

# SUSTAINABILITY REPORT 2022



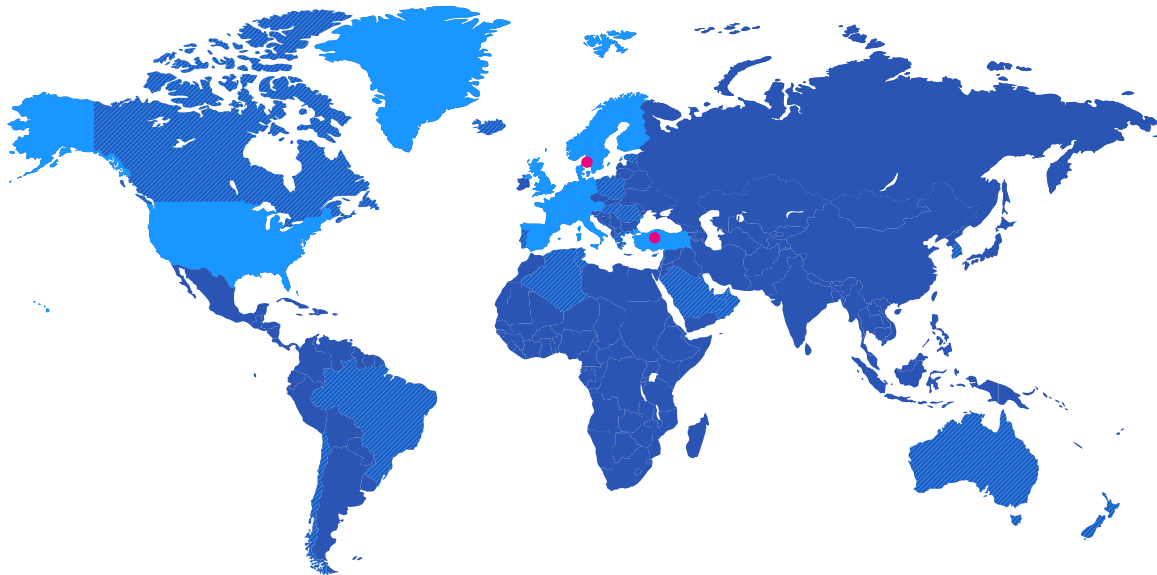
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# This is Wellspect

## Where we operate



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

## What we do

Wellspect® offers innovative continence care solutions for people suffering from bladder and bowel dysfunction. For 40 years, we have been leading the industry with our LoFric® and Navina™ products. All of Wellspect's reliable, user-friendly products are designed to have as little environmental impact as possible.

## 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 people who suffer from functional conditions, such as enlarged prostate, dysfunction after childbirth, or post-cancer disorders.

Number of employees

1,095

Number of countries offering our products

>40

Electricity from renewable sources at our production sites

100%

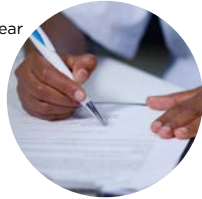
Our long-term ambition is to ensure a net-zero value chain by

2045

2022

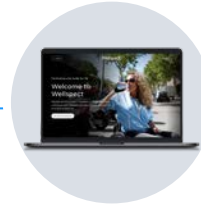
Q1

We ran 15 **clinical research investigations** throughout the year to generate clinical evidence on topics related to bowel and bladder management.



Q2

We rolled out a **global employee assistance program**. The program enables employees to receive confidential support and counselling free of charge for a wide range of matters, both personal and professional.



We launched a **new global website** that brings together bowel and bladder product information and educational material for a variety of visitors.

174 employees with supervisory responsibilities were **trained on how to enhance a culture of safety** in the physical workplace through leadership and coaching.

Q4

We **reduced our water consumption with 35%**. The completion of implementation of a new catheter coating process at our production site in Mölndal, being the primary reason for this reduction.

# Highlights of the year

At Wellspect, we strive to make a real difference. Here are a few examples of how we contributed to this vision in 2022.

We began the installation of new cooling machines. The unit's reliance on the ammonia refrigerant allows for an **annual decrease of 200 tons of CO2e**, when compared to previous units.



Q3



Wellspect **committed to the Science Based Targets initiative (SBTi)** introducing globally recognized science-based targets into its environmental sustainability management.

We **switched to certified biobased Liquid Petroleum Gas (LPG)** in manufacturing, enabling an annual reduction of 77 tons of CO2e.

Our products were made available to more users, by **expanding our geographic market reach** into Algeria.

**Below industry-average accident rate.** Safety measures and training reduced the rate of the reportable accidents at our production sites in Kazan and Mölndal, with one minor reportable accident only in 2022.



We conducted an air energy efficiency audit at our main production site in Mölndal through which we achieved **energy savings** that correspond to 24 tons fewer CO2e emissions per year.

2023



# Standing tall in a turbulent world

Global headlines for the year 2022 include political uncertainties, economic disruptions, and climate change. Russia's invasion of Ukraine and the ensuing geopolitical conflicts affected us all as individuals, as it did our industry and the world in general. Hyperinflation and rocketing prices on energy, materials and transportation were accompanied by flooding and heatwaves across Europe, further adding to the imperative to act responsibly. Wellspect stood tall under these turbulent conditions. We honored our commitments to our customers, without compromising on our efforts towards becoming the sustainability leader within our industry, to which the present Sustainability Report is a testament.

## Leveraging our supply chain

Optimizing our supply chain and diversifying our suppliers, we have achieved greater agility and resilience in our sourcing. Our supply chain also served as a great incubator for fostering more sustainable practices. Together with our key suppliers, we proactively explored new ways to ensure environmentally and socially responsible sourcing. We made no secret of our preference towards partnering with suppliers who share our values, and who – just like us – strive to minimize the social and environmental impact of their operations.

## Customer-centric at heart

At Wellspect, we are passionate about making a difference to our customers. Our whole organization takes their feedback to heart. During 2022, we noted an increase in our customers' demands for more sustainable products. In addition to exploring new product prototypes, we tweaked and refined our existing products to further reduce their environmental footprint. As the only catheter supplier to date, Wellspect obtained the Nordic Swan eco-labeling, in recognition of the adherence of its LoFric® products to unique environmental criteria. And this was accomplished without compromising the superior reliability and the clinical performance that our products have always been known for.

## Science and technology go hand in hand

In 2022, Wellspect committed to near and long-term company-wide emission reduction targets in line with the Science Based Target initiative (SBTi). To achieve our targets, we have embarked on a level change to our technologies and processes, which means continuously scrutinizing machinery, materials, and energy sources, to replace them with more sustainable options where possible. A case in point is the ongoing replacement of old cooling units at our production site in Mölndal, where the new and more energy-efficient units rely on a less harmful cooling agent, which in itself reduces emissions with 200 tons of CO<sub>2</sub>e per year.

## Making a real difference

At Wellspect, striving to do the right thing, is embedded into our culture. Our vision, of making a real difference, flows into everything we do for our customers, for our greater society, and for our employees.

I am proud to see how all Wellspect employees throughout 2022 came together as one team, across borders and cultures, to deliver a superior customer experience in a responsible and sustainable way. So, I am confident that we shall achieve our goal to become the recognized sustainability leader within our industry.

A handwritten signature in black ink that reads "Svenn Poulsen". The signature is written in a cursive, flowing style.


**Svenn Poulsen**

Group Vice President Wellspect HealthCare

# Our strategy for a sustainable future

Our vision of making a real difference underpins our sustainability strategy and its three focus areas. We empower our users to lead independent and dignified lives by creating reliable and user-friendly products, while minimizing environmental impact. We promote business practices that respect human rights and social needs, and that incorporate consideration for environmental impact.




Because we believe in the importance of advancing together, we have also aligned our sustainability strategy to the UN Sustainable Development Goals (SDGS).



## Good health and well-being

- Empower people to gain independence, confidence, and the ability to lead full lives.
- Assure innovative, premium solutions.
- Serve 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.





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## 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.



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## Reduced environmental footprint




- Allow no compromises between product and environmental performance.
- Drive innovation throughout the company.
- Reach net-zero by 2045.
- 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.

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# Performance review 2022

The chart shows the 2022 performance by focus area of our main key performance indicators (KPIs). More details can be found in the sustainability data section, see page 12.

	Target/KPI	Result 2020	Result 2021	Result 2022	Target 2022	Target 2023	Target 2025
	<b>Good health and well-being</b>						
	Increase in number of countries where products are sold	1	1	1	1	1	5 (vs 2020)
	Minimum number of projects aiming to develop products for low income countries	1	1	1	1	1	1
	Number of mandatory recalls	0	0	0	0	0	0
	<b>Safe, committed and inspiring workplace</b>						
	Lost Time Incident Frequency (LTIF) <sup>1</sup>	0.76	0.66	0.1	0	0	0
	Total Recordable Injury Frequency (TRIF) <sup>1</sup>	0.87	0.80	0.1	0	0	0
	Attendance rate <sup>1</sup>	93.8%	95.4%	94.8%	>95%	>95%	>95%
	Employee satisfaction <sup>7</sup>	-	4.7	4.7	4.8	4.9	5.0
	Relevant employees trained in business ethics	98%	98%	98%	100%	100%	100%
	Prioritized suppliers risk classified from a CSR perspective	100%	100%	100%	100%	100%	100%
	<b>Reduced environmental footprint</b>						
	Energy usage/sold product <sup>2</sup>	Baseline	-0.7% <sup>4</sup>	-2%	-3%	-5%	-6% <sup>4</sup>
	Product transport by air <sup>3</sup>	2.8%	5.0%	4%	2.0%	2.1%	1.6%
	CO2e/sold product	-	Baseline	-26%	-27%	-28%	-75%
	Waste/sold product <sup>2,5</sup>	Baseline	-1% <sup>4</sup>	6%	-5%	-6%	-8%
	Waste sent for material recovery <sup>2,5</sup>	28%	33%	27%	35%	36%	40%
	Water consumption/sold product <sup>2</sup>	Baseline	-13% <sup>4</sup>	-35%	-17%	-35%	-35%
	Converted to new coating process <sup>6</sup>	12%	47%	72%	73%	73%	100%

Wellspect comprises two production sites (Mölnådal, Sweden and Kazan, Turkey), four warehouses (Germany, UK, 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) Production sites in Sweden and Turkey.

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

4) Figure updated since 2021 report, due to a calculation error.

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 six-point scale, where 6 means "Strongly agree" and 1 means "Strongly disagree".

I recommend this organization as a great place to work. Not measured in 2020.

# Good health and well-being

## Progress 2022

Our commitment to advance continence care, resulted in 15 clinical research investigations and two study grants. Guided by science and cutting-edge technology, we explored new product concepts that could revolutionize the lives of our users. Evaluation of product safety and performance remained a constant principle, always adhering to Good Clinical Practice (GCP) and Medical Device Regulation (MDR) requirements. Risk management, integrated to product design and manufacturing, upheld the reliability of our products. In line with our ambition to ensure a wider access to our products, we continued our expansion into new geographic markets, entering Algeria. Continued partnership with the International Spinal Cord Injury Society (ISCoS), supported our joint vision of fostering education, research, and clinical excellence. Together we produced three scientific podcasts and five webinars, covering intermittent catheterization and transanal irrigation for people with spinal cord injuries (SCI). To raise awareness of bladder and

Our commitment to advance good health and well-being goes beyond the impact of our products. We sponsor clinical research and partner with key associations and lead clinicians. We provide support and educational material to healthcare professionals. And we shine a light on bowel and bladder dysfunction to break the stigma.

bowel dysfunction, we published scientific articles and user stories on our blogs. We also launched a new global website, with local versions for 13 countries. The website brings together Continuing Professional Development material for healthcare professionals as well as product information for a variety of users. Under the umbrella of Wellspect's [ACCT global forum](#) (Advancing Continence Care Together), we covered, together with clinical specialists, bowel and bladder management in people with multiple sclerosis (MS). To support a better adherence to bowel management therapies, we further developed a patients' support program in Italy. The program, which is overseen by clinicians, follows patients over a longer period of time, providing clinical support and advice. With our vision of making a real difference, we supported local community initiatives. We also nurtured our sponsorship of the International Wheelchair Basketball Federation (IWBF), knowing the inspirational impact sports can have on the lives of people with disability.

## Looking ahead

Going forward, our clinical research program will put more emphasis on exploratory studies and early concept developments that can support breakthroughs in the lives of people with bladder and bowel dysfunction. In tandem, we will increase the accessibility of our products through pipeline development projects. Investment in new product developments and improvements that further enhance the well-being of our users, will also continue. Developing safe and reliable products while minimizing environmental impact will continue guiding our product offerings. Our commitment to sharing knowledge about bladder and bowel management will shape the content we develop and the partnerships we forge. Finally, our desire to be a good corporate citizen will encourage shared value creation for society at large.





# Safe, committed and inspiring workplace

## Progress 2022

Our commitment to the highest standards of health and safety in the workplace is in part supported by monthly safety rounds at our production sites in Turkey and Sweden. Hazard identification, reporting and control, enabled us to meet our workplace safety targets, measured in LTIF<sup>1</sup> and TRIF<sup>2</sup>. To enhance our culture of safety in the workplace, 174 employees with people supervision responsibilities received training. Building on our ambition to be a preferred employer, we rolled out two employee benefits programs: a dental benefits program and an employee assistance program. We also integrated remote working, first introduced during the COVID-19 pandemic, into our workplace policies. To retain and attract talent, we launched our "Early Career Initiative" that seeks to fast-track the development of culture vision talents within the company. Individual performance management and external training was also made available to all. Finally, we launched periodic pulse surveys, complementing our annual employee engagement survey. Feedback collected through these surveys enabled us to adjust course and to come closer to our vision of being a preferred employer.

Our ambition to foster a safe, committed, and inspiring workplace extends the boundaries of our offices and production sites. We devise work policies and employee benefits that attract talent and support operational excellence. We promote a diverse and inclusive culture that supports knowledge transfer and innovation. And we collaborate with suppliers to foster sustainable practices and inspire higher standards.

Our desire to be an inspiring workplace, transpired into our supply chain. We encouraged environmental and socially responsible sourcing and maintained a proactive approach to supply chain issues outside of our direct operations. To identify supply chain risks, we carried out an initial risk mapping of nearly 200 suppliers. We also carried out nine supplier audits globally to verify that our biggest suppliers meet our standards. Working to integrate sustainability across our value chain, we began prioritizing contracts with suppliers who demonstrated a commitment to reduce the environmental footprint of their operations. Purchasing electronic office equipment from a manufacturer who oversees the recycling and safe management of electronic waste, upon products end-of-life cycle, is one example of a positive outcome from this effort. To inspire more sustainable practices, we collaborated with key suppliers to bring them onboard with the standards we set for our business. These initiatives were additional to the mandatory acceptance of our business code of conduct by 60 direct material suppliers. For us at Wellspect, doing no harm, goes beyond meeting the minimum legal requirements.

## Looking ahead

In 2023, we will continue to mitigate the impact of our operations by integrating environmental and socially responsible sourcing into our supply chain. To this end, we will develop key metrics that will help us benchmark the sustainability of our key suppliers. We will also develop mutual engagement targets and collaborate with our biggest suppliers to identify improvements in products' manufacturing and transportation. Recognizing our commitment to be a preferred employer, we will also continue to finetune workplace policies and benefits in a manner that enhances employee well-being and work-life balance. Building on internal employee communications, we plan to roll out a new global intranet platform. We will also continue holding ourselves accountable to the highest standard of safety, always aiming to achieve and sustain zero injuries in the workplace. A safe, inspiring, and committed workplace creates shared value for our employees, society and for us as a business.



<sup>1</sup> Lost time injury frequency

<sup>2</sup> Total recordable injury frequency

# Reduced environmental footprint

## Progress 2022

Our goal of reducing our entire operation's environmental footprint, was broken down into actionable steps across core areas. In terms of water usage, we registered a 35% reduction of consumption due to the completion of a new catheter coating process in Mölndal. In terms of energy, our production sites transitioned into 100% electricity from renewable sources. Energy reduction activities continued in parallel, resulting in an overall reduction of 2,9% and a 2% reduction per sold product compared to 2021. Such activities included the removal of high energy-consumers, sealing leaks in compressed air systems and lowering temperature in offices. To increase the ratio of self-generated electricity, solar panels were installed at our warehouse in Germany. To measure our progress, we completed a greenhouse gas (GHG) inventory for 2021. We also announced our commitment to the Science Based Target (SBT) initiative with the plan to submit our near and long-term targets for validation early 2023. With our long-term vision of achieving a net-zero value chain by 2045, we stepped up emission reduction measures. The switch to renewable electricity at our production site in Turkey brought about a 88% reduction of scope 2 emissions. Improvements in our sterilization process corresponded to 72 tons reduction of CO<sub>2</sub>e. A transition to biobased liquid petroleum

Our ambition to reach net-zero by 2045 is anchored in globally recognized science-based targets. We scrutinize machinery, energy sources and materials to reduce our environmental footprint. We integrate sustainability into our business strategy and value chain. And we report on key environmental metrics to quantify our progress.

Scope	2030	2045
1 & 2	- 95% <sup>1</sup>	net-zero <sup>4</sup>
3	- 42% <sup>1,2</sup> 70% of suppliers have SBT <sup>3</sup>	

For footnotes, see page 12 (sustainability data)

gas in manufacturing reduced the ratio of fossil raw material used. The installation of the first in a series of cooling machines, that rely on the ammonia refrigerant, allowed an annual decrease of 200 tons of CO<sub>2</sub>e, when compared to previous units. Moreover, we registered a small reduction of air transports, which fell short of meeting our 2% reduction target. Noting that the introduction to a new market was the underlying reason, rollout planning will be better coordinated in 2023 to meet environmental targets. Areas that saw limited progress included waste management, where an 6% increase in waste volume by sold product was registered as well as a regression in the recycling ratio, which dropped to 27%, compared to its baseline of 28% in 2020. Furthermore, our ambition to replace natural gas with electrical heat pumps has not moved forward at the desired pace. Challenges pertaining to local infrastructure and current technology limitations being the key reasons.

## Looking ahead

In 2023, we intend to follow through on several initiatives that further reduce our environmental footprint. In terms of energy savings, we plan to identify further reductions in consumption by optimizing processes, installing additional power meters, and applying business analysis intelligence. In parallel, we will continue our gradual shift to an electrical car fleet, national limitations notwithstanding.

In terms of material, we will continue to oversee material sources and replace those with better options were feasible. A pilot project that sees to the replacement of fossil raw materials with bio-based raw materials is also planned for 2023. When it comes to waste, we plan to increase the share of recycled production waste overall, while investigating and reporting on the increase registered in 2022. Delivering on products with lower environmental footprint, without jeopardizing our product's reliability and clinical performance, remains central. The same applies to upholding the strict environmental criteria of our LoFric catheter range which is a pre-requisite to maintain the Nordic Swan eco-label. In Turkey, we plan to implement a chemical management program. The new coating process will by itself reduce scope 1 emissions by 23% when completed by 2025.



# Governance and materiality analysis

Our sustainability management evolves in tandem with our learning as a company. For the past four years, sustainability has been a vital driver in Wellspect's business strategy. It has been integrated into operational processes and business functions.

## Organization and responsibilities

Wellspect is a division of the Dentsply Sirona group. Wellspect representatives, together with representatives of shared functions within Dentsply Sirona, constitute the Wellspect management team. The management team is responsible for executing the sustainability strategy and verifying the sustainability performance. Each local business unit within Wellspect is responsible for implementing the sustainability strategy and for complying with local regulations.

Wellspect's two production sites (Kazan and Mölndal), have engaged Environment, Health and Safety (EHS) committees that include representatives from all business areas. To represent all employees that are involved in the EHS work, safety representatives from the internal union working groups are part of the committees.

## Integrated sustainability

The "Sustainability integrated in everything we do" program has been active for several years. For 2022, the program's focus was on the revision of material, machinery and energy sources to enable a transition to lower climate impact options where such options were feasible. As in 2021, sustainability continues to be present within every employee's individual goal and development plan.

## Framework

The company has established an evolving quality management system and our operations 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 production sites are certified according to ISO 14001.

As part of the quality management system, external audits by independent bodies were performed to ensure adherence to policies and requirements. EHS compliance and performance was meanwhile verified through local audits and inspection programs.

## Materiality analysis

To ensure that we prioritize the relevant sustainability areas in our work, we map our key stakeholders' priorities in terms of sustainability on an annual basis. To this end, we carried out a materiality analysis in the fourth quarter of 2022. The analysis was built on a web-based survey to which 329 people responded. Respondents included employees across the globe, key suppliers to our sites in Mölndal and Kazan as well as healthcare professionals. The results for 2022 proved similar to 2021 in that innovation, climate impact, business ethics, and waste management of products and packaging still rank at the top. A slightly higher interest for emission reduction initiatives was also noted in the results.

## 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.

# Sustainability data

## Climate change impact

The latest climate science shows it is still possible to limit global temperature rise to 1.5°C, but collective and urgent action is required across all sectors. At Wellspect, we are committed to the 1.5°C Business Ambition Campaign, and to achieving net-zero by 2045. In 2022, we announced our commitment to climate action with the Science Based Target initiative (SBTi). This commitment included the setting of near- and long-term company-wide emission reductions in line with science-based net-zero with the SBTi. An independent validation and approval by the SBTi of Wellspect’s near and long-term targets, within scope 1, 2 and 3, is yet to follow. Beyond aligning our own business operations with climate science, we also encourage our suppliers to do so by committing to science-based 1.5°C and net-zero targets.

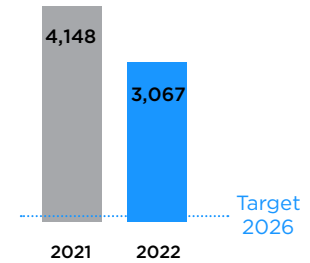
## Status and progress

In 2022, we decreased our carbon footprint in scope 1 and 2 by 26% (absolute reduction), compared with 2021. The shift to 100% renewable electricity in manufacturing being the primary reason behind the decrease. To ensure evidence-based interventions, we improved the carbon accounting method in 2022. We also completed a greenhouse gas inventory for 2021 and performed a materiality analysis to identify what scope 3 categories to include. Our target for 2025 is to minimize scope 1 and 2 absolute emissions by 75% compared to the 2021 baseline.

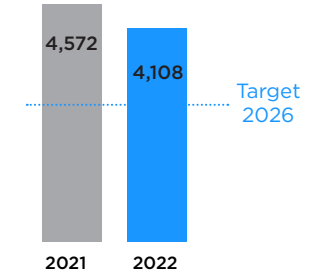
## Near-term net-zero targets

**95%**  
reduction in absolute scope 1 and 2 GHG emissions by 2030

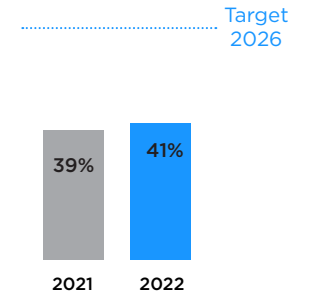
## Progress against our targets



**42%**  
reduction in absolute scope 3 categories upstream transportation and distribution, waste generated in operations, upstream leased assets by 2030



**70%**  
of our suppliers, calculated as emissions, covering purchased goods and services, capital goods, upstream transportation and distribution will have science-based targets by 2026 (39% of suppliers in 2021)



## Roadmap to net-zero

Year	2026	2030	2045
<b>Scope 1 &amp; 2</b>		-95% reduction <sup>1</sup>	net-zero <sup>4</sup>
<b>Scope 3</b>	70% of our suppliers set science based targets <sup>3</sup>	-42% <sup>1,2</sup>	

Base year 2021

<sup>1</sup> Absolute reduction  
<sup>2</sup> In categories: upstream transportation and distribution, waste generated in operations, upstream leased assets  
<sup>3</sup> Engagement targets: ratio of suppliers, calculated as emissions, covering purchased goods and services, capital goods, upstream transportation and distribution will have science based targets by 2026 (39% of suppliers in 2021)  
<sup>4</sup> According to the net-zero standard: 90% reduction, remaining part covered by carbon removals



The Science Based Targets initiative (SBTi) is a global body enabling businesses to set ambitious emissions reductions targets in line with the latest climate science. It is focused on accelerating companies across the world to halve emissions before 2030 and achieve net-zero emissions before 2050.

### Carbon footprint in scope 1, 2 and 3

In 2022, we completed the GHG inventory covering all scope 3 categories. We also conducted a materiality analysis to develop science-based targets. Due to an updated methodology as well as new input data, we adjusted previous figures disclosed for 2021.

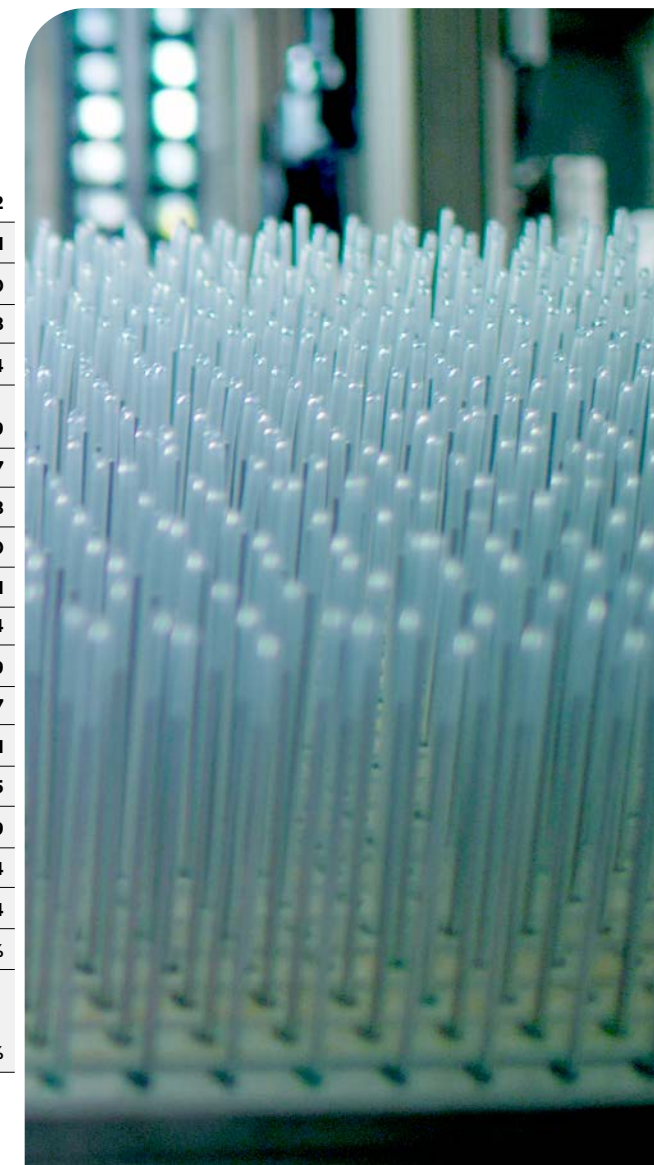
### Climate footprint and distribution of our emissions

Climate footprint (ton CO <sub>2</sub> e)		2021	2022
Total CO <sub>2</sub> e emissions		23,371	24,061
<b>Scope 1 (direct GHG emissions)</b>	Facilities and manufacturing	2,364 <sup>1</sup>	2,230
	Company vehicles	489	678
	Biogenic emissions	184	174
<b>Scope 2 (indirect GHG emissions), market based<sup>2</sup></b>	Purchased electricity, steam, heating and cooling	1,295	159
<b>Scope 1<sup>3</sup> and 2</b>		4,148 <sup>1</sup>	3,067
<b>Scope 3 (upstream indirect GHG emissions)</b>	Purchased goods and services	11,747	11,778
	Capital goods	487	3,000
	Fuel- and energy-related activities	658	521
	Upstream transportation and distribution	3,157	2,684
	Waste generated in operations	14	19
	Business travel	468	307
	Employee commuting	819	811
	Upstream leased assets	1,401	1,405
<b>Scope 3 (downstream indirect GHG emissions)</b>	End of life treatment of sold products	472	469
<b>Scope 3 total<sup>3</sup></b>		19,223	20,994
<b>Scope 3 biogenic emissions</b>		183	174
<b>Target follow-up scope 1<sup>3</sup> and 2</b>	Target 2030: -95%	Baseline	-26%
<b>Target follow-up scope 3 (categories include upstream transportation and distribution, waste generated in operations and upstream leased assets)</b>	Target 2030: -42%	Baseline	-10%

<sup>1</sup> 2021 year's data revised since Sustainability Report 2021

<sup>2</sup> If scope 2 is calculated using a location-based methodology, total emissions 2022 for purchased electricity, steam, heating and cooling would be 1452 ton CO<sub>2</sub>e

<sup>3</sup> Excluding biogenic emissions



## Accounting policies

Methodology as outlined in the GHG Protocol for companies.

### Scope 1

#### Facility and manufacturing

Calculation covers our manufacturing sites in Mölndal and Kazan and comprises emissions from sterilization gas, cooling media, coating chemicals and LPG used in manufacturing.

#### Company vehicles

GHG emissions from owned or leased company vehicles are related to the fuel consumed, alternatively the distance driven.

#### Bioenergy

Wellspect procures bioenergy used as solvent in the production process. Biogenic CO<sub>2</sub>e from this is reported separately. The impact of carbon captured and released when using the biofuel is nullified.

### Scope 2

#### Purchased electricity, steam, heating, and cooling

Calculation covers our production sites in Mölndal and Kazan, and our central warehouses in Stonehouse (UK) and Elz (Germany). The calculation of emission data uses country-specific emission factors from 2021/2022. Market-based factors are primarily used (for certified renewable electricity). Location-based factors are the grid average emission factor.

### Scope 3

Based on a materiality analysis, representing the majority of total Scope 3 emissions in the value chain, the following categories are included:

#### Purchased goods and services

CO<sub>2</sub>e emissions calculations for manufactured products are based on cradle to gate in Life Cycle Assessments (LCA) multiplied by the amount of sold products. For all other purchased goods and services, GHG data specified by the supplier is used. Where no such data is available, data from similar businesses is used, or the Scope 3 Evaluator Tool provided by GHG Protocol.

#### Capital goods

Capital goods covering investments made in 2022 is calculated by applying data from Environmental Product Declarations of similar machines and facilities.

#### 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.

#### Upstream transportation and distribution

Calculation covers transportation of raw materials to our manufacturing sites when invoiced Wellspect. It also includes transportation between our manufacturing sites, and to our central warehouses and customers when invoiced Wellspect. Calculated as actual weight transported, multiplied with relevant emission factor.

### Waste generated in operations

GHG emissions from waste generated in our operations are calculated by categorizing waste volumes into types and treatment methods and applying relevant emissions factors.

#### Business travel

Covering emissions from company air travels. Emissions are calculated by the travel agency. Coefficients with radiative forcing are used.

#### Employee commuting

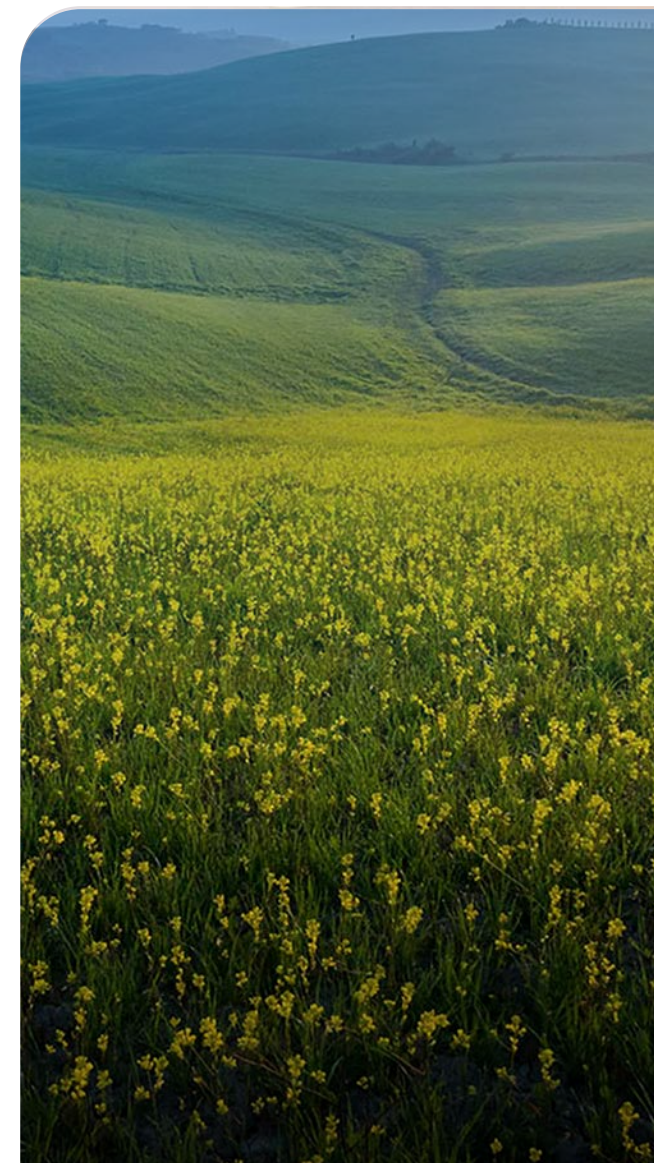
GHG emissions from employee commuting are based on a commuting survey, where the result has been extrapolated to cover all our employees.

#### Leased assets upstream

Emissions from leased assets upstream include emissions from the distribution centers and sales offices, using proxy method.

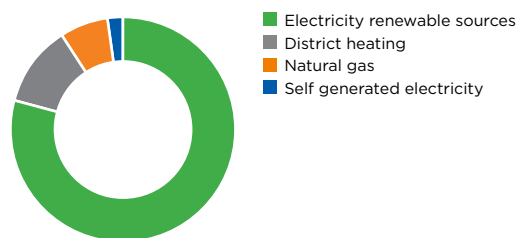
#### End-of-life treatment of sold products

The recycling rate and waste handling in each country is taken into consideration. Global warming potential factors in the LCAs from incineration without energy recovery and landfill, multiplied by the amount of sold products, is the method used when products are not incinerated with energy recovery.



## Energy

The total energy usage at our two production sites decreased by 3% compared to 2021. The main energy sources used at our production sites are electricity, natural gas and district heating.



	2019	2020	2021	2022
<b>Energy usage (GWh)</b>	30.89	32.33	33.02	32.05
<b>Energy from renewable resources</b>	58%	66%	86%	93%
<b>Energy from own solar panels (GWh)</b>	0	11	58	510

*Accounting policies:* Energy usage for operations is measured as consumption of electricity, heat, and fuel. The fuel is derived from natural gas. Energy usage is based on meter readings and invoices, and covers all energy types at our production sites. Previous data displayed for 2019-2021 has been adjusted due to a measuring error.

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 at our production sites is 93%. 100% of the electricity is from renewable sources (with guarantee of origin from renewable and recovered energy). Self-generated electricity from solar power is 1,6% of our total energy consumption. Total energy usage 2022 per sold product has decreased by 2%, compared to our baseline year of 2020.

## Water

Water usage in total for our two production sites decreased by 35% compared to 2020. The conversion to a new catheter coating process is the main reason for the decrease. The conversion, which began at our Mölndal site in 2021 and continued throughout 2022, will further reduce the water consumption in 2023. Water usage 2022 per sold product decreased by 25%, compared to 2021.

<b>Water (m³)</b>	2019	2020	2021	2022
<b>Water usage</b>	57,935	58,270	51,234	38,165

*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 production 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 former solvent with a solvent that has a lower environmental impact. 72% of our sold units were coated using the new process. The conversion of the catheter coating process at the Kazan site is planned for 2025.

*Accounting policies:* The conversion to the new coating process is measured as the portion of catheters that are produced with the new coating process in relation to the total catheters produced at our production sites. Emission to air from the production processes are included in the CO2e emissions.

## Chemicals

We actively work 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 assessments on all new chemicals. The risk assessments support the identification of prioritized chemicals to substitute. Chemicals are reviewed on a regular basis both internally and externally, following the hierarchy of controls.

We continuously improve the integrity of technical safety controls for chemical exposure in the work environment and implement best practices for other safety equipment, such as personal protective equipment. In 2022, we continued to minimize our chemical risk according to the hierarchy of control method. For instance, we eliminated and substituted several chemicals used in our operations. We also started the work with implementing a chemical management system for our site in Kazan.

### 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

### Waste

In 2022, hazardous waste from our production sites increased by 16% compared with 2021. Non-hazardous waste from production sites increased by 6%. Waste 2022 per sold product increased by 6%, compared with 2020 (baseline year). Share of waste sent for material recovery decreased from 28% in 2020 (baseline year) to 27% in 2022.

Waste (kg)	2021	2022
Non-hazardous waste - landfill	1,478	0
Non-hazardous waste - recycle/reclaim	526,010	472,382
Non-hazardous waste - WTE <sup>1</sup>	853,058	996,653
Non-hazardous waste - other <sup>2</sup>	31,654	32,440
Hazardous waste - landfill	800	77
Hazardous waste - Recycle/reclaim	19,975	5,942
Hazardous waste - WTE <sup>1</sup>	222,029	276,590
Hazardous waste - incineration	0	0
Hazardous waste - other <sup>3</sup>	1,481	0

<sup>1</sup> WTE is "waste to energy", mainly incineration with energy recovery  
<sup>2</sup> E.g. compostable waste for biogas production  
<sup>3</sup> Waste to biological treatment, e.g. compostable waste for biogas production

*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 Algeria. One project is ongoing with the aim to develop a product that can be introduced in low income countries.

In 2022, 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 low income countries is defined as number of projects registered as active in our project portfolio at year end, with the objective that the product shall be marketed in low income countries.

Significant product recall is defined as a forced recall; voluntary recalls are exempt.

### Our employees and organization

Wellspect has 1,095 employees worldwide, out of which 72% are based in Sweden and Turkey. 57% are females (619), 43% are males (476).

### Gender equality

42% of the managers are women, 58% are men. This is a slight increase of female managers, from 41% in 2021. During 2022 all recruitments for managerial positions were reviewed to capitalize on all opportunities to create a better balance. The "Early Career Assignment" initiative where promising young employees can take part in developing themselves and Wellspect was also launched. With a predominant majority of female employees in the initiative, Wellspect is set on further improving the female representation in managerial positions.

*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 57%  
Men 43%

Gender distribution management



Women 42%  
Men 58%



## Attendance rate and occupational accidents

The attendance rate for 2022 remained high, ticking in at 94.8% (0.6 decrease compared to 2021).

Positive changes were noted in terms of the occupational accident frequency, which decreased in 2022 compared to 2021. Lost Time Injury Frequency (LTIF) decreased from 0.66 in 2021 to 0.10 in 2022. Total Recordable Injury Frequency (TRIF) also decreased from 0.80 in 2021 to 0.10 in 2022.

	2021	2022
<b>LTIF total<sup>1</sup></b>	0.66	0.10
<b>Fatal accidents</b>	0	0
<b>High consequence LTI<sup>2</sup></b>	0	0
<b>TRIF<sup>3</sup></b>	0.80	0.10
<b>Attendance rate<sup>4</sup></b>	95.4%	94.8%

<sup>1</sup> Lost Time Injury Frequency is the number of accidents resulting in sick leave in relation to total worked hours.

<sup>2</sup> A high consequence LTI is an accident resulting in an absence of more than six months.

<sup>3</sup> Total Recordable Injury Frequency is the number of recordable work-related injuries in relation to total worked hours.

<sup>4</sup> Attendance rate is calculated in accordance with local principles.

The rate of reportable work accidents at our production sites in Kazan and Mölndal also decreased. In 2022, only one reportable accident was registered in Kazan, which related to a class two burn injury. Going forward, a focus on training and safety measures in the workplace will be continued with the ambition to maintain the positive rates registered when it comes to attendance rate and occupational accidents.

The above data covers the 6 largest locations within Wellspect, together representing 89% of the employees.

*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 production 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 2022, all prioritized suppliers were classified, where

“prioritized” were direct material suppliers. Risk classified suppliers are embraced by a follow-up process. In 2022, three suppliers to the Swedish production site were identified as having risk for significant actual and potential negative social impact. Actions were successfully taken to mitigate these risks. At the Turkish production site, three suppliers were also identified as posing significant potential risk. Actions were also taken to risk mitigate these.

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 is classified as risk associated with human rights, workers' rights, the environment and business ethics: 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. It 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”.

Upon onboarding, all employees receive introductory training to the “Code of Ethics and Business Conduct” policy. To date, 98% of all new employees have completed the training. The training is repeated annually.

All office workers receive introductory training in the “Anti-Bribery and Anti-Corruption” policy. Updates to the digital learning platform were rolled out end of 2022/beginning of 2023. 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 work place 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.



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A REAL DIFFERENCE