

Sustainability Report 2021

SOLUTIONS THAT CHANGE PEOPLE'S LIVES



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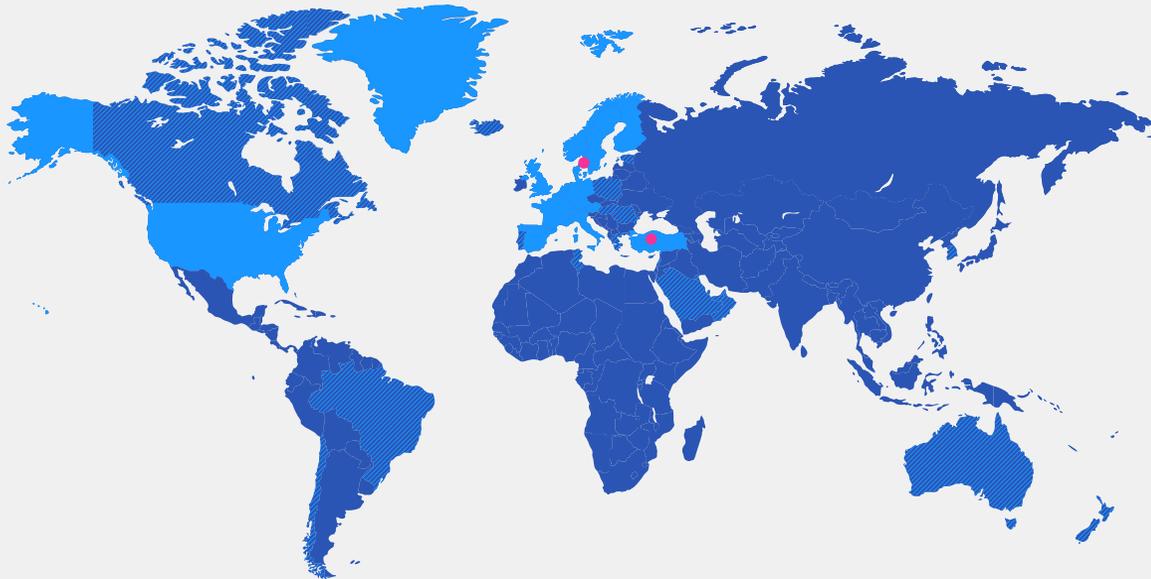
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This is Wellspect

Where we operate



- Production site: Mölndal, Sweden (HQ)
- Production site: Kazan, Turkey
- Sales offices
- Distributors

What we do

Wellspect® offers innovative continence care solutions for people suffering from bladder and bowel dysfunction. For almost 40 years, we have led the industry with our LoFric® and Navina™ products. All of Wellspect's reliable, user-friendly products have minimal impact on the natural environment.

Why we do it

People with bladder and bowel dysfunction often suffer in silence and unnecessarily restrict their lives. Our products allow users to break their isolation and regain independence, dignity, and self-confidence. What's more, we work closely with users and healthcare professionals to sustainably improve our products and services.

To whom

We provide products to thousands of users, directly or via distributors, in more than 40 countries. Our products provide relief from bladder and bowel dysfunction related to neurogenic conditions, such as spinal cord injury, multiple sclerosis, Parkinson's disease, or spina bifida. They also help sufferers with functional conditions, such as enlarged prostate, dysfunction after childbirth, or post-cancer disorders.

Number of employees

1,016

Number of countries offering our products

>40

Electricity from renewable sources at our manufacturing sites¹

100%

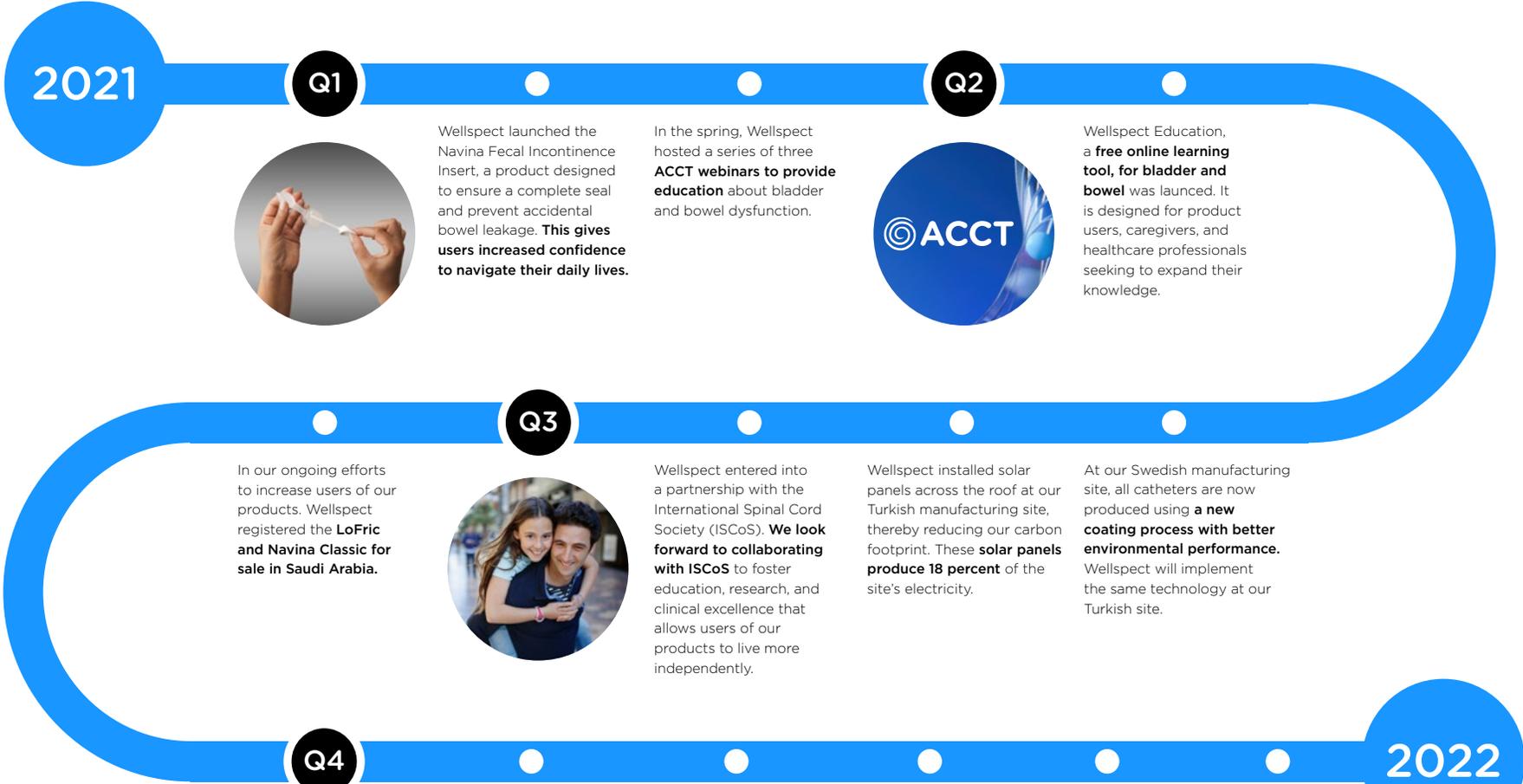
Our long-term ambition is to ensure a climate neutral value chain by

2045

¹ From January 1st 2022

Highlights of the year

At Wellspect, we promote health and well-being across the globe. Here are a few examples of what we accomplished in 2021.



2021

Q1



Wellspect launched the Navina Fecal Incontinence Insert, a product designed to ensure a complete seal and prevent accidental bowel leakage. **This gives users increased confidence to navigate their daily lives.**

Q2



In the spring, Wellspect hosted a series of three **ACCT webinars to provide education** about bladder and bowel dysfunction.

Wellspect Education, a **free online learning tool, for bladder and bowel** was launched. It is designed for product users, caregivers, and healthcare professionals seeking to expand their knowledge.

Q3



In our ongoing efforts to increase users of our products, Wellspect registered the **LoFric and Navina Classic for sale in Saudi Arabia.**

Wellspect entered into a partnership with the International Spinal Cord Society (ISCoS). **We look forward to collaborating with ISCoS** to foster education, research, and clinical excellence that allows users of our products to live more independently.

Wellspect installed solar panels across the roof at our Turkish manufacturing site, thereby reducing our carbon footprint. These **solar panels produce 18 percent** of the site's electricity.

At our Swedish manufacturing site, all catheters are now produced using a **new coating process with better environmental performance.** Wellspect will implement the same technology at our Turkish site.

Q4



Wellspect obtained Medical Device Regulation (MDR) certification for our urology product portfolio. Developing and releasing high quality and safe products is Wellspect's primary focus. **The MDR certificate allows us to launch new urology care products and improve existing products** within the EU.

All Wellspect employees now receive training in company sustainability targets and strategies. To emphasize sustainability's importance, **individual development plans now include individual sustainability goals.**



Our flagship product **LoFric receives the Nordic Swan Ecolabel as the world's first hydrophilic urinary catheter.** Careful choice of materials, a clean process, and supply chain transparency are the strict requirements for earning the prestigious Ecolabel.

Our long-term ambition to ensure that our value chain is **climate neutral by 2045** was set.

2022



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With the ultimate intention to meet the objectives of the Paris Agreement, we have set our climate targets and defined our roadmap for reducing our emissions, all aligned with the Science Based Target initiative.

Svenn Poulsen
Group Vice President, WellSpect HealthCare

My thoughts on 2021

Why do you consider climate change important to Wellspect as a company?

Climate change has become recognized as a very real threat to our planet, to our civilization and even to ourselves. It is everybody's responsibility to contribute wherever we can to contain and reverse these changes. That goes for us as individuals, and it goes for Wellspect as an industrial company. Authorities are putting in place legislation and regulations to reduce the environmental impact of different industries but, more importantly, we are guided by a moral obligation to deploy our knowledge and technologies in a fashion that leaves a much smaller footprint. Indeed, we have decided that Wellspect will go all the way to become climate-neutral by 2045, **without** using any climate compensation or other surrogate for real actions.

We have set this ambitious goal not because we are required to set it, but because we want to set it.

The present Sustainability Report 2021 reflects that we have made a lot of progress, and we continue to set new goals. With the ultimate intention to meet the objectives of the Paris Agreement, we have set our climate targets and defined our roadmap for reducing our emissions, all aligned with the Science Based Target initiative.

What do you see as Wellspect's greatest challenges?

Wellspect has actually performed quite well historically when it comes to sustainability and balancing the different elements of improving the daily lives for our customers. We pride ourselves on creating a safe and inspiring workplace while reducing our environmental footprint. This challenges us to improve on our high standards, to accelerate our efforts and, on a global scale, rethink and reshape our business processes to become the true sustainability leader in our industry. We cannot do everything at once, so to begin, we will redouble our efforts to guarantee safety and a good working environment in all of our workplaces. We are committed to zero workplace accidents and incidents both for Wellspect and our suppliers.

We possess and develop technologies which hold enormous potential and promises for the future, but we also need to adopt a sustainability mindset on an individual level. Anchored at the top of the company, it is vital to keep the sustainability agenda top of mind for all of us at Wellspect, from the research scientist to the sales representative, and from the line manager to the work floor colleague. It is in the globally shared sustainability mindset you find true leadership.

We are also addressing the challenge of providing sufficient health care for **all** our potential users

across the globe. In 2021, we teamed up with the International Society for Spinal Cord Injury to increase knowledge of the latest standard of care for spinal cord injury in less developed parts of the world. Internally, we are also looking at development projects aiming at making intermittent catheterization even more affordable.

How did Wellspect make a real difference 2021?

Overall, I am extremely proud of what we have achieved as an organization, despite the difficult conditions under Covid-19 restrictions. We worked hard and succeeded in keeping production flowing in both Kazan and Mölndal, so we could maintain uninterrupted product supply to our users. And by introducing several digital initiatives, we stayed close to our customers and users, when we were not able to meet physically.

I would also like to highlight the conversion of our coating process in Mölndal for our LoFric range of catheters, resulting in a dramatic reduction of chemical and water usage, as well as a substantial reduction of carbon dioxide emissions. It has been a massive undertaking for us, involving most parts of the organization, but our proprietary technology now sets a new standard for a low environmental footprint in our industry.

What is it that makes Wellspect special?

It is our culture and our shared beliefs that makes us special. With our deeply rooted philosophy and core value of making A Real Difference, sustainability becomes a natural part of our thinking and our commitment to all our stakeholders.

The challenge we have taken upon ourselves is to reach our environmental objectives without

compromising on our commercial ambitions to make A Real Difference to our customers and their needs, or to sacrifice growth and development of the company. Our journey forward will now balance these three concerns and motivate our decisions and choices. Hence it will be a journey of learning, acquiring new skills and technologies – strengthening the sustainability of Wellspect, not only today but for the long-term future.

It is my great privilege to be part of such a committed team, and I would like to conclude by expressing my deepest gratitude to the entire Wellspect organization for delivering such significant progress across the entire sustainability spectrum. Together, you made it happen!

Svenn Poulsen



Group Vice President
Wellspect HealthCare



2 | Strategic direction

8 | Markets and business environment

10 | Sustainability strategy

12 | Targets and performance

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We constantly review and improve our products, working closely with healthcare professionals and users.

Åsa Berggren Persson

Territory Manager Field Sales, WellSpect HealthCare



The dynamics of markets and business environment

The healthcare market is changing rapidly accelerated by the Covid-19 pandemic, people are searching for information and have their own demands for convenience and discretion, which means that only clinical performance is no longer enough. Patient preference and everyday need are increasingly important. It is in this context that Wellspect can make a real difference.

Market dynamics

Wellspect acts in two major market segments: urology, with the LoFric line of urinary catheters; and enterology, with the Navina products. The globally aging population drives both segments by demanding more and better therapies. The improving healthcare in emerging markets also has a strong influence.

70%

Although the amount of females with spinal cord injury is increasing, most patients (70 percent) are male.

The global urinary catheters market is mature but moderately consolidated. Wellspect and Coloplast are the most established market players and hold significant market share in Europe and the USA.

The main diagnosis causing continence issues is traumatic spinal cord injuries in the 40-50 years age group. Although the amount of females with spinal cord injury is increasing, most patients (70 percent) are male. The incidence of spinal cord injury increases slightly, whereas the incidence of children born with spina bifida is decreasing. Other neurogenic conditions mainly affecting women, such as multiple sclerosis, are increasing, as are non-neurogenic (functional) bowel disorders. Hence, the underlying patient population is increasing.





Healthcare dynamics

In most regions, healthcare is under continuous pressure with respect to financial and human resources. The Covid-19 pandemic has exacerbated this. Consequently, the healthcare system is changing, with a greater emphasis on value and clinical outcomes.

Healthcare models are changing – from specialized and siloed systems to ones more adapted to patient needs, from fragmented care options to networks. Wellspect actively promotes better bowel and continence care options, providing a holistic view in scientific reviews and seminars and through our Advancing Continence Care Together (ACCT) conference series.

For the patient, clinical performance is not enough. As patients become more informed and expect higher quality healthcare, they require personal solutions and a role in healthcare decisions. Patient empowerment is key. To embrace this, Wellspect is active on social media, providing fact sheets and user testimonials.

>1,000

More than 1,000 people participated in our ACCT webinars.



Technology development

Innovation and technology will drive healthcare, increase care quality and accessibility.

Artificial intelligence, big data, blockchain, mobile technologies, and connectivity are advancing and are more often used in diagnostics and monitoring. Digital transformation of health care services is on the rise and this is also part of our strategic agenda, with the vision that Wellspect is easily accessible and responsive to stakeholders across the globe. One digital tool we provide is Navina Smart data, which supports better assessments and decision-making for users of the Navina Smart system.

Cheaper materials with lower environmental impact are becoming available. We are continuously monitoring the market for better options for our products. Our partners, including the Chalmers University of Technology, are working with us to promote ongoing technological development.

Covid-19 pandemic

The Covid-19 pandemic has significantly decreased the size of the global medical device market. At the same time, demand has increased for products such as personal protective equipment, diagnostics, telemedicine, remote patient care and monitoring.

At Wellspect, it has impacted our growth negatively as restraints on healthcare systems have led to fewer prescriptions for intermittent catheterization. It has also led to reduced time and possibilities for therapy training. Overall, we are experiencing about 40 percent fewer new users of urinary catheters and TAI (transanal irrigation) therapy.

As the pandemic declines, we are expecting demand to increase significantly. The number of users should increase and the availability of alternative solutions, such as indwelling catheters, should decrease.



Strategies for a sustainable future

At Wellspect, our goal is to make a real difference, every single day, for people suffering from bladder and bowel dysfunction. We empower our users to lead independent and dignified lives. What's more, we promote business practices that have minimal environmental impact and respect human rights and social needs. 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 continence care, with as little environmental impact as possible.

Good health and well-being



- Empower people to gain independence, confidence, and the ability to lead full lives.
- Assure innovative, premium solutions.
- Serving more markets to reach more users.
- Contribute to reducing the stigma that surrounds bladder and bowel dysfunction.
- Help users minimize their environmental impacts by offering products that promote resource efficiency and circularity.
- Contribute to society as a good corporate citizen.



Safe, committed and inspiring workplace



- Provide a great workplace that promote well-being, belonging, and a sustainable work life for employees.
- Put safety first – no work-related injuries or illnesses.
- Promote an inspiring and highly engaging company culture in which all employees are a part of our success.
- Provide leadership engagement, focusing on empowerment, diversity, and inclusion.
- Encourage all employee's commitment to sustainability.
- Support our suppliers to continuously improve as part of our responsible supply chain.



Reduced environmental footprint



- Allow no compromises 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 footprints.
- Encourage users to recycle our products.
- Inspire our supply chain to reduce the environmental impact.



The UN Sustainable Development Goals

We have identified where our opportunities and objectives are aligned with the UN Sustainable Development Goals (SDGs). We believe our industry specific knowledge can contribute to achieving the UN's global agenda.

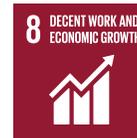
Through our products and services, we can contribute to **SDG 3: Good health and well-being**. Good health is essential for people to be able to realize their full potential and support sustainable development in the world. Our products pioneer functionality and safety and our aim is to provide our solutions to all who need them.



We help our users live independent and dignified lives. Thus, our products and services also support **SDG 10: Reduced inequalities**. By reducing the stigma around bladder and bowel we want disabled people to gain self-esteem, to develop their opportunities and to take an active part of the society.



Work environment and safety is our priority and we require the same from our partners. With a focus on continuous improvements and managing value chain risks, we support **SDG 8: Decent work and economic growth**. Our workplace should provide equal opportunities for all, such as personal development, and we promote local entrepreneurship.



Our corporate culture inspires employees to explore and innovate, and by this, we contribute to **SDG 9: Industry, innovation and infrastructure**. We are applying a sustainability transformation to the product portfolio, in terms of both choice of materials and industrial technologies.



Our commitment to reducing our environmental footprint is based on being mindful of nature's limited resources, as targeted in **SDG 12: Responsible consumption and production**. We take responsibility for our products, seeing that chemicals and other materials are used minimally and recycled appropriately.



Performance review 2021

The chart shows the 2021 performance by focus area of our main key performance indicators (KPIs). More details can be found in the Sustainability Data section, see page 36.

	Target/KPI	Result 2020	Result 2021	Target 2022	Target 2025
	Good health and well-being				
	Increase in number of countries where products are sold	1	1	1	5
	Minimum number of projects aiming to develop products for developing countries	1	1	1	1
	Number of mandatory recalls	0	0	0	0
	Safe, committed and inspiring workplace				
	Lost Time Incident Frequency (LTIF) ¹	0.76	0.66	0	0
	Total Recordable Injury Frequency (TRIF) ¹	0.87	0.80	0	0
	Attendance rate ¹	93.8%	95.4%	>95%	>95%
	Employee satisfaction ⁷	-	3.9	4.0	4.2
	Relevant employees trained in business ethics	98.1%	98%	100%	100%
	Prioritized suppliers risk classified from a CSR perspective	100%	100%	100%	100%
	Reduced environmental footprint				
	Energy usage/sold product ²	Baseline	-2%	-3%	-12%
	Product transport by air ³	2.8%	5.0%	2.0%	1.6%
	CO ₂ e/sold product ⁴	Baseline	1%	-27%	-75%
	Waste/sold product ^{2,5}	Baseline	-4%	-5%	-8%
	Waste sent for material recovery ^{2,5}	28%	33%	35%	40%
	Water consumption/sold product ²	Baseline	-15%	-17%	-17%
	Converted to new coating process ⁶	12%	47%	73%	100%

Wellspect comprises two manufacturing sites (Möndal, Sweden and Kazan, Turkey), 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 worldwide.

1) Covering our six largest sites, together representing 89% of the employees.

2) Manufacturing sites in Sweden and Turkey.

3) Share of products transported by air, calculated by weight.

4) Calculation method changed from 2020. Based on CO₂e emissions for scope 1 and 2.

5) Local regulations define what is characterized as "waste."

6) Calculated as the yearly average of the ratio of catheters coated in new process.

7) On a five-point scale, where 5 means extremely satisfied and 1 means extremely dissatisfied: How satisfied are you with your organization as a place to work. Not measured in 2020.

3 | Focus areas

14 | Good health and well-being

19 | Safe, committed and inspiring workplace

24 | Reduced environmental footprint

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I am proud of working for a company that has taken sustainability into our daily work. In my team we are committed to reaching our sustainability goals because even if our contribution is small it is nevertheless important that we are doing what we can.

Jenny Pham

Sterilization Operator, Wellspect HealthCare



Good health and well-being

By empowering people to gain independence, Wellspect's goal is to make a real difference for people suffering from bladder and bowel dysfunction. Our innovative, user-friendly, and sustainable solutions enable users to live more fulfilling lives. Our products directly contribute to their good health and well-being.

Why we do it

Not being able to empty the bladder or bowel properly negatively impacts people's lives, and often the lives of immediate family members and caregivers. Unfortunately, stigma still surrounds this condition, and many try to cope without seeking professional help. Wellspect introduced the world's first hydrophilic intermittent catheter back in 1983 and the world's first electronic solution for bowel management in 2016. We are the leading industry pioneer in intermittent catheterization and continence care.

To whom

Urinary retention and chronic bowel disorders originate from a range of medical diagnoses. Patients may have a neurogenic condition, such as a spinal cord injury, multiple sclerosis, Parkinson's disease, or spina bifida, or a functional condition, such as an enlarged prostate, complications after childbirth, or a post-cancer disorder. For many, bladder and bowel symptoms coexist and interact. Therapies that relieve one of these conditions often ease the other. Hence, a combined treatment approach increases the chance of better clinical outcomes and improved quality of life. For each patient's benefit, we advocate holistic approaches.

What we do

We strive to increase access to our continence care solutions, offering products in at least one new country each year. In 2021, we introduced LoFric and Navina Classic to the Saudi Arabian market. Our introduction of the Navina Fecal Incontinent Insert continued in 2021 and it is now available in Western European markets.

Unfortunately, not all healthcare systems offer reimbursement for our products and product categories. To provide our solutions to all who need them, we aim to increase accessibility through projects related to our development pipeline.

Target/KPI	Target 2021	Result 2021
Increase in number of countries where products are sold	1	1
Minimum number of projects aiming to develop products for developing countries	1	1
Number of mandatory recalls	0	0

1983

Wellspect introduced the world's first hydrophilic intermittent catheter back in 1983.



MAIN ACTIVITIES

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.
- Continue to raise awareness of bladder and bowel dysfunction through our partnership with ISCoS.

Maintaining high quality and product safety performance in 2021

At Wellspect, we have a solid system for documenting feedback and tracking potential complaints, and a robust post-market surveillance process for the entire product range. Every step of the patient pathway, from risk management, design, and manufacturing to guaranteeing safety improvements, is covered. Our product documentation is adapted to the new EU Regulations for Medical Devices that replaces the earlier directives.

Our target is zero product recalls, and we achieved that in 2021.

Driving continuous improvements

Our bladder and bowel products pioneer functionality and safety. We constantly review and improve these products, working closely with healthcare professionals and users. Many of

our products are disposable, single-use products made of fossil-based resources, and we are working to migrate to more sustainable materials. To make sure that we have access to the best competence within the area we collaborate closely with a number of universities and external partners.

Sharing knowledge about bladder and bowel management

Sharing knowledge is crucial for users to sustain good health when starting and continuing with their continence care therapies. During 2021 we launched the Wellspect With You™ service offering to support healthcare professionals and users. Wellspect services include online training and education, peer-to-peer to allow current product users to support and help new users, and our Science blog that provides scientific reviews and webinars with key opinion leaders (continence care health professionals).



Facts about bowel care

Irrigation is a successful therapy for many people living with bowel dysfunction. It effectively empties the bowel and eases the evacuation of stool by passing water through the bowel. Our bowel care solutions are Navina irrigation system and Navina Insert.



Facts about bladder care

Intermittent catheterization (IC) is the first choice for bladder management for people who cannot empty their bladder the regular way. IC is associated with the lowest risk of complications during long-term use. Our IC solution is LoFric.

Removing the stigma around bladder and bowel dysfunction

More than 70 percent of those with spinal cord injuries rate health professionals' lack of knowledge of bowel and bladder issues as their number one health concern. To remove stigma and increase awareness, we created the Advancing Continence Care Together (ACCT) global forum. In ACCT we take a holistic approach in inspiring and exploring scientific, clinical, and human aspects of continence care. We believe transparency and interaction between scientific research, clinical practice, and the continence care industry is the way forward. By bringing together the brightness of new ideas with the broad knowledge of our collective experience, we push frontiers and make a real difference for everyone relying on our progress. For 2021, ACCT's theme was Let's talk about bladder and bowel – Science, Society and Self. Three webinars showcased three differing perspectives on bladder and bowel management. Additionally, we share stories and testimonials from around the world in our user-focused Wellspect blog.

Ensuring responsibility and contribution to society

In 2021, we partnered with the International Spinal Cord Society (ISCoS). Our joint goal is to promote the highest standard of care for all who suffer a spinal cord injury (SCI). We aim to increase knowledge and confidence in SCI management and raise awareness of bladder and bowel dysfunction. As a part of our cooperation, we participate in ISCoS on the Road, a series of regional symposia that bring the best elements of ISCoS research and education to parts of the world that have identified a need for better spinal cord services.

Sponsoring the International Wheelchair Basketball Federation

Wellspect is a proud sponsor of the International Wheelchair Basketball Federation (IWBF). We see parasports as a means for disabled persons to focus on what is possible to achieve. It supports our mission to make a real difference for people who need our products and services, offering them dignity and control of their own lives. It also aligns with our support of UN SDG 10: Reduced inequalities.



Knowledge transfer: Spreading the word

At Wellspect, our goal is to show people around the world how to lead independent and active lives with the help of our products. To support our users, we host webinars, form partnerships, launch educational campaigns, and showcase informative stories. Here is a short summary and just one example of the many stories that reach us from happy users of our products.

Advancing Continence Care Together (ACCT)

We strive to inspire and explore scientific and human aspects of continence care through a holistic approach. We believe in transparency and interaction between clinical practice, scientific research, and the continence care industry to spread knowledge and remove stigma. In a series of three webinars in the spring of 2021, we brought together medical experts and scientist to share their latest findings. First came ACCT's Let's Talk Science, in which well-known professors looked at bladder and bowel care through a scientific focus. Then followed ACCT's Let's Talk Society, in which renowned

guest lecturers discussed how bladder and bowel dysfunction affects society from a health economic, child and family, and nursing points of view. In the last webinar, ACCT's Let's Talk Self, keynote speakers focused on bladder and bowel dysfunction from the patient perspective, including impact on sexuality and intimacy following neurological disease. In a survey taken after the series, some 90 percent of attending healthcare professionals believed the webinars met expectations extremely well.

Watch the webinars at [ACCT](#) 



Partnership with ISCoS

ISCoS promotes the highest standard of care for men, women, and children worldwide who have suffered a spinal cord injury (SCI). ISCoS and Wellspect share a vision – to make a real difference and to foster education, research, and clinical excellence. Through our partnership, we will continue raising awareness of bladder and bowel dysfunction and finding more ways to collaborate and share knowledge.

After the ISCoS Virtual Congress in the fall of 2021, we jointly launched a series of podcasts. The series targets healthcare professionals specializing in SCI and has listeners in 65 countries. The podcasts are available to anyone on all major streaming platforms, including Apple and Spotify.

65

The series targets healthcare professionals specializing in SCI and has listeners in 65 countries.

Spreading knowledge to patients and potential users

Benign prostatic enlargement (BPE) is a common problem among elderly men causing symptoms in the lower urinary tract.

Many men suffer without seeking help. If they do get medication, it can be several months before they feel relief. Intermittent catheterization (IC) is a solution that can alleviate suffering and improve quality of life while waiting for surgery or medications to take effect. During the past year, the Covid-19 pandemic left many waiting

for prostate surgery due to fewer surgeries being scheduled, longer waiting times, less time for teaching IC, and more indwelling catheters – and more complications, such as infections. To help, Wellspect launched a global awareness campaign for healthcare professionals and potential product users.

This campaign has reached over 175,000 people, and over 9,000 people visited our special page about benign prostate enlargement to learn more.

9,000

Over 9,000 people visited our special page about benign prostate enlargement to learn more.

Sharing user stories

Sten, 59, is happy to have found a solution that makes him feel totally safe. He let Wellspect interview him and share his experience with other users on the Wellspect blog. His story is just one of many that has reached us from satisfied users of our products. Here's a short summary:

After many years as a CFO of listed companies, Sten decided to retire early to travel with his wife, play golf, and swim. First, though, he wanted to get rid of his nightly visits to the toilet. He had a urologist to check his prostate,

and that's when they found the tumor in his rectum. After surgery to remove the tumor, he had to come to terms with complications from the operation. As Sten is very active, he felt anxiety – especially about swimming in his local pool.

He tried different protections, including pads and plugs, but nothing worked. It wasn't until he discovered Navina Fecal Incontinence Inserts from Wellspect that he felt in total control and was no longer afraid of unpleasant surprises.



Safe, committed and inspiring workplace

An atmosphere that motivates and inspires is crucial to developing new innovations. Wellspect's commitment extends beyond corporate boundaries into the supply chain, and we collaborate with suppliers to foster sustainable business practices.

Why we do it

Wellspect creates innovative continence care solutions that let our users regain independence, dignity, and self-confidence. Our engaged and motivated employees work together to deliver on our business strategy for future success. We ensure human rights and decent work conditions throughout our supply chain as well as fair business practices throughout our company.

To whom

We create a safe, inspiring and responsible workplace for all Wellspect employees. We also

believe that embracing our suppliers in our efforts will ensure a sustainable supply chain advancing the safety and quality of our continence care solutions.

What we do

The Wellspect Culture Vision – besides our Code of Conduct – guides how we behave and act with one another across teams and regions. We bring a winning spirit and powerful dynamic to every effort. Teamwork is our way and we care for each other, promoting an environment of trust and joy. We continuously refine our

leadership and organizational practices, competencies, and processes. The annual Employee Engagement survey in combination with a new pulse survey tool coming 2022, shows us what strengths to build on and what to improve. We will build on the strong commitment, co-operation and clear expectations and quality of work being done, as well as find further ways to recognize, empower and offer additional development opportunities. The new global survey tool should shorten the time between response and action.

Target/KPI	Target 2021	Result 2021
LTIF, Lost Time Injury Frequency	0	0.66
TRIF, Total Recordable Injury Frequency	0	0.80
Attendance rate	>95%	95.4%
Employee satisfaction	-	3.9
Relevant employees trained in business ethics	100%	98%
Prioritized suppliers risk classified from a CSR perspective	100%	100%

98%

Relevant employees trained in business ethics during 2021.



MAIN ACTIVITIES

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.
- Further 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.

Workplace safety

We measure workplace safety via LTIF and TRIF. We aim for both of these to be at zero, and have significantly reduced them over the last few years. Every incident in which a team member suffers work-related harm is a failure, but it is also an opportunity to learn and improve. Learning from incidents and performing preventative safety activities are critical. We have strengthened our permit-to-work procedure and the training program teaches employees about risk identification and control.

Various activities occur as part of the manufacturing safety program. First, managers receive safety culture training. Second, a workshop series within the manufacturing teams is in effect and will continue in 2022. Knowledge transfer is a Wellspect group focus for 2022, as is a rollout of corporate environment, health, and safety (EHS) standards for enforced routines and best practices in the organization. A front-line leadership training that will involve all people managers at the manufacturing sites is also planned.

Activities to ensure good health and well-being

Together we create conditions for a great team spirit and a healthy environment. Our target is a minimum 95 percent attendance rate at work, and the result for 2021, was 95.4 percent. We have locally adopted activities for 2022, including physicians regularly on site, wellness surveys, wellness allowance opportunities, greater use of vacation time, a dental benefits program, and a global employee assistance program.

To meet challenges the Covid-19 pandemic poses, the Executive Management Team and local site pandemic teams meet regularly to monitor the evolving situation. They release regular communications to employees about progress and company policies. This includes a flexible work arrangement policy and prevention guides to maintain a healthy work environment.

Diversity and inclusion

Wellspect values diversity and inclusion, and we conduct regular training and awareness campaigns to foster an inclusive environment. Our recruitment process focuses on experience, competence, and our cultural values. We regularly evaluate policies and processes to ensure they fulfill our high

95.4%

Attendance rate of 2021. Our target is a minimum 95 percent attendance at work.



ambitions. During 2021, our global whistleblower program was highlighted in a communication campaign.

Our global Diversity & Inclusion Council is made up of a group of demographically and functionally diverse senior leaders and employees from around the world. The Employee Resource Group is a voluntary, employee-led support network that connects employees with similar backgrounds and interests to share industry knowledge, foster professional development and create a collaborative environment. Wellspect is encouraging employees to participate in these groups.

[Read more at Dentsply Sirona.](#) 

One example of our diversity and inclusion work is the ongoing collaboration with the Swedish “Tekniksprånget,” giving young adults the opportunity to gain work experience in engineering. We aim to attract young people, girls in particular, to the study of technical subjects. The collaboration was paused in 2021 due to the pandemic, but it will restart in 2022.

Performance development

Wellspect creates a work environment that enables employees to perform to the best of their abilities, contributing to the company’s success through individual success. Employees and managers work together to achieve this. Quarterly performance follow ups including structured feedback, and continuous review of the work situation, goals and personal development results in a year-end review and forward development. Beginning in 2022, all individual goal plans will include sustainability targets.



All employees take part in the mandatory onboarding program and as from 2021 this includes sustainability training. Wellspect employees also have access to the training and learning opportunities needed for their role, supplemented in 2021 with LinkedIn learning, a global online learning library in multiple languages, that offers a self-study learning experience. We will encourage further usage of this opportunity and complement with local programs where necessary. We also successfully implemented a comprehensive company-specific career ladder, which allows employees to develop in their area of specialty or related functions, and as employees, project leaders and people managers.

Leadership

Our people managers must be role models.

Leadership is based on the company’s core values, ethical rules, policies, common goals, corporate culture, and views on quality, safety, health, and the environment.

During 2022, Dentsply Sirona will launch a new, global, triple-level leadership program, replacing local and regional trainings to the extent possible. All people managers will have access to the core training program. In the yearly Talent Management Review process, people managers can be nominated to the functional and strategic leadership program for professional development.

Supply chain

Our sustainability impact depends on improvements to our supply chain. Our suppliers must meet our high expectations, and we encourage our entire supply chain to be more sustainable, by:

- Performing supplier risk assessment and evaluation, covering social and environmental aspects.
- Suppliers signing our Business Partner Code of Conduct.
- Where higher risk is identified, ensuring follow-up activities and providing support to ensure adherence to our requirements.
- Sharing our sustainability ambitions with suppliers to inspire and set new norms.
- Promoting strategic suppliers’ sustainability performance, e.g. highlighting key metrics.
- Setting engagement targets in areas in which they will have the most impact.

Our primary focus is on suppliers of plastic material, electronics, and transport.

In 2021, we targeted the suppliers of direct materials and transport. We requested documentation to verify their compliance with requirements and stipulated action items when we found need for improvement. All of our strategic direct material suppliers adhere to our Business Partner Code of Conduct, either via signature or proving that they follow an equivalent policy.

In the same year, we also developed tools and knowledge in our Procurement and Supply chain group. Where two suppliers lacked adequate knowledge and tools, we helped them develop methods to mitigate identified risks.

In 2022, we are targeting the remaining direct material suppliers and prioritized indirect material suppliers, which will include purchases made throughout our global organization. We will start with an overall risk analysis to identify the highest risk factors in the supply chain. Then, we will provide competence, tools, support, and continuous verification of progress.

Also in 2022, we will start exploring and setting engagement targets with strategic suppliers of plastic material and production equipment to reduce our carbon footprint.

All of our strategic direct material suppliers adhere to our Business Partner Code of Conduct.

Equal opportunities

Empowering women is central to Wellspect's commitment to the **SDG 10, Reduced inequalities**. We ensure equal opportunities, recognize leadership potential, and accelerate career development for women throughout the organization. We talked to some of our female leaders in Kazan about their work-life experiences.

At Wellspect-Kazan, there are 152 women on the 227-person staff (67 percent). In leadership roles, 42 percent are women, and two of the six members of the management team are female. In Turkey overall, about 35 percent of the workforce is female and women are not commonly seen in leadership roles.



Wellspect champions and values our strong female leaders, who continue to inspire as visible role models for gender equality in Turkish society.

Read more at [UN Women](#) 



Yagmur Erkek

Sterilization and Production Support Engineer, Wellspect HealthCare

"My mother encouraged me to study and achieve the financial independence that was not available to her generation of women. My cousin followed me, went to school, and now runs a successful business."

Arzu Bilgili

Supervisor, Wellspect HealthCare

"As childcare is very expensive in Turkey, I was happy that my family understood and supported my decision to pursue a career, and my mother-in-law offered to take care of the children. Now I encourage others to return to work after pregnancy."

Duygu Asilsamanci

Sustaining and Support Engineer, Wellspect HealthCare

"A woman's work is not only for the purpose of earning money but also has an important effect on her personal development. It makes our level of emotional self-awareness increase and we feel spiritually strong. Our intelligence, strong expression and different thinking abilities make our roles in business life extremely important."

Sema Cetinkaya

Supervisor, Wellspect HealthCare

"My family always supported me and wanted me to study and get a job. My daughter, inspired by my achievements, said 'you are a leader, managing a whole team, then I can also lead my class mates!' So she became class president for three years."

Seda Bas

Quality and Regulatory Affairs Manager and part of the Kazan management team, Wellspect HealthCare

"The equality in our workplace is a natural consequence of the skills and talent of our employees. We make no distinctions based on gender. We have a problem-solving culture and have made great progress with our workforce, a majority of it being women. We have a highly effective operation."



Nuray Gocmen

Supervisor, Wellspect HealthCare

"As the majority of the workforce is women, we are supportive of the challenges we encounter and continue to develop our careers. Together, we are stronger."



Collaboration in the supply chain

To contribute to the **SDG 9: Industry, innovation, and infrastructure**, Wellspect will enhance research, promote sustainable industrialization, and ensure sustainable practices in our supply chain. Understanding risks and ensuring adherence to our Code of Conduct is just the beginning.

”
We share knowledge gained from regular performance reviews, and we inspire and motivate our suppliers to collaborate. We jointly solve the challenges we share, finding opportunities to develop and improve.

Tobias Mullins, Head of Procurement, Wellspect HealthCare, explains the way forward:

Collaboration is the key, as our supply chain is only as sustainable as its weakest link. By working with suppliers, communicating needs and goals, we gather knowledge that benefits all. In the supply chain we need to be agents that inspire, creating the spark that motivates change.

We still have much to learn, and this undertaking is complex. Certain suppliers teach us better or new ways, and others can learn from our shared knowledge. Wellspect's contribution to SDG 9 is raising our standards and giving our suppliers opportunities to improve and grow. We lead by example, sharing our sustainability ambitions to inspire and set a new norm.

Smart versus expensive

Being more sustainable doesn't have to cost more. We save by finding smarter ways of doing business.

For example, we reduced the size of one of our packaging labels by a few millimeters. In doing this we not only generate less scrap for our supplier, but we also reduced the total cost. We found this simple and cost-effective improvement by collaborating closely with our suppliers, dedicated research and development, and analyzing our manufacturing processes.

What is measured is managed

We share knowledge gained from regular performance reviews, and we inspire and motivate our suppliers to collaborate. We jointly solve the challenges we share, finding opportunities to develop and improve.

We do this in many ways. We actively promote strategic suppliers' sustainability performance by promoting key



metrics to reduce their carbon footprints. We conduct life cycle assessments (LCAs) of our major products, and base decisions for existing and new products to reduce our carbon footprint on the results. Beginning in 2022, we will initiate engagement targets where we see the greatest potential for impact throughout our value chain.

Reduced environmental footprint

Wellspect's ambition is to be recognized as the sustainability leader in our industry. We work for a better future and strive for climate neutral production in line with the Paris Agreement for CO₂ reduction. Our customers can trust that our products are manufactured sustainably at every stage of the value chain.

Why we do it

Climate change is one of the most critical environmental problems threatening the well-being of our planet and we all must take action. Our goal at Wellspect is to help keep the global temperature from rising more than 1.5 °C from pre-industrial levels. We want our customers to know that we are doing everything we can to reduce the environmental footprint that our products create.

To whom

Systematically working for sustainability leads to innovations that benefit the organization's stakeholders. Our work contributes to a safe workplace for our employees as well as the sustainable manufacture of high quality products. We do not wish to compromise the quality of life of future generations.

What we do

Our main target is the reduction of our entire operation's environmental footprint. We have established cross-functional groups to achieve the sustainability targets in various areas, including reduction of waste, increased recycling of waste, reduced energy consumption, and use of renewable energy. We use LCAs¹⁾ as our primary measurement tool. The transformation journey that will mean a more sustainable product offering is ongoing and will continue as we learn more and can set higher targets.

Target/KPI	Target 2021	Result 2021
Energy usage/sold product	+/-0%	-2%
Product transport by air	<2.8%	5.0%
CO ₂ e/sold product	-5%	1%
Waste/sold product	Reduced	-4%
Waste sent for material recovery	>28%	33%
Water consumption/sold product	-14%	-15%
Converted to new coating process	70%	47%

-15%

The reduction of water usage was 15 percent during 2021.



MAIN ACTIVITIES

Carbon footprint

- Implement the climate neutrality roadmap and set the targets, strategies and actions.
- Improve energy efficiency.
- Explore opportunities to actively reduce climate impact from transports to/from manufacturing.
- Maximize use of renewable energy for our manufacturing.
- Encourage environmental considerations in customer requirements for products.

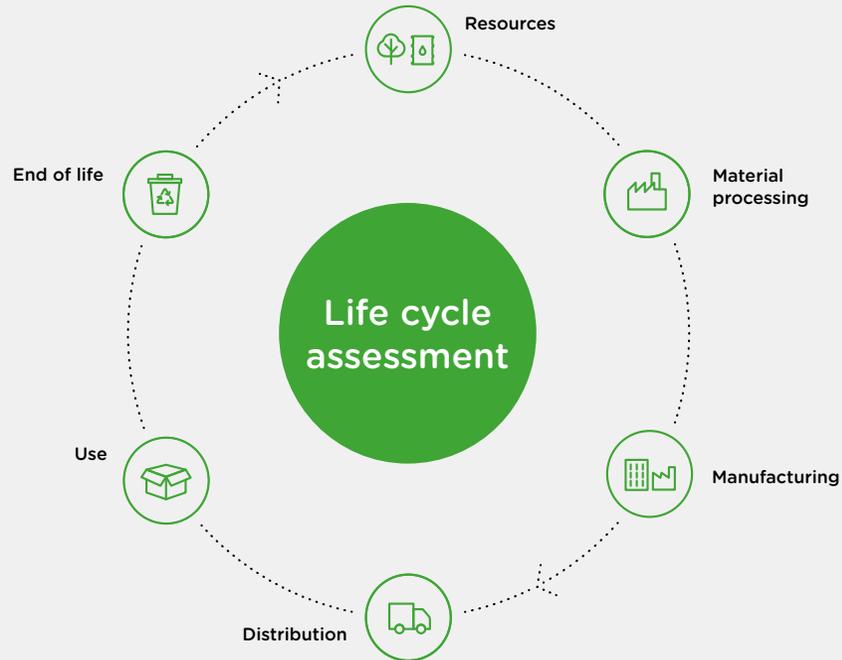
Chemicals

- Optimize core manufacturing processes.
- Reduce the use of ethylene oxide.
- Phase out prioritized chemicals.

Natural resources

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

¹⁾ Life cycle assessments



Energy usage

Our major sites are constantly implementing energy-saving measures. One of our projects involves replacing refrigeration units with energy-efficient ones and in parallel the plan is to improve detailed monitoring of our energy usage at manufacturing. We are upgrading the compressed air systems and use electrical components instead of pneumatic ones.

Product transport

Downstream transportation mainly involves delivery of finished products to our warehouses and customers. We try to use land-based or boat transport and maximize the fill rate. As keeping promised delivery times is vital, we cannot completely eliminate air transport, but we continue to try.

We have good relationships with our transport suppliers, and we are exploring the opportunities for air, boat, and truck transport options that use more biofuels. With the help of these suppliers, we will set up a strategy for the reduction of transport emission in line with our roadmap. Since the beginning of 2021, we use only biofuel-based options for the local transport of goods between premises and starting in 2022, we will use an electric van for site support transports. At our site in Kazan, we will also replace staff buses with vehicles that have lower carbon emissions.

CO₂e

We continuously improve our processes to reduce climate impact. In 2021, we improved our carbon accounting based on greenhouse gas (GHG) protocols for scope 1, 2, and 3 emissions. More information about this can be found on page 36. We have set scientifically based targets in a roadmap to become climate neutral in 2045 and will continuously lower emissions and improve data quality. According to the calculations, 86 percent of the emissions belong to scope 3 emissions. The roadmap will focus on all three scopes of emissions, but the first step is to be climate neutral for scope 1 and 2 emissions. We are using LCAs to accurately quantify the environmental impact of each of our products in order to devise effective emission reducing strategies.

2045

Our long-term ambition is to ensure that our value chain is climate neutral by 2045.

This approach has helped us to identify a need for a new refrigerant technology as well as several important action points:

- Virgin materials cause considerable greenhouse gas emissions. When feasible with respect to legal and quality requirements, we use recycled materials. We explore new designs during the product development process with the goal to reduce the amount of material, using sustainable materials as well as recyclable components.
- The materials we use in our customer and transport packaging are cellulose based and a large portion of the boxes contain recycled material.
- We are constantly striving to reduce the amount of material in our boxes without compromising quality. In 2021, we completed a project designed to minimize the material used in the Origo box. The new box design will result in a CO₂e reduction of at least 30 tons per year.
- As sufficient quantities of the fossil-free materials needed are not available yet, we drive research and urge our suppliers to speed up the production of fossil-free materials for product use. In one of our partnerships, we focus on developing functional plastic materials from cellulose resources (FibRe).
- Kazan manufacturing reduced printed papers by 45 percent through implementing electronic handling of product information during 2021.
- In 2022, we will start a project to set engagement targets with strategic suppliers of plastic material and production equipment.

- We are in the process of switching to renewable energy, defined as sourced, market-based electricity with guarantees of origin. Additionally, where possible, we will produce energy at our sites.

Coating process

We introduced a new coating process in Mölndal in 2020, which was fully implemented in 2021. The main process chemical is now 100 percent bio-based and of renewable origin. Through this, we have reduced our energy consumption and carbon footprint while maintaining verified quality, patient safety, and compliance with strict regulations. The new process is also contributing to a substantial reduction of water consumption. A pre-study to implement the new coating concept in Kazan is ongoing and that will lead to further reduction of the environmental footprint from our production sites such as decreased volumes of hazardous waste and eliminated halogenated emissions to the air. A new process in Kazan is planned to be ready in 2025.

Water consumption and production waste

We work with reduction of waste in the whole value chain. In our own production we try to redesign packaging and minimize scrap. We also implement activities to increase recycling of waste and scrap. Our scrap and products consist of different types of material, which is a challenge to recycle. However, through collaborations with label suppliers, we can now introduce a recycling system for the cardboard sleeves in the label rolls.

Our manufacturing process requires a relatively small amount of water. The new coating process, led to a reduction of water consumption by 13 percent in Mölndal in 2021.

Sustainable packaging

We choose paper products made with materials from well-managed forests or recycled sources. During 2021, 62 percent of the customer boxes and 100 percent of the transport boxes for the LoFric products were made from Forest Stewardship Council (FSC) certified material. We will continue to increase the amount of FSC certified material we use for boxes and package inserts. We aim for 100 percent FSC certified material use for all boxes, allowing users to recycle our product packaging.

Chemicals and emissions

We replace chemicals with alternatives that have less environmental impact or are less harmful to living organisms. We maintain a list of prioritized chemicals selected for substitution or risk minimization, where the REACH Candidate List¹⁾ is one criteria. The new coating process enabled several substitutions.

In the manufacturing process, some solvents are evaporated as volatile organic compounds (VOCs). We clean non-halogenated solvents via a regenerative thermal oxidizer methodology. The process that generates halogenated VOCs will be fully replaced by 2025.

The use of ethylene oxide has been reduced by 24 percent during a two-year period and hazardous waste decreased by 6 percent during 2021.

¹⁾ Annex XII to the Regulation (EC) No 1907/2006 of the European Parliament and of the Council on the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH).



Spotlight on the reduced environmental footprint area



Solar panels

We installed solar panels at our Turkish plant to provide 18 percent of the site's total electricity consumption. The initiative started in Mölndal 2020, with the goal to install solar panels at all the sites we own.

-14%

Sterilization emissions

Emissions from the sterilization process create greenhouse gases. Wellspect has an ongoing project to reduce leakage during this process and reduce our Scope 1 emissions by up to 14 percent before 2025.

Cooling media

We took the first step towards replacing our cooling systems to technologies with zero CO₂e emissions. Before 2030, this means a yearly reduction of 200 ton CO₂e, or 11 percent of our Scope 1 emissions.

-11%

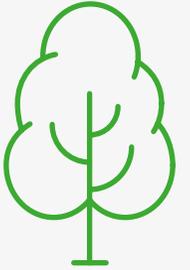


Vehicle charging stations

We installed charging stations for electric vehicles in Mölndal. We hope to encourage employees to switch to electrical cars for personal use and to increase the number of electrical company cars.

Energy consumption

- The UK office as well as the Kazan site now buy electricity from renewable sources. We plan to do this at all sites where it is possible.
- The Kazan site reduced its electricity consumption by 4 percent, primarily by adjusting air compressors and office heating systems. The site will become even more efficient in 2022, based on knowledge gained at the Mölndal site.
- The Mölndal site performed systematic maintenance and upgrades in the use of compressed air and replaced more lighting with efficient LEDs. Energy mapping was performed to identify further opportunities to reduce electricity consumption. The site uses biobased district heating from local supplier with a minimal carbon footprint.



UK home delivery service

Our UK home delivery service, Select, retains its classification as a carbon-neutral organization. The organization has supported tree planting initiatives.

Spotlight on the reduced environmental footprint area

Labels

Labels constitute a large part of our product packaging. By redesigning the label in collaboration with a supplier, we significantly reduced scrap at that supplier's plant by 7.5 tons CO₂e, which is the equivalent of driving a diesel car 41,000 km. We have also identified a potential way to recycle the backing paper of our labels and hope to implement that change in 2022.



Life cycle assessment

Life cycle assessments (LCAs)

We updated the LCAs for three products. LCA is an essential tool for calculation of our environmental impact, in particular for carbon footprint, and to calculate and communicate the benefit of improvements.

Consumer education

Our UK subsidiary is running a campaign to increase user awareness of the environmental impact of the use of continence care products. Users are learning that the keys to sustainability are material choices, reducing the impacts of manufacturing and transportation – as well as the use of LCAs.



Contributing to biodiversity

To contribute to biodiversity and minimize the extinction of species, our German office in Elz have embarked on a plan to modify their premises to attract wild bees.



Ecolabel

Thanks to our careful choice of materials and manufacturing methods, Wellspect received the Nordic Swan Ecolabel and earned the right to print it on the packaging of LoFric, as the world's first hydrophilic urinary catheter. The Nordic Swan Ecolabel proves to our customers that through their purchase, they are making a sustainable choice.

Sustainability surveys

We regularly check in with our customers to understand their opinions about us. In 2021 our Italian and UK subsidiary surveyed health professionals about our company's sustainability progress and how well they understand and appreciate our sustainability messaging.



Catheter coatings

The Mölndal manufacturing site is now using a new coating process for the LoFric catheters, thereby lowering the site's environmental footprint. We are conducting a prestudy with the goal to implement this process also at our Turkish plant.



-24%

Sterilization chemicals

The company uses ethylene oxide in the sterilization process. Since 2020, we have optimized the process to reduce the amount used by 24 percent. We plan to eventually eliminate the use of this chemical by switching to other sterilization methods.

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2021 we made the decision that Wellspect will go all the way to become climate neutral by 2045. Our dedication to improve the carbon accounting and identify our reduction potentials made it possible. I am confident in the delivery on our promise.

Maria Berntsson

Manager Environment Health and Safety, Wellspect HealthCare



Governance

Wellspect's sustainability management is based on strategic sustainability work, anchored in the business through continuous follow-up and improvements. Sustainability is a vital driver in Wellspect's business strategy for 2025, the target of which is to become sustainability leader in our industry. This commitment to sustainability guides and challenges us in everything we do. We believe action and a base in a strong governance foundation are the cornerstones of sustainability leadership.

Organization and responsibilities

Wellspect Healthcare is a division of the Dentsply Sirona group. Dentsply Sirona has a board of directors and an executive team. Top Wellspect representatives, together with representatives of shared service functions within Dentsply Sirona, constitute the Wellspect management team. Wellspect's Group Vice President reports to Dentsply Sirona's Chief Executive Officer. Also reporting to the Dentsply Sirona Board of Directors is the Dentsply Sirona Environmental, Social, and Governance (ESG) Committee, which implements and executes the Dentsply Sirona sustainability strategy. The ESG Committee also represents Wellspect. The Wellspect management team is responsible for executing our sustainability strategy and verifying our sustainability performance through follow-up. Each local business unit within Wellspect is responsible for implementing the

sustainability strategy and compliance with local regulations, with respect to EHS. Dentsply Sirona has a global EHS organization that supports all units within the group.

The two manufacturing sites have EHS committees comprised of representatives from each business area. Additionally, the committees have representatives from the internal teams that monitor EHS work and focus on safety, health and the work environment.

Integrated sustainability

The "Sustainability integrated in everything we do" program has been active for several years. Part of the result is the sustainability strategy for 2025 which makes sustainability a part of the overall business strategy. During 2021, the program's focus was on modifying processes and establishing key performance indicators (KPIs), as well as broadening employee knowledge through extensive training programs. For 2022, sustainability is a part of every employee's Individual goal and development plan, which will further emphasize the sustainability integration and enforce the overall goal fulfillment.

Framework

The company has established an evolving quality management system and our facilities are certified to comply with ISO 13485, EU MDD, and EU MDR. They also comply with FDA 21CFR, Part 820 and other international regulations. The two manufacturing sites are certified according to ISO 14001 and have environment, health, and safety (EHS) management systems in place.

External regulations

Applicable laws, ordinances, and regulations in the countries and regions in which we operate govern Wellspect operations. Dentsply Sirona and/or Wellspect policies apply when they are more restrictive. Wellspect maintains the required permits and applicable authorizations for operation.

Wellspect also monitors the development of relevant legislation and ensures that all products and manufacturing processes are safe for people and the environment.

Follow-up and revision

As part of the quality management system, internal and external audits ensure that employees are adhering to Wellspect policies and requirements. The auditors review the handling, delegation, and execution of sustainability work within the organization.

In 2021, Wellspect performed targeted internal environmental audits in accordance with ISO 14001. Wellspect verify EHS compliance and performance through local audits and inspection programs. Also in 2021, notified bodies performed external audits at each manufacturing site. Audit results demonstrated satisfactory site performance.

About the Sustainability Report

This report covers the Wellspect division of Dentsply Sirona. Wellspect is a global business with two manufacturing sites: Mölndal in Sweden and Kazan in Turkey. This report addresses both manufacturing sites. Wellspect also operates two distribution centers and four warehouses and has sales offices in 14 countries. These are partly covered by this report, in terms of quantifiable results. As part of the sustainability strategy, we are compiling data on an ongoing basis for improved internal and external reporting and increased transparency. The results for Dentsply Sirona will be reported on a corporate level and published later in 2022.

[Sustainability at Dentsply Sirona](#) 

Disclaimer:

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

Our Sustainability 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. Further, 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.

Sustainable value chain

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

[Dentsply Sirona Business Partner Code of Conduct](#) 

Our supply chain management process

We screen new suppliers when we modify manufacturing methods, perform rationalization activities and conduct new product development projects. In the assessment phase, we perform a risk evaluation based on the country and type of product. All new suppliers must complete a questionnaire regarding their social and environmental responsibility. Based on the risk classification, we may further evaluate the supplier before approval. We strive to improve quality and continuously follow up on the work our suppliers perform.



The dialogue with our stakeholders

Through dialogue with our stakeholders, we understand what they expect from us as a company and how we could develop and improve. We also perform materiality analyses to identify what we could prioritize and make visible with respect to sustainability.

Our stakeholder groups



Stakeholder	Key topic
Investors	<ul style="list-style-type: none"> • Business ethics • Working conditions and human rights • Working environment • Consumption of natural resources • Climate impact
Employees	<ul style="list-style-type: none"> • Economic balance • Innovation • Business ethics • Working conditions and human rights • Working environment
Suppliers	<ul style="list-style-type: none"> • Economic balance • Innovation • Business ethics • Working conditions and human rights • Working environment
Users	<ul style="list-style-type: none"> • Innovation • Waste management of product and packaging • Additives and chemical substances in products • Diversity and inclusion • Climate impact
Healthcare professionals	<ul style="list-style-type: none"> • Innovation • Waste management of product and packaging • Working conditions and human rights • Consumption of natural resources • Climate impact

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

From a sustainability perspective, each stakeholder group would prefer Wellspect to prioritize five key topic areas

The materiality analysis considers what people in our organization want and are able to influence in terms of sustainability, as well as what our stakeholders believe to be most important. The results form the basis for continued strategic work with sustainability.

We conducted the most recent materiality analysis in the first quarter of 2021. We sent out a web-based survey to all Wellspect employees¹⁾ across the globe, selected suppliers to our production sites in Mölndal and Kazan, healthcare professionals, and NGOs. In total, 444 people responded to the survey.

An internal group at Wellspect replaced the customer stakeholder group, as we were unable to receive direct replies from customers. Questions were based on previous customer inquiries.

Dentsply Sirona reported the investor priorities. We have continuous dialogues with authorities and communities to understand how to prioritize Wellspect's internal efforts. User input is based on conversations with our teams during product development.

We weighed the respondents' areas of prioritization against the company's internal assessment importance in terms of the company's business strategy. Wellspect's internal assessment is based on the management group's response in alignment with the 2021–2025 strategy.

Stakeholders and the management team prioritized the following sustainability areas: innovation, climate impact, business ethics, and waste management of products and packaging.

2025

The sustainability strategy for 2025 makes a part of the overall business strategy.

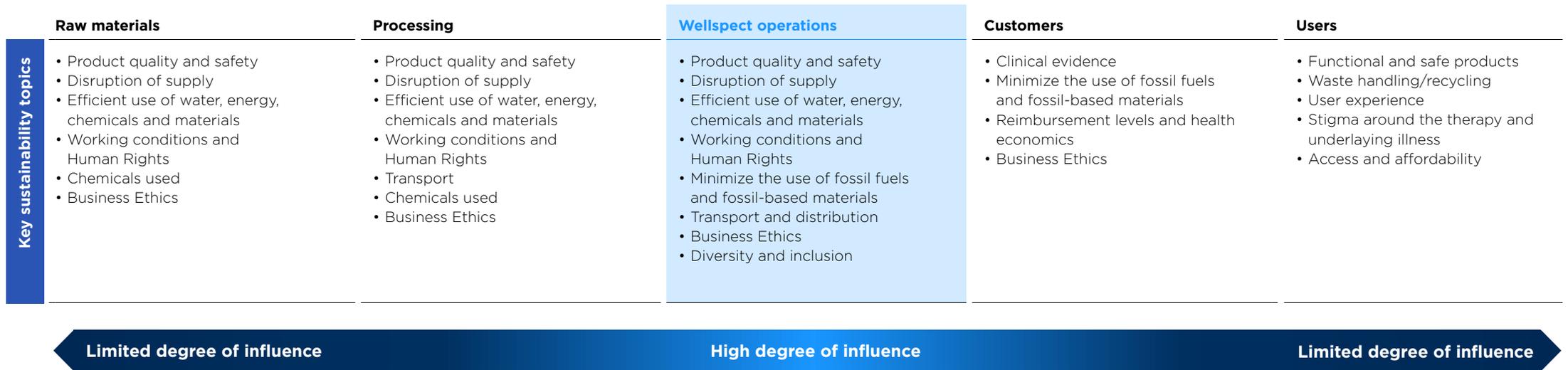
¹⁾ Employees answered web-based surveys in Swedish, English or Turkish.



Value chain and key topics

Wellspect's ability to manage, take responsibility, and have an impact differs, depending on where we focus in the value chain. Naturally, we have the greatest degree of influence in our operations, and this allows us the greatest opportunity to manage sustainability issues related to operations. As we move further from operations in the value chain, we must make choices that reflect our sustainability goals by:

- Assuring contracts with external parties that reflect our standards.
- Assuring that our suppliers operate their businesses in accordance with our requirements.
- Assuring that our suppliers understand and respect our Business Partner Code of Conduct.
- Providing clear information to our users regarding how to use and recycle our products.



Risks and risk management

Wellspect is responsible for providing safe products, manufactured with a social conscience and with minimal environmental impact. We intend to contribute to better health and well-being via

our products, and this presents both risks and opportunities. The following table shows Wellspect's risks throughout the value chain and how we control these risks.

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

Sustainability data

Climate change impact

We have set scientifically based targets in a roadmap with the intention to become climate neutral in 2045 by following the SBTi Net Zero standard. According to the roadmap, with short and long term targets, we will continue to work with sustainability initiatives as an integral part of the company's overall business strategy. Key elements in the roadmap:

- Climate neutral in 2045.
- 95% reduction by 2030 in own operations by use of renewables and resource efficiency (2020 baseline).
- Explore opportunities outside own operations through engagement targets with strategic suppliers, optimized distribution and transfer of product material to renewable and recyclable sources, to reduce carbon footprint

Status and progress

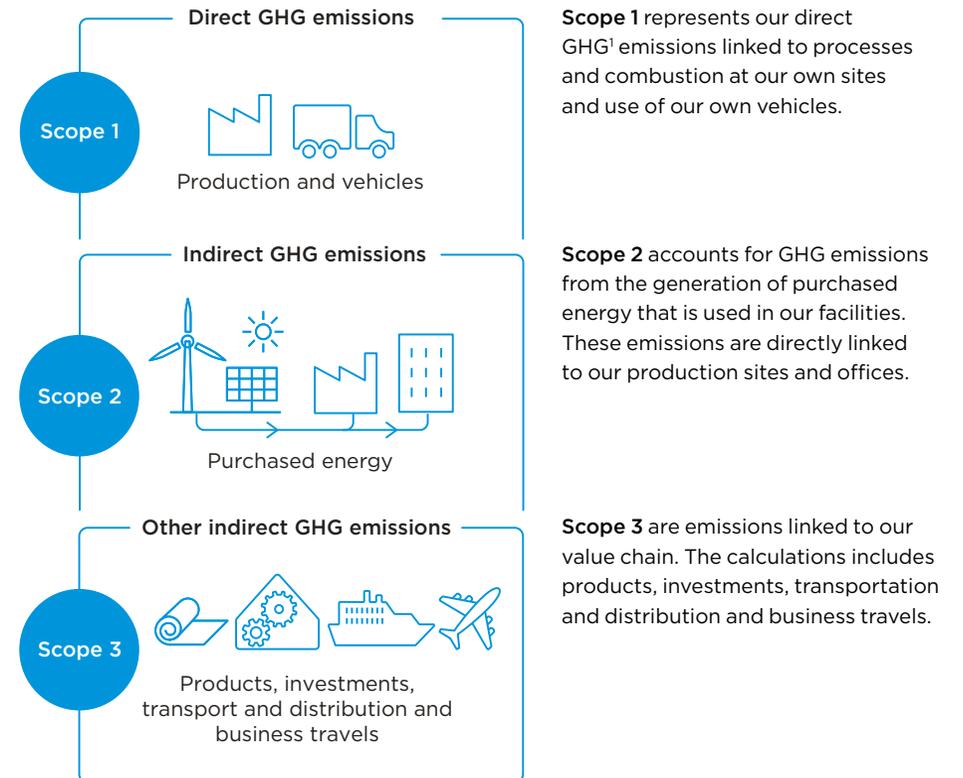
The carbon accounting based on greenhouse gas (GHG) protocols for scope 1, 2, and 3 emissions has been improved. Focus has been to identify the reduction potential initiatives that will be the first steps in the roadmap. Within our operations a transfer plan for new refrigerant technology has been decided, which represents a major reduction over the coming years. Implementation of renewable electricity in manufacturing and installation of more solar panels are planned. Detailed data from our production processes and our suppliers yield reliable LCAs for our LoFric products, and has for example initiated a project that will mean a reduction of emissions generated from packaging material. The LCAs will continue to be important source of information for reduction activities.

Roadmap to Net Zero

Year	2025	2030	2045
Scope 1 & 2	75% reduction	95% reduction	Net zero: Minimum 90% reduction, and carbon removals to neutralize emissions that cannot yet be eliminated.
Scope 3	50% of our suppliers set science based targets	Is yet to be defined	

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.

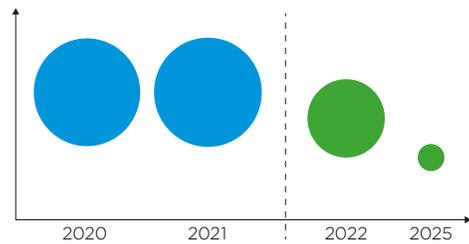
OUR CLIMATE EMISSION ACTIVITIES DIVIDED INTO THE THREE SCOPES



¹⁾ GHG: Greenhouse gas.

Carbon footprint scope 1 and 2 per sold product

Status and Reduction plan

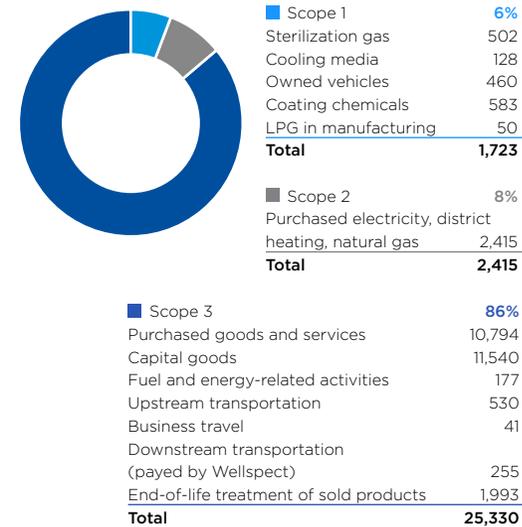


Since 2020 we have increased our carbon footprint in scope 1 and 2 by 1% per sold product. The increase was due to higher production related emissions. Our target for 2025 is to minimize scope 1 and 2 absolute emissions by 75% with the 2020 baseline.

Carbon footprint in scope 1, 2 and 3

Our scope 2 emissions according to location-based method are 3,501 tons CO₂e in comparison with 2,415 tons CO₂e with the market-based method. Since 2020 we have increased our carbon footprint in scope 1 and 2 by 5% (209 tons CO₂e), caused by higher production related emissions. During 2021 we extended the categories in scope 3 with capital goods, fuel and energy related activities not included in scope 1 and 2 together with downstream transportation and distribution.

Climate footprint Distribution of our emissions (ton CO₂e)



Accounting policies: Methodology as outlined in the GHG Protocol for companies. Bowel products are exempt from the calculations. The following scopes and categories are included:

Scope 1 & 2

Calculation covers our manufacturing sites in Mölndal and Kazan, and our central warehouses in Stonehouse and Elz. The calculation of emission data uses country-specific emission factors from 2019/2020. In this report market-based factors are used when possible. GHG Protocol Scope 2 Guidance (2015) requires using two emission factors for each site – market-based and location-based. Location-based factors are the grid average emission factor for the country where a site is located. Market-based factors are more specific to the site and local energy market, taking into account the residual energy mix from which a site is sourcing its electricity, and any certified renewable electricity purchased by a site.

Scope 3

Category 3.1 Purchased goods and services

CO₂ emissions calculations for urology products are based on GWP values in the LCAs, multiplied by the amount of sold products. When no product-specific LCA is available, LCA data for the product that is most similar is used. For all other purchased goods and services, GHG Scope 3 evaluator is used.

Category 3.2 Capital goods

Capital goods covering investments made in 2021

is calculated using GHG Scope 3 evaluator. In 2021 large investments were made, in part to reduce our environmental impact, this had a temporary influence on the amount of emissions in this category.

Category 3.3 Fuel- and energy related activities

Average-data method used, which involves estimating emissions by using industry average emission factors for upstream emissions per unit of consumption.

Category 3.4. Upstream transportation and distribution

Calculation covers transportation between our manufacturing and our central warehouses and is calculated as actual weight transported, multiplied with relevant emission factor. Share of products transported by air is calculated by weight.

Category 3.6 Business travel

Covering emissions from company air travels.

Category 3.9 Downstream transportation and distribution

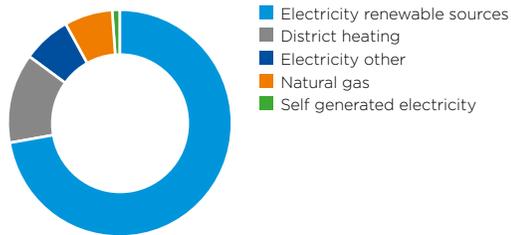
Calculation covers transport to customers, where paid by Wellspect, and is calculated as actual weight transported, multiplied with relevant emission factor.

Category 3.12 End-of-life treatment of sold products

CO₂ emissions calculations for End-of-life of the urology products are based on GWP values in the LCAs, multiplied by the amount of sold products.

Energy

Energy usage in total for our two manufacturing sites increased by 2% compared to 2020. The main energy sources used at our production sites are electricity, natural gas and district heating.



	2021	2020	2019	2018	2017
Energy usage (GWh)	33.48	32.69	30.89	32.56	31.34
Energy from renewable resources	86%	66%	58%	58%	62%
Energy from own solar panels (kWh)	58,399	115	0	0	0

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 respective country has been used. The proportion of renewable energy is 86% whereof renewable electricity 73%, self-generated electricity from solar power 0.17% and district heating 13% (with Guarantee of Origin from renewable and recovered energy).

Total energy usage 2021 per sold product has decreased by 2%, compared to 2020.

Water

Water usage in total for our two manufacturing sites decreased by 12% compared to 2020. The conversion to a new coating process is the main reason for the decrease since the new process uses much less water. The conversion was made successively during 2021, and the amount of used water will most probably be even lower for 2022. Water usage 2021 per sold product decreased by 15%, compared to 2020.

Water (m³)	2021	2020	2019	2018	2017 ¹
Water usage	51,234	58,270	57,935	64,623	61,233

¹ Covers Mölndal site only

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.

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 compliant with local regulations for emission control. A conversion of the coating process at the Mölndal site has been completed, replacing the existing solvent with a solvent that have a lower negative environmental impact. 47% of our sold units were coated using the new process. The long-term plan is to also convert the process at the Kazan site.

Accounting policies: The conversion to the new coating process is measured as the portion of Wellspect units produced with the new coating process in relation to the total of produced Wellspect units at our production sites. Emissions to air from the production processes are included in the CO₂ emissions.

Chemicals

We work actively to prevent and minimize the impact of chemicals on employees, users, and the environment. At Wellspect, we have an organized system for all chemicals, and perform risk assessment on all new chemicals. The risk assessments are reviewed on regular basis both internally and externally. We use the Hierarchy of control to minimize or eliminate exposure to hazards.

From our risk assessments we have a list with prioritized chemicals to substitute. In one of our laboratories, we have during 2021 eliminated a risk by substituting a chemical in powder to the same chemical in a dilute solution. By implementing a new coating process at Mölndal site during 2021, we managed to reduce one of our hazardous chemicals with 45%. From our risk assessments we have improved the integrity of technical safety controls for chemical exposure in the work

More effective controls

- 1 Eliminate – remove risk entirely
- 2 Substitute – replace the risk with safer alternative
- 3 Apply technical control measures to lower the risk
- 4 Apply administrative control measures to lower the risk
- 5 Use personal protective equipment to lower the risk

Less effective controls

environment and implemented best practices for other safety equipment, such as personal protection equipment. During 2022, we will continue to minimize our chemical according to the method Hierarchy of Control.

Waste

In 2021, hazardous waste from our production sites decreased by 5% compared with 2020. Non-hazardous waste from production sites increased by 1%. Waste 2021 per sold product decreased by 4%, compared with 2020. Share of waste sent for material recovery increased from 28% in 2020 to 33% in 2021.

Waste (kg)	2021	2020 ²
Non-Hazardous Waste - Landfill	1,478	1,127
Non-Hazardous Waste - Recycle/Reclaim	526,010	444,641
Non-Hazardous Waste - WTE¹	853,059	944,459
Non-Hazardous Waste - Other³	31,654	10,366
Hazardous Waste - Landfill	800	653
Hazardous Waste - Recycle/Reclaim	19,975	14,717
Hazardous Waste - WTE¹	222,029	240,032
Hazardous Waste - Incineration	0	0
Hazardous Waste - Other⁴	1,481	1,045

¹ WTE is "waste to energy", mainly incineration with energy recovery

² Data for 2020 has been modified since previous report due to improved data quality

³ E.g. compostable waste for biogas production

⁴ 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.

Expand the availability of our products

The target for geographical expansion (increase in number of countries) where products are sold was met by the market introduction in Saudi Arabia. One project is ongoing with the aim to develop a product that can be introduced in development countries. In 2021, we had zero product recalls. No voluntary recall was done.

Accounting policies: Increase in number of countries where products are sold is defined as each additional country where any part of the product portfolio is marketed at year-end. This is regarded as an increase of one more country.

Minimum number of projects aiming to develop products for developing countries is 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; voluntary recalls are exempt.

Our employees and organization

Wellspect has 1,016 employees worldwide, whereof 72% in Sweden and Turkey. 56% are female (572), 44% are male (444).

Gender equality

41% of the managers are women, 59% are men. This is a reduction of female managers, down from 44% in 2020. Further analysis and an action plan will be decided upon in the beginning 2022.

Accounting policies: The number of employees includes 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 responsible for a business area where goals and expectations should be met.

Gender distribution total employees



■ Women 56%
■ Men 44%

Gender distribution management



■ Women 41%
■ Men 59%

Attendance rate and occupational accidents

The attendance rate for 2021 was 95.4% compared to 93.5% in 2020.

The occupational accident frequency has decreased for 2021 compared to 2020. Lost Time Injury Frequency (LTIF) decreased from 0.76 in 2020 to 0.66 in 2021. Total Recordable Injury Frequency (TRIF) also decreased from 0.87 in 2020 to 0.80 in 2021. The data covers the 6 largest locations within Wellspect, together representing 89% of the employees.

The figures for 2021 include more sites than the figures for 2020 that only included the manufacturing sites (Möndal and Kazan).

Type of injuries



- Sprain/strain 33%
- Laceration 50%
- Contusion 17%

	2021	2020 ⁵
LTIF total¹	0.66	0.76
Fatal accidents	0	0
High consequence LTI²	0	0
TRIF³	0.80	0.87
Attendance rate⁴	95.4%	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.
⁵ Data for 2020 has been updated since previous report due to improved data quality.

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

Follow-up of suppliers

Our manufacturing sites followed the established routines for supplier management. A risk-based approach, where all suppliers are divided into different risk levels has been made. In 2021, all prioritized suppliers were classified, where "prioritized" were direct material suppliers. The scope for our classification is extended year by year and will 2022 include in direct material suppliers over certain spend.

Risk classified suppliers are embraced by a follow-up process. In 2021, two suppliers to the Swedish manufacturing plant were identified as having risk for significant actual and potential negative social impact and actions were successfully taken to mitigate the risks. At the Turkish manufacturing site, three suppliers are identified as posing significant potential risk and these are due for risk mitigation in 2022.

All (100%) of our new direct material suppliers, and a majority of the existing, plus major transportation companies have signed our Business Partner Code of Conduct, or 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 Corporate Social Responsibility (CSR) perspective: The ratio of suppliers within this year's scope that are risk classified according to 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.

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. In 2021, 98% of all new employees received the training. The training is repeated annually.

All office workers receive introductory training in the "Anti-Bribery and Anti-Corruption" policy. In 2021, 97% of all new employees received the training. The training is repeated every second year.

For suppliers, a risk-based approach based on country and type of industry is made. 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. 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.



Wellspect®
A REAL DIFFERENCE