain, and how we control these.

	RAW MATERIALS	PROCESSING	WELLSPECT OPERATIONS	CUSTOMERS	USERS
Risks	<ul style="list-style-type: none"> <li>Quality deficiencies</li> <li>Failing in environmental responsibility</li> <li>Chemicals in the products</li> <li>Failing in working conditions and violation of human rights</li> <li>Corruption, bribery</li> </ul>	<ul style="list-style-type: none"> <li>Quality deficiencies</li> <li>Failing in environmental responsibility</li> <li>Chemicals in the products</li> <li>Failing in working conditions and violation of human rights</li> <li>Corruption, Bribery</li> </ul>	<ul style="list-style-type: none"> <li>Quality deficiencies</li> <li>Failing to minimize environmental footprint</li> <li>Chemicals in the products</li> <li>Un-safe workplace</li> <li>Discrimination</li> <li>Corruption, bribery</li> <li>Emissions to air and water</li> </ul>	<ul style="list-style-type: none"> <li>Incomplete evaluation of products</li> <li>Failing to minimize environmental footprint</li> <li>Corruption, bribery</li> </ul>	<ul style="list-style-type: none"> <li>Not having access to the therapy</li> <li>Product safety or distribution</li> <li>Wrong use of products</li> <li>Reduced quality of life as a result from the underlying illness, or the therapy itself</li> <li>Reduced quality of life as a result of stigma</li> <li>Failing to correctly handle personal data, infringement of personal integrity</li> <li>Waste handling</li> <li>Littering</li> </ul>
Risk mitigation method	<ul style="list-style-type: none"> <li>Supplier assessments</li> <li>Requirements</li> <li>Follow-up</li> <li>Business Partner Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>Supplier assessments</li> <li>Requirements</li> <li>Follow-up</li> <li>Business Partner Code of Conduct</li> </ul>	<ul style="list-style-type: none"> <li>Sustainability strategy and targets</li> <li>Quality management system</li> <li>Environment, health and safety management system</li> <li>Our Ethics Code of Conduct</li> <li>Policies</li> <li>HR processes including diversity &amp; inclusion and training</li> <li>Climate neutral initiative</li> <li>Initiatives to minimize environmental footprint</li> </ul>	<ul style="list-style-type: none"> <li>Medical Device Regulation and other applicable regulations</li> <li>Business Partner Code of Conduct</li> <li>Policies, e.g. anti-bribery, anti-corruption</li> </ul>	<ul style="list-style-type: none"> <li>Innovation and product development process</li> <li>Medical Device Regulation and other applicable regulations</li> <li>Data privacy policy</li> <li>Supply and distribution plan</li> <li>Geographical expansion plan</li> <li>External communication plan</li> <li>Communication campaigns e.g. on recycling of product packaging</li> </ul>

### Our five Sustainable Development Goals

We have identified where our opportunities and ambitions are aligned with the United Nations Sustainable Development Goals (the so-called UN SDGs or Global Goals).

Our products and services enable us to contribute to the Global Goal #3: **Good Health and well-being**. The UN has stated that good health is essential for people to be able to realize their full potential and support sustainable development in the world.

Our products and services also support Global Goal #10: **Reduced inequalities** by helping our users to an independent and dignified life.

Work environment and safety at work is our first priority and we also request that from our partners. With focus on continuous improvements and manage the risks within the value chain we are supporting the reach of Global Goal #8: **Decent work and economic growth**.

Having an atmosphere that inspires our employees to explore and be innovative is crucial both for us as a company and in our efforts to contribute to Global Goal #9: **Industry, innovation and infrastructure by sustainable solutions and technics**. Our commitment to reduce our environmental footprint is based on the concept of being mindful of nature's resources, which is targeted in Global Goal #12: **Responsible consumption and production**.

Together, these five Global Goals are the basis for establishing our three focus areas within sustainability.



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## Good health and well-being

The target for geographical expansion was met by increasing the number of markets where products are sold by the market introduction in Argentina. One project is ongoing with the aim to develop a product that can be introduced in development countries. In 2020, we had zero mandatory product recalls. One voluntary recall was done on a small number of products that where potentially out of specification.

**Accounting policies:** Increase in number of countries where products are sold are defined as each additional country where any part of the product portfolio is marketed at year-end, is counted as an increase of one more. Minimum number of projects aiming to develop products for developing countries are defined as number of projects registered as active in our project portfolio at year end, with the ingoing objective that the product shall be marketed in developing countries or in the least developed countries. Significant product recall is defined as a forced recall and are counted, voluntary recalls are exempted.

## Social and Ethics agenda

### Employees

Wellspect has 1,034 employees worldwide, whereof 71% in Sweden and Turkey. 55% are female (569), 45% are male (465).

### Gender equality

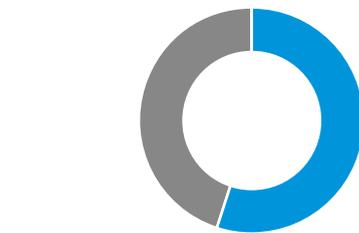
44% of the managers are women, 56% are men.

**Accounting policies:** The number of employees are recorded as full-time and part-time employees, at year end. Hired staff, employees on unpaid leave and bachelor/master thesis employees are exempt. A manager is defined as a person with a leading function over one or more employee(s) and has responsibility for a business area to deliver goals and expectations.

### Attendance rate and occupational accidents

At our manufacturing sites in Mölndal and Kazan, the LTIF improved in 2020 compared with 2019. In 2019, the LTIF was 1.70, which improved to 0.49 in 2020. TRIF also improved from 1.93 in 2019 to 0.56 in 2020.

Gender distribution total employees



■ Women, 55%  
■ Men, 45%

### Attendance and occupational accidents

LTIF total <sup>1</sup>	0.49
Fatal accidents	0
High consequence LTI <sup>2</sup>	0
TRIF <sup>3</sup>	0.56
Attendance rate <sup>4</sup>	93.8%

1. Lost Time Injury Frequency is the number of accidents resulting in sick leave in relation to total worked hours.
2. A high consequence LTI is an accident resulting in an absence of more than six months.
3. Total Recordable Injury Frequency is the number of recordable work-related injuries in relation to total worked hours.
4. Attendance rate is calculated in accordance with local principles.

**Accounting policies:** The frequency of occupational accidents (including absence) is calculated as the reported number of accidents using full-time employees, excluding external contractors, student thesis employees and employees on unpaid leave, per 200,000 nominal working hours. An occupational accident with absence is any work-related

Gender distribution management



■ Women, 44%  
■ Men, 56%

accident leading to at least one day of absence in addition to the initial day of the accident.

The figures for attendance rate include Wellspect employees in Mölndal and Kazan, representing 71% of the workstaff.

### Human Rights, Anti-Corruption and Anti-Bribery

The work is based on Dentsply Sirona's policies "Code of Ethics and Business Conduct" and "Anti-Corruption and Anti-Bribery".

All employees receive introductory training to the "Code of Ethics and Business Conduct" policy, and the training is repeated annually. 97.5% received the training during 2020.

All office workers receive introductory training into the "Anti-Bribery and Anti-Corruption" policy, and the training is repeated annually. 98.1% received the training during 2020.

For suppliers, a risk-based approach based on country and type of industry is made, see [page 37](#).

Types of injuries 2020



■ Sprain/strain, 37% ■ Contusion, 25%  
■ Laceration, 38%

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Dentsply Sirona Ethics hotline is open for employees, contractors, and suppliers. It is anonymous and confidential and open to any ethics or compliance issue or inquiry regarding a company policy. The employees can also report incidents and workplace issues such as: financial and auditing concerns, harassment, theft, substance abuse and unsafe conditions.

**Accounting policies:** Training is managed by a digital learning portal, which provides the statistics. Hired staff are exempt.

**Follow-up of suppliers**

For the Mölndal manufacturing site, Wellspect’s work with supplier management followed the established routines, and during 2020 Kazan manufacturing site started to implement these routines as well.

A risk-based approach, where all suppliers are divided into different risk levels is made.

In 2020, four suppliers are identified as having risk for significant actual and potential negative social impacts.

100% of new Direct Material suppliers have signed our Business Partner Code of Conduct, or having a corresponding document. The selection of new suppliers has followed the screening process toward our ambition for a sustainable value chain.

**Accounting policies:** Prioritized suppliers risk classified from a CSR perspective: The ratio of our Direct Material suppliers that are risk classified according our quality management system. The risk classification is based on type of product and country. Direct Material is defined as material directly related to the manufacturing of our products and is needed to fulfil the product requirements on the final product.

**Environmental agenda**

**Energy**

Energy usage in total for our two manufacturing sites in Sweden and Turkey increased by 6% compared to 2019. There are two main reasons for this, one being an increased demand resulting in an increase of production. The other is linked to changing to our new coating process at our Swedish production site. To ensure that our products continued to deliver the highest quality, numerous tests and fine tuning were required during the implementation process. This resulted in a short-term increase of energy usage, which is reflected in our results for 2020. Once the implementation of the new process is complete and satisfactory, the new coating process will instead lead to a long-term improvement when it comes to energy efficiency. The main energy sources used at our production sites are electricity, natural gas and district heating.

	2020	2019	2018	2017
Energy usage (GWh)	32.69	30.89	32.56	31.34
Energy from renewable resources	66%	58%	58%	62%

**Accounting policies:** Energy use for operations is measured as consumption of electricity, heat, and fuel. The fuel mainly derives from natural gas. Energy usage is based on meter readings and invoices and covers all energy types at our production sites.

The proportion of energy from renewable resources used at our production sites is calculated using the proportion of renewable energy from each energy source. For calculating the renewable share from electricity, the electricity generated from renewable resources in in respective country has been used. The proportion of renewable energy

consists of renewable electricity (54%), electricity from self-generated electricity from solar power (0.04%), as well as district-heating with Guarantees of Origin (12%) from renewable and recovered energy.

**Water**

The water usage is on the same level as 2019. The conversion to a new coating process is still ongoing and therefore we have not yet reached the full effect regarding the water usage.

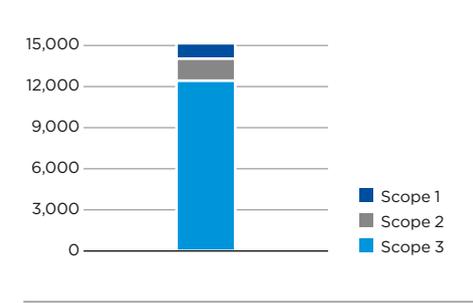
	2020	2019	2018	2017
Water usage (m³)	58,270	57,935	64,623	66,173

**Accounting policies:** The consumption of water includes drinking water and industrial water used at production sites and is measured based on data from meter readings and invoices.

**Climate change impact**

Wellspect aims to have zero greenhouse gas (GHG) emissions from scope 1 and 2 and is working to set a long-term scope 3 target. In 2020, our CO<sub>2</sub>e emissions per sold volume was reduced by 30.3% at our manufacturing sites compared with 2019. Our focus 2020, has been to collect data from our production sites, warehouses, and sales offices where we have operational control to increase completeness in our scope 1 and scope 2 GHG-calculations. We have also expanded our scope 3 calculations. Our efforts to increase the relevance and completeness of our GHG calculations will continue in the coming years. We aim to calculate our GHG emissions according to the GHG protocol from 2021. Due to an extended scope for our GHG emission in 2020 we have no historical data to compare our result with. 2020 will therefore act as a baseline for future comparisons.

CO<sub>2</sub> emissions per scope (tons CO<sub>2</sub>e)



CO<sub>2</sub>e emissions per scope (tons CO<sub>2</sub>e)

	2020
Scope 1	1,128
Scope 2	1,609
Scope 3	12,426
<b>Total CO<sub>2</sub>e emissions</b>	<b>15,164</b>

CO<sub>2</sub>e emissions per activity (tons CO<sub>2</sub>e)

	2020
Use of energy	1,609
Production	8,234
Process chemicals	1,023
Product distribution	4,079
Business flights	113
Company cars	105
<b>Total CO<sub>2</sub>e emissions</b>	<b>15,164</b>

**Accounting policies:** The greenhouse gas program is developed following methodology as outlined in the WRI GHG Protocol for Companies.

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*CO<sub>2</sub>e per sold volume*

Our greenhouse gas emissions per sold unit are based on scope 1 and 2 emissions from our manufacturing sites. The results are presented as the difference from the previous year.

*Scope 1*

The scope 1 calculations consist of the use of refrigerants, coating solutions and other chemicals and company cars, which are owned or leased by Wellspect. Emission calculations of chemicals are based on the direct emissions from our production, which can be measured or calculated, with associated emission factors. For company cars the emissions are calculated by multiplying the distance traveled with an average emission value for the Swedish car fleet year 2016–2020.

*Scope 2*

Scope 2 calculations consist of emissions from purchased energy and are mainly linked to the use of electricity and use of natural gas. The calculation of emission data uses country specific emission factors from 2019. In this report market-based factors are used. GHG Protocol Scope 2 Guidance on (January 2015) requires dual reporting using two emission factors for each site – market-based and location-based. Location-based factors are the grid average emission factor for the country (or sub-region in the US) where a site is located. Market-based factors are more specific to the site and local energy market, taking account of the residual energy mix a site is sourcing electricity from, and any certified renewable electricity purchased by a site. Our scope 2 emissions according to location-based method are 1,878 tons CO<sub>2</sub>e.



*Scope 3*

Scope 3 reporting is (for 2020) limited to include three categories relevant to our operations. The emission categories included are from the production of our urology products, internal and outgoing transport from our production sites and business flights.

*CO<sub>2</sub> emissions from our urology products*

CO<sub>2</sub> emissions from the urology products are based on LCA studies carried out for five of the products where use of electricity, Wellspect manufacturing scrap and coating solution has been deducted and included as scope 1 and 2 emissions. The LCAs were performed for different products in 2012 and 2020, in cases where there are only reports from 2012, a translation value has been used for updating the data. The value is derived by assuming that the change in global warming potential between LCAs from 2012 and 2020

is the same for all products. The GWP value of each product is then multiplied by the amount of sold products.

In the case where no product-specific LCA is available, an assumption has been made that the climate impact is the same as for the product that is most similar, and where data is available.

Bowel products are exempt from the calculations, this product group is a minor part of our production and distribution.

*CO<sub>2</sub> emissions from product distribution*

CO<sub>2</sub> emissions from internal and external distributions from the production sites in Mölndal and Kazan where Wellspect covers the transportation costs are based on CO<sub>2</sub> emission reports from the transportation companies. Where emission reports are not available, CO<sub>2</sub> emissions have been calculated with the spend-based method. The price for air transport increased significantly in 2020 as a result of

less flights, and so did our need for air transport of products, which resulted in higher transportation costs. It is therefore difficult to make valid comparisons with previous years.

*CO<sub>2</sub> emissions from business flights*

CO<sub>2</sub> emissions from business flights are based on CO<sub>2</sub> emission reports from our travel agencies. Their calculations are based on mileage and emission factors for short, medium and long-haul flights along with passenger class obtained from travel agencies.

We received CO<sub>2</sub> emission reports for the Mölndal site and for Dentsply Sirona (DS) in total. We have therefore estimated that Wellspect, excluding Mölndal, stands for 5% of DS business flights. The assumed value for Wellspect has then been added with the emission data from the Mölndal site.

*Business travel*

Business travel has decreased due to the global pandemic. For the Swedish part of Wellspect, air travel reduced by 87% in 2020 compared with 2019. Due to the lack of data for Wellspect globally in 2019, the comparison is only made for the Swedish site. It is, however, reasonable to assume the same trend globally.

Our travel policy will be analyzed and potentially revised in the coming year. We believe that this is a behavioral transformation that will continue after the ongoing crisis, which will support our sustainability goals.

**Emissions to air and water**

The main production process at both manufacturing sites causes emissions to air and water. Emissions of hazardous substances to water are very low. The recovery systems vary at the sites, depending on the type of process and chemicals used. The recovery systems are

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compliant with local regulations for emission control. A conversion of the coating process at the Mölndal site has been introduced, that aims to replace the existing solvent with a solvent that is considered to have a lower negative environmental impact. The conversion is planned to be finalized in 2022. The long-term plan is to also convert the process at the Kazan site. 12% was converted during 2020, which means that 12% of our produced units were coated in the new process.

**Accounting policies:** The conversion to the new coating process is measured as the portion of units produced with the new coating process in relation to total produced units at our production sites.

Emissions to air from the production processes are included in the CO<sub>2</sub> emissions.

**Chemicals**

To prevent and minimize the impact of chemicals on employees, users and the environment, chemical products with hazardous properties are identified and, if possible, substituted or reduced by creating a safer way of working. We call these prioritized chemicals, and they are based on the properties that are included in the Swedish Chemical Agency’s PRIO lists (phase-out substances and priority risk-reduction substances).

In the 2020 inventory at the Mölndal site, there was a total of twelve substances, four of which were CMR substances (known or presumed to be carcinogenic, germ cell mutagenic, or toxic to reproduction). Seven of these 12 chemicals are in the process of being substituted or removed.

Three chemicals remain to be assessed in 2021 for substitutes, and two chemicals are deemed

irreplaceable. Regarding the latter, risk assessments and protective measures have been reviewed and considered to be satisfactorily. The goal for 2021 is to investigate the possibility for substituting an additional 10-15 prioritized chemicals and perform a review of risk reduction measures.

At site Kazan the amount of coating solution (and thus used chemicals) was reduced during 2020. An inventory and risk assessment of all chemicals will be made during 2021.

**Waste**

In 2020, hazardous waste from our production sites in total decreased by 10% compared with 2019. Non-hazardous waste from production sites in total increased by 1%.

Waste	Kg
Non-Hazardous Waste – Landfill	1,127
Non-Hazardous Waste – Recycle/Reclaim	447,631
Non-Hazardous Waste – WTE <sup>1</sup>	944,459
Non-Hazardous Waste – Other	6,996
Hazardous Waste – Landfill	5,612
Hazardous Waste – Recycle/Reclaim	21,993
Hazardous Waste – WTE	240,020
Hazardous Waste – Incineration	419,000
Hazardous Waste – Other <sup>2</sup>	1,560

<sup>1</sup> WTE is “waste to energy”, mainly incineration with energy recovery.

<sup>2</sup> Waste to biological treatment.

**Accounting policies:** Waste is measured as the sum of all the waste disposed at our production sites based on weight receipts. Waste is characterized in accordance with local regulatory definitions.



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