

SUSTAINABILITY

SUSTAINABILITY REPORT

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All information in this report refers to the whole Straumann Group, unless stated otherwise.

SUSTAINABILITY AT STRAUMANN GROUP

Rooted in our heritage of creating long-term value, we aim to create a long-lasting positive impact for all our stakeholders. Sustainability is embedded in the way we do business. It is a strategic priority for the Group and together, we aspire to become a role model for our industry.

Our success is built on a sustainable business model and it is our role to play our part – today and for future generations. We act sustainably to improve the quality of life and advance oral care. Sustainability means efficient use of resources and responsible business practices as well as attracting and retaining the best talent. When strategically prioritizing our activities and engaging with all our stakeholders across the value chain, we deliver positive social and environmental impact by doing business in a sustainable manner.

Our purpose is “to unlock the potential of people’s lives” and our four commitments shaping our sustainability framework are geared around it – Advancing oral care, Empowering people, Caring for the planet and society and Acting with responsibility. We exist to bring lasting improvements to people’s lives and our success is built upon this.



OUR APPROACH TO SUSTAINABILITY

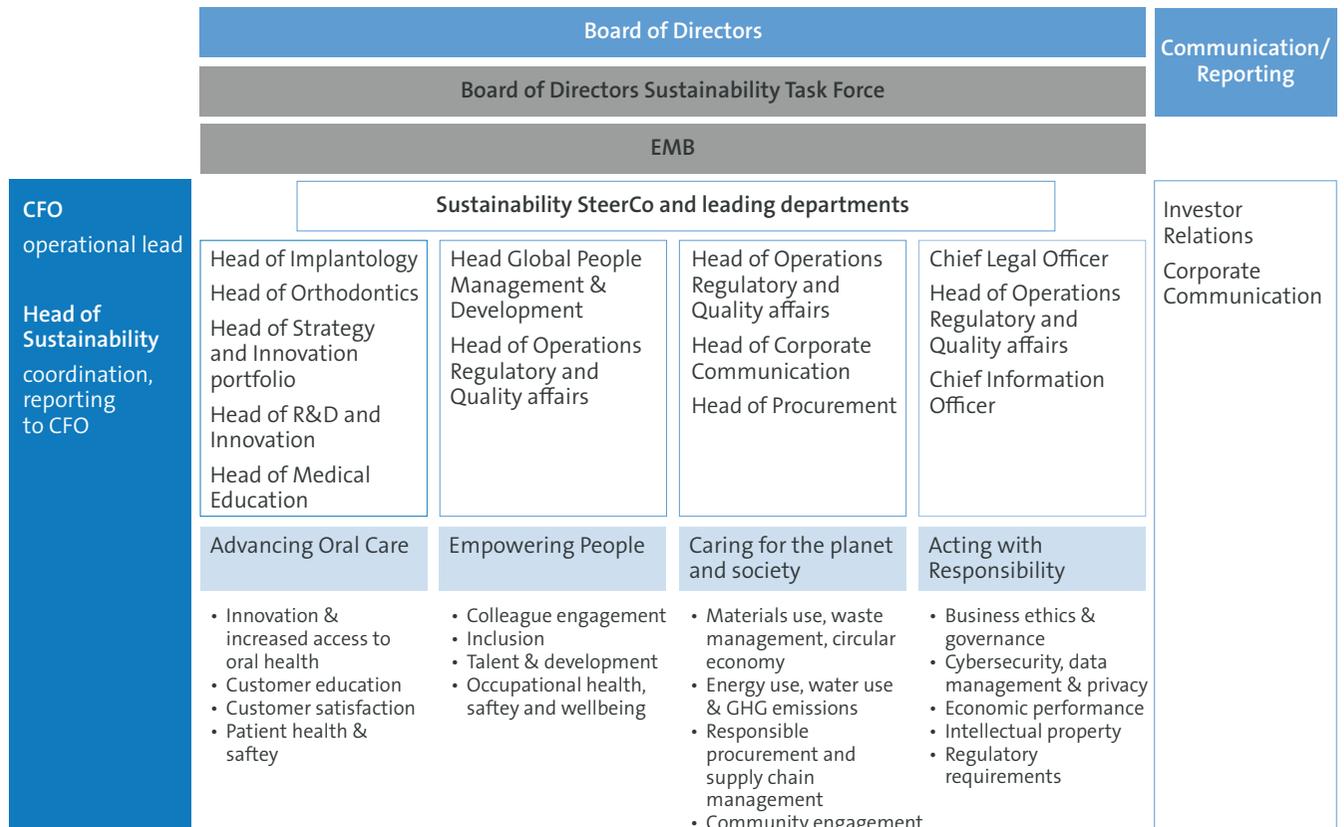
In line with the growing importance of sustainability, we appointed an internal Steering Committee in 2020 tasked with determining focus areas. In March 2021 the sustainability task force – led by Straumann Group’s Board of Directors – was established with the goal of defining our sustainability targets and roadmap. Board member Petra Rumpf supervises the initiative, the Chief Financial Officer leads the process and the senior management team engages in the different areas.

Through the process a new Head of Sustainability position reporting to the CFO has been created and appointed. The chart on the right shows the allocation of the sustainability responsibilities at Board and Management levels. Our Group Code of Conduct assigns personal responsibility for environmental protection and proper social conduct to all line managers and employees.

We are reporting according to the internationally accredited GRI Sustainability Reporting Standards as well as according to the Sustainability Accountant Standards Board (SASB) (see the table on p. 195). GRI is a non-profit, multi-stakeholder organization that provides companies with a systematic basis for informing stakeholders on corporate responsibility in a concise and comparable manner. We have applied the GRI sustainability reporting frameworks in our Annual Report since 2004.

This report has been prepared in accordance with the GRI Standards: Core option and was submitted to the GRI Materiality Disclosures Service in February 2022. All information in this report refers to the whole Straumann Group, unless stated otherwise.

Significant sustainability aspects that are material to the Group are reviewed annually, with input from internal and external stakeholders.



This chart shows the allocation of sustainability responsibilities at Board and Management levels. Our Group Code of Conduct assigns personal responsibility for environmental protection and proper social conduct to all line managers and employees.

In 2021, we put into place a framework to ensure that as we grow, sustainability is woven into our strategy.

MATERIALITY ASSESSMENT

To define our sustainability framework and identify the priorities, we built on topics outlined in our 2020 materiality assessment. We examined global trends and developments to identify any additional emerging topics.

We conducted a formal materiality assessment involving more than 80 internal and – for the first time – external stakeholders. We aimed to understand each participant’s perspective on how much of an impact our social, environmental and governance topics have on the Group’s continued business success and whether there were any additional topics they felt may be relevant for our strategic planning.

Internally, our Executive Management Board, Board of Directors and employees took part in an online survey to help shape our material topics.

Externally, we identified and invited key investors, analysts, customers, suppliers, non-governmental and community organizations as well as key opinion leaders to participate in an online materiality survey. Several more in-depth interviews with selected stakeholders were conducted to gather more insights and qualitative context.

The results of the materiality assessment were presented and discussed at a series of workshops with the Group’s senior management team. The collected feedback was the basis for setting the material topics and informed the potential routes for the sustainability framework.

For the first time we involved external stakeholders in our materiality assessment, fostering dialogue.



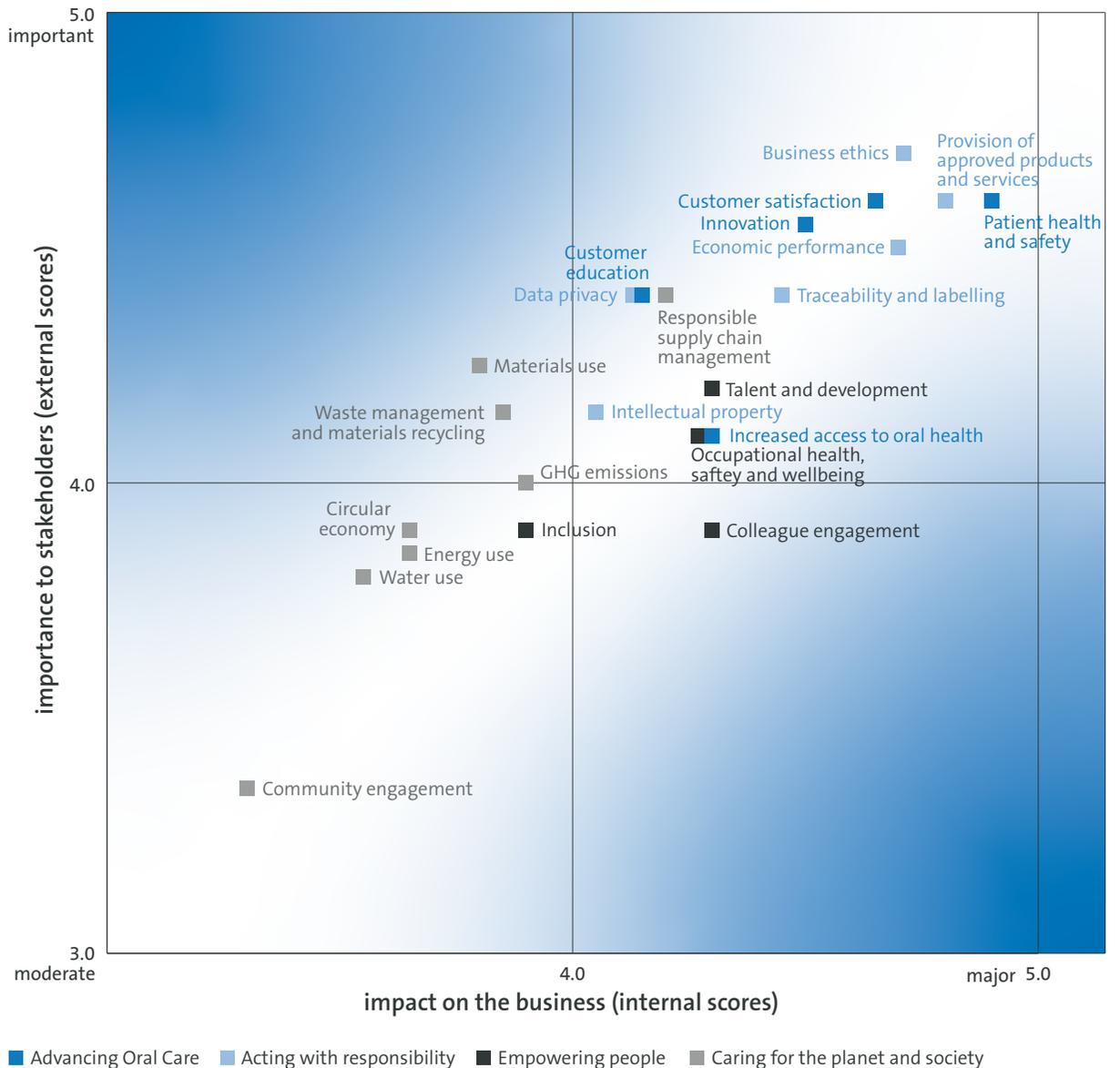
RESULTS AND KEY OBSERVATIONS

In general, there was agreement between internal and external stakeholders on priorities. No topic was rated below three – internally or externally – suggesting that all topics are considered of at least moderate importance/impact.

Topics including responsible supply chain management, materials use, waste management, circular economy, energy use, water use, customer education and data privacy were rated higher externally. The importance of these topics was also highlighted throughout some of the stakeholder interviews. Internally, colleague engagement, occupational health & safety and increased access to oral health were amongst the topics prioritized higher than externally.

Based on this feedback we updated the language around the material topics to make sure it reflected developments within global reporting frameworks and standards.

The topics listed are of importance to Straumann’s operations, shareholders and employees, as they can influence cost, brand reputation and ultimately business success. Economic, social and environmental topics are also relevant for the communities in which we operate. Environmental topics are of interest to international environmental organizations and indeed of wider interest to stakeholders globally. Product-related topics are relevant for our customers and the patients they serve. Human resources topics influence the composition of our team and ultimately the confidence and peace-of-mind we provide to our customers.



Alignment between internal and external priorities (white diagonal area in graph). Rating on importance to stakeholders and impact on business. Each topic was ranked on a scale from 1–5, 1 being low impact and 5 being major impact.

NEW SUSTAINABILITY FRAMEWORK

By embedding sustainability into the way we do business, we're ensuring that we keep delivering positive impact for our stakeholders on the way to becoming a role model for our industry. In this report, we present our new sustainability framework and the progress we have made. It represents our approach to sustainability and sets out our ambitions. We commit to: Advancing oral care, Empowering people, Caring for the planet and society and Acting with responsibility. We assessed our performance across these commitments and set short- and long-term targets and key performance indicators.

Our aim is to impact 10 million smiles per year by 2030

We want to provide 35% of all our educational activities in low- and middle-income countries

We are shaping a company with the highest standards of integrity and a zero tolerance policy

ADVANCING ORAL CARE

EMPOWERING PEOPLE

ACTING WITH RESPONSIBILITY

OUR PURPOSE:
To unlock the potential of people's lives

CARING FOR THE PLANET AND SOCIETY

We want 50% of leadership positions to be held by females by 2026

By 2026, we want at least 80% of our people to tell us, through our employee survey, that they have good opportunities to learn and grow

We will use 100% renewable electricity by 2024

We will set climate Science-Based Targets in 2022, carving a path consistent with 1.5°C to achieve net zero emissions



“I believe that being ok with ourselves, it passes on to others. I wasn’t happy with the look of my smile and we started working with transparent aligners. This treatment was fundamental, my smile is kind of my business card.”



Video in the online report:
annualreport.straumann.com

LORENA

Lorena is 33 years old and lives in Atami, Brazil where she works as a personal trainer. She also is a mother of three children.



“I was very happy to be able to offer Lorena a convenient orthodontic treatment which met her expectations without getting in the way of her intense daily exercise routine.”

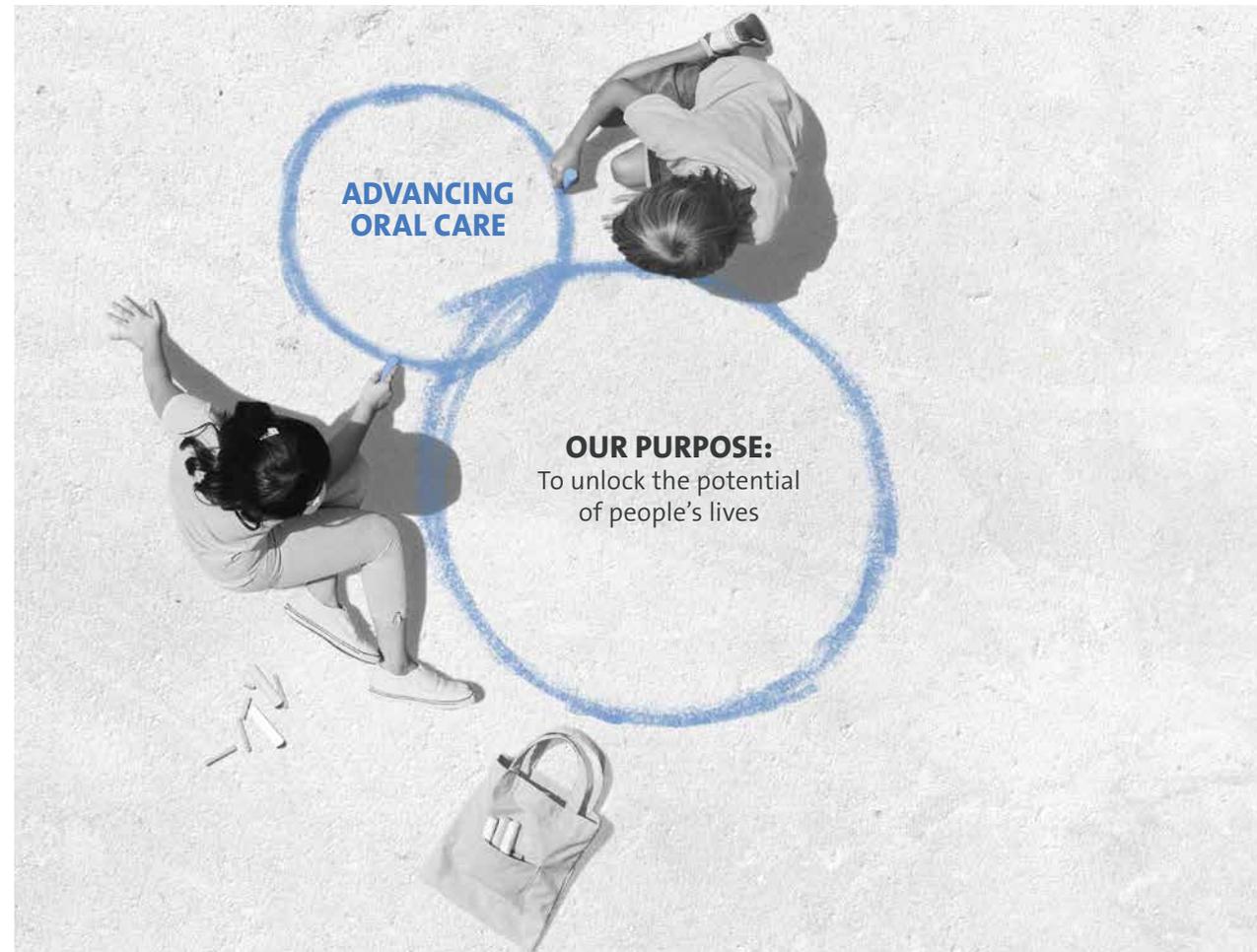
DR DANIEL NEVES, DENTIST

ADVANCING ORAL CARE

At Straumann Group, good oral care is more than the solutions we provide; it is a vital part of patients' overall health and wellbeing.

This is why we are focused on advancing oral care. We aim to innovate oral care solutions that serve the patient's health and safety. Together with our strategic partners, we improve access to oral care for people all over the world. We believe in fostering customer learning and education for the benefit of patients.

This commitment contributes to the following UN SDGs:



MATERIAL TOPICS

Innovation	46
Increased access to oral health	50
Customer education	51
Customer satisfaction	53
Patient health and safety	54

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INNOVATION

Straumann Group has long been a leading innovator in the field of dentistry. As different brands have joined our Group, enriching our offer, innovation remains the basis of our success, both in implantology and orthodontics. We want to enhance the customer and patient experience to improve their oral care.

By bringing together products, software, artificial intelligence, the Group develops smart solutions that offer seamless workflows and help reduce time to teeth.

FURTHER STRENGTHENING GLOBAL R&D AND INNOVATION

Driven by our mission to become the most customer-focused and innovative oral care company, we further strengthened our R&D capabilities via a two-fold approach:

- sustain innovation as a priority to remain competitive and perform in our core businesses
- create an organization and capabilities to incubate disruptive innovation, providing the Group with the chance to be part of the digital oral health transformation for the “oral care life span” of patients

Good ideas can come from anywhere, inside or outside the Group. We see open innovation as a key factor for success and we actively promote and seek collaboration with people and organizations outside the company. Anyone with an innovative idea can submit it via our [Straumann Group Innovation Portal](#). The number of propositions submitted in 2021 increased by 15% versus 2020.

Innovation is not confined to our product offering; it is about customer experience and the ease of doing business as well as organizational setup. We launched the Group Innovation LAB to incubate ideas solving tomorrow’s digital oral health challenges; the LAB will forge collaborations with start-ups, universities and other companies to extend our technological capabilities and to foster diversity in thinking.

We want to create an inherent culture of innovation, internally and with our external partners.

INVESTMENT IN INNOVATION CAPABILITIES

To ensure future innovation, we are investing in several innovation centers on different continents. The China Campus will be our first innovation center in China. By 2029, the Campus will provide educational programs as well as solutions from the Group’s implant and orthodontics portfolio for China. Based in the Xin Zhuang Industrial Park, a technology cluster in Shanghai, it will open up opportunities for future collaborations with local partners and help to accelerate digitalization within our Group.

In addition, we are investing in a new Technology and Innovation Center near Basel, Switzerland. It will host our R&D teams, the newly launched Straumann Group Innovation LAB and the commercial digital dental lab Etkon. The new facility will be operational in 2023.

In 2023, another innovation center in our new CAD/CAM milling center in Mansfield (US) will take up its work.



The new Straumann Group Technology and Innovation Centers will be located in Arlesheim near Basel (above) and in Shanghai, China (below).



IMPLANTOLOGY

Enhancing our portfolio in immediacy solutions and in edentulism were a focus for our premium and challenger brands in 2021 (see innovation table on the right). Important additions include Straumann's TLX and the Zygoma implants.

We are re-imagining implantology by combining our core capabilities with novel technology for treatment planning. This will make implant placement simple and even more predictable, while frictionless workflows deliver speed and efficiencies.

ORTHODONTICS

Strengthening our value proposition in orthodontics has been a major focus. Important innovations were the new clear aligner material ClearQuartz allowing to move teeth more predictably thanks to our patented tri-layer material. In 2021 we launched a series of new software features for treatment management and case setups, such as ClearPilot 2.0. Another achievement was the connectivity of intraoral scanners that integrate with our orthodontic solutions.

2021 key product launches

Intended benefit and added value for customers and their patients

Tooth replacement and restoration

Straumann TLX	<ul style="list-style-type: none"> Fully-tapered soft-tissue level implant system for immediate protocols and all other indications Enables Straumann tissue level customers to enter the field of immediate protocols Provides the advantages of the tissue level concept to clinicians already engaged in immediacy
Straumann Zygomatic Implant System	<ul style="list-style-type: none"> Implant solution to provide an immediate, graftless, predictable fixed solution for edentulous patients and patients with severe bone atrophy
Neodent Neo Arch 2.0	<ul style="list-style-type: none"> Fixed full arch solution to improve customer experience and treatment time and outcome
Medentika titanium base ASC Flex extension	<ul style="list-style-type: none"> Comprehensive competitive offer in the multi-platform system (MPS) market
Anthogyr Xpert Unit Implant Motor	<ul style="list-style-type: none"> Implant motor featuring a dedicated mobile application to offer traceability and access to services as well as performance, reliability, efficiency and working comfort
Anthogyr Mini Implant System	<ul style="list-style-type: none"> Implant solution dedicated to edentulous patients presenting reduced horizontal bone availability Less invasive, immediate removable fixation of overdentures Short treatment time, affordability and usability for patients
Nuvo Conical Fit Implant System	<ul style="list-style-type: none"> Implant solution featuring an internal conical connection in a naturally tapered body design to maximize treatment versatility and simplicity in all bone types

Tooth alignment

ClearQuartz Tri-Layer Material	<ul style="list-style-type: none"> Tri-layer aligner material that allows the aligner to be tough and stain-resistant, while applying gentle, consistent pressure for precision, comfort and esthetics
ClearPilot 2.0	<ul style="list-style-type: none"> Updated clear aligner treatment software for fast planning, convenient patient communication and use on mobile devices New features include occlusal heat map, doctor mobile view and a patient view
3Shape Unite integration	<ul style="list-style-type: none"> Enables clinicians to install ClearCorrect App from the 3Shape Unite store on their Trios intraoral scanner for a fully embedded, convenient, all-in-one case submission workflow
Virtuo Vivo and Medit integration	<ul style="list-style-type: none"> Enables the clinician to send intraoral scans to the aligner portal that are automatically paired with the case submissions (automated scan matching)

DIGITAL ORAL HEALTH SOLUTIONS

Artificial intelligence-driven predictive diagnostics can provide advanced opportunities. We are active in this area because it offers great potential, including accelerated detection of complications either pre- or post-implant therapy or during an orthodontic treatment.

Furthermore, augmented and virtual reality technology can bring more confidence to new dentists as they practice their treatment skills. Another digital solution is 3D printing, which offers the possibility to provide temporary or final restorations chairside.

Dental practices are looking for seamless workflows. This is why we offer integrated software and scanners for orthodontics, implantology and CAD/CAM restoration and are looking into smart navigation systems to further improve processes and access.

For example, we invested in a dynamic surgical navigation system which is the next step in the digitalization of dental surgery. By acquiring a 39% stake in Minivident, the Group will partner with the Swiss company to further develop its technology with the aim of providing a best-in-class platform for navigated surgery.

In 2021, we also created and started to test a secure implant registry with a web-based user interface, empowering clinicians to collect and analyze their clinical data more efficiently, tracking the treatment outcomes of their patients.

2021 key product launches**Intended benefit and added value for customers and their patients****Prevention and tissue regeneration**

Labrida BioClean

- Brush that supports the treatment of periodontitis as well as peri-implant disease to maintain the health of peri-implant tissues

Digital solutions

Virtuo Vivo intraoral scanner (IOS)

- Launch of Dental Wings Virtuo Vivo intraoral scanner in the global markets with new software generation for faster scanning, significantly improved scan performance and image quality
- Fully integrated with key Straumann Group services and solutions including ClearCorrect

Medit i500 and i700 intraoral scanners

- Global distribution partnership to serve the upper value segment of intraoral scanners
- Fully integrated with key Straumann Group services and solutions including ClearCorrect

3Shape Unite platform

- Straumann Group is a founding partner of the the new 3Shape Unite platform
- Provides all 3Shape Trios intraoral scanner users direct and seamless integration to Straumann Group services and solutions including prosthetic services, ClearCorrect and Smile in a Box

Innovation in our services allows clinicians to partially or completely outsource treatment planning. Thanks to artificial intelligence and machine learning algorithms doctors can enhance the quality and predictability of treatment outcomes.

Examples of development projects scheduled for introduction or rollout starting in 2022

Project	Key benefit targets
Tooth replacement and restoration	
Straumann Dental Implant System 2.0	Straumann dental implant system simplified
New implant design	Fully-tapered implant designed for clinical challenges including immediate protocols, answering the demand for shorter, less invasive treatments, efficiency and frictionless integration into digital workflows
Guided Surgery	Complete set of surgical instruments and digital services dedicated to guided surgery
Ceramic portfolio extension	Highly esthetic, metal-free advanced implant design and novel production technology
Implant portfolio extension	Small diameter implant solution for immediate loading in limited spaces
Multi-Platform-Systems portfolio	Extended portfolio covering more 3rd party systems; attractively priced alternatives; broader availability
CADCAM implant-borne prosthetics portfolio evolution	Enhanced CADCAM portfolio to attract new customers and improve customer experience
Prosthetic innovation	Additional prosthetic concepts tailored to digital immediacy workflows
Surface technology	New surface helping to maintain healthy mucosa
Tooth alignment	
Software	Enhanced digital treatment planning for customers with new features, including individual tooth adjustments, new engager customizations and an improved user interface
Software	Progress tracking to support doctor/patient communication and optimize treatment outcomes
Prevention and tissue regeneration	
Novel regeneration system	Controlled degradation time, reduced invasiveness and reduced chairtime
Implant health	Innovative portfolio aimed at prevention, diagnosis and treatment of implant complications
Digital solutions	
New 3D printer	<ul style="list-style-type: none"> • High volume 3D printer for large, high-production labs and DSOs • Ease of use, intelligent connectivity, large volume capacity and automation features
3D printer resins	3D Printing resin for dental models optimized to deliver higher stability, accuracy and enhanced texture with ultra smooth surfaces
Prosthetic design software	Enhanced design planning for dental laboratories
Dynamic surgical navigation	Develop best-in-class platform for digitally guided surgery
Artificial Intelligence	Advanced diagnostics and treatment planning automation

INCREASED ACCESS TO ORAL HEALTH

As outlined in the strategy chapter (see p. 14 ff.) there is a vast unmet need for oral care and inadequate access to treatment. Oral diseases such as tooth decay and periodontitis are among the most widespread chronic diseases. We estimate that 30 billion teeth are missing worldwide, presenting a large potential for improving oral health. In addition, we believe that up to 500 million people with misaligned teeth could benefit from a clear aligner.

Access to quality dental treatment remains an issue, particularly in low- and middle-income countries with few trained dentists (see graph on the right). Education (see also next page) and innovation in product solutions will play a key role in improving access. By training more dentists and making our solutions available internationally, Straumann contributes to better access to oral care for patients.

Our goal is to impact 10 million smiles¹ per year by 2030.

Being present on several continents and close to our customers will further improve access. For example, the new China Campus in Shanghai will help provide education and solutions locally, allowing for better access to treatment for patients and healthcare consumers.

- 1 One smile: 2 implants or 1 clear aligner case start
- 2 US Bureau of Labor Statistics

Another priority was to develop virtual reality dental implantology training and learning modules, making it affordable, scalable and effective for dentists to acquire new skills.

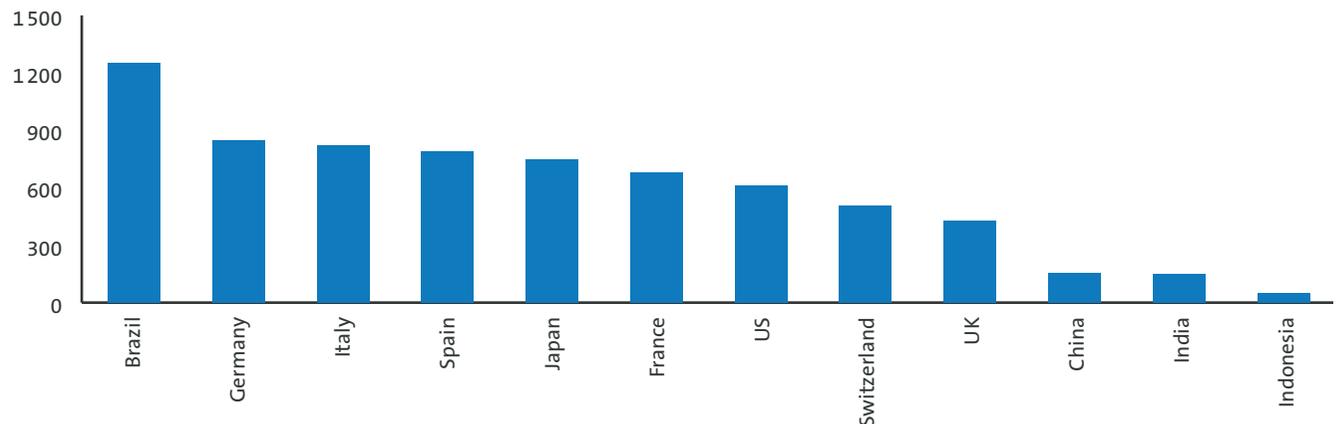
The technology allows for remote mentoring and remote live participation on mobile devices, strengthening the confidence of dental professionals (see also customer education on p. 51 ff.).

Access to treatment is further enabled by our global expansion: our solutions are now available in over 100 countries and we serve customers in more than 40 countries directly via our subsidiaries. In 2021, we further established Smile-in-a-Box, a less complex implant treatment solution which supports expanding access to treatment.

PRICING APPROACH TO ENSURE ACCESS

The Group's pricing approach aims to ensure a majority of people can have access to oral care. In 2021 vs 2020, the weighted average net price of our solutions remained stable, when in parallel the US consumer index rose by 7.0%². While some limited increases were observed on the Straumann brand portfolio, the development of value brands Neodent, Anthogyr and Medentika, as well as the broader launch of Nuvo, highlight Straumann Group's commitment to broaden access to oral care. For 2022, price adjustments aligned with inflation forecasts were communicated to customers through the annual price catalogue available in each country. These adjustments reflect the global increase in raw materials and energy costs, allowing Straumann to maintain its R&D investments. Pricing of products and services are in general determined by contracts. Price discounts to customers are generally linked to the volume of purchases by customers. If within a within a contract buying period certain thresholds are met by the customer, price discounts may be granted.

Patient's access to quality dental treatment is an issue in emerging countries due to fewer dentists per capita
Dentists per million population



CUSTOMER EDUCATION

PUTTING PATIENTS FIRST

We are committed to offering world-class education. This is instrumental to enabling treatment, optimizing outcomes and increasing access to dental care. Providing professionals with the know-how and practical skills for the best clinical application of the Group's solutions is important to us. Our hybrid courses draw on the latest clinical, scientific and practice-management insights. In 2021, together with our academic partners, we continued to offer extensive online education and provided scholarships to help dental students from underprivileged areas.

Our aim is to provide at least 35% of our educational activities in low- and middle-income countries.³

In 2021, 35% of our educational activities were carried out in low- and middle-income countries. Overall, we offered nearly 8 000 educational activities, reaching more than one million participants worldwide across our Group.

INNOVATION IN EDUCATION

Education and enablement are a continuous journey, requiring flexible solutions. Our sales teams, together with 300 clinical and scientific experts, disseminate the latest clinical and scientific information through a variety of in-person or online formats. In addition to the courses we offer worldwide, we also started piloting a global mentorship program in 2021, which will be rolled out more widely in 2022. These activities are enhanced by innovative tools such as virtual reality.

For hybrid and online training sessions, we launched Learn-in-a-Box. The participant receives the material for hands-on training and is guided virtually by the trainer. This meant that practical training did not have to stop during pandemic restrictions. Moreover, it allowed more professionals to join the training session without the need for travel, making hands-on courses more accessible for participants in remote locations. In 2021, we also launched Ortho Campus, a comprehensive collection of orthodontic tools, programs and professional education curricula designed to facilitate treatment success among clinicians and their staff members.

SUPPORTING DIFFERENT CUSTOMER GROUPS

We offer a variety of learning and networking programs, tailored to the needs of different customers:

- Straumann Smart Implantology is for beginners in implantology
- Straumann Smart Immediacy supports general practitioners to implement immediate protocols
- With more than 4 000 members, the Women Implantology Network (WIN) enables female dental professionals to enter the field of implantology and lifts barriers to advance to leadership roles
- The Straumann Young Professional Program supports newly certified dentists and students
- Our online communities enable specialists to connect and access free content and our practice development tools help them grow their business



Customer education event in China.



Virtual clinics helped train professionals without the need for travel.

³ [According to World Bank definition](#)

IMPORTANT AND ESTABLISHED EDUCATION CHANNELS WITH OUR TRUSTED PARTNERS

The Group maintains a close and long-term collaboration with leading clinics, research institutes, universities, networks and communities.

We are collaborating with renowned universities, clinics, research institutes and academic networks to foster research and innovation.

INTERNATIONAL TEAM OF IMPLANTOLOGY (ITI)

One of the most important partnerships the Group invests in is with the [International Team of Implantology \(ITI\)](#) which stands for excellence in implant dentistry education and research. It has been setting standards for more than 40 years and was founded by two pioneers Prof. André Schroeder and Fritz Straumann in 1980. The ITI is one of the largest and most trusted organizations in implant dentistry. It is the scientific partner of the Straumann implantology brand. The successful partnership between Straumann and ITI in the area of science, research and education is underpinned by a common goal: the ongoing improvement of treatment methods in oral implantology and tissue regeneration for the benefit of patients.

With more than CHF 50 million invested in research over the years, some hallmark studies have been funded by one of the more than 500 ITI research grants awarded to date. The ITI Consensus Conferences regularly set global treatment standards. The ITI

awards 30 ITI Scholarships annually to help young clinicians train further in implant dentistry.

The ITI community boasts 18 000 professionals across 31 sections, over 700 Study Clubs on all continents and more than 2 000 events a year, including lectures and case discussions in a trusted environment close to where their members practice. More than 350 hours of eLearning content, ten Education Weeks at top universities and an international certification program – the ITI Curriculum – cover all education and continuing medical education credit (CE credits) needs. The ITI is connected to two thirds of the world's top-ranked dental schools and provides online University Campuses to 71 universities globally.

INSTITUTO LATINO AMERICANO DE PESQUISA E ENSINO ODONTOLÓGICO

Another important Straumann Group partner is the Instituto Latino Americano de Pesquisa e Ensino Odontológico (ILAPEO). For more than 16 years Neodent and ILAPEO have partnered in scientific study.

ILAPEO holds courses that enable broadening of implant therapy access to treatments. It provides an education based on the latest scientific evidence and differentiates itself by offering clinicians a practical experience with patients. This combination helps our customers to achieve a higher level of expertise and confidence. In 2021, Neodent held 19 courses at ILAPEO, in which nearly 200 customers from Latin America were trained.



Customer education event in China.

CUSTOMER SATISFACTION

STAYING CLOSE TO CUSTOMERS

The Group serves customers across more than 100 countries. This includes general dentists, specialists, dental technicians and laboratories. In the chart on the right, you will see the breakdown of our customer base, including 'Other', which comprises distributors, hospitals, universities and dental service organizations (DSOs). A single DSO can represent hundreds of clinics and dentists, including generalists, specialists and technicians.

In 2021, there were no significant shifts in the specialization and geographic distribution of our customers. The respective proportions of general dentists and specialists increased and decreased slightly, reflecting a continuation of the trend we have observed in recent years and other factors, such as the growth in our clear aligner business.

SERVING CUSTOMERS DIRECTLY

We serve customers directly through our teams of sales and marketing professionals, most of whom are highly trained sales representatives or service staff. This adds value for customers and helps us to identify, manage and learn from their needs.

The COVID-19 pandemic continued to pose many challenges in 2021, but it also created opportunities for our sales and service teams. We now use a mix of in-person and online activities for customer acquisition, sales and support. All of these initiatives helped us to increase our contact with customers. They created opportunities to foster dialogue and as a consequence, to generate more leads. In particular, our interactions via remote channels increased significantly. As a result, we were able to grow our global customer base by a double-digit percentage.

CUSTOMER DIALOGUE

Our primary customer activities include:

- direct personal and remote contact through our sales force
- diligent complaint management, evaluation and reporting ([see also patient health and safety p. 54 f.](#))
- active involvement during product development, market acceptance tests and limited market releases to obtain customer feedback prior to launch

In 2021, we set up a new customer feedback program. It is designed to measure, understand and give us the opportunity to act on customer feedback globally. Net-Promotor-Score (NPS) surveys across all global brands and Customer Satisfaction (CSAT) surveys on key customer touchpoints will become the norm in 2022. Receiving customer feedback at scale is instrumental to ensure we become even more customer-centric in everything we do.

Our new global customer feedback program will help us to become even more customer-centric.

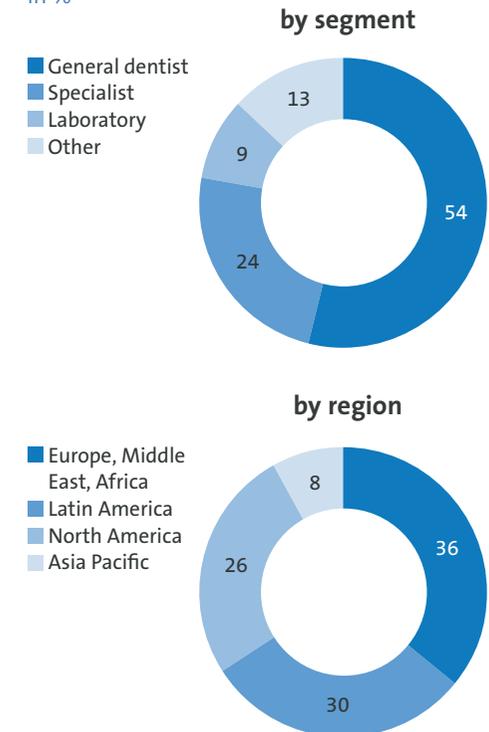
DIGITAL TRANSFORMATION AND DISRUPTION

Customers have significantly evolved over the past few years. They are empowered by technology, they have higher expectations than ever and remote engagement is an important part of our 'new normal'.

We continuously invest in our Group-wide digital customer engagement capabilities such as the eShop, multi-channel automation and customer identity

management. They are essential for this digital transformation. The eShop alone carries more than a third of our business, in addition to increasing self-service efficiency for our customers such as customer profile management, communication preferences, eReturns, eComplaints and eConsignment.

Straumann's active customers 2021
in %



PATIENT HEALTH & SAFETY

ENSURING PRODUCT INTEGRITY FOR PATIENT HEALTH AND SAFETY

The integrity of our products and the health and safety of patients are paramount. This is supported by state-of-the-art quality management systems according to ISO 13485 (see [list of certified production sites on p. 85](#)) to design, develop and produce the Group's products. In addition to product traceability and validation processes for sterile medical devices, the Group companies maintain post-market surveillance processes by collecting events relating to products from our worldwide distribution network and markets. The Group companies have escalation processes in place to review and evaluate these events to determine the need for corrective and preventive actions in a timely and consistent manner. Our approach towards customer health and safety, as well as compliance of our products and services, includes an immediate escalation process when potential safety and compliance issues arise. In the rare case of a potentially serious safety or compliance issues, our Corporate Product Safety Office is authorized to convene a Safety Board meeting at very short notice to analyze and initiate corrective actions. This includes implementing product recalls and reporting to worldwide health authorities when applicable.

In 2021, there were no FDA mandated recalls, Medwatch Safety Alerts, or, FDA enforcement actions or fatality reports to authorities for Straumann Group products (see SASB table, p. 198). In 2021 there were no patient safety and health incidents reported to Straumann Group with regard to conducted field actions. We conduct long-term monitoring of the performance of products and services according to the applicable regulatory requirements (EU MDR, 21 CFR.) (see p. 83 f.). These processes are frequently reviewed by regulatory agencies to confirm that internationally recognized standards are met. Furthermore, we

conduct pre-clinical and clinical trials, followed by controlled, selective introductions where appropriate. We also offer a comprehensive range of educational courses (see p. 83 ff.), at all levels and in all countries where our products are available.

GLOBAL CLINICAL TRIAL PROGRAM

The Straumann brand is sponsoring global clinical trial programs to assess and confirm the safety, efficacy and effectiveness of implantable devices and solutions. Clinical studies are conducted by dental professionals who are experienced experts in their respective fields. Our clinical studies are compliant with legal, ethical, regulatory and data protection standards, including but not limited to the Declaration of Helsinki, Good Clinical Practice (GCP) and the General Data Protection Regulation (GDPR). Quality control is applied throughout the complete study duration to ensure data completeness and integrity and compliance of all study procedures with the respective standards and legal requirements.

Straumann brand sponsors global clinical trial programs to assess and confirm safety and efficacy of implantable devices and solutions.

All clinical studies require regulatory authorization (if applicable) and ethical approval by an independent Institutional Review Board (IRB) or Ethical Committee (EC). This authorization should be given prior to the study start and projects must be entered in a WHO primary registry or on clinicaltrials.gov. Patients are

asked to consent to clinical studies and may withdraw their participation at any time without negative consequences for their further treatment. Safety reporting follows defined procedures that are applicable to all Straumann-sponsored trials. Potential risks of study procedures are weighed against the benefits prior to study start and are documented in the patient-specific documentation and respective study documents. Study participants are insured against potential harm, if applicable.

The results of our clinical studies are published in peer-reviewed international scientific journals in addition to the databases mentioned above. Articles are generally submitted for publication within 12 months after a trial has ended. Selected projects from the clinical trial program are included in the Straumann science webpage ([Studies sponsored by Straumann](#)).



ITI world symposium WS2020NE was held virtually for the first time.

straumanngroup					
	Digital solutions	Tooth alignment	Prevention and tissue regeneration	Tooth replacement and restoration	
Controlled by Straumann Group	Anthogyr	✓		✓	
	Bay Materials		✓		
	ClearCorrect	✓	✓		
	Createch				✓
	Dental Wings	✓			
	DrSmile		✓		
	Medentika	✓			✓
	Neodent	✓			✓
	NUVO				✓
	Smilink		✓		
	Straumann	✓		✓	✓
	T-Plus				✓
Yllera	✓			✓	
Partially owned by Straumann Group	botiss biomaterials			✓	
	Dental Monitoring	✓	✓		
	maxon dental				✓
	mininavident	✓			✓
	Promaton	✓			
	Rapid Shape	✓			✓
	Warantec				✓
	Z-Systems				✓
Partnering businesses (distributor)	3shape	✓			
	Amann Girrbach	✓		✓	
	Carestream	✓			
	Medit	✓			
	Nibec			✓	
	smyletec		✓		
	Zirkonzahn	✓			✓

This chart shows the Group's main brands, the degree of ownership and the solutions they offer.

[Click here for more product information.](#)

CAO

Cao is 60 years old and lives in Beijing, China, with her husband. She had lost her front teeth and needed a highly esthetic replacement.

“We have been inseparable since we got married 38 years ago. So it was not easy to go into the surgery alone. But I received my temporary new teeth right away. Now I can enjoy delicious food and smile again.”



Video in the online report:
annualreport.straumann.com



“Since we had to replace anterior teeth, Aunt Cao’s case was very demanding from an esthetic standpoint. But we were able to place implants and give her an immediate restoration. It was a pleasure to see her walk out of the surgery and meet her husband with a smile.”

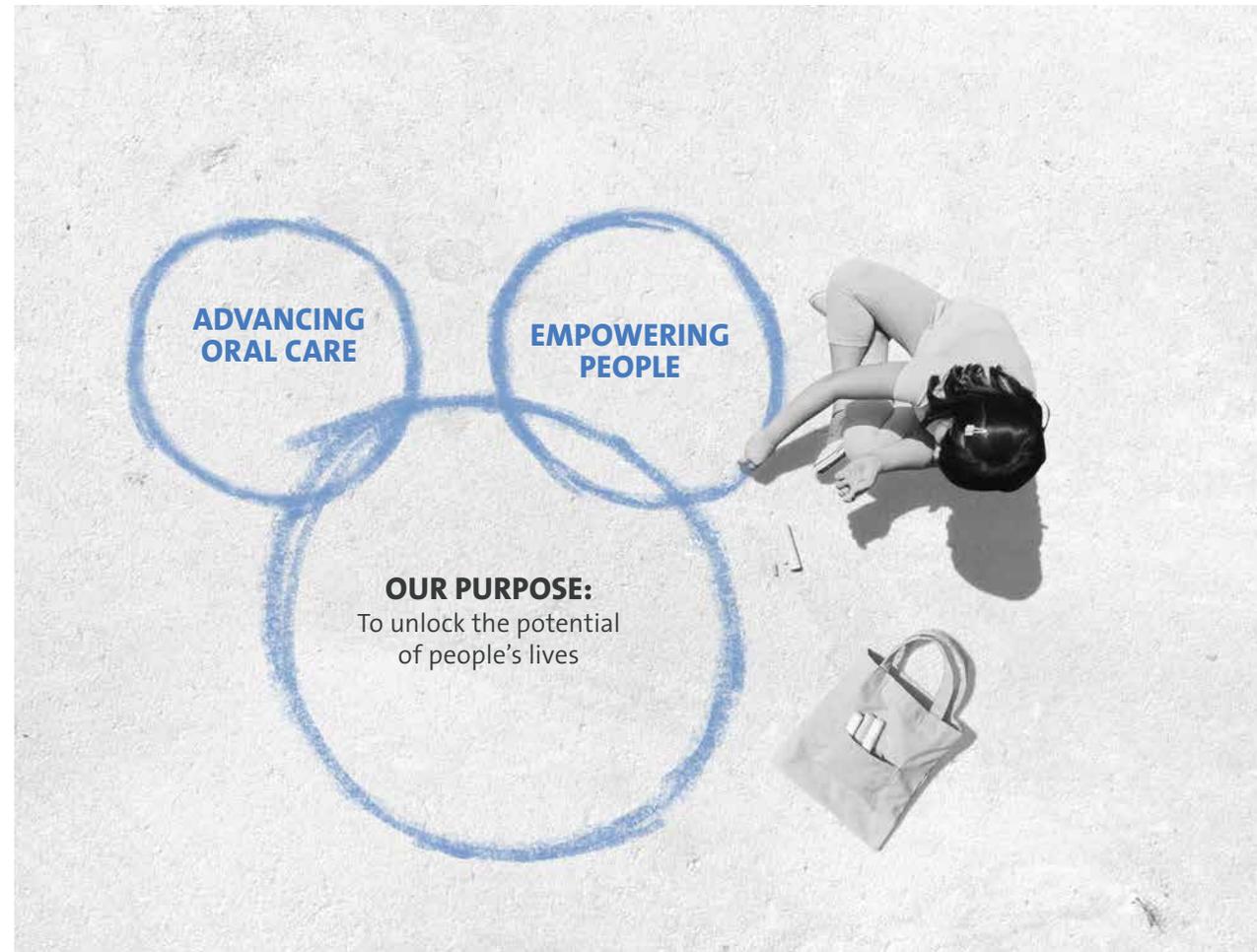
DR TILIAN LIU, FOUNDER OF YADE DENTAL IN BEIJING, CHINA

EMPOWERING PEOPLE

Empowered employees help drive positive performance and ensure the resilience of our organization in times of crisis. Having an engaging culture energizes our colleagues and helps us to attract new talent, increase loyalty and create our future. By giving our employees fulfilling work in a supportive environment that maximizes their wellbeing, we provide our teams with the opportunity to fully explore their potential.

We believe having an inclusive, diverse and empowering culture is at the heart of a successful company. Our employees' wellbeing, their continuous learning and growth and the highest standards of occupational health and safety are instrumental for making Straumann a place where people want to work.

This commitment contributes to the following UN SDGs:



MATERIAL TOPICS

Colleague engagement **58**

Talent and development **60**

Inclusion **60**

Occupational health, safety and wellbeing **61**

We want 50% of leadership positions to be held by females by 2026

By 2026, we want at least 80% of our people to tell us, through our employee survey, that they have good opportunities to learn and grow at Straumann Group

INVESTING IN PEOPLE FOR FURTHER GROWTH

Geared for strong business expansion, we constantly invest in people as part of our efforts to capture growth opportunities. In 2021, we welcomed more than 1 600 people to our global team. These colleagues are mostly employed in positions that support manufacturing of our challenger and premium implants, as well as our orthodontics business and production.

At year end, our global team came to approximately 9 000 people, including more than 140 added through the strategic acquisitions of Smilink (Brazil), Medical Technologies 21 LLC (Russia) as well as the setup of subsidiaries in Malaysia and Jordan.

CONNECTING PEOPLE WITH OPPORTUNITIES

In 2021, we continued the journey of evolving our culture journey which is inspired by our heritage, grounded in the here and now and defines our future. During the year we measured our progress which confirmed that we have evolved, but the journey must continue. Our high-performance culture pivots on the mindset of players and learners through everything we do.

It is imperative that we build on the best of the past, strengthen our core beliefs and embrace new ones that will make us stronger for the future.

During 2021, several programs, both in-person and remote, were launched or relaunched to further strengthen our foundation. We want to ensure that every new hire undergoes a global culture onboarding program. Within the first three months after joining, every employee takes part in a program based on our foundational culture concepts such as the ‘Player-Learner’ mindset.

All managers participate in the ‘I&We’ programs which encourage reflection on the individual and team dimensions of culture. In addition the ‘Core Beliefs in Action’ program is aimed at all teams. It is designed to help articulate and bring to reality how our beliefs help guide all our day-to-day actions.

COLLEAGUE ENGAGEMENT

The response rate of the second weEngage employee survey was 87% (up 1% from 2020). Our sharp emphasis on culture resulted in a Group-wide employee engagement score of 80 in 2021 – a global benchmark which places the Group in the top 25% of companies worldwide. This is two points higher than 2020. Every single question score has increased and there were over 7 300 comments. Our focus areas from last year’s survey have all improved quite significantly and the numbers show meaningful progress. 74% of colleagues reported they have good opportunities to learn and grow, which is up five percentage points compared to last year.

Our aim is that at least 80% of our people Group-wide tell us that they have good opportunities to learn and grow by 2026.

As a Group we remain dedicated to strengthening our commitment to our people: ‘Drive Engagement’ is one of our Core Beliefs.

Global staff survey 2021

Good opportunities to learn and grow
2020: 69%

74%

Response rate
2020: 86%

87%

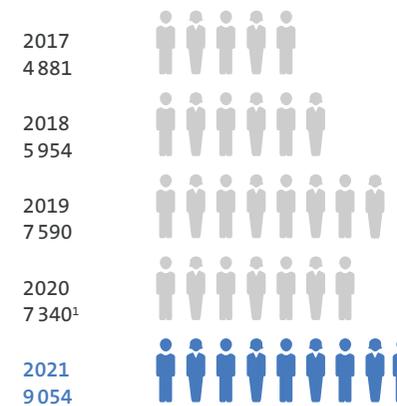
Engagement score
2020: score 78

80

Comments
2020: >8 000

>7 300

Employees



1 Including DrSmile

Human resources key figures

Parameter	Unit	2021	2020	2019	
Staff size	Employees	Total headcount	9 054	7 340 ¹	7 590
		Full-time equivalents	8 918	7 230 ¹	7 494
Employment type	Part-time employees	% of headcount	4	4	5
Female population	Women in general staff (excl. Mgmt)	%	45	44	44
	Women in leadership positions ²	%	40	35	35
Training and education	Investment in staff learning ³	CHF million	3.0	3.1	3.9
	Average annual training & learning	Days/employee	3	3	4
Turnover and absence	Staff turnover ⁴	%	15	19	14
	Absence rate due to workplace accidents	%	0	0	0
	Work-related fatalities	Number	0	0	0
Employee protection	Reported cases of discrimination/harassment	Number	2	1	1

Staff structure by category and age group²

in %

Age	<30	30–50	>50	Unit	2021
General staff (excl. Management)	16	57	11	% of headcount	84
Management ²	0	12	4	% of headcount	16
Total	16	69	15		100

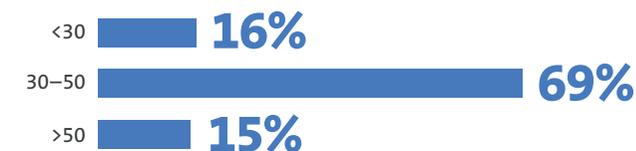
1 Including DrSmile

2 In 2021 we started to report the number of women in leadership positions (EMB, EMB-1, EMB-2)

3 Only direct expenses for internal and external training activities are counted here: Salaries paid to employees while in training are additional and are not included

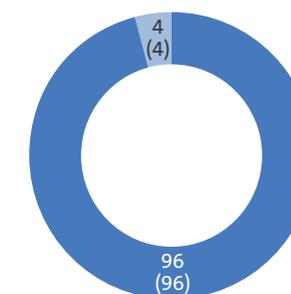
4 Includes resignations and terminations

Employee Age



Employment

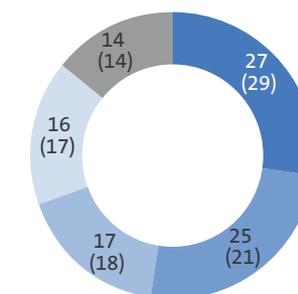
in %



■ Full time
■ Part time

Employees by region

in %



Numbers in brackets refer to 2020.

■ Rest of EMEA
■ Latin America
■ North America
■ Switzerland
■ Asia Pacific

TALENT AND DEVELOPMENT

2021 has seen a continued evolution of how we support learning and development of our global organization. We communicated a set of clear Group-wide leadership expectations, along with a simple 360-degree tool to provide feedback and focus on strengths and opportunities. Improving our manager effectiveness to increase employee engagement was a strong focus for the year, with the development and piloting of a Leadership Academy. Starting with our senior leaders, we intend to cascade this to all people managers worldwide.

We launched our new learning platform, weLearn, offering over 1 000 curated learning resources.

Creating succession plans and developing the skills of our people to connect them with internal opportunities now takes center stage through our Strategic Management Development process. It covers at a minimum our EMB-1 (Executive Management Board) and EMB-2 population globally. We are also actively supporting apprenticeships around the world with further development certification and educational assistance on a local basis.

RECRUITING AND DEVELOPING OUR FUTURE WORKFORCE

We want to enable rapid growth of digitalization plans, offering a personalized, engaging candidate and employee experience. Therefore we have implemented a new global recruitment technology platform and policies that promote transparent global job posting.

Our aim is to encourage employees to look at opportunities across all countries, brands and functions. A single transparent career marketplace, which includes new global internal and external career websites, will facilitate this process.

It also provides artificial intelligence-driven career suggestions for our employees and a customer relationship management (CRM) platform to better understand the skills of our employees and candidates. In 2022, we will further evolve our recruitment technology, promoting internal opportunities and employee referrals.

To attract future skills and capabilities, in 2022, we will launch targeted employer brand activities across external job boards, social media and career websites. The idea is to give external candidates a 'sneak peek' of our culture, people and growth opportunities.

INCLUSION

At Straumann Group, we celebrate our differences in who we are, how we think and what we've experienced. Inclusion is a choice we make. Our inclusive culture makes each of us feel valued and heard and unites us to create more smiles, everyday.

In 2021, the Group continued our inclusion journey. For us, diversity is a reality, given our global footprint. As stated in our Code of Conduct we do not tolerate discrimination against people based on their gender, ethnicity, race, age, religion, nationality, or sexual orientation. The Code of Conduct requires all employees to act ethically and to uphold human rights at all times (for details see p. 78). In 2021, there were two incidents of discrimination and corrective actions were taken.

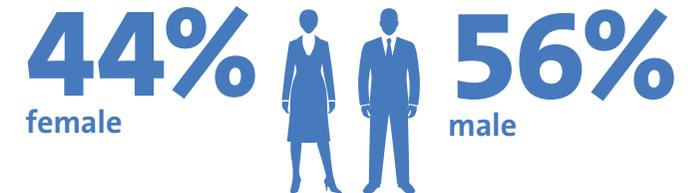
During 2021, we launched a critical initiative under the banner of #TogetherDifferent. As a first initiative, peers



In 2021, we started our "inclusion starts with me" journey.

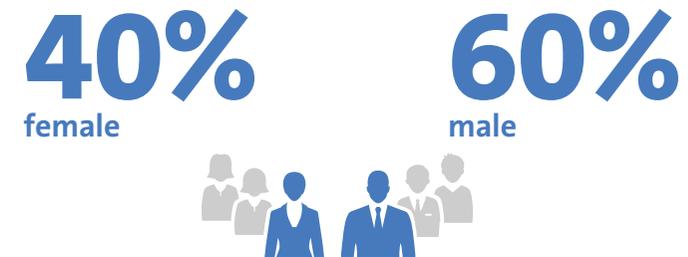
General staff¹

2020: 42% female and 58% male



Leadership positions¹

2020: 35% female and 65% male



¹ Including Dr Smile

united across the globe to watch ‘Inclusion starts with me’, a film presented by Group colleagues. The film brought to life awareness and conversations around becoming a more inclusive organization. Thereafter, the top 200 members of our senior management team participated in a learning session called ‘Choosing Inclusion’.

Finally, to strengthen our global talent pipeline and increase the number of women in leadership positions, a female talent team of 20 started to be mentored by members of the EMB. The result of all the initiatives was a meaningful increase in our inclusion scores measured by the weEngage survey. In 2021, the Group’s gender representation remained well balanced, with room for further improvement at leadership level: females account for 45% of our employees and 40% of our leaders worldwide.

Our aim is to achieve 50% of leadership positions held by females by 2026.

OCCUPATIONAL HEALTH, SAFETY AND WELLBEING

Employee health and safety is a top priority for the Group. We strive for zero work-related accidents. Thus, our approach focuses on prevention through specific training and awareness programs. We have implemented management systems for occupational health and safety at all of our production sites globally. Our employees contribute to developing these management systems. We regularly monitor work-related hazards and incidents. In 2021, we reported no workplace related fatalities and an absence rate due to workplace accidents of 0%.

We base our approach to employment on principles of employee development, open dialogue and fair and attractive employment conditions. Collective bargaining agreements and freedom of association are allowed throughout the company in compliance with laws and regulations. However, there is a general preference for informal employee dialogue and labor contracts are negotiated individually rather than by collective bargaining.

To foster our people’s professional and personal wellbeing, the Group offers numerous benefit programs. During 2021, the Group launched a global review of benefits and workplace flexibility practices, including non-salary benefits. The review covered key benefit programs, for example, pensions and insurance coverage, in addition to parental leaves and employee assistance programs. It also includes other local plans that are considered to be competitive drivers in attracting or retaining talent. We have implemented a flexible work framework globally which has been adapted into local policies where applicable and appropriate. It is also worth noting that in the second half of 2021, we conducted the Equal Pay Analysis for our Switzerland-based entities. Results of the analysis showed no statistically significant effect of gender on pay in our Switzerland-based entities overall, which we believe reflects our culture and practices of fair and equal treatment of our employees ([see Compensation report p. 117](#)).

In addition, we offer employees access to non-occupational medical and healthcare services, as well as voluntary health promotion programs such as fitness training and nutrition advice. Straumann strictly maintains the confidentiality of workers’ personal health-related information. Our Code of Conduct obligates all staff to respect employee privacy and respective grievance mechanisms are in place.

Work operational aspects of labor practices and policies fall within the responsibilities of the Chief People Officer, who is a member of the Executive Management Board. On a strategic level, the Human Resources & Compensation Committee of the Board of Directors reviews the Group’s human resources policies. It also oversees the recruitment of Executive Board Members, as well as the compensation of the Board of Directors and the Executive Management Board.



Straumann Group employees in Curitiba, Brazil.

CARING FOR THE PLANET AND SOCIETY

We are safeguarding the environment by minimizing our emissions, managing our waste and reducing our use of materials, energy and water. We are responsibly managing our supply chain relationships and contributing to our local communities' development.

This commitment contributes to the following UN SDGs:



MATERIAL TOPICS

Energy use and GHG emissions **63**

Materials use, water use, waste management and circular economy **64**

Responsible procurement and supply chain management **69**

Community engagement **71**

We will use 100% renewable electricity by 2024

We will set climate Science-Based Targets in 2022, carving a path consistent with 1.5°C to achieve net zero emissions

COMMITTED TO REDUCE OUR IMPACT

We strongly support the worldwide transition to a zero-carbon economy and equitable future. The Group has been taking action for a long time to mitigate its environmental footprint by using energy and natural resources efficiently. In 2021, we took the next big step and joined the Science Based Targets initiative (SBTi) aiming to reduce our emissions in line with climate science. SBTi is the world's first standardized, science-based certification of corporate net zero targets in line with the Paris Agreement's goal of keeping planetary warming to 1.5°C.

We are committed to set a net zero emissions reduction target in 2022.

To improve our coverage in line with the SBTi's stringent target-setting criteria, we have extended and optimized the environmental data collection process. Overall, the data structure has been refined and further optimized, including to meet changing reporting requirements. Environmental data collection and reporting processes have also been aligned with the outcome of the Group's 2021 materiality re-assessment. In 2021 we included further non-production sites and additional data categories, increasing site coverage by 39%.

This expansion of scope and geographies as well as the high growth rates across all business areas are reflected in the development of the absolute environmental indicators. Overall production expansion, including the installation of new machinery, led to higher absolute numbers. Energy consumption and greenhouse gas emissions rose. In addition, the amount of raw and

operating materials significantly increased as well as water consumption and waste, compared to 2020.

In contrast, the inclusion of less energy-intensive sites, as well as additional data categories and employees led to a decrease in our relative environmental footprint (see p. 66 ff.).

In addition to further enhancing transparency externally, this will help us internally to identify opportunities for improvements – especially with regard to our ambitious greenhouse gas emissions reduction target.

ENERGY USE AND GREENHOUSE GAS EMISSIONS

The net zero emissions reduction target means full decarbonization of Straumann Group's operations and value chain. The target will consist of a near-term emission reduction pathway and an overall long-term science-based target to reduce emissions to a net zero state. This includes a reduction of an average of 90% compared with the base year, with any residual emissions neutralized through carbon removals.

Currently we disclose direct greenhouse gas emissions from the burning of heating and vehicle fuels, as well as from refrigerants (Scope 1) and indirect emissions associated with purchased electricity and district heat (Scope 2). These emissions categories are the main contributors to climate change in the context of our own operations. They are primarily associated with our production processes and the use of vehicles, followed to a much lesser extent by research and development (R&D), as well as marketing and education.

Over 71% of the total energy consumed in 2021 was electricity, followed by vehicle fuels, which comprised approximately 15%. The remainder was fuels for heating or manufacturing and district heat. Over 50%

The key figures reported on p. 66 ff. include our headquarters in Basel, Switzerland, subsidiaries and logistics centers in Freiburg, Germany, Neodent in Curitiba, Brazil and our production/logistics sites in:

- Andover, Arlington, Fremont and Round Rock (US)
- Curitiba and Pelotas (Brazil)
- Malmö (Sweden)
- Markkleeberg, Hügelsheim and Calw (Germany)
- Mendaro (Spain)
- Mersch (Luxembourg)
- Montreal (Canada)
- Narita (Japan)
- New Taipei City (Taiwan)
- Sallanches (France) and
- Villeret and Corgémont (Switzerland)

The following office locations were integrated in 2021:

- Ankara (Turkey)
- Beijing and Shanghai (China)
- Berlin (Germany)
- Crawley (UK)
- Fontenay-sous-Bois (France)
- Lahore (Pakistan)
- Mexico City (Mexico)
- Moscow (Russia)
- São Paulo (Brazil) and
- Straumann regional entities associated with the use of company cars (Belgium and the Netherlands, Iberia, Nordics)

of the energy we consumed came from renewable sources. For electricity, the amount was 69%. Compared to 2020, more sites are using 100% certified green electricity or produce their own electricity from renewable sources. We will continue to work diligently to source renewable electricity or generate our own renewable energy wherever feasible in the future.

We will use 100% electricity from renewable sources by 2024.

Overall, our energy consumption and greenhouse gas emissions increased significantly compared to 2020, primarily due to the inclusion of vehicle and heating fuels from additional non-production sites (Scope 1). Despite the surge in absolute electricity and district heat consumption, the resulting total greenhouse gas emissions (Scope 2) significantly decreased in 2021 due to the expanded use of renewable energy. To further minimize our environmental impact, we are committed to keep business trips to a responsible minimum and avoid air travel whenever possible. Please see the summary of our 2021 efforts in the table on the right. In 2022, we will establish the emissions baseline associated with our value chain (Scope 3).

Thanks to our initiatives, we avoided approximately 660 tons of greenhouse gas emissions.

2021 initiatives

Efforts to avoid greenhouse gas emissions:

Switzerland	In Basel, fluorescent lamps were replaced by LED fittings in HQ stairwells, to reduce electricity consumption and increase overall building energy efficiency. The reduction in electricity consumption and cost amounts to 54% compared to the conventional lighting system. In Villeret, a proportion of the heating energy came from renewable sources (biomass). Compared to a conventional fossil energy source, nearly 15 t CO ₂ e of greenhouse gas emissions were avoided. In addition, a diesel-powered 2.5-ton forklift was replaced with an electric model.
Germany	Markkleeberg has been using 100% green electricity since the beginning of 2021, resulting in an annual reduction of greenhouse gas emissions of nearly 500 t CO ₂ e. Our new production facility in Calw has been producing its own solar power since the beginning of 2021, covering 15% of the plant's electricity demand and reducing its greenhouse gas emissions by approximately 78 t CO ₂ e.
Japan	In Narita, energy efficiency was increased by replacing fluorescent lamps with LED fittings and optimizing HVAC systems in the machine room, resulting in annual energy savings of nearly 23 000 kWh and an associated greenhouse gas emission reduction of nearly 10 t CO ₂ e.
Luxembourg	Mersch has been using 100% green electricity since early 2021, resulting in an annual reduction of greenhouse gas emissions of approximately 80 t CO ₂ e.

MATERIALS USE, WATER USE, WASTE MANAGEMENT AND CIRCULAR ECONOMY

In 2021, we continued to track the consumption of our main raw and operating materials, water consumption and waste production. The main driver for the increased waste volumes reported in 2021 was a more comprehensive data collection approach covering all relevant waste volumes by treatment path and category. This will help us to systematically track our performance with regard to waste recycling and diversion from landfill and to identify adequate

improvement measures. Today we have a landfill rate of 26%. Our waste recycling rate is nearly 57%. Responsibly using materials and water, reducing waste streams and improving separation of waste fractions continued to be a major priority for the Group in 2021. Virtually all our metal waste is being recycled and we are actively working to increase the recycling rates of other scrap materials too.

WATER AS A SHARED RESOURCE

Besides energy, emissions and waste, our environmental management covers water and effluents. We do not operate in a water-intensive business sector. However, we are aware that water is a shared and precious resource that is scarce in some parts of the world. Water constraints have the potential to increasingly challenge our business as well. We therefore monitor water-related risks and assess them at our production sites. This includes the consideration of local laws and regulations and collaboration with stakeholders such as local communities, water and wastewater authorities and other official bodies. Water stress levels have been analyzed situationally for our major production sites to determine specific risks associated with water stress. This occurs when the demand for water exceeds the available amount during a certain period, or when poor quality restricts its use.

Water consumption per employee declined by 28%.

Most of our total water consumption is municipal water that is used for manufacturing processes (parts cleaning, product packaging and storage), sanitary purposes, facility services (kitchen, cleaning, irrigation), as well as cooling. Wastewater is mainly discharged via the local municipal sewerage system, in compliance with local requirements and is treated in-house or by third-party companies where necessary. Please see the summary of our 2021 efforts in the table on the right.

Efforts to minimize waste and to save water

US	Starting in January 2022, ClearCorrect Round Rock began recycling a proportion of its production waste. We have partnered with a local specialized waste management company to recycle all thermoformer plastic, cardboard, wood pallet and plastic film waste. Recycling bins will be added to the production process to collect recyclable materials.
Switzerland	In Villeret, 34 colleagues were trained on EHS topics to help them manage environmental and safety aspects and to raise awareness among employees. In addition, only reusable coffee cups are now available in the cafeteria.
Germany	In the Freiburg headquarters, many processes that were previously paper-based have been digitized. Since April 2021, all documents are signed online to save paper. The Freiburg warehouse now only uses FSC-certified packaging materials, e.g. cardboard boxes. Our locations in Freiburg cooperate with local suppliers and service providers wherever possible to minimize their carbon footprint.
Luxembourg and France	In Mersch, we introduced a new ecologically friendly packaging concept for zircon, resulting in 70% less associated waste, as well as saved space and time. In Fontenay-sous-Bois, mugs and reusable water bottles were provided to all employees, to conserve resources and avoid plastic waste. The number of hybrid vehicles will also be increased to 10% in 2022. In addition, food that could not be served due to the canceling of events in the context of the pandemic was donated to a local charity.
Sweden	In Malmö, a new water treatment system was installed to reduce water consumption. In addition, the impact associated with transportation by third parties was reduced by optimizing logistics processes (combining transport activities, reducing empty runs).
Brazil	In Curitiba (Neodent factory), our strategy to reach zero waste to landfill was implemented. Since November 2021, we have diverted all waste from landfills. Instead, process and other solid residues, as well as production rejects, are either recycled or sent to incineration with energy recovery. In Curitiba (ClearCorrect factory), we established a water treatment process in July 2021. This enabled us to reuse more than 3 000 liters of water, which was treated internally, by the end of the year. More than 50% of our total water consumption is currently reused. In 2022, we expect to treat and reuse 100% of our water.

Environmental key performance indicators

as of 28 January 2022

		Performance indicator	Unit	2021 ¹	2020 ²
Energy 	Energy consumption	Total energy consumption	MWh	75 709	51 803
		Total energy consumption per employee ³	MWh/employee	11.2	12.7
	Electricity	Total consumption	MWh	53 984	45 097
		• of which purchased (renewable)	MWh	37 024	29 428
		• of which own production (renewable)	MWh	163	
		• of which diesel generators	MWh	118	61
		• of which electric vehicles	MWh	3	
	Heating	Total heating energy	MWh	10 573	6 706
		• Natural gas	MWh	7 894	5 588
		• LPG	MWh	1 127	
		• Heating oil	MWh		45
		• District heat	MWh	1 552	1 072
	Vehicles	Total vehicle fuels	MWh	11 152	
• Diesel		MWh	8 596		
• Petrol		MWh	2 297		
• Bioethanol		MWh	259		
Emissions 	GHG emissions	Total emissions	tons CO ₂ e	10 804	7 755
		• Direct (Scope 1) ⁴	tons CO ₂ e	4 988	1 171
		• Indirect (Scope 2) ^{5,6}	tons CO ₂ e	5 816	6 585
	Total emissions per employee ³	tons CO ₂ e/employee	1.6	1.9	
Materials  	Raw materials	Titanium	tons	66.2	47.5
		Cobalt chrome	tons	8.0	7.4
		Thermoplastics	tons	667.6	215.7
		Photopolymers	tons	158.5	87.5

Energy consumption

MWh per employee
2020: 12.7; 2021: 11.2

-11%



Renewable electricity

2020: 65%
2021: change +6%

69%



GHG emissions (Scope 1 + 2)

tCO₂e per employee
2020: 1.9; 2021: 1.6

-16%



Environmental key performance indicators

as of 28 January 2022

		Performance indicator	Unit	2021 ¹	2020 ²
Materials 	Operating materials	Various oils	tons	196.2	153.1
		Cleaning solvents	tons	88.5	65.7
		Acids	tons	130.7	80.0
Water 	Freshwater	Consumption ⁷	m ³	95 273	80 379
	Freshwater use intensity	Per employee ³	m ³ /employee	14.1	19.6
	Wastewater requiring special treatment	Disposal	m ³	3 220	
Waste 	Total waste	Non-hazardous and hazardous waste	tons	1 519	1 086
	Total waste intensity	Per employee ³	kg/employee	225	265
	Non-hazardous waste	Recycling	tons	548.9	
		Incineration	tons	213	
		Landfill	tons	355.8	
	Hazardous waste	Recycling	tons	312	
		Incineration	tons	47	
		Landfill	tons	42.8	
Hazardous waste intensity	Per employee ³	kg/employee	59		

Waste recycling rate
2021

57%



1 Data coverage: December 2020 to November 2021. New sites and data categories were included as of 2021 (see also p. 63). The inclusion of less energy-intensive sites, as well as additional data categories and employees led to a decrease in our relative environmental footprint.

2 2020 data points were restated (updated energy conversion and GHG emission factors, switch from location-based to market-based accounting for electricity-based GHG emissions, data quality optimization). The following data categories (topic-specific GRI disclosures) were significantly changed as a consequence of added sites and adjustments: materials (301-1) and greenhouse gas intensity (305-4). Omitted 2020 data points are due to new or modified data categories as per 2021.

3 Per capita figures refer to FTE (2021) and headcount (2019) per end of year at relevant sites only

4 Scope 1 emissions comprise greenhouse gases emitted by sources owned or controlled by the Group, such as heating units

5 Scope 2 emissions comprise greenhouse gases emitted in the production of electricity and district heat the Group consumes

6 Greenhouse gas emissions associated with electricity consumption of 5 651 t CO₂e (2020: 6 402 t CO₂e) were calculated according to the “market-based approach”, as defined in the GHG Protocol Scope 2 Standard. When reported according to the “location-based approach”, the emissions totaled 8 971 t CO₂e (2020: 8 059 t CO₂e).

7 Water was withdrawn from the following sources: municipal water supplies (freshwater) = 69 917 m³ (2020: 57 979 m³), groundwater (freshwater) = 25 355 m³ (2020: 22 400 m³)

EXCELLENCE IN ENVIRONMENTAL MANAGEMENT PRACTICES

The areas where we see the greatest leverage in our operations are the use of electricity and fuels for heating and vehicles, materials efficiency, waste management and water consumption. We continuously refine products and processes and seek ways to improve the conservation of resources. We employ this approach for materials, energy and water consumption. Economical use of resources and efficient production, as well as recycling efforts, minimizes effluents and waste. Care for the environment is included in our Code of Conduct for all employees. We are aware that our supply chain also influences our environmental impact and we strive for a thorough environmental assessment of suppliers (see p. 69 f.).

As a supplier of medical devices, the Straumann Group complies with stringent regulations. These include the analysis of raw materials and rigorous protocols for quality control to ensure the safety and effectiveness of our products. All manufacturing processes are fully documented to provide traceability.

We have been taking part in CDP's Climate Change program since 2010 and have an above-average score.

We certify the environmental management systems at our three principal manufacturing sites to ISO 14001 and we communicate our progress over time. We have been participating in CDP's Climate Change program

since 2010. In 2021, we again reached the "Management" level of disclosure (score: B-), which is awarded to companies taking coordinated action on climate issues. Our result places us above the medical equipment and supplies sector average (score: C). We will diligently work to further increase transparency, to measure, manage, disclose and reduce our greenhouse gas emissions and environmental impact.

In line with our overall strategy and fueled by our high-performance culture, we launched the Lean Transformation program, BEST (Business Excellence Straumann Group) in 2020. It was rolled out in all entities around the globe in 2021. Our goal is to support our growth through efficiency gains in all processes, remain a great place to work and reduce our environmental impact at all stages. In addition, we have several initiatives to reduce fossil fuel consumption by our staff commuting to work. These include public transport subsidies and encouraging the use of bicycles.

UNDERSTANDING OUR IMPACT

Both our business scope and our product portfolio have broadened significantly in recent years. Our product portfolio currently includes:

- dental implants and components made from pure titanium, titanium alloy and ceramic
- prosthetic elements made of ceramic, metal or polymer
- clear aligners made of polymer
- resins for 3D printing and thermoplastics for clear aligner production
- biomaterials for tissue regeneration including proteins, collagens and bone derivatives
- digital equipment (e.g. scanners), milling machines and 3D printers, mostly manufactured by third parties and made mainly from metal, plastic, prefabricated electronic components and glass

Our principal products, dental implants and abutments, are produced on turning and milling machines from metal rods or discs and ceramic discs or blanks. In the manufacturing process, we use cutting oil and other coolants and lubricants. Implant manufacture includes sandblasting, acid etching, cleaning, packaging and sterilization. We have also started to produce implant system components by ceramic injection molding. We do not work with significant amounts of heavy metals, such as mercury, lead, or manganese, which are often present in the production processes of manufacturers serving the dental industry.

RESPONSIBLE PROCUREMENT AND SUPPLY CHAIN MANAGEMENT

CREATING VALUE ALONG THE ENTIRE STRAUMANN GROUP SUPPLY CHAIN

Our supply chain has a global footprint. It spans our suppliers, production sites, warehouses in headquarters and in the subsidiaries and our customers. We source from suppliers all around the world and pursue a multiple source strategy for key materials and components. For key raw materials such as titanium, agreements are maintained at the Group level to assure inventories and supply for all brands and franchises globally. The Group continually assesses supply and manufacturing risks and implements appropriate mitigations that include: multiple sources for manufactured and purchased components and products, long-term supply agreements, redundant manufacturing locations and capacity, multiple global inventory points with adequate stock levels and site-level systems to reduce risk of loss due to natural or accidental events.

With regard to supply chain administration, our Global Procurement team handles Direct and Indirect Spend categories. The Direct Spend team is responsible for procuring material (e.g. titanium) relating to the manufacture of a product. This includes tools, semi-finished goods, operating supplies, production machines and other equipment. The Indirect Purchasing group is responsible for non-manufacturing expenditures associated with goods and services, including marketing materials, translation services, documentation, travel and accommodation, consultancy services, marketing and promotion, recruitment and other HR services.

We manage the supply chain by combining the needs of our customers with procurement and production. A portion of our products (e.g. implants, instruments, stock abutments and biomaterials) are made to stock,

meaning they can be produced before being ordered, allowing us to build up stock to buffer fluctuations in demand. Products that are patient specific and have to be manufactured to order, such as CAD/CAM prosthetics and clear aligners, are becoming increasingly important in our portfolio.

By standardizing production management systems in 2021, we substantially improved business continuity.

To efficiently manage these processes the products are fully managed within our digital supply network to ensure the fastest possible turn-around time while delivering on Straumann's reputation for high-quality products. Many production processes are controlled by the latest technology, like automated data repair and file conversions, compression and data integrity tests - while keeping all patient data at the highest level of security. In make-to-order supply Straumann is paying high attention to investing in sufficient capacity to ensure customers can be served. During 2021 a program was executed to standardize the production management system within all larger make-to-order facilities, substantially improving our business continuity in case of supply interruption at one location, by forwarding production files automatically to any other location.

In 2021, we continued to expand our production facilities significantly. In Villeret, Switzerland, an extension doubling the floor space was taken into operations increasing the capacity and allowing room

for future growth. In Curitiba, additional CNC machine lines were added in implant production, the clear aligner production was expanded and a new resin production line was established. Medentika's production moved to a new building at the end of 2020. Since then, capacity at the new location has already been increased and Anthogyr ramped up its production capacity in Sallanches, France. Our clear aligner production capacities in the US and Germany were further ramped up. In Mansfield TX (US) a new CAD/CAM milling center will replace and more than double the capacity of the current site in Arlington TX (US). The construction has progressed throughout 2021 and the facility will begin operating in the second half of 2022. These expansions were carefully planned and managed by our senior leadership with the support of a constant dialogue between the machine manufacturers and our global procurement organization, as well as extensive efforts in recruiting new staff for production around the globe ([see p. 58. ff.](#)).

We introduced a new approach for forecasting and orchestrating future demand in a robust and efficient way.

In 2021, we undertook a new approach to orchestrate the overall global Supply and Operations (S&OP) process, using an integrated planning software. The tool offers a method of planning, modelling and managing our supply chains to protect and promote the flow of relevant information and market trends. This enables us to enhance supply chain performance by optimizing planning, stocking and replenishment

strategies. It meant we could forecast customer demand and create trend-based scenarios, enabling us to assess growth patterns or portfolio dynamics, with the goal to give the right signal to the production sites. This process also means we can better orchestrate the future demand in a robust and efficient way. In 2021 this was critical when demand was even stronger than anticipated and our production plants worked at full capacity to meet the market needs. Despite some delays in machine and material deliveries, we succeeded in maintaining the entire supply chain from procuring raw materials to delivering finished goods.

ETHICAL SUPPLY CHAIN

We are responsibly managing our supplier relationships and logistics operations to meet our social and environmental responsibilities. Straumann expects external business partners (ExBP) to comply with the provisions laid out in the Group Code of Conduct for ExBP. These include compliance with law and regulations, ethical business practices, fair and safe working conditions, environmental protection and safeguarding privacy through proper use of confidential information. Major suppliers are required to sign the ExBP Code periodically as a written confirmation of their commitment to abide by its provisions. Straumann may monitor certain ExBPs to evaluate their compliance with the Code. Any non-compliance with the provisions and requirements is treated as a violation of substantial contractual obligations. If the ExBP fails to correct the infringement, Straumann is committed to seeking an alternative ExBP who is willing and able to comply with the Code.

We are aware that our supply chain also influences our environmental impact and we strive for a thorough environmental assessment of suppliers. Our expectations regarding environmental protection

in the supply chain are clearly specified in our Group ExBPs. We report about our own operations' environmental impact in detail as well as energy indirect emissions associated with purchased electricity and district heat from Scope 2 suppliers. In 2022, we will expand our emissions reporting along our supply chain and include supplier emissions.

In 2022, we will expand our emissions reporting.

SUPPLY RISK

Straumann Group has a robust risk evaluation process in place. Risks inherent to materials and components procured by Straumann Group which are critical for our operations are assessed by cross-functional teams. Strategies and countermeasures are put in place to mitigate the risk on a long and medium-short term. Constant efforts are deployed to diversify our supplier base, together with a regular review of inventory management policies to avoid supply disruptions and impact on patients.

SUPPLIER PORTAL

Within the scope of its Procurement Digitalization roadmap, Straumann Group leverages technology to support its supply risk management processes. In 2022, Straumann Group will launch its supplier portal to tighten the relationship between the supplier and the buying organization. To further improve our targeted supplier onboarding process the supplier portal will facilitate financial health checks and screening on social responsibility and environmental aspects to ensure compliance with our supplier Code of Conduct as well as laws and regulations.



Anthogyr production in Sallanches, France.



Straumann brand manufacturing site in Villeret, Switzerland.

COMMUNITY ENGAGEMENT EMPLOYEES AND PARTNERS PULLING TOGETHER TO CHANGE LIVES

The challenges presented by the COVID-19 pandemic have unlocked enormous potential in the dental world. Talented professionals continue to serve people in need with tenacity, commitment and creativity.

MAKING A DIFFERENCE IN THE COMMUNITIES WE SERVE

In 2021, our employees around the world brought all of their skills and goodwill to bear and rolled up their sleeves to help neighbors in their own communities. The team in India, for example, partnered with the Swiss/Indian Chamber of Commerce to deliver 10 000 COVID-19 test kits to the provincial government. Colleagues in Germany took part in organizing the Black Forest Charity Bike Ride, raising EUR 20 000 for the Young Cancer Organization, while our Neodent team in Brazil delivered food, clothing, toys and other essentials to people in need through the Doe Sorrisos (Donate Smiles) project.

Despite the constraints imposed by the pandemic, we were able to support over 30 projects around the world in 2021.

CLEAR PRINCIPLES AND TARGETS

Millions lack access to even the most basic dental care. Addressing this issue is the motivation behind our charitable activities, which focus on dentistry, where we can make a meaningful difference. Our Corporate Sponsoring Committee evaluates requests and

initiatives according to clearly defined principles and policies. Focusing in our area of expertise, we look for continuity as well as sustainability in the projects we support. This is reflected in our long-standing relationships and commitments ([see table on p. 73 f.](#)).

CONTRIBUTING TO THE FUTURE

Fostering sustainable help is a primary objective of our charitable programs. To that end, we have developed lasting and fruitful relationships with many strong partners. Our charitable and social engagement initiatives are designed to improve the oral health of the underprivileged.

Straumann's charitable and social engagement programs around the world are an important aspect of our culture. They are typically managed by the teams located in each region where we do business.

The **National Foundation for Ectodermal Dysplasia** (NFED) is a US-based non-profit organization that helps Ectodermal Dysplasia (ED) patients and their families. Among other symptoms, ED patients are typically born with severely malformed or missing teeth. We provide free implants and prosthetics in addition to financial support for the NFED, which has been our partner since 2004. In 2021, our support made it possible to hold a conference for 50 scientists, researchers and medical professionals to share knowledge about ED treatment and care.

The **Sonrisa project** provides free dental treatment to orphaned children in Nicaragua. We have worked closely with the organization since 2006 and provided a training scholarship for a young dentist from the community. This young dentist is now practicing full time in the location where he started and has recruited a new dentist to the project. When treatments ceased due to COVID-19, the team made good use of the time they gained to build a new clinic to comply with new

hygiene regulations. They plan to expand their help even further by bringing free education and treatment to local schools in 2022.

Novos Sorrisos (New Smiles) is Neodent's mobile dental clinic in Brazil. It has been on the road since 2016, travelling through eight states, with a rotating staff of 200 volunteer dental professionals treating thousands of patients annually free of charge. The project was suspended in 2020 due to the pandemic, but the vehicle continued to be of service when the company converted it into a COVID-19 testing center outside the Pediatric Hospital Pequeno Príncipe. This separate facility keeps patients and staff safer. The team is planning to resume the project's original mission with a new truck in March 2022.

The Australian Dental Health Foundation's **Rebuilding Smiles** project arranges free dental work for women and children who have suffered dental injury due to domestic violence. Through its network of dental practices, the project has delivered over nearly CHF 2 million of pro bono dental services. Straumann has been supporting this important project since 2017.

In 2018, the **NOIVA project** in Jordan began operating a mobile dental clinic offering dental treatment to refugees along the Syrian border. Though its work was hindered by COVID-19 restrictions, the team still managed to treat over 2 000 people in 2021. With our support, they were also able to hire a second dentist and outfit a second mobile clinic. The project is now focused on the most vulnerable people living in tent settlements. Besides financial backing, we have provided assistance by producing a promotional video and connecting the project team with Swiss universities.

Hope for All is a dental clinic providing low-cost or free treatment to communities in need in Cambodia. Since

2007, we have helped by providing dental scholarships for five young people, four of whom now practice in the clinic. In spite of the pandemic, the clinic still managed to treat 6 000 patients in 2021 (fewer than the usual 10 000 annually).

The **Dharma Wulan Foundation** team of volunteer surgeons based in the Siloam Teaching Hospital, Jakarta and RSUD Hospital in Java treat children with dento-facial (cleft) deformities. We have assisted with this work since 2018. In 2021, the hospital developed a speech therapy lab for post-surgical patients. The physicians have continued their surgical work uninterrupted during the pandemic, treating 100 patients in 2021 and even managing to pioneer a less invasive technique for bone grafts on their young patients.

We are grateful to our dental partners – many of whom are volunteers – for their dedication and for ensuring that the funds are used efficiently.

The **Stiftung schönes Lächeln** (Beautiful Smile Foundation) in Switzerland is a collaboration with Swiss University clinics. It helps patients who need implant treatment but have limited financial means.

Launched in the US in 2020, **LetThemShine** provides free dental implant treatment to patients who cannot afford it. It is administered by volunteer clinicians and funded by Straumann Group employees in North America.

Operating in partnership with dentists and dental surgeons, **Straumann AID** (Access to Implant Dentistry) helps underprivileged patients who cannot afford the treatment they need. Since 2007, the program has relied on the generosity of dental professionals who provide treatment without charge, using products donated by the Straumann Group.

STUDENTS SUPPORTING COMMUNITIES

Our long-term sponsorship of the German network **Dental Volunteers** continued in 2021. Although some projects were cancelled due to COVID-19, many of these young dentists travelled to underprivileged regions to provide treatment and education in oral healthcare.

Students from the **University of Münster** had a life-changing experience serving Syrian refugees in Kara Tepe, a temporary camp on the island of Lesbos in Greece. They assisted in the treatment of hundreds of emergency patients in difficult conditions, without running water. The students also took every opportunity to promote oral hygiene, especially among the children, many of whom received their very first toothbrush. The volunteers humbly reported learning as much as they taught.

After the cancellation of the 2020 trips due to the lockdown, dental students at the **University of Regensburg** have doubled their efforts in 2021. An expanded team set off for the SOS Children's Village in Benin to treat hundreds of children living in remote areas.

All of the projects we support focus on dentistry and are part of our efforts to offer care for those who are in need and could not otherwise afford it.



The Sonrisa project provides free dental treatment to orphaned children in Nicaragua.



Hope for All provides low-cost/free treatment to communities in need in Cambodia.

Main initiatives and projects sponsored by Straumann in 2021

Region	Lead partner	Objective ¹	Status/results
Global	Straumann AID	Free implants and materials for needy individuals, supporting volunteer dentists	Ongoing since 2007
Australia	Australian Dental Association Rebuilding Smiles	Free dental treatment to women and children affected by domestic violence	Ongoing since 2017
Benin	Dental Volunteers	Support for dental students providing free dental care in poor areas at SOS Villages; 8 dentists treated hundreds of patients	Completed
Brazil	Neodent	COVID-19 relief: large donations of sanitizers and oral hygiene kits	Completed
	Pediatric Hospital Pequeno Príncipe	Novos Sorrisos Mobile dental clinic for the underprivileged was temporarily repurposed as an auxiliary COVID-19 test site at Pediatric Hospital; plans to remobilize with new truck in March 2022	Ongoing since 2016
	Augusta B Community	Donation of faceshields to local merchants	Completed
	Unidos Pela Vacina	Vaccination campaign to reach all Brazilians	Ongoing
	Children & Adolescent Fund	Supports programs for oral and general health of children and adolescents compromised by cancer treatment	Ongoing since 2011
	Elderly Fund	Supports hospitals in oral and general health treatment of the most vulnerable elderly patients	Ongoing since 2011
	Doe Sorrisos (Donate Smiles)	Employee led donation of food, clothes and toys to those in need	Ongoing since 2020
Cambodia	Hope for All Clinic	Dental student scholarship program	Ongoing since 2007
France	To each his own Everest (A chacun son Everest)	Supports children and women suffering from cancer	Completed – Donation
	Overcoming Lysosomal Diseases (L'association VAINCRE LES MALADIES LYSOSOMALES)	Leading research on more than 50 lysosomal (metabolic) diseases	Completed – Donation
	French National Foodbank (Banque Alimentaires)	Mass collection and distribution of food throughout France. Company financial donation and employee participation in food distribution.	Completed – Donation
Germany	Jung & Krebs	Practical support for young people with cancer	Completed
	Time Out Foundation	Biking equipment for children at risk	Completed
	Association for Children with Cancer, Freiburg	Support for children with cancer and their families	Completed
	Aktion Deutschland Hilft	Joint employee and company initiative to provide financial aid to flood victims	Completed
	University of Freiburg and Mainz	Doctoral scholarship	Completed
	ARPA Wissenschaftsstiftung	Science foundation which encourages young scientists in periodontal research	Completed
Greece	Dental Volunteers	Support for dental students who provided pro bono dental care for over 200 emergency patients in refugee camps	Completed
India	Swiss-Indian Chamber of Commerce	COVID-19 Relief Initiative for Public Health Dept of Maharashtra with a donation of 10 000 SARS Rapid Antigen Test Kits	Completed – Donation

Region	Lead partner	Objective ¹	Status/results
Indonesia	Dharma Wulan Foundation	Surgical treatment of 100 children suffering from cleft palettes; new speech therapy lab being built in 2022	Ongoing since 2018
Italy	ADG, l'Associazione Diabete Giovanile	Association supports families of children with diabetes through education, advocacy and treatment	Completed – Donation
Jordan	NOIVA Foundation	Mobile dental clinic treating Syrian refugees; second dentist and mobile clinic added in 2021	Ongoing since 2018
Nepal	Food for Life, Nepal	Food distribution for the poor	Completed – Donation
Nicaragua	Sonrisa Foundation	Clinic offering pro bono dental care for underprivileged community; new dentist recruited and clinic built; expanding preventative program to local schools	Ongoing since 2006
Portugal	Cruz Vermelha of Santa Maria da Feira	Financial aid to local Red Cross chapter	Completed – Donation
Switzerland	Stiftung schönes Lächeln	Affordable implant treatment for seniors with limited means	Ongoing since 2018
US	National Foundation for Ectodermal Dysplasia	Free implants and prosthetics in addition to financial and public relations support; new research conference funded; 12 000 people and their families served in 118 countries	Ongoing since 2004
	Let Them Shine Foundation	Materials for Pro bono dental services in partnership with private dentists	Ongoing
	Smile Again Movement, Inc	Pro bono Dental Care	Completed – Donation

1 In each case, clear prerequisites and goals were set



Benin: Dental Volunteers provide free care.



NOIVA: Dental professionals provide free care to refugees in Jordan.



NOIVA: Mobile dental treatment for refugees along the Syrian border.

**“After three months,
I can enjoy a proper
meal now. I can basically
eat anything that’s on
the table.”**



Video in the online report:
annualreport.straumann.com

ADAM

Adam is 79 years old and lives in Cape Town, South Africa. He is a jolly retiree who needed an affordable treatment with the minimum amount of surgery possible.



“It is the final result that counts. And the person that can go home and eat. That is what it is all about. It’s about the patient.”

**DR LOUWRENS SWART,
MAXILLO-FACIAL &
ORAL SURGEON**

ACTING WITH RESPONSIBILITY

We believe acting responsibly is key to the success and longevity of our business. As a global business we are seeking to lead by example through our ethical approach and sound governance, carefully managing our risks and ensuring that every aspect of our business complies with relevant standards and regulations.

This commitment contributes to the following UN SDGs:



MATERIAL TOPICS

Economic performance	77
Business ethics and governance	78
Cybersecurity, data management and privacy	82
Intellectual property	83
Regulatory requirements	83

We are shaping a company with the highest standards of integrity and a zero tolerance policy

PROTECTING STRAUMANN GROUP'S REPUTATION

Acting with Responsibility is a key commitment to protect the Group's reputation. It describes how we do business. Trust is our licence to operate and like other leading manufacturers, the Group is exposed to the risk of damaged public perception. This might be the result of safety, quality or unethical business practices issues in our own products and services. Consumers increasingly hold companies accountable not only for their products and services but also for the role they play as good corporate citizens and employers. Straumann Group continually earns the trust of its partners, customers and their patients by shaping a company with the highest standards of integrity and fostering a culture of transparent communication with all stakeholders. We are committed to implementing appropriate controls, processes and strategies to identify, assess and manage risks associated with our activities in order to prevent or minimize the impact of unexpected events on our business.

ECONOMIC PERFORMANCE

Sustainability is one of the strategic enablers that drive our success. Strong economic performance is the basis of the Group's long-term viability and part of our commitment to acting with responsibility. Our financial and non-financial targets go hand-in-hand. We are committed to ensuring that our business is financially sustainable both in the short and the long term. Strategic oversight of our financial performance is ensured by the Board of Directors. The operational responsibilities are delegated to the Executive Management Board. For details of our economic performance in 2021, see also Business Performance (p. 26 ff.) and Financial Report (p. 133 ff.).

For the benefit of all stakeholders, the Group has various mechanisms in place to monitor and maintain financial risks. The aim is to keep key risks at appropriate, predefined levels in order to ensure the economic performance at all times. In doing so, we

involve the perspective of multiple stakeholders such as customers and suppliers in our risk management considerations.

LIQUIDITY RISK

Liquidity risk refers to the possible inability to meet short-term debt obligations due to the lack of liquid assets. The Group closely monitors its liquidity risk through prudent asset and liability management. This includes a recurring liquidity planning approach throughout the Group. The Group's objective is to maintain an adequate funding structure by using bank overdrafts, bank loans, bonds and finance leases. In accordance with the policy, the Corporate Treasury ensures a permanently accessible cash stock, as well as flexible short-term funding possibility through committed and uncommitted credit lines, involving a prospective approach. Taking the pandemic situation into account, the Group ensures the timely fulfillment of financial obligations, e.g. to suppliers or employees, by holding a higher base cash balance than usual.

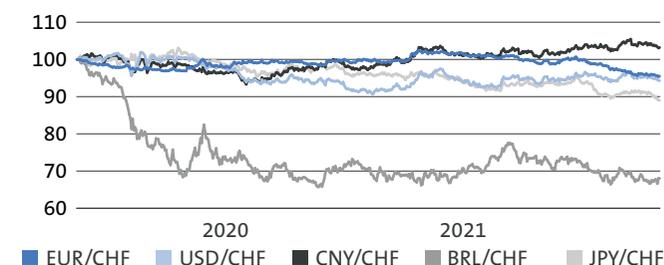
FOREIGN CURRENCY RISK

Foreign exchange risk arises when future transactions or recognized assets or liabilities are denominated in a currency other than the entity's functional one. As the majority of the Group's business is international and since the Group's financial statements are prepared in Swiss francs, fluctuations in exchange rates affect both the Group's operating results and the reported values of the assets and liabilities. The Group is primarily exposed to the euro, the US dollar, the Brazilian real, the Chinese renminbi and the Japanese yen. In addition to general efforts to reduce currency exposures naturally, the Group's foreign currency risk management policy aims to concentrate exposures centrally and subsequently manage them through a selective hedging approach. The Group CEO continuously reviews and approves the policy for managing these risks and the Audit and Risk Committee is informed about all changes.

CREDIT RISK

Credit risk refers to the risk that counterparties will not meet their obligations, leading to a financial loss for the creditor. The Group is exposed to credit risk from its operating activities, primarily trade receivables and loan notes, as well as financing activities, primarily financial instruments such as foreign exchange derivatives and cash deposits with financial institutions. Exposure to these is closely monitored and kept within predetermined parameters for the concerned counterparty type. Further information on financial risk management is provided in Note 9.2 (see p. 177 ff. of the Consolidated financial statements).

Currency chart (USD, EUR, CNY, BRL, JPY)



Group currency breakdown in %

	Sales	Cost
CHF	2	14
EUR	32	33
USD/CAD/AUD	32	26
BRL	5	9
CNY	11	5
Others	18	13

MISCELLANEOUS BUSINESS RISKS

The Group covers its inherent key business risks in the same way it covers product or employer liability risks and property loss: through corresponding insurance policies held with reputable insurance companies.

TAX CONTRIBUTIONS

As a Swiss-based multinational Group, we operate in more than 100 countries. To date, the products are mainly developed and manufactured in Switzerland, Brazil, Germany, the US and Canada. The products are distributed and marketed under multiple brands in most of the countries by our own distribution subsidiaries as well as by third-party distributors. The operating business of the Group requires a robust supply chain for cross-border transactions with prices and documentation in accordance with local laws and regulations for income tax, value added tax and customs duties.

The tax strategy of the Straumann Group, which is approved by the Board of Directors, includes paying a fair share of taxes in the countries where we operate. We do not undertake artificial tax planning with the intention of avoiding taxes using so-called 'tax haven' arrangements. To this end, the Group has a tax policy as well as a transfer pricing policy in place across the Group that is based on OECD Transfer Pricing Guidelines and regulations to prevent Base Erosion and Profit Shifting (BEPS).

The Group follows the principle that profits should accrue where economic value is created and the corporate structure is aligned with the Group business purposes and operations. The Straumann Group is committed in its tax policy to a collaborative and transparent approach to tax compliance and tax planning, including the relationships with tax authorities.

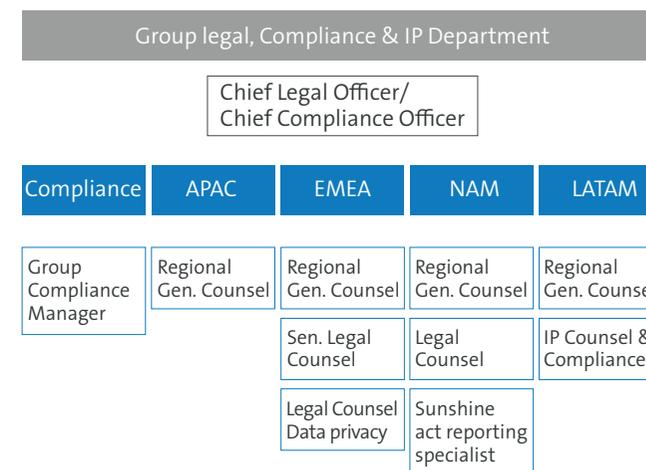
The responsibility for tax compliance lies with the Corporate Tax team, located in Switzerland. This central function coordinates, educates and supports local finance in all Group companies to ensure that they achieve tax compliance in line with local laws, regulations, reporting, filing and disclosure requirements, as well as standards and policies. Tax matters are regularly discussed at the Audit and Risk Committee of the Board of Directors.

As a minimum standard, the OECD requires countries to request multinational enterprises to prepare and file a country-by-country report (CbCR) containing aggregate tax information per country relating to the global allocation of the income, the taxes paid and certain other indicators. The Straumann Group has prepared and filed with the Swiss Federal Tax Administration a CbCR since 2016.

BUSINESS ETHICS AND GOVERNANCE**OUR APPROACH**

An ethical business approach and sound governance are the foundation of our long-term success. To this end, the Straumann Group's [Articles of Association](#), the [Organizational Regulations](#), the [Code of Conduct](#) and various internal policies on quality, IT, internal information and employee regulations form a sound framework of principles and rules that govern everyday behavior and decisions throughout the organization. For details on governance, please refer to the Corporate Governance chapter (p. 89 ff.).

Straumann regularly monitors legal and regulatory developments and their implications for the Group on a global level. Based on these developments, we implement changes in our policies and training tools, with a focus on anti-corruption, data protection and privacy, antitrust insider trading as well as finance legislation.

Dedicated organization to support business compliance

See our online PDF the [Straumann Group Code of Conduct](#).

OUR GROUP CODE OF CONDUCT

Our overarching governing document is the [Straumann Group Code of Conduct](#) (latest update: 2020) which summarizes and promotes the core principles of ethical business behaviour and our company culture. Available in 17 languages, the Group Code of Conduct applies to all employees of the Straumann Group. Compliance is the responsibility of each and every employee. Our compliance management system is built on three pillars:

- **Prevent/communicate:** Fully supported by our top management's commitment, our Compliance function sets standards, delivers e-trainings to employees and provides Compliance guidance and advice to individuals or project teams
- **Detect/control:** Our line managers are tasked with controlling and monitoring compliance within their teams. In addition, spot checks are carried out by internal audit and we promote the SpeakUp¹ (whistleblower) line
- **Respond/correct:** Our entire management team is asked to fill identified gaps, issue re-trainings and deliver consequent and swift corrective measures in case of non-compliance

Straumann's compliance management system is under regular supervision by the Audit and Risk Committee and the Executive Management Board. Oversight for compliance ultimately lies with the Board of Directors, which usually acts through its Audit and Risk Committee.

Principles of the Group Code of Conduct are further refined and detailed in specific internal policies and guidelines.

1 SpeakUp is a registered trademark by People in Touch B.V.

Non-compliance with the Group Code of Conduct may lead to disciplinary measures in accordance with the **Policy on Disciplinary Measures**.

OUR EXTERNAL BUSINESS PARTNER CODE OF CONDUCT

Our external business partners (e.g. suppliers and distributors) are an integral part of our international value chain and our [External Business Partner Code of Conduct](#) (ExBP CoC) requests a clear anti-corruption commitment. This reflects our strong commitment to responsible procurement and supply chain management (see p. 69 ff.).

Our ExBP CoC covers broader business ethics, compliance with laws and regulations, free competition, truthful marketing, intellectual property (IP) and confidential information protection, compliance with government investigations, fair and safe working conditions (such as protection from discrimination, sexual harassment, exclusion of child and forced labour, modern slavery and human trafficking), respect for rights of free association, adequate remuneration, safe workplaces, whistleblower protection and environmental compliance.

HEALTH CARE TECHNOLOGY ASSOCIATIONS MEMBERSHIPS

As a member of [Swiss Medtech](#), Straumann adheres to the principles of the [Swiss Medtech Code of Ethical Business Practice](#). This Code defines minimum requirements for the industry sector for interactions with healthcare professionals and organizations e.g. (support for medical education, research and donations etc.) with the ambition to ensure that medical professionals take independent treatment decisions.

Risks

Bribery/
corruption

Corporate Standards

- Group Code of Conduct (GrCoC)
- SpeakUp line procedure
- Sales Compliance@Straumann Policy
- Interactions with government officials – corporate procedure
- Gift reporting form
- GrCoC for external business partners

Unlawful
promotion

- Marketing material drafting guideline
- Social media guideline

2021: key figures

32 cases filed through the SpeakUp¹/
whistleblowing line

10 violations of the Code of Conduct confirmed, which led to 4 warning letters and 3 dismissals of the employees involved; 3 cases under investigation

As a result of legal proceedings associated with false marketing claims, the Straumann Group lost CHF 51 195 in 2021

As a result of legal proceedings associated with bribery or corruption, the Straumann Group reported zero losses in 2021

TACKLING BRIBERY AND CORRUPTION

It is never acceptable to offer, authorize or receive any form of bribe, 'kickback' or 'facilitation payment' to or from any private individual, public official or third party – either directly or indirectly.

The Ethical and Legal requirements chapter of our Group Code of Conduct covers anti-bribery and corruption. In addition, to prevent passive bribery and conflicts of interest, Straumann has established **gift reporting forms**, with defined thresholds indicating when a gift must be reported to the Chief Compliance Officer or require an approval prior to accepting. Our **Sales Compliance Policy** (corporate procedure) defines the minimum global standard, with a focus on interactions with healthcare professionals and interactions with healthcare organizations. This procedure gives more detailed guidance on permissible invitations, which must be modest and have a clear business focus.

Operating globally and knowing that many countries have specific laws, rules and regulations with regards to interactions with healthcare professionals, we have drafted national versions of our Sales Compliance Policy. These provide further details regarding what is and what is not permissible in any given country, to ensure we meet and adhere to local rules and regulations. Currently Straumann has 23 country versions of this policy.

Straumann has also established a corporate procedure on **Interactions with Government Officials**. We reject any form of corruption or granting of inappropriate advantages which might influence government officials. This is important, as in certain legislations a healthcare professional also holds the office of a government official.

With regards to transparency in our reporting, we comply specifically with:

- the US Sunshine Act
- the French Loi Bertrand
- requirements of the medical devices act and the Code of the Ministry of Health (GMH) in the Netherlands
- the Belgium Sunshine Act
- Swiss transparency guidelines of Swiss Medtech

ETHICAL MARKETING PRACTICES

Our **Corporate Marketing Material Drafting Guidelines** (MMDG) govern the lawful promotion of our medical devices and services, supporting the authors of marketing material to create promotional messages (claims) that fully comply with the laws and regulations that govern our industry.

Marketing materials must be precise, honest, substantiated, balanced, up-to-date and always in line with the product's labelling and may not promote any unapproved use of a product. An unapproved use of a product is a 'use' which (a) has not been approved by the relevant regulatory body and (b) is not permitted under the Instruction for Use. The backbone of our marketing communication is a sheet with approved claims for each product.

Our **Marketing Communication Procedure** defines the process, roles and responsibilities for creating, implementing and approving marketing material. It helps to ensure both compliance with regulatory requirements and a high-quality internal standard. Employees who create, review and approve marketing materials are obliged to follow the above-mentioned policies.

2021 key training achievements

Sales compliance e-training prevention of bribery and improper advantage' rolled out in 10 countries

Mean training completion rate achieved: 92% of employees



Group employees receive compliance training on a regular basis.

We also have a **Social Media Guideline** in place, which distinguishes between private and professional use of social media and we have authorized spokespersons who communicate on behalf of the Group. A steering committee meets quarterly or ad hoc if needed to discuss:

- Feedback about the training given on the Marketing Material Drafting Guidelines (MMDG)
- Results of random reviews by the legal department of previously published marketing material
- Any legal issues
- Compliance-related questions regarding new marketing materials and campaigns
- Potential amendments or interpretations of the Marketing Material Drafting Guidelines (MMDG) or other related policies
- The committee also decides on corrective measures to prevent reoccurrence and decides on marketing material recall if required

EXAMPLES OF REGIONAL AND LOCAL INITIATIVES

- Straumann **North America** has a promotional material review committee
- In the US we have established an auditing process for promotional materials and social media posts on corporate accounts
- Straumann **China** has a local approval process to ensure that all translated materials originating from headquarters meet local laws and regulations

EMPLOYEE TRAINING

Our corporate procedure on **Mandatory Global Compliance e-training** defines the mandatory e-trainings and target groups to be trained. It is the remit of the training responsables to verify that these trainings are completed, both at our headquarters and among our subsidiaries. We onboard new employees monthly and monitor completion regularly. Non-completions are followed up. Refresher trainings are mandated every second year.

Another goal is to train all employees who interact with dental professionals, healthcare organizations and/or government officials on bribery and improper advantages. By the end of 2021, we had rolled out this sales compliance e-training in ten countries, with a local completion rate ranging from 87 to 96% and a mean completion rate of 92%. Seven additional countries will follow in 2022.

The Group's target is for at least 90% of assigned trainings to be completed on time.

As part of the onboarding program at headquarters for new employees, we hold quarterly **legal basics trainings**, which also cover the Group Code of Conduct and Compliance.

Refresher training sessions to prevent unlawful promotion at headquarters (HQ) organized by the legal and compliance department are in transition to e-training. The new Marketing Material Drafting Guideline e-training was rolled out for targeted headquarters employees in October 2021. Localization of the e-training module will follow in 2022.

COUNTRY-SPECIFIC INITIATIVES

- Our legal department in **North America** holds regular live classroom onboarding sessions for all employees in the US and Canada. This training covers our Group Code of Conduct and anti-bribery e-training for employees in sales-related roles, such as sales reps, marketing, training and education
- In addition, classroom training on **social media use**, as well as refresher sessions on **lawful product**

promotion are run at our regular regional sales meetings in North America

- In **Brazil** we offer monthly classroom or virtual training for new joiners on the Group Code of Conduct
- In **China** we regularly train new employees on legal basics and we offer virtual training on anti-bribery and anti-trust

SPEAKUP¹ LINE/WHISTLEBLOWING LINE

Our Code of Conduct compliance is supported by the [Speak-Up](#) line across the Group. Operated by an independent third party, this whistleblower line also allows employees to report concerns anonymously on potential violations of the Group Code of Conduct. It is available in 41 countries and 34 languages, 24/7 and 365 days a year.

We introduced the SpeakUp line in 2019 at global and local townhall meetings and created posters presenting local access details. Communicating about this hotline is now an integral part of the onboarding process for new employees and full details – including its purpose and how to access it and the related SpeakUp procedure – are available on our intranet.

We investigate any concerns raised through the SpeakUp line promptly and efficiently. Straumann does not tolerate any kind of retaliation against any employee who, in good faith, has reported suspected or observed wrongdoing, or complains about violations of the Group Code of Conduct.

The Audit and Risk Committee of the Board of Directors is informed annually about concerns received from across the Group through this as well as other compliance channels, the number and category of violations and the measures taken.

1 SpeakUp is a registered trademark by People in Touch B.V.

The Chief Compliance Officer determines whether and how non-compliance cases are to be reported to the Executive Management Board, the Straumann Board of Directors and other parties. Our **SpeakUp procedure** defines the process and roles and responsibilities of our compliance hotline, while the **Corporate Procedure on Disciplinary Measures** for violations of the Code of Conduct assists management to determine appropriate sanctions in case of misconduct.

CYBERSECURITY, DATA MANAGEMENT & PRIVACY

Reliable, correct and safe handling of information is essential to our business. Risk and security management are an integral part of the Group's IT strategy. The main objectives are:

- to achieve business goals while reducing IT risks through security measures, controls and by the creation of security awareness among employees and management
- to safeguard data and to protect and guarantee the integrity of the Group's digital assets and infrastructure around the world
- to ensure the availability of IT services (applications and systems) as required by business processes and stakeholders

The Group's IT risk and security management framework is derived from widely used industry standards, such as the ISO/IEC 27000 series, GMP and COBIT, to manage cyber and IT security risks, threats and controls. Ethical, legal, economic and social principles are taken into consideration. A steering committee with key stakeholders approves and adopts the information security strategy as well as essential business-critical implementations. In particular, it is responsible for:

- assessing IT security threats and their business value
- mitigating IT risks (including data loss and corruption)
- evaluating IT service continuity plans

- verifying the effectiveness and efficiency of IT security controls and hardening IT assets security
- improving IT security awareness for all employees
- maintaining security policies, procedures and supporting standards in alignment with (core) business processes
- establishing IT security key performance indicators and reporting structures

To increase cybersecurity awareness across Straumann Group, we have implemented regular IT user awareness, social engineering and phishing trainings.

Straumann has also implemented a Security Information Event Management System (SIEM) with a 24x7x365 available Security Operations Center which monitors and responds to Cybercrime activities according to the NIST Cybersecurity Framework (identify, protect, detect, respond and recover). As a cybercrime response plan, a Group-wide IT Cybercrime and Emergency Procedure is in place and has last been updated in 2021. The area of Cybersecurity is ultimately overseen by the Audit and Risk Committee of the Board of Directors.

DATA PRIVACY

Straumann Group is committed to protecting the data of individuals held by us from any misuse or loss. It's a key management responsibility implemented across the group with the support of the legal and information technology departments. We strive to collect, process and store personal data in compliance with all applicable data protection and privacy laws, including the General Data Protection Regulation (GDPR). To achieve this, we have implemented privacy procedures and measures across the Straumann Group. These include access and information rights procedures, data breach measures, consent management as well as data collection, processing and usage guidelines. We also raise awareness by providing guidance on privacy matters to our employees. In 2021 there were no reportable data breaches or material privacy complaints.

INTELLECTUAL PROPERTY

The Straumann Group manages its intellectual property (IP), taking into account the environmental and social benefits of our offerings when obtaining and maintaining our IP rights. Part of the legal department at Straumann Group headquarters, our IP department is responsible for IP matters of the Straumann Group. In addition to protecting the Group's IP embedded in our product and service offerings by obtaining patent and design rights, the IP department ensures that valid IP rights of third parties are respected.

**At the end of 2021
Straumann Group held
more than 1 200 active
patents. 116 new patents
were granted in 2021.**

We operate in a competitive market, in which legal compliance, agreements and intellectual property rights are of significant importance. At the moment, the Group is not involved in any major litigations.

RECOGNIZING INVENTORS TO INCENTIVIZE INNOVATION

Since the beginning of 2021, Straumann has had a dedicated recognition and reward system in place to stimulate protectable innovations. The Straumann Inventor Reward and Recognition Universal System provides a financial reward for the inventor (or group of inventors) upon filing and grants of an intellectual property right. In addition, the inventors are recognized via internal communication channels and we are planning an annual gathering for the inventor community in the presence of upper management.

We want to deliver innovation that enhances the customer and patient experience and accompanies them on their oral care health journey. We are recognized as a leading innovator and collaborate with universities, clinics, research institutes and academic networks to foster research and innovation (see p. 46, 51 ff.).

REGULATORY REQUIREMENTS

MEDICAL DEVICE REGULATIONS

Straumann Group includes several companies with products classified as medical devices, custom-made and non-medical devices. These products are related to the dental implant system (implant, abutment, final restoration, instruments and auxiliaries), aligners and accessories, intraoral scanners, dental planning software and biomaterial products.

The product classification for medical devices is Class 1, 2a, 2b and 3 (according to European classification) and 510k and PMA (according to US classification). Straumann Group follows all regulations in the countries we operate. Europe and the US are our main markets, but we also follow medical device regulations for many more countries, including Australia, Brazil, Canada, China, South Korea, Japan, Russia and more in regions such as Southeast Asia, the Middle East or Latin America.

Medical device companies face growing scrutiny from regulators around the world as well as increasing requirements for documented evidence in order to demonstrate compliance in the interest of patient health and safety. To ensure we continue to meet regulatory compliance regulations and standards and to protect customers and patients around the world, we rely on our teams of skilled people in regulatory and quality assurance.

Focused quality objectives for compliance and key performance indicators together with comprehensive



TLX, BLX and BLT premium implants.

audit programs, both internal and for suppliers, are used to assure compliance and to identify opportunities for improvement. The Group also has an ongoing training program to ensure continuity in compliance with new and existing standards and regulations. Mock MDR audits have been set up to evaluate the readiness of Straumann Group companies.

In 2021, local authorities inspected Straumann Group subsidiaries with regard to storage and distribution of medical devices with no major findings. Our Group design centers and manufacturing facilities passed all notified body audits, which are required to maintain the certification of quality and environmental management systems. The Group's global regulatory team coordinates and supports all our brands in the area of international quality compliance and regulatory affairs. The notified bodies audits were mainly conducted remotely, but on a few occasions, the auditors were on-site and confirmed the robust deployment of compliance from design to production.

We obtained a large number of new registrations despite significant hurdles imposed by COVID-19, for example delays in dossier reviews from government offices and notified bodies.

Institut Straumann has already received two MDR certificates covering various types of products.

Some of our design and manufacturing sites use the Medical Device Single Audit Program (MDSAP), a global approach to auditing and monitoring the manufacture of medical devices. This facilitates compliance

assessments internationally. The MDSAP allows a recognized auditing organization to conduct a single audit of a manufacturer that satisfies the relevant requirements of the regulatory authorities in the program, namely:

- Therapeutic Goods Administration of Australia
- Brazil's Agência Nacional de Vigilância Sanitária
- Health Canada
- Japan's Ministry of Health, Labor and Welfare, as well as the Japanese Pharmaceuticals and Medical Devices Agency
- US Food and Drug Administration (FDA), Center for Devices and Radiological Health CDRH (accepting MDSAP audit reports as a substitute for routine Agency inspections)
- Institut Straumann, Neodent, Dental Wings and ClearCorrect maintained their MDSAP certificate

To ensure the readiness of our people and processes at our sites, we also conducted unannounced internal audits and dedicated audits of our product technical files. This year, the responsible notified body performed an unannounced audit at one of our manufacturing sites, with a successful outcome as no finding was identified.

Several regulatory authorities continue to inspect manufacturers in foreign countries. We are prepared for this and have experienced teams of regulatory and compliance experts in Europe, UK, Brazil, China, Japan, Korea, Switzerland and the US. Excellent collaboration between our experts in Basel and colleagues in the regions facilitated recent successful registrations.

The Medical Device Regulation (MDR) in Europe means greater surveillance, higher need for more and stronger clinical data, more involvement of competent authorities for higher risk products, longer approval times and active post market surveillance (see also Patient Health and Safety on p. 54 ff.). Notified bodies

have declined in number and their control has increased. Stricter requirements and regulations are also expected in smaller markets, which will increase the need for enhanced compliance and safe, effective products. In order to ensure continued access to European markets under MDR, planning for adaptation is essential. Across Straumann Group, projects to comply with the new European Regulation for Medical Devices are well underway. As an example of this, we set up an implant registry which will help us to generate the data required under MDR.

Straumann Group design and/or production sites in 2021

Products	Location	Markets	Certifications, USFDA Establishment Registration (FEI)
Biomaterials	Malmö, Sweden (Straumann)	Global	ISO 13485, MDSAP ¹ ; FEI 3002806508
CADCAM prosthetics	Arlington, US (Straumann)	US	Dental licence for lab activity; FEI 3005106405
	Markkleeberg, Germany (Straumann)	Europe	ISO 13485, MDSAP ¹ ; FEI 3011221537
	Mendaro, Spain (Createch)	Spain (Europe)	ISO 13485, Dental licence for lab activity
	Mersch, Luxembourg (Simedea Anthogyr)	Europe	ISO 13485, Dental licence for lab activity
	Narita, Japan (Straumann)	Japan (Asia)	ISO 13485, Dental licence for lab activity
	Rheinfelden, Switzerland (etkon)	Switzerland	Dental licence for lab activity
Clear aligners	Beijing, China (ClearCorrect)	China	Manufacturing license for China
	Curitiba, Brazil (ClearCorrect)	Brazil	ISO 13485
	Markkleeberg, Germany (ClearCorrect)	Europe	ISO 13485
	Round Rock, US (ClearCorrect)	Global	ISO 13485, MDSAP ¹
Digital equipment	Chemnitz, Germany (Dental Wings)	Global	ISO 13485, MDSAP ¹ ; FEI 3010377510
	Montreal, Canada (Dental Wings)	Global	ISO 13485, MDSAP ¹ ; FEI 3006945044
Implant systems	Andover, US (Straumann)	Global	ISO 13485, MDSAP ¹ ; FEI 1000121052
	Basel, Switzerland (Straumann)	Global	ISO 13485, MDSAP ¹ ; FEI 3004975279
	Curitiba, Brazil (Neodent, NUVO)	Global	ISO 13485, MDSAP ¹ ; FEI 3008261720
	Hügelsheim, Germany (Dental Wings)	Global	ISO 13485, FEI 3008770646
	New Taipei City, Taiwan (T-Plus)	Taiwan, China, US	ISO 13485
	Renningen/Calw, Germany (Medentika)	Global	ISO 13485; FEI 3013232153
	Rheinfelden, Switzerland (Valoc)	Global	ISO 13485; FEI 3011787401
	Sallanches, France (Anthogyr)	Asia, Europe, Russia	ISO 13485, MDSAP ¹ ; FEI 4224
	Villeret, Switzerland (Straumann)	Global	ISO 13485, MDSAP ¹ ; FEI 3002807318
Resins/thermoplastics	Fremont, US (Bay Materials)	Global	ISO 13485 application pending
	Pelotas, Brazil (Yllor Biomateriais)	LATAM	ISO 13485

1 MDSAP: Medial Device Single Audit Program, Australia, Brazil, Canada, the United States and Japan

RISK MANAGEMENT APPROACH AN INTEGRATED CONTROL FRAMEWORK FOR SUSTAINABILITY

The Straumann Group fosters a culture of seizing opportunities and entrepreneurship, balanced by risk management. We are committed to implementing appropriate controls, processes and strategies to identify, assess and manage risks associated with our activities in order to prevent or minimize the impact of unexpected events on our business and on our ability to create long-term value for all our stakeholders.

RESPONSIBILITIES AND ORGANIZATION

The Straumann Group applies a globally standardized process for identifying and managing possible developments within and outside the Group that could jeopardize its sustained growth, profitability and strategic objectives. Risk monitoring and control are management objectives. The Group's Chief Financial Officer (CFO) is also the Chief Risk Officer (CRO) and is responsible for risk management.

Our risk assessment and management are embedded in a comprehensive internal control framework, which we address through a holistic, disciplined and deliberate approach. It matches that of the [Committee of Sponsoring Organizations of the Treadway Commission \(COSO\)](#), which is one of the most widely used.

For identified risks that arise from accounting and financial reporting, relevant control measures are defined throughout our Internal Control System (ICS) framework. Various tools and aids are used to assess and manage risks. For instance, foreign exchange risks are managed with an SAP Treasury tool, while external consultants are used on a regular basis to assess insurance coverage risks.

RISK REPORTING

We produce a comprehensive corporate risk assessment report annually (or ad hoc if necessary), which serves as a working document for the coming year and includes key risks that are critical for the Group's business. A specific scenario is developed for each risk topic, including existing and new measures and controls. The risks are ranked and prioritized. Action plans are defined and the implementation of measures to reduce risk is monitored. The significance of a risk scenario is estimated in terms of effect on EBIT cumulated over three years. Certain risks are assessed according to qualitative criteria, e.g. risks to the Group's reputation. The reporting of key risks is based on fixed value limits. Pressing risks that emerge very rapidly are discussed by the Board at short notice.

Risk management approach

Straumann's risk assessment takes into account:

- Operational risks
- Strategic risks
- Compliance-related risks
- Financial market risks
- Other internal risk factors
- Other external risk factors

Corporate risk assessment report

The report covers the following topics:

Risk description

Assessment of possible damage

Occurrence probability

Risk monitoring and counteracting measures

Risk assessment report process

<u>Step</u>	<u>Execution</u>
Preparation	Chief Risk Officer
↓	
Discussion	Executive Management Board
↓	
Risk assessment and discussion based on report	Audit & Risk Committee with Chief Risk Officer and Senior Management
↓	
Key findings presented to Board	Chief Risk Officer

INTERNAL AUDIT

The tasks of Internal Audit are:

- to provide independent assurance to the Board of Directors that key risks of the organization are under control
- to support Management in ensuring compliance, operational efficiency and control effectiveness across the Group

In a consulting role, its main tasks are:

- to assess internal processes and controls
- to propose recommendations and improvements

The objective is to safeguard the Group's tangible and intangible assets and to evaluate the effectiveness of its risk management and governance processes.

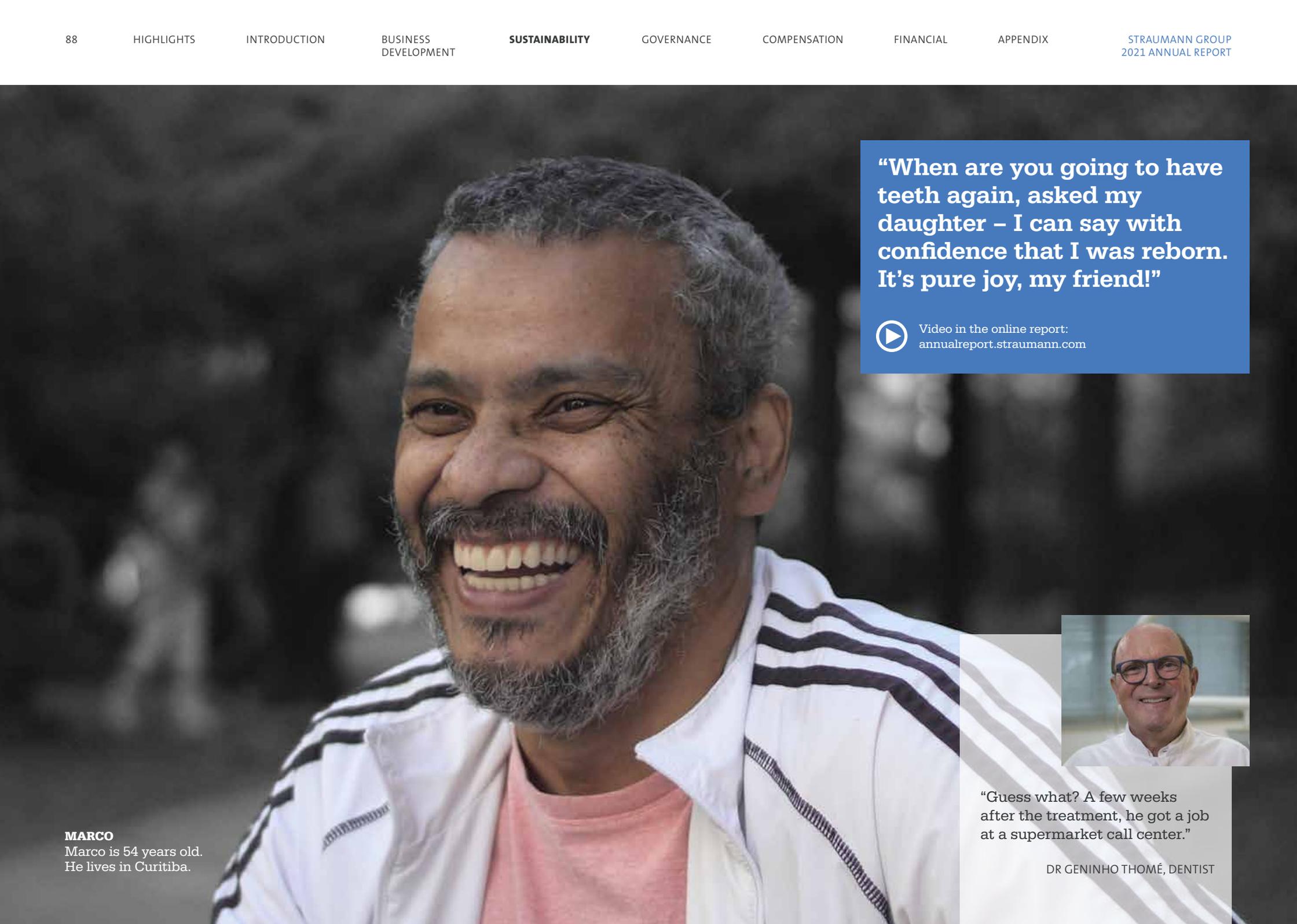
From 2017 to 2021 a highly experienced team at KPMG in Basel complemented by local KPMG offices with specific local language skills and expertise executed the Internal Audit missions, reporting to the Audit and Risk Committee with CFO/CRO as the administrative contact person (see p. 103).

After several years of successfully outsourcing the Internal Audit function to KPMG, the Board of Directors has decided to insource the Head of Internal Audit role as of January 1, 2022 and to continue collaboration with KPMG in a co-sourcing model. The new Head of Internal Audit will directly report to the Head of Audit and Risk Committee and administratively to the CFO.

RISK ASSESSMENT AND MITIGATION

The following table gives an overview of the main risks we identify. It also shows how we prepare for them strategically before they materialize, to mitigate the risks and seize opportunities.

Risk Type		Mitigation/opportunities
Strategic	Market environment risk	→ 'Strategy in a global market' p. 14 ff.
Operational	IP risks	→ 'Intellectual property' p. 83
	Cyber security risks	→ 'Cybersecurity, data management & privacy' p. 82
	Manufacturing and supplier risks	→ 'Responsible procurement and supply chain management' p. 69 and 'Business ethics and governance' p. 78
	Product risk and treatment outcome	→ 'Patient health and safety' p. 54
Financial	Liquidity risk	→ 'Economic performance' p. 77
	Foreign currency risk	→ 'Economic performance' p. 77
	Credit risk	→ 'Economic performance' p. 77
	Miscellaneous business risks	→ 'Economic performance' p. 78
	Pension liability risks	→ 'Compensation report' p. 127 ff.
Compliance	Compliance risk	→ 'Business ethics and governance' p. 78
	Legal compliance	→ 'Business ethics and governance' p. 78
	Regulatory and quality compliance	→ 'Regulatory requirements' p. 83
	Reputation risk	→ 'Protecting Straumann Group's Reputation' p. 77



“When are you going to have teeth again, asked my daughter – I can say with confidence that I was reborn. It’s pure joy, my friend!”



Video in the online report:
annualreport.straumann.com

MARCO

Marco is 54 years old.
He lives in Curitiba.



“Guess what? A few weeks after the treatment, he got a job at a supermarket call center.”

DR GENINHO THOMÉ, DENTIST