

Corporate Governance

COLTENE Holding AG

The following chapter describes the principles of corporate governance applied at Group and Senior Management level within the COLTENE Group. The main elements are contained in the Articles of Incorporation and organizational regulations, and are based on the “Guidelines concerning information on corporate governance” published by SIX Swiss Exchange as well as on the guidelines and recommendations set out in the “Swiss Code of Best Practice for Corporate Governance” published by *economiesuisse*. The compensation report is published separately in this Annual Report on page 62 to 72. All information is valid as at December 31, 2020, unless otherwise stated. Significant changes that have occurred between that date and the publication date of this report have also been indicated as appropriate.

Whenever a reference is made in this Corporate Governance report to the Articles of Incorporation, they are available in German as well as in an unofficial translation in English on the website at:

<https://www.coltene.com/de/investoren-medien/corporate-governance/> (German version) and <https://www.coltene.com/investor-relations/corporate-governance/> (English version).

Group Structure and Shareholders

Group Structure

Operative Group structure

COLTENE Group is targeting the markets for dental consumables and small equipment for dental practices, dental clinics, and dental laboratories. The Company evolved from the Health Care Division of the former Gurit-Heberlein AG (today Gurit Holding AG) and was incorporated as per December 15, 2005, under the former name Medisize Holding AG and listed as an independent company on June 23, 2006, on SIX Swiss Exchange. Medisize was operating with two segments in the dental and medical consumables markets. Effective as at April 30, 2008, the medical segment was sold to the Finnish Medifiq Group and the Company name was changed to COLTENE Holding AG. Since then, COLTENE Group is active in the dental market only and operates one segment in line with its management structure, the organizational setup, the reporting and the allocation of resources.

In October 2018, the COLTENE Group made a larger step with the strategic acquisition of the SciCan Group headquartered in Toronto, Canada, and Micro-Mega (held by DentalDrives GmbH) located in Besançon, France. The SciCan Group offers infection control equipment and hygiene products for surface disinfection. Micro-Mega is focused primarily on endodontic instruments.

End of May 2020, COLTENE bought the assets of Ackermann KG in Göppingen, Germany, the manufacturer of Adaco® steel separating strips. The additional annual turnover of these products are approximately CHF 0.4 million.

In August 2020, all operational activities of Kenda AG in Vaduz, Liechtenstein, were moved into the production facility of Coltène/Whaledent AG in Altstätten, Switzerland. The relocation will save costs significantly. It is planned to liquidate Kenda AG in the course of the current year.

On September 1, 2020, SciCan Inc., Pittsburgh, PA was merged into Coltène/Whaledent Inc. in Cuyahoga Falls, OH. This merger allows for the integration of both sales organizations for dental dealers in one legal entity in order to improve effectiveness and profitability.

On November 12, 2020, COLTENE do Brasil Ltda. was founded to distribute the products imported into Brazil in the future.

After reviewing its product portfolio, the COLTENE Group has decided to discontinue non-strategic products that are low-volume and have low EBIT margins. Based on this decision and due to the economic situation in Brazil, the Board of Directors and Management have decided to sell the Brazilian subsidiary Vigodent SA end of December 2020 to local entrepreneurs.

Legal structure of subsidiaries

Of all the companies consolidated, COLTENE Holding AG (the COLTENE Group's holding company) is the only one listed. It is headquartered in Altstätten/SG, Switzerland. COLTENE Holding AG's registered shares (security no. 2.534.325, ISIN CH0025343259, symbol CLTN) are quoted on SIX Swiss Exchange. On December 31, 2020, the market capitalization amounted

to CHF 513.9 million (prior year CHF 530.6 million). All Group companies are ultimately owned at 100 % by the Group's holding company.

Information on the companies belonging to the COLTENE Group, which are not listed, is shown on page 98 of the Financial Report.

Major Shareholders

On December 31, 2020, there were 2204 shareholders (previous year 2203) entered in the share register and the following shareholders held stakes equaling or exceeding the legal disclosure threshold of 3 % of the voting stock of COLTENE Holding AG:

HUWA Finanz- und Beteiligungs AG, Heerbrugg, Switzerland, held 1 331 467 registered shares. These equals voting rights of 22.28%. HUWA Finanz- und Beteiligungs AG is representing the families of Ruedi Huber, Balgach, Switzerland, Helene Huber, Balgach, Switzerland, and Nick Huber, Balgach, Switzerland. Further details are available on the disclosure of shareholdings website of SIX Swiss Exchange. Nick Huber is Chairman of COLTENE Holding AG. He is neither the majority shareholder of HUWA nor does he have a decisive influence on the decision-making process at HUWA. In case of conflicts of interest, he has abstained from voting on board resolutions at HUWA level, e.g. on the question of how to vote with shares, which HUWA holds in a listed company where he is a member of the Board of Directors.

Arthur Zwingenberger, Luzern, Switzerland, held 1 032 501 registered shares. These equals voting rights of 17.28%. Arthur Zwingenberger bought these shares from Arno Holding S.à.r.l., Luxemburg, Luxemburg, which he controlled and which was the former major shareholder of SciCan Ltd. and DentalDrives GmbH that was sold to the COLTENE Group on October 9, 2018. Arthur Zwingenberger is the father of Allison Zwingenberger, member of the Board of Directors of COLTENE Holding AG. Allison Zwingenberger has no business connection with Arthur Zwingenberger and no influence on his voting decisions in regard to COLTENE shares.

Rätikon Privatstiftung, Bludenz, Austria, held 608 493 registered shares. These equals voting rights of 10.18%.

Rätikon Privatstiftung is under control of Franz Rauch, Laterns, Austria. Direct shareholder is ESOLA Beteiligungsverwaltungs GmbH, Rankweil, Austria. Franz Rauch is the father of Jürgen Rauch, member of the Board of Director of COLTENE Holding AG. Jürgen Rauch has no business connection with Rätikon Privatstiftung and ESOLA Beteiligungsverwaltungs GmbH and no influence on their voting decisions with regard to COLTENE shares.

Tweedy, Browne Company LLC, New York, USA, held 251 512 registered shares representing 4.21% of the voting rights.

Robert Heberlein, Zumikon, Switzerland, held directly and indirectly through Burix Beteiligungen AG, Zürich, which he controls, 240 213 registered shares, representing 4.02% of the voting rights.

All other shareholders held a stake of 42.03% of the voting rights of COLTENE Holding AG.

The Company held 19 treasury shares amounting to 0.00% (0.00%) at the balance sheet date. Shares pending registration of transfer amounted to 12.52% (13.34%) of the total as at December 31, 2020.

Disclosure notifications pertaining to shareholdings are published on the electronic publication platform of SIX Swiss Exchange AG. The notifications can be accessed via the following link to the database of the disclosure office of SIX Swiss Exchange:
<https://www.six-exchange-regulation.com/de/home/publications/significant-shareholders.html>

Cross-Shareholding

COLTENE Holding AG has no cross-shareholding arrangements with other companies.

Structure of Group Operations

Group Management of the reporting year

The COLTENE Group is operationally headed by Group Management. COLTENE Group Management, chaired by Martin Schaufelberger as CEO, consists of Gerhard Mahrle, CFO, who acts also as deputy CEO, Stefan Helsing, COO, Martin Schlüter (Vice President R&D/Innovation), Werner Barth, Vice President Product Management/Group Marketing, John Westermeier

(Vice President Sales/Marketing Communication of North America), and Christophe Loretan, Vice President Sales/ Marketing Communication of Europe and Rest of the World (ROW).

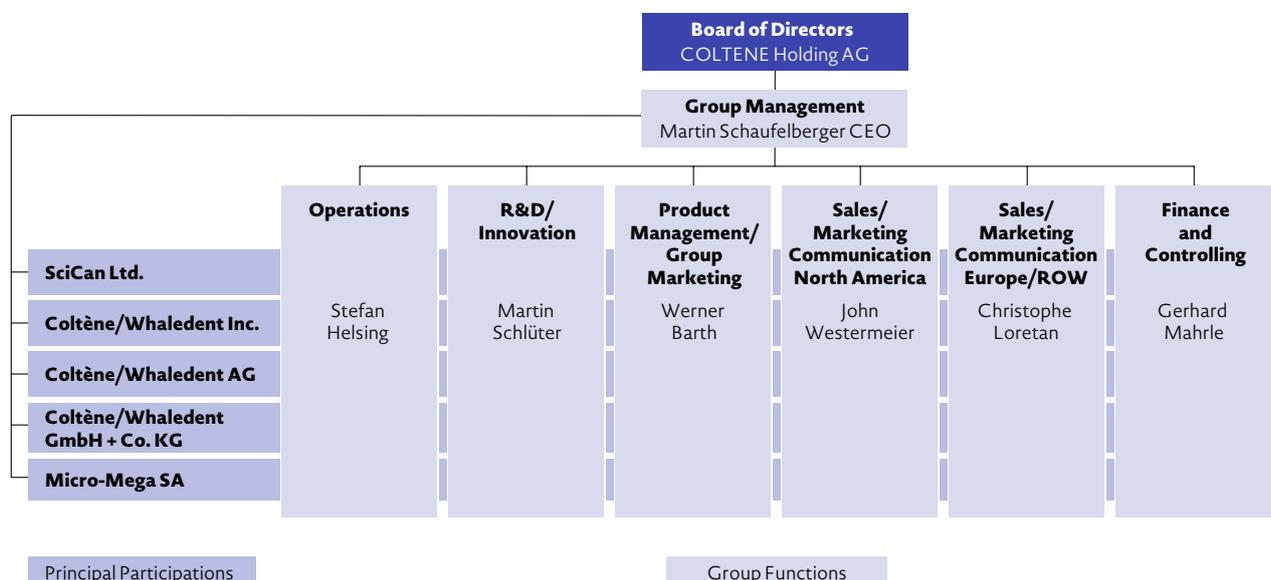
Changes of Group Management effective on January 1, 2020

On December 31, 2019, Werner Mannschedel, Vice President R&D, Quality Management and Regulatory Affairs, retired and on January 1, 2020, the Board of Directors nominated Martin Schlüter and John Westermeier as new members of Group Management team. Martin Schlüter, responsible for R&D/Innovation joined the COLTENE Group in 2010. In his former functions he managed the local R&D teams at the COLTENE production sites in Altstätten, Switzerland, and Langenau, Germany. John Westermeier, now responsible for Sales/ Marketing Communication of North America, the largest

single market of the COLTENE Group, was previously CEO and head of sales of the SciCan Group. He joined COLTENE in October 2018. Since January 1, 2020, Christophe Loretan is Vice President Sales/ Marketing Communication of Europe and Rest of the World (ROW) and Werner Barth became Vice President Product Management/Group Marketing.

Group Management is responsible for the operational management of the holding company and the COLTENE Group. The Group is managed by the Board of Directors through Group Management. The Board of Directors and Group Management are assisted in their work by central Group functions. The separation of responsibilities between the Board of Directors and Group Management is explained on page 44.

Group structure and management organization of the COLTENE Group as per January 1, 2021:



Capital Structure

Information about the capital structure can be found in COLTENE Holding AG's Articles of Incorporation, in the Financial Statements of COLTENE Holding AG as well as in the Investor Relations section on page 6 of this report.

Capital

Details on the capital are included in the COLTENE Holding AG's financial statements on pages 102 to 103.

Authorized or Conditional Capital

According to Paragraph 3 para. 9 of the Articles of Incorporation, the Board of Directors had the authorization to increase the share capital of COLTENE Holding AG in an amount not exceeding CHF 6842 (which corresponds to approximately 1.14% of the current share capital) at any time until September 13, 2020, by way of issuance of up to 68 420 registered shares with a nominal value of CHF 0.10 each to be fully paid in. The authorized capital expired unused on the mentioned date. Following the expiry of the deadline set for the authorized capital, the Board of Directors decided at its meeting on February 25, 2021, to delete the corresponding article in the Articles of Incorporation of COLTENE Holding AG. The deletion of this article will be submitted to the Annual General Meeting of March 31, 2021, for approval in the context of further amendments to the Articles of Incorporation.

COLTENE Holding AG has no conditional capital.

Changes in Capital

The changes in equity of COLTENE Holding AG that occurred during the last three financial years are shown in the table below. Treasury shares are recognized at weighted average cost and deducted from shareholders' equity at the time of acquisition.

Changes in equity

In CHF 1000	31.12.2020	31.12.2019	31.12.2018
Share capital	598	598	598
Statutory reserves	120	84	84
Capital contribution reserve without foreign reference	49 983	49 983	67 907
Capital contribution reserve with foreign reference	92 913	101 877	101 876
Capital contribution reserve	142 896	151 860	169 783
Reserves for treasury shares	-2	-1	-303
Net income brought forward	29 061	34 915	30 037
Total	172 673	187 456	200 199

On September 27, 2018, COLTENE Holding AG completed an ordinary capital increase as the first of two capital increases to partially finance the acquisition of SciCan Ltd. and DentalDrives GmbH. The company issued 675 000 shares with a par value of CHF 0.10 each as part of a rights offering "at market" to existing and new shareholders at an offer price of CHF 104. COLTENE Holding AG generated gross proceeds of

CHF 70 200 000. This corresponds to net proceeds of CHF 69 546 000. The listing and first day of trading of the offer shares were set to September 28, 2018.

The payment of the offer price against delivery of offer shares was made on October 2, 2018. On the closing date of the transaction on October 9, 2018, to further finance the transaction, the company issued 1 081 580 consideration shares with a par value of CHF 0.10 each at an issue price of CHF 94.29 to the sellers of SciCan Ltd. and DentalDrives GmbH against contribution in kind of all shares in SciCan Ltd. in the course of a capital increase out of authorized share capital. After the completion of both capital increases, the share capital of COLTENE Holding AG amounts to CHF 597 558, divided into 5 975 580 registered shares with a par value of CHF 0.10 each.

Based on the Annual General Meeting's decision on April 2, 2020, the Company distributed a dividend of CHF 1.50 (previous year CHF 3.00) per share paid out to its shareholders on April 8, 2020, from capital contribution reserves with foreign reference. The total amount paid was TCHF 8963 (previous year TCHF 17 924).

Shares and Participation Certificates

COLTENE shares security no.:	2.534.325
ISIN:	CH0025343259
Symbol:	CLTN

The Company's share capital consists of 5 975 580 (previous year 5 975 580) registered shares with a par value of CHF 0.10 each (previous year CHF 0.10). All shares are fully paid up and entitled to dividends. They entitle the holder to one vote at the General Meeting. The right to apply the special rules concerning treasury shares held by the Company is reserved, particularly in relation to the exemption from the entitlement to dividends. There is no additional conditional or authorized capital.

Due the transition of the accounting standard from IFRS to Swiss GAAP FER in 2019, the shares of COLTENE Holding AG are traded in the Swiss Reporting Standard, effective as of July 1, 2019 (first trading day of the COLTENE shares in the Swiss Reporting Standard). Before that date the shares were traded in the International Reporting Standard. The

shares of COLTENE Holding AG will remain in the indices of the SPI family as well as in the two SXI-indices, SXI Life Sciences and SXI Bio+Medtech of the SIX Swiss Exchange. Since February 1, 2021, the shares of COLTENE Holding AG are part of both ESG indices of SIX Swiss Exchange SPI ESG and SPI ESG Weighted.

Profit-Sharing Certificates

COLTENE Holding AG has not issued any profit-sharing certificates.

Restrictions on Transferability of Shares and Nominee Registrations

According to Paragraph 4 of the Articles of Incorporation, only individuals who are registered in the share register may be recognized as the owners or beneficiaries of traded shares. Registration of ownership may be refused only in cases where the purchaser does not expressly declare that he has acquired the shares for his or her own account. The Board of Directors may cancel a registration of a shareholder or nominee in the share register, after hearing the respective parties, if the entry was made based on false declarations. The relevant party is to be immediately informed of this cancellation. The Board of Directors may define principles for the registration of fiduciaries or nominees and stipulate the necessary rules to guarantee compliance with the aforementioned principles.

Convertible Bonds and Warrants/Options

COLTENE Holding AG has no outstanding convertible bonds or options.

Board of Directors

Members of the Board of Directors

On December 31, 2020, the Board of Directors of COLTENE Holding AG consisted of seven members. The Articles of Incorporation stipulate a minimum of three.

All Board members are non-executive and none of the members of the Board of Directors was a member of the management of the Group or a Group company in the past three financial years. None of the Board members has a significant business relationship with COLTENE Holding AG or a Group company. In 2018, the law firm Lenz & Staehelin, Zürich, where Astrid Waser is partner, received CHF 790 000 (2019: CHF 13 000 and 2020: CHF 27 000) for legal advice. In 2018, Lenz & Staehelin acted as an advisor to the Board of Directors and Group Management during the transaction (due diligence, transaction agreement, capital increases, bank financing) with regard to the acquisitions of Kenda, SciCan Ltd. and DentalDrives GmbH. The fees paid in 2019 and 2020 were mainly for general legal advice in the course of ordinary business and in 2020 additionally for legal advice in connection with the sale of Vigodent SA.

The personal details together with the other activities and vested interests of individual members of the actual Board of Directors are listed on pages 46–50.

Election and Term of Office

The members of the Board of Directors are elected by the shareholders for a period of one year. At the end of their term of office, members may be re-elected. There is no limit to the period of office or age of members of the Board of Directors. The members of the Board of Directors are elected person by person. The Chairman of the Board of Directors is elected by the shareholders for a period of one year. In the event of incapacity of the Chairman, the Chairman of the Audit and Corporate Governance Committee will temporarily assume the role of the Vice Chairman of the Board of Directors.

Restrictions on Activities outside of COLTENE Group

Restrictions on activities outside of the COLTENE Group of the members of the Board of Directors are governed in Paragraph 18 of the Articles of Incorporation.

Internal Organization

Allocation of tasks within the Board of Directors

The Board of Directors is ultimately responsible for the management of the Company and the supervision of the persons in charge of the management. The Board of Directors represents the Company and takes care of all matters that are not delegated by law, the Articles of Incorporation, or the organizational regulations to another body.

The Board of Directors' main duties can be summarized as follows:

- Determination and formulation of the business strategy
- Purchase and sale of participations or establishment and liquidation of Group companies
- Approval of investments in and divestments of fixed assets exceeding CHF 200 000 in value
- Approval of intercompany loans in excess of CHF 400 000 per fiscal year per Group company
- Definition of COLTENE Group's finance strategy
- Determination of financial accounting and reporting, financial control, and financial planning
- Definition of COLTENE Group's organizational structure
- Appointment of the persons in charge of the management and their supervision
- Approval of the Auditor's report and Annual Report as well as preparation of the General Meeting of Shareholders and the execution of its resolutions

Membership of the Committees of the Board of Directors, their duties and responsibilities

The Board of Directors has delegated the operational management to Group Management headed by the Chief Executive Officer (CEO). The Chairman of the Board of Directors organizes and manages the work of the Board of Directors.

The permanent committees of the Board of Directors are composed as follows:

Audit and Corporate Governance Committee

The Audit and Corporate Governance Committee has been set up by the Board as follows:

Chairman: Erwin Locher

Members: Jürgen Rauch and Astrid Waser

The Audit and Corporate Governance Committee assists the Board of Directors in its supervisory duties and has to perform the following main tasks and duties:

- Approval of the auditing program and audit fees and form a judgment of the effectiveness of the external audits
- Review, amendment and approval of the risk management assessment and system as well as control of the fulfillment of defined measures
- Review and assessment of the functioning of the internal control system and control of the fulfillment of corrective actions
- Review of the consolidated financial statements as well as interim statements intended for publication
- Regular review of the principles concerning Corporate Governance
- Proposals to the Board of Directors of amendments to the Articles of Incorporation or internal regulations if necessary

Nomination and Compensation Committee

The Nomination and Compensation Committee is elected every year by the Annual General Meeting. The Nomination and Compensation Committee includes the following members:

Chairman: Matthew Robin

Members: Nick Huber, Roland Weiger

The Nomination and Compensation Committee carries out the following duties:

- Recommendation of the remuneration of the members of the Board of Directors
- Definition of the principles for the remuneration of the members of Group Management and submission of these to the Board of Directors for approval
- Definition of principles for the selection of candidates for election or re-election to the Board of Directors
- Preparation of the selection and assessment of the candidates for the position of the CEO
- Recommendation of appointments of members of Group Management
- Recommendation of the remuneration to be paid to Group Management
- Approval of the general guidelines for the Human Resources management of the Group
- Yearly elaboration of the compensation report to be presented to the AGM

Working methods of the Board of Directors and its Committees

The Board of Directors meets annually for at least six ordinary, mainly one-day meetings. Extraordinary meetings may be held as necessary. Every member of the Board of Directors is entitled to request an immediate meeting if he/she names its purpose. In 2020, the Board of Directors met ten times (previous year seven times). These meetings lasted in average four to eight hours. In one meeting, the Board of Directors discussed the Group Strategy together with the enlarged Group Management during a two-day workshop. On one occasion in 2020 (previous year also one), the circular method was used for decision-making.

The Audit and Corporate Governance Committee met four times (previous year three times) for usually a two- to three-hour meeting. The Nomination and Compensation Committee met four times (previous year three times) for a two-hour meeting.

Since March 2020, the meetings were held via video conferencing systems due to the personal meeting restrictions because of the COVID-19 pandemic.

Meetings are summoned in writing by the Chairman. An invitation together with a detailed agenda and documentation is sent to all participants normally seven days in advance of the date set for the meeting.

As a rule, the Chief Executive Officer and the Chief Financial Officer attend meetings of the Board of Directors as well as meetings of the committees. In order to ensure that the Board of Directors has sufficient information to make decisions, other members of Group Management team or other members of staff or third parties may also be invited to attend.

The Board of Directors is quorate if all members have been duly invited and the majority of its members take part in the decision-making process. Members may participate in deliberations and the passing of resolutions by telephone, by video conference, or other suitable electronic media if all participants are in agreement. The decisions of the Board of Directors are taken on the basis of the votes submitted. In the event of a tie, the Chairman has the casting vote. Decisions may also be made in writing.

Proposals may also be sent to all members and they are regarded as passed if the majority of members agree unconditionally and no member insists on discussion of the issues in question in a formal meeting. Members of the Board of Directors are obliged to leave meetings when issues are discussed that affect their own interests or the interests of persons close to them.

All proposals and decisions are entered in the minutes to the meeting of the Board of Directors and its committees. The minutes also contain a summary of important requests to speak and any deliberations.

Definition of Areas of Responsibility

The areas of responsibility between the Board of Directors and Group Management are defined in COLTENE Holding AG's organizational regulations and can be summarized as follows: with the exception of decisions which according to article 716a of the Swiss Code of Obligations are part of its inalienable and non-transferable duties, and those additional duties listed on pages 42 to 45, the Board of Directors has delegated the executive control of COLTENE Group and, with it, operational management of the entire COLTENE Group, to Group Management.

Information and Control Instruments vis-à-vis Group Management

As a rule, Group Management updates the Board of Directors on operations and COLTENE Group's financial position every month. In addition, the CEO and CFO report on business and all matters of relevance to the Board of Directors at each meeting of the Board of Directors. Every member of the Board of Directors has the right to ask any member of Group Management for information about matters within his remit, even outside meetings. The Chairman of the Board of Directors is also informed by the CEO about all businesses and issues of a fundamental nature or of special importance.

Risk Management

Based on an approved Risk Management policy by the Board of Directors, an extensive system for monitoring and controlling the risks linked to the business activities is in place. Group Management is responsible for the risk identification, analysis, controlling, reporting, and monitoring the implementation. The implementation is organized along the group's organizational areas with each member of Group Management heading the processes in their correspondent areas of responsibilities.

The Board of Directors reviews the risk management and the results of implemented corrective actions once a year, based on a detailed protocol. In 2020, a total of twenty-six risks have been assessed in a matrix along four stages of probability of occurrence and four stages of impact on net income. The protocol additionally compares the current assessment to the previous year. Seven out of the twenty-six risks have been classified as critical in terms of potential impact on net income and probability of occurrence. For example, tax risks and respective potential impact are considered to be low, in contrast to cyber threats. The analysis includes newly assessed risks such as a global pandemic.

The risks are assessed in the categories of Strategy, Operation and Reporting. The topics cover customers as a stakeholder group and range from the global market environment and sales management, to customer needs related to product groups, product and service quality, and flexibility in developing new online sales channels. Employees as another important stakeholder group are covered in the assessment of the image of COLTENE as an employer, career development as well as in their role in reputational processes towards other stakeholders. Regarding operations, general high-tech industry factors such as efficiency, adaptability, and trademark and brand awareness are weighed in. Leadership, internal and external reporting as well as compliance are also fields covered by the risk assessment. Financial risks are identified regarding currency exposures among other factors. The sale of Vigodent in Brazil, among other reasons also due to prolonged and increasing currency weakness of the BRL was the most impactful decision stemming from risk management processes in 2020.

Based on an approved Internal Control System policy by the Board of Directors, the internal control mechanisms are reviewed and documented. At least once a year a member of the Audit and Corporate Governance Committee reviews in detail the assessment of risk by Group Management as well as the corrective and mitigative actions implemented. The findings of the Committee are reviewed regularly by the Board of Directors.

Board of Directors

The Board of Directors of COLTENE has committed itself to maintaining the highest standards of integrity and transparency in its governance of the Company.



Matthew
Robin

Allison
Zwingenberger

Jürgen
Rauch

Nick
Huber

Astrid
Waser

Roland
Weiger

Erwin
Locher

Set out below are the names, position, age, year of first election, and committee memberships of the Board of Directors:

Membership of the Board of Directors

Members	Function Board of Directors	Born in	Year of first election	2020	
				Audit and Compliance Committee	Nomination and Compensation Committee
Nick Huber	Chairman	1964	2005		Member
Erwin Locher	Member	1953	2009	Chairman	
Jürgen Rauch	Member	1967	2016	Member	
Matthew Robin	Member	1965	2006		Chairman
Astrid Waser	Member	1971	2017	Member	
Roland Weiger	Member	1961	2013		Member
Allison Zwingenberger	Member	1970	2018		

Nick Huber

- Chairman of the Board of Directors
- Completion of the Stanford Executive Program
- Swiss citizen, born in 1964

Professional background (main stages)

- 1990–1995 IBM (Switzerland) AG, Zürich, Account Manager
- 1995–2016 SFS Group AG, Heerbrugg, different management positions

Other important activities and vested interests

- Member of the Board of Directors of SFS Group AG, Heerbrugg
- Member of the Board of Directors of Gurit Holding AG, Wattwil
- Member of the Board of Directors of HUWA Finanz- und Beteiligungs AG, Heerbrugg

Key knowledge and experience

- International and strategic management – many years of operational leadership experience in management positions in the SFS Group and longtime experience as member of the Board of international companies.
- Human resources – longtime operational responsibility of the human resources department of the SFS Group.
- Marketing and sales – operational management experience as divisional head of direct and indirect consumables business.

Matthew Robin

- Chairman of the Nomination and Compensation Committee
- M. Eng. in Chemical Engineering, Imperial College, University of London
- British and Swiss citizen, born in 1965

Professional background (main stages)

- 1987–1998 Lonza Fine Chemicals, Basel, various functions in the US and in Switzerland (last function: Business Director US Custom Manufacturing)
- 1998–2003 Disetronic Holding AG, Burgdorf, various Senior Management functions (last function: Head Disetronic Injection Systems)
- 2003–2006 Ypsomed Holding AG, Burgdorf, CEO
- 2007–2011 Tecan Holding AG, Männedorf, Divisional Head Liquid Handling & Robotics
- Since 2011 ELSA-Mifroma Group, Estavayer-le-Lac, CEO

Other important activities and vested interests

Matthew Robin has no other important activities and vested interests.

Key knowledge and experience

- International and strategic management – longtime operational and strategic leadership experience in the medical device and other regulated international businesses.
- Manufacturing, innovation, and human resources – many years of experience as business director and CEO of large producing companies.
- Medtech and digital innovation – know-how and active access to networks in technology and marketing.

Erwin Locher

- Chairman of the Audit and Corporate Governance Committee
- Economist, University of Basel, MBA, University of Toronto (Rotman)/University of St. Gallen
- Swiss citizen, born in 1953

Professional background (main stages)

- 1979–1982 Sandoz AG, Basel, Internal Auditor
- 1982–1986 Mibelle AG, Buchs (subsidiary of Migros), Head Logistics
- 1986–1987 Zellweger AG, Uster, Treasurer
- 1987–1991 Mibelle AG, Buchs (subsidiary of Migros), Vice President Finance
- 1991–1996 Allo Pro AG, Baar (subsidiary of Sulzer Medica), Vice President Finance, and then President
- 1996–2004 Mathys Medical AG, Bettlach, CEO and President Synthes Division

Other important activities and vested interests

- Chairman of the Board of Directors of Thommen Medical AG, Grenchen
- Member of the Board of Directors of Mathys Medical AG, Bettlach

Key knowledge and experience

- International and strategic management, marketing and sales – experience as former CEO of a global medical device company.
- Financial management, audit, and compliance – many years of experience as Vice President of finance in a national and international company.
- Dental industry – operational responsibility for the COLTENE Group as CEO ad interim in 2011/2012.

Roland Weiger

- Prof. Dr. med. dent., University of Tübingen, Germany
- German and Swiss citizen, born in 1961

Professional background (main stages)

- 2000–2002 University of Tübingen, Professor of Endodontology
- 2002–2011 Chairman of the Research Committee, European Society of Endodontology (ESE)
- Since 2002 University of Basel, Professor and Director, Clinic of Periodontology, Endodontology and Cariology
- 2012–2015 University of Basel, Director of the Department of Dental Medicine
- Since 2016 University Center of Dentistry (UZB), Basel, Director of the University Dental Clinics and member of the Executive Board

Other important activities and vested interests

- Member of the Expert Commission of the Swiss Society for Preventative, Restorative and Esthetic Dentistry (SSPRE)
- Member of the Board of the Swiss Society of Periodontology (SSP)
- Member of the Swiss Examining Board (federal exams in dentistry)

Key knowledge and experience

- Expertise in general dentistry and specialized conservative dentistry – longtime leadership experience as chairman of a dental department and higher-level clinical university institution.
- Experience in dental technology and dental market – profound expertise in research, teaching, and clinical procedures as professor in conservative dentistry and professional competence as practicing dentist specialized in endodontology and restorative dentistry.

Jürgen Rauch

- Business economist, University of Innsbruck
- Austrian citizen, born in 1967

Professional background (main stages)

- 1993–1994 Pittra Inc, New York, various Management functions
- 1994–2004 Rauch Hungaria Kft, Budapest, General Manager
- Since 2004 Rauch Fruchtsäfte GmbH & Co OG, Rankweil, CEO

Other important activities and vested interests

Jürgen Rauch has no other important activities and vested interests.

Key knowledge and experience

- Production and distribution – longlasting experience in building up and in general management of an international bottling company for liquid consumables.
- Marketing and branding – many years of experience in the positioning and marketing of an international renowned brand in the consumables industry.

Astrid Waser

- Dr. iur., attorney-at-law, LL.M., University of Lausanne
- Swiss citizen, born in 1971

Professional background (main stages)

- 2002–2011 Lenz & Staehelin, Zürich, Associate
- 2004 Foreign Associate, Brussels
- Since 2012 Lenz & Staehelin, Zürich, Partner

Other important activities and vested interests

Astrid Waser has no other important activities and vested interests.

Key knowledge and experience

- Legal affairs and compliance – proven expert in competition and procurement law and long-standing experience in counselling firms in the field of business law, in particular regarding internal and regulatory investigations and compliance matters.

Allison Zwingenberger

- DVM, University of Guelph
- Canadian and German citizen, born in 1970

Professional background (main stages)

- Since 2005 University of California, Davis, Professor of Veterinary Radiology
- 2006–2018 SciCan Ltd., Toronto, member of the Board of Directors
- 2015–2017 American College of Veterinary Radiology (ACVR), President CT/MRI Society
- 2016–2018 European College of Veterinary Diagnostic Imaging (ECVDI), President
- Since 2018 University of California, Davis, Cancer Center, Co-Director of the Translational Imaging Shared Resource
- Since 2020 Director of Diagnostic Imaging, Veterinary Medical Teaching Hospital, University of California, Davis

Other important activities and vested interests

Allison Zwingenberger has no other important activities and vested interests.

Key knowledge and experience

- Experience as a Board member of SciCan Ltd., specializing in infection control in the dental industry.
- Professor at a leading school of veterinary medicine with experience in leadership, healthcare, and education.
- Experience in biomedical science as an NIH-funded clinician researcher in translational imaging with a master's degree in Clinical Research.

Group Management

Group Management of COLTENE has committed itself to the highest principles of sustainability, integrity, and responsibility that build the foundation of COLTENE's corporate culture.



Christophe Loretan

Stefan Helsing

Gerhard Mahrle

Martin Schaufelberger

Martin Schlüter

John Westermeier

Werner Barth

Martin Schaufelberger

- Chief Executive Officer COLTENE Group (since 2012)
- Electrical Engineer, Fachhochschule für Technik, Rapperswil
- MBA Marketing, City University of Seattle, Zürich and Seattle
- Swiss citizen, born in 1964

Professional background (main stages)

- 1988–1998 Zellweger Uster AG, Uster, various functions in Switzerland and Japan (last function: General Manager Strategic Marketing)
- 1998–2001 Kunststoff Schwanden AG, Schwanden, Head Marketing and Sales
- 2001–2007 Kunststoff Schwanden AG, Schwanden, Deputy CEO
- 2007–2012 Kunststoff Schwanden AG, Schwanden, CEO

Other important activities and vested interests

- Chairman of the Board of Directors of Zünd Systemtechnik AG, Altstätten
- Member of the Board of Directors of Toneatti Construction Companies, Bilten

Gerhard Mahrle

- Chief Financial Officer COLTENE Group (since 2014)
- lic. oec. HSG, University of St. Gallen
- Swiss citizen, born in 1957

Professional background (main stages)

- 1985–1992 Various senior positions in finance at the Galenica Group and the Hilti Group
- 1992–1998 Eugster/Frismag Group, Romanshorn, CFO
- 1998–2000 Batigroup Holding AG, Basel, CFO
- 2000–2009 sia Abrasives Holding AG, Frauenfeld, CFO
- 2009–2013 Kardex AG, Zürich, CFO

Other important activities and vested interests

Gerhard Mahrle has no other important activities and vested interests.

Stefan Helsing

- Chief Operating Officer COLTENE Group (since 2018)
- lic. oec. HSG, University of St. Gallen
- Swiss citizen, born in 1958

Professional background (main stages)

- 1985-1994 Management Zentrum St. Gallen and Indevo AB, Management Consultant
- 1994-2000 Swissair AG, Zürich, Network Management and CEO Balair-Airline
- 2000-2005 STA Travel Ltd., Zürich, CEO
- 2005-2008 Hotelplan Management AG, Glattbrugg, Production Management
- 2008-2018 Sanavis Group, Toronto and Leutkirch, Executive Chairman

Other important activities and vested interests

- General Manager and minor owner of Sycotec GmbH & Co. KG, Leutkirch
- Member of the Board of Directors of eMonitor AG, St. Gallen

Werner Barth

- Vice President Product Management/Group Marketing COLTENE Group
- Member of Group Management since 2015
- Dr. sc. techn. ETH, Zürich
- Swiss citizen, born in 1966

Professional background (main stages)

- 1999-2001 VOLPI AG, Schlieren, Head Business Unit Medical Products
- 2001-2004 HMT High Medical Technologies AG, Lengwil, Product and Sales manager
- 2005-2006 Ziemer Ophthalmic Systems AG, Port, Head Marketing & Sales
- 2006-2013 Ziemer Ophthalmic Systems AG (Ziemer Group), Port, Vice President Sales
- 2013-2015 Coltène/Whaledent AG, Altstätten, Global Director Marketing

Other important activities and vested interests

Werner Barth has no other important activities and vested interests.

Christophe Loretan

- Vice President Sales & Marketing Communication EMEA/ROW COLTENE Group
- Member of Group Management since 2015
- Dipl. sc. nat. ETH Zürich
- MBA University of Rochester, Bern
- Swiss citizen, born in 1970

Professional background (main stages)

- 1998–2002 Geistlich Pharma AG, Wolhusen, Marketing Manager and Area Sales Manager Division Biomaterials
- 2002–2003 Tillotts Pharma AG, Ziefen, Business Development Manager Pharma/Gastroenterology
- 2003–2005 Novozymes Switzerland AG, Dittingen, Global Marketing Manager
- 2006–2013 Novozymes Switzerland AG, Dittingen, Customer Solutions Director EMEA
- 2013–2015 Novozymes Switzerland AG, Dittingen, Technical Service and Sales Director EMEA
- 2015–2019 Coltène/Whaledent Inc., Cuyahoga Falls, Vice President Global Sales

Other important activities and vested interests

Christophe Loretan has no other important activities and vested interests.

Martin Schlüter

- Vice President R&D/Innovation COLTENE Group
- Member of Group Management since 2020
- Dr. rer. nat., Dipl. Chem. Westfälische Wilhelms Universität, Münster
- German citizen, born in 1972

Professional background (main stages)

- 2005–2007 BEGO Bremer Goldschlägerei Wilhelm Herbst GmbH & Co. KG, Bremen, Manager R&D Department Dental Consumables
- 2007–2009 BEGO Bremer Goldschlägerei Wilhelm Herbst GmbH & Co. KG, Bremen, Manager of Business Unit Dental Consumables & Ceramics
- 2009–2010 BEGO Bremer Goldschlägerei Wilhelm Herbst GmbH & Co. KG, Bremen, Manager R&D and Innovation Management
- 2010–2018 Director R&D EMEA, Coltène/Whaledent AG, Altstätten
- 2018–2019 Director R&D/Innovation, COLTENE Group, Altstätten

Other important activities and vested interests

Martin Schlüter has no other important activities and vested interests.

John Westermeier

- Vice President Sales & Marketing Communication
North America COLTENE Group
- Member of Group Management since 2020
- B.A. Marketing & Communications Canisius College,
Buffalo, NY
- US citizen, born in 1965

Professional background (main stages)

- 1992–2007 KaVo America, Brea CA/USA, Director of
National Accounts, Regional Manager,
Sales Trainer
- 2007–2010 SciCan Inc., Pittsburgh PA, Director of New
Product Sales
- 2010–2015 SciCan Inc., Pittsburgh PA, President
- 2015–2019 SciCan Group, Toronto ON, CEO SciCan
Ltd. and Head of Sales

Other important activities and vested interests

John Westermeier has no other important activities and vested interests.

Group Management

On January 1, 2021, COLTENE Holding AG's Group Management consisted of seven persons (in 2020 seven persons and in 2019 six persons): the CEO Martin Schaufelberger, the CFO Gerhard Mahrle, who also acts as deputy CEO, the COO Stefan Helsing, Werner Barth, Vice President Product Management/Group Marketing, Christophe Loretan, Vice President Sales/Marketing Communication Europe and Rest of the World (ROW), John Westermeier, Vice President Sales/Marketing Communication of North America, and Martin Schlüter, Vice President R&D/Innovation.

For further information regarding the changes in Group Management team see page 40 of this report.

Members of Group Management

The personal details together with the other activities and vested interests of individual members of the actual Group Management are listed on pages 51 to 55.

Management Contracts

No agreements pertaining to the provision of managerial services exist between COLTENE Holding AG and other companies or natural persons outside the COLTENE Group.

Restrictions on Activities outside of COLTENE Group

Restrictions on activities outside of the COLTENE Group of the members of Group Management are governed in Paragraph 18 of the Articles of Incorporation.

Principles on Compensation

Principles applicable to performance-related payments and to the allocation of equity securities, convertible rights, and options, as well as the additional amount for payments to members of Group Management appointed after the vote on the compensation at the General Meeting of Shareholders are governed in Paragraphs 22 et seq. of the Articles of Incorporation.

Loans, credit facilities, and post-employment benefits for members of the Board of Directors and Group Management are governed in Paragraph 28 of the Articles of Incorporation.

Regulations on the vote of the General Meeting of Shareholders on the compensation to members of the Board of Directors and Group Management are governed in Paragraphs 13.3 and 21 et seq. of the Articles of Incorporation.

Further information regarding the compensation of the Board of Directors and Group Management is available in the section of the compensation report on pages 62 to 72 of this Annual Report.

Shareholders' Participation Rights

Details of shareholders' participation rights can be found in the Articles of Incorporation. They are available in German as well as in an unofficial translation in English on the website at:

<https://www.coltene.com/de/investoren-medien/corporate-governance/> (German version) and <https://www.coltene.com/investor-relations/corporate-governance/> (English version).

Voting Right Restrictions and Representation

The Articles of Incorporation contain no restrictions on voting rights. Every registered share represented at the General Meeting is entitled to one vote. A shareholder may vote his own shares or be represented at the General Meeting by way of a written proxy. Since the Annual General Meeting 2015, every shareholder can use also the online platform of ShareCommService AG ("Indirect Voting System – IDVS") in order to grant the independent proxy a power of attorney and to forward his instructions to such independent proxy.

Statutory Quorums

Unless otherwise determined by law, a General Meeting convened in accordance with the Articles of Incorporation is quorate regardless of the number of shareholders attending or the number of shares represented. To be valid and subject to legal or statutory provisions, resolutions require an absolute majority of the votes submitted.

Important decisions of the General Meeting as defined in article 704 Paragraph 1 of the Swiss Code of Obligations require at least two thirds of the votes present and the absolute majority of the par value of shares represented.

Convocation of the General Meeting of Shareholders

The ordinary General Meeting of Shareholders takes place annually within six months of the end of the Company's financial year. Extraordinary General Meetings can be called by decision of the General Meeting, the Board of Directors, at the request of the auditors, or if shareholders representing at least a tenth of the share capital submit a request in writing, stating the purpose to the Board of Directors.

The invitation to the General Meeting of Shareholders is published in the Swiss Official Commercial Gazette. All shareholders whose addresses are registered in the share register are notified by a letter or by e-mail at their choice.

Agenda

The Articles of Incorporation contain no regulations relating to agendas that differ from those set forth by the law.

Entries in the Share Register

Shareholders and/or beneficiaries of registered shares are entitled to vote if they are registered in the share register at the time of the General Meeting of Shareholders. The Board of Directors shall determine and indicate in the invitation to any General Meeting of Shareholders the relevant cut-off date for registrations in the share register that shall be relevant for the eligibility of any shareholder to participate in and vote at such General Meeting.

Changes of Control and Defense Measures

Public Purchase Offers

The Articles of Incorporation of COLTENE Holding AG do not stipulate an alleviation or exemption for the duty to submit a public offer according to articles 135 and 163 of the Swiss Federal Act on Financial Market Infrastructures and Market Conduct in Securities and Derivatives Trading (FMIA) (Bundesgesetz über die Finanzmarktinfrastrukturen und das Marktverhalten im Effekten- und Derivatehandel, FinfraG).

Clauses on Changes of Control

No change of ownership clauses are in effect at December 31, 2020, at COLTENE Group and Senior Management level.

Auditors

Duration of Mandate and Lead Auditor's Term of Office

The auditor of COLTENE Holding AG is elected by the Annual General Meeting for a term of one year. In the year under review, Ernst & Young AG (EY), listed as auditor in the commercial register of COLTENE Holding AG since June 25, 2012, served in this capacity. EY also serves as Group auditors. In accordance with legal requirements, the lead auditor is replaced after a maximum period of seven years. After the first seven-years period, Iwan Zimmermann became lead auditor in 2019.

Auditing Fees

The budget for the audit fees is proposed by the CFO and approved by the Audit and Corporate Governance Committee. The total sum charged during the year under review by EY amounted to CHF 303 000 (CHF 306 000 in previous year) and was related to audit services, which included the audit of the statutory financial statements of COLTENE Holding AG and of all major subsidiaries, as well as the audit of the consolidated financial statements.

Audit services are defined as the standard audit work performed each year in order to issue opinions on the Group companies in scope and the consolidated financial statements of the Group, to issue opinions relating to the existence of the Group's internal control system, and to issue reports on local statutory financial statements if required. Also included are audit services that are provided by the Group auditor, such as auditing of non-recurring transactions and implementation of new accounting policies, as well as audits of accounting infrastructure system controls.

Additional Fees

For non-audit-related services, EY was paid fees totaling CHF 6000 (CHF 60 000 in previous year). These amounts were mainly paid for services in connection with tax-related questions of restructuring projects. The execution or assistance of EY in the preparation of financial statements, the consolidated financial statements and related documents is not permitted.

Supervisors and Control Instruments Pertaining to the Auditors

As explained on page 43, the Board of Directors has established an Audit and Corporate Governance Committee to monitor the external auditors (statutory and COLTENE Group auditors). The Audit and Corporate Governance Committee, acting on behalf of the Board of Directors, is responsible for overseeing, monitoring and evaluating the activities of the auditors. The auditor participates regularly in the meetings of the Audit and Corporate Governance Committee, providing oral and written reports on the results of its reviews and audits. In 2020, the auditors participated in two meetings of the Audit and Corporate Governance Committee. The Audit and Corporate Governance Committee checks and evaluates the auditor and makes recommendations to the Board of Directors. The independence of the auditor is ensured by various measures. There is no explicit threshold for non-audit related fees, but they are not allowed to be significant in relation to the audit fees and must be approved by the CFO in order to assure that there is no potential conflict between the audit and non-audit services of the auditor. As part of his reporting for the consolidated and statutory financial statements, the auditor confirms its independence vis-à-vis COLTENE Holding AG.

The performance of the auditor is evaluated by the Audit and Corporate Governance Committee as well as by employees of COLTENE who are in regular contact with the auditor. The assessment is based on criteria such as the professional expertise and know-how, the understanding of the corporate structure and company specific risks, comprehensibility of the audit strategy proposed by the auditor, and diligence in the implementation of the proposed audit strategy, as well as the coordination of the auditor with the finance department of the COLTENE Group and the audited entities. In addition, the Audit and Corporate

Governance Committee reviews the results of the audit and particularly the comprehensive audit report for the consolidated annual financial statements. Based on the performance evaluation, the Audit and Corporate Governance Committee recommends to the Board of Directors whether EY should be proposed to the Annual General Meeting for re-election.

Information Policy

COLTENE Holding AG provides its shareholders with information in the form of the Annual Report and Half-year Report. At the publication date of the annual results, COLTENE informs at the annual press and analysts conference and later at the Annual General Meeting in detail about its business activity. At the publication date of the half-year results COLTENE informs about the business activity by means of a conference call. Important events are published immediately through press releases and/or letters to shareholders. Further information can be requested at the contact address indicated on page 7 and 110.

Internet

Shareholders and other interested parties can obtain information about the COLTENE Group on the Internet at www.coltene.com and subscribe to a news service.

Ad Hoc Publicity

COLTENE Holding AG maintains regular contact with the financial world in general and with important investors. At the same time, it abides by the legally prescribed principle of treating all parties equally as regards communication. Relevant new facts are published openly and are available to all interested parties. All press releases and ad hoc publications can be found as follows: <https://global.coltene.com/de/investoren-medien/medienmitteilungen/> (German Version) <https://www.coltene.com/investor-relations/media-releases/> (English version)

Financial Publications

<https://global.coltene.com/de/investoren-medien/finanzpublikationen/> (German Version)
<https://www.coltene.com/investor-relations/financial-publications/> (English version)

Articles of Incorporation

<https://global.coltene.com/de/investoren-medien/corporate-governance/> (German Version)
<https://www.coltene.com/investor-relations/corporate-governance/> (English version)

Corporate Communications and Investor Relations

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Corporate Communication/Investor Relations
Feldwiesenstrasse 20
9450 Altstätten, Switzerland
+41 71 7575 54 37
investor@coltene.com

For important dates of publications this year, the following year, and contact addresses refer to page 7.

Non-applicability/negative statement

It is explicitly declared that all statements that are not included or mentioned in this report are considered as either not applicable or negative statements according to the directive on information relating to Corporate Governance published by SIX Swiss Exchange AG or the associated commentary.