

Establishment Labs

A Women's Health Company

Annual Review 2020

July 2021

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ABOUT THIS ANNUAL REVIEW

January and December 2020.

https://establishmentlabs.com/corporate-sustainability/

If you have any questions or comments regarding this Annual Review, please contact:

Raj Denhoy

Head of Strategy and Investor Relations rdenhoy@establishmentlabs.com

Carolina Ghio

Strategic Specialist, Corporate Sustainability cghio@establishmentlabs.com

This review is the second edition of an annual effort to share our contributions to sustainable development with our stakeholders. It includes the initiatives and activities implemented between

Once again, the content of this review is guided by the Sustainable Development Goals (SDGs) outlined in the United Nations resolution 'The 2030 Agenda' and it is a summary of our business, environmental, and social achievements. The review documents our continued journey towards sustainability.

To review our previous efforts in sustainability, please review our 2019 Corporate Social Responsibility Report:

A MESSAGE FROM OUR CEO

Dear Stakeholders,

Establishment Labs was founded with a mission to transform breast aesthetics and reconstruction through science, technology and innovation. Since we began our commercial operations in 2010, we have proven that these goals are interdependent with an unwavering commitment to women's health, our true contribution to this field!

In 2020, confronted by the enormous challenges of the Covid-19 pandemic, we took time to reflect on our sustainability strategy, perform a materiality assessment, and set new targets and ambitions to define the value that Establishment Labs can foster in this new decade. As a result, we have revamped our Corporate Social Responsibility (CSR) framework so that we can laser focus on the topics that are most important to the longterm sustainability of our business.

It is time to raise the standard beyond simply meeting the baseline standards set by government regulations. The sustainability of breast implants requires a fundamental analysis of risks and benefits to patients—based on the latest objective scientific and clinical evidence—and transparent and frequent communication with the community of women in breast aesthetics and reconstruction who might be concerned about the long-term safety of legacy technologies. We will continue to work with a strong coalition of scientific and medical professionals and to further our engagement with women worldwide through our numerous patient advocacy efforts.

In a new era of equality in opportunity and quality of life for all, Establishment Labs is proud to be an active participant in women's empowerment after committing to the UN Global Compact for Women's Empowerment and adopting the UN Women's Empowerment Principles (WEPs) as a way to promote greater equality for women. We are taking actions to inspire and lead others to seek equality and ensure fairness in business and in society. And, of course, for a carbon neutral company, the protection of our earth is part of our nature and it is an area we are continually seeking to improve upon with initiatives to reduce our impact on the planet.



As a publicly traded company, we are already subject to the highest standards of governance and compliance, but we are taking it a step further with our work to create ambitious sustainability goals for the coming decade. We will continue to report on our progress according to the 2030 UN Sustainable Development Goals (SDGs) and benchmark our company with our medical device and aesthetic peers and across other industries as we look for opportunities to improve further. On top of our historical financial and commercial performance, it is clear to us that by making sustainability the core of our business, we will have many opportunities to create value for all our stakeholders going forward and be recognized as a leader in women's health.

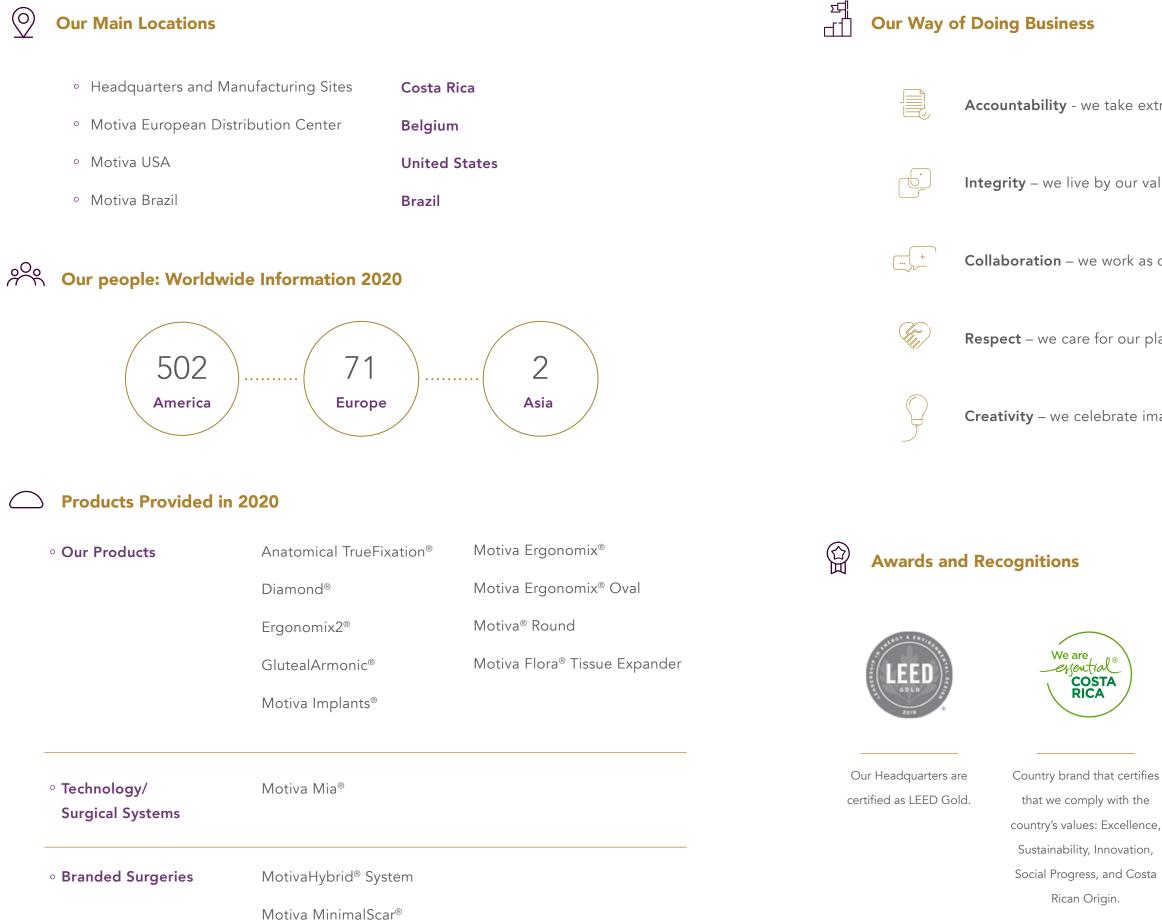
Thanks for joining us and please stay safe!

Juan José Chacón-Quirós Founder and CEO

ABOUT ESTABLISHMENT LABS

Establishment Labs Holdings Inc. is global medical technology company dedicated to improving the health and wellness of women around the globe. The company's initial focus is breast health, principally breast aesthetics and reconstruction. Establishment Labs offers a portfolio of advanced silicone gel-filled breast implants, branded as Motiva Implants® that include a number of innovative and patented features designed to deliver improved aesthetic and clinical outcomes. Since commercial launch in 2010, more than 1.6 million Motiva Implants® have been delivered to plastic surgeons in over 80 countries. The company also offers or has under development a number of related products and technologies, including the Motiva Flora® tissue expander and Motiva MIA®, the company's minimally invasive breast enhancement procedure. In 2018, Establishment Labs received an investigational device exemption (IDE) from the FDA for the Motiva Implant® and began a clinical trial to support regulatory approval in the United States. Motiva Implants® are manufactured at the company's two facilities in Costa Rica, which are compliant with all applicable regulatory standards under ISO13485:2016 and FDA 21 CFR 820 under the MDSAP program.





Accountability - we take extreme ownership with no excuses.

Integrity – we live by our values even when no one is looking.

Collaboration – we work as one team to achieve our goals on time.

Respect – we care for our planet and the diversity of its inhabitants.

Creativity – we celebrate imagination and creative thinking in everything we do.

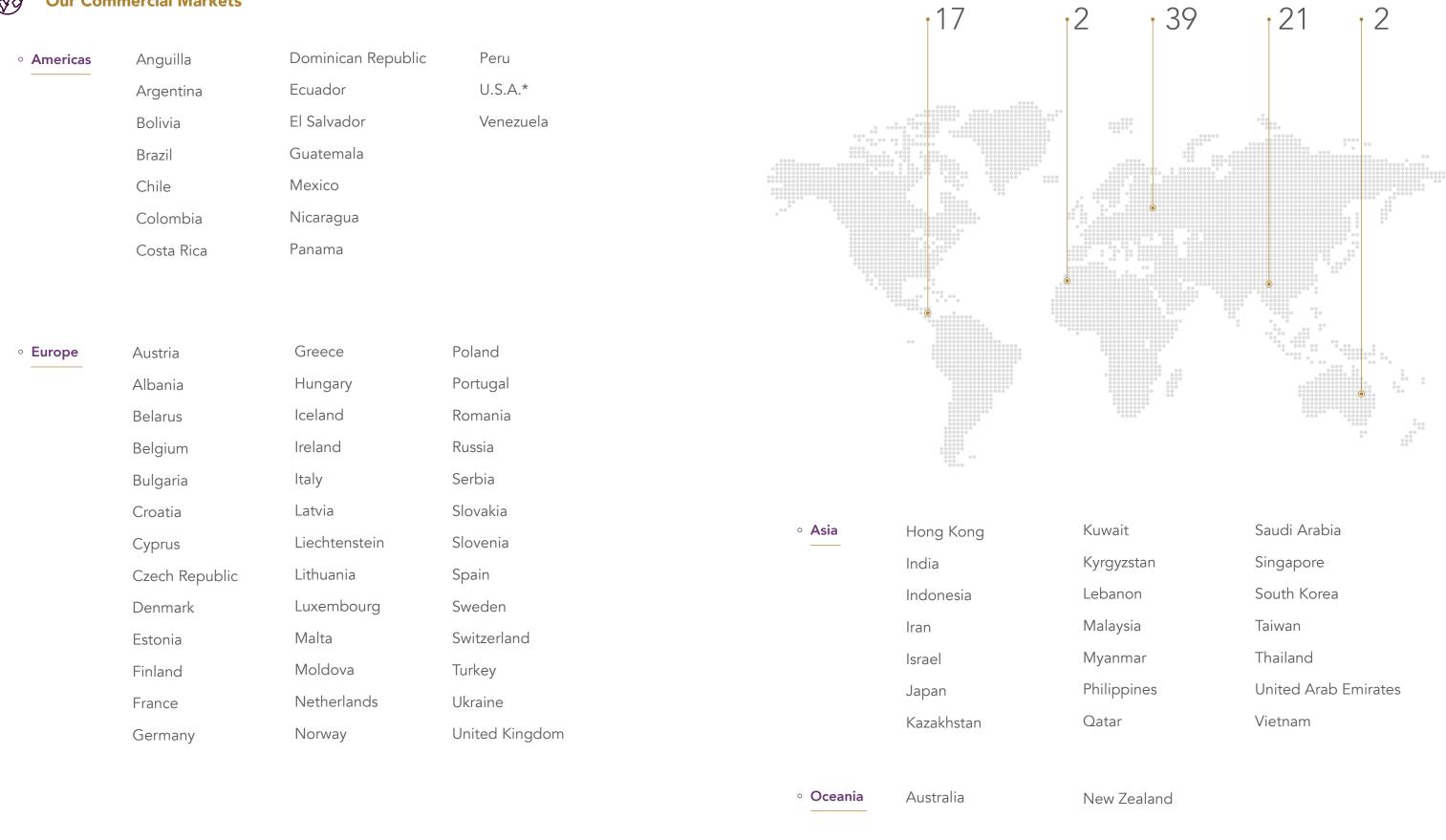


Our Headquarters and manufacturing facilities are certified as Carbon Neutral.



Silver Award in Route to Excellence Evaluation by the Chamber of Industries of Costa Rica

Our Commercial Markets



• Africa

Morocco

* Motiva Implants® are not yet commercially available in US and are undergoing clinical investigation pursuant to US Food and Drug Administration (FDA) regulations for investigational medical devices.

Cuwait	Saudi Arabia
ýrgyzstan	Singapore
ebanon	South Korea
/lalaysia	Taiwan
<i>I</i> yanmar	Thailand
Philippines	United Arab Emira
Datar	Vietnam

South Africa

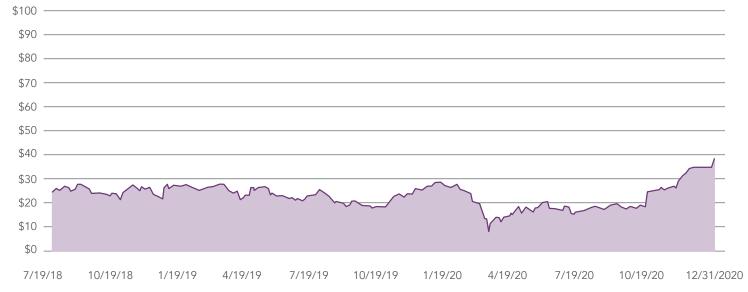
Nasdaq Chapter

Establishment Labs Holdings Inc. became the first Costa Rican company to list on a major exchange on July 19 of 2018, when we began trading on the NASDAQ Stock Market under the trading symbol "ESTA".

The company's IPO was priced at \$18 per share and closed that day at \$24.75. The stock has continued to appreciate and closed 2020 at \$37.64 despite the pandemic.

"We welcome Establishment Labs[®] to the NASDAQ family, and look forward to supporting their continued success. Establishment Labs[®] continuously works to improve patient safety and aesthetic outcomes while simultaneously working towards its entry into the U.S. market."- Joe Brantuk, Vice President, NASDAQ.





ESTA - Stock Performance Since IPO

Founder and chief executive officer Juan José Chacón-Quirós, joined by members of the company's management team and his family, celebrated the company's first day of trading by visiting the exchange. "Today's listing on NASDAQ represents a significant milestone for Establishment Labs[®] and our shareholders. It's an honor to be the first company headquartered in Costa Rica to be listed on a major stock exchange in the United States." -Juan José Chacón-Quirós, Founder & CEO.

In preparation for its public listing, Establishment Labs[®] improved its financial reporting and other processes to meet the standards of being a NASDAQ listed company, including meeting US Security and Exchange (SEC) requirements. We have continued to meet all applicable SEC standards and have received no deficiency reports or inquiries.

Access to capital has enabled us to continue our journey to improve women's health and meeting our sustainability goals. These efforts have included funding ongoing clinical and scientific studies of our technologies, which are highlighted below, and initiating the process for regulatory approvals in the US and other markets.

Research Developed in Collaboration with ESTA

At Establishment Labs[®], we believe in creating alliances as a key aspect to achieve innovation and to create better solutions to improve women's health and well-being. Therefore, we have built strong relationships with different universities all over the world, in order to investigate and analyze our medical devices to ensure the best results for our patients.

UNITED STATES

- Particle Study and biological response.
- Attachment and Biofilm Research on breast implants surfaces.
- Immune response of breast implants surfaces in "in vivo" animal models.





• Breast implants surface characterization.





ENGLAND

- Particle Study and biological response.
- Attachment and Biofilm Research on breast implants surfaces.
- Immune response of breast implants surfaces in "in vivo" animal models.



AUSTRIA

• Immunophenotypic characterization of human T cells after in vitro exposure to different silicone breast implants surfaces.



MEDIZINISCHE Universität



• Effect of different silicone breast implants surfaces on periprosthetic capsule formation.



AUSTRALIA

• Bacteria attachment and biofilm on different breast implants.





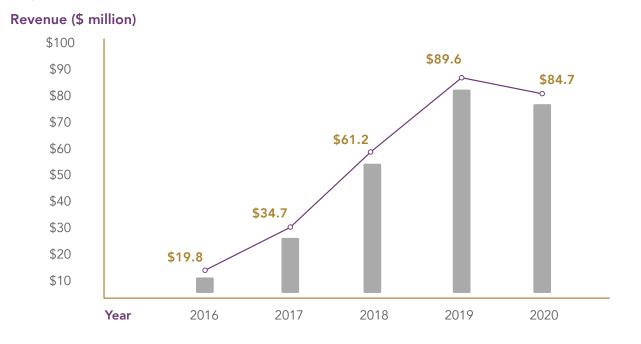
Our Financial Results - Main Achievements



Total: \$84.7 million

Corporate Revenue:

Americas: \$21.5 milion Europe: \$37.8 million Asia Pacific: \$25 million Other markets: \$0.5 million



Operating expenses:

Total: \$80.4 millon, which represents a reduction of more than \$5 millon from our 2019 operating expenses.

Cash balance:

Our cash balance as of December 31, 2020 was \$84.5 million.

For more information about our 2020 Financial Results, please click HERE.

Post-Market Surveillance Content

After a decade of market presence, the results presented are PMS data reported from patients and/or physicians to Establishment Labs' complaint database and implant registration app.

This management system provides continuous feedback to maintain a high standard of product quality.





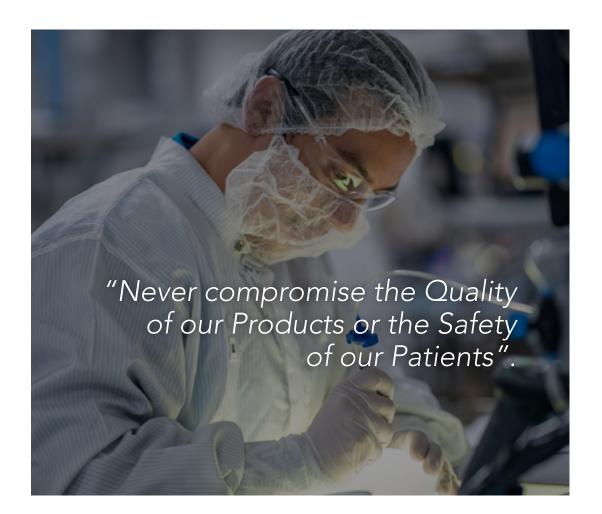
* Establishment Labs[®]. Post-Market Surveillance Report. Q4, 2020

** 165 ruptures due to surgical instruments

*** Establishment Labs[®]. Registrations via Motiva[®] website and Motivalmagine[®] digital mobile application

Quality and Regulatory Compliance 2020

At Establishment Labs[®], we ensure that Quality and Safety are at the top priority in every decision taken at the company. This commitment is shared among all employees through our Quality Policy:



Establishment Labs® Quality Management System is established to govern the design, development, manufacturing, and distribution of sterile silicone gel breast implants, silicone gel gluteal implants, single-use tissue expanders, breast sizers, and related accessories.

Establishment Labs® holds different quality management system certifications including ISO 13485:2016, MDSAP, Korea GMP, Japan Foreign Manufacturer, EU MDD Full Quality Assurance, and it is in full regulatory compliance in the over 80 countries worldwide in which we sell.

In 2020, the company received five different audits, onsite and remote, including BSI ISO13485:2016 and MDSAP recertification, INMETRO, Saudi Arabia, Ukraine, and Korea. In 2020 we received no warnings or deficiencies related to our quality or regulatory standards.

Digital Innovation: Medical Events

At Establishment Labs[®], we are committed to creating long-term relations with the medical community, which in turn will have a positive impact on women's health all over the world. One of our main initiatives is MotivaEDGE®, a platform to create and share medical, scientific and, business knowledge with plastic surgeons around the world.

Due to the impacts of the COVID-19 pandemic, this year we had to adapt our annual initiatives to comply with the different protocols in place to protect our stakeholders' health and well-being. We implemented new digital tools and events that enabled us to continue with our educational goals.





As a result, we had 89 different events throughout the year, including Webinars, Masterclasses, Gold Events, and Visits to our Headquarters, which represents a Faculty of 65 doctors and more than 6,000 members of the medical community.

Our main digital highlight was the MotivaEDGE[®] Webinar program, an online space where surgeons could network, exchange experiences, share tips and tricks, and receive quality content, including different topics like Motiva® a Decade of Contributions to Women's Health, 3D Technology, How to Control the Lower Pole with Transaxillary Incision and Motiva MinimalScar[®], among others. From April to December 2020, we hosted 75 webinars with more than 18,000 attendees (more than 5,900 unique users).

We also held seven Masterclasses through the year and trained 28 surgeons. The topics explored in these sessions included Motiva MinimalScar[®] & MotivaHybrid[®] Best Surgical Practices with Motiva Implants[®], Best Surgical Practices with Anatomical TrueFixation[®] & Ergonomix[®] Implants, and Mastering Minimal Access with Advanced Smooth Implants.



Be Motivated: Supporting the medical community through the COVID-19 pandemic

One of our most important stakeholders is the medical community. At Establishment Labs[®], we work with plastic surgeons in more than 80 countries every day. With the COVID-19 health protocols and restrictions in place, we took on the task of supporting the medical community through this situation with the hope of helping them return to "business as usual".



Besides the implementation of the MotivaEDGE[®] Webinar program and the adaptation of our different educational initiatives, we created free downloadable resources containing various tips and guidelines for surgeons and medical community members, such as Best practices during physical consultations, Recommendations on best Surgical Practices during Covid-19, and Virtual Consultation. Additionally, we created Motiva[®] educational and marketing materials for social media and other relevant channels.



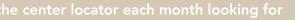
Are you in yet?

On average, 3000 women visit t a Motiva[®] Partner.

Build your profile, expand your offerings, update your info, upload new content now.



We receive messages from women all over the world asking for information about Motiva[®] Surgeons. Therefore, we created the Motiva[®] Center Locator, a platform designed to help women start their Motiva[®] journey. The Center Locator provides tools for women to find information about providers in their immediate area and to learn about their medical options.





OUR COMMITMENT TO SUSTAINABILITY

Part of our corporate culture is continuous improvement—to challenge ourselves to be better in everything that we do and our Corporate Social Responsibility (CSR) is no exception. In 2020, we began the journey to transform our previous CSR program into a Global Sustainability Strategy, with the goal to increase our contributions towards long-term sustainable development for all.

This represents a new goal for our company. At Establishment Labs, we see sustainability as a business opportunity not just to reduce risks but to create a significant positive impact on women's health all over the world.

And we are beginning different processes that will work as the baseline to for this sustainability strategy. Each of these processes seeks to improve the speed and direction of our actions to have a greater impact and add value to our stakeholders.

To achieve this new challenge, we redefined our company's purpose:

Putting women first: in health and well-being, in science and technology, in our communities

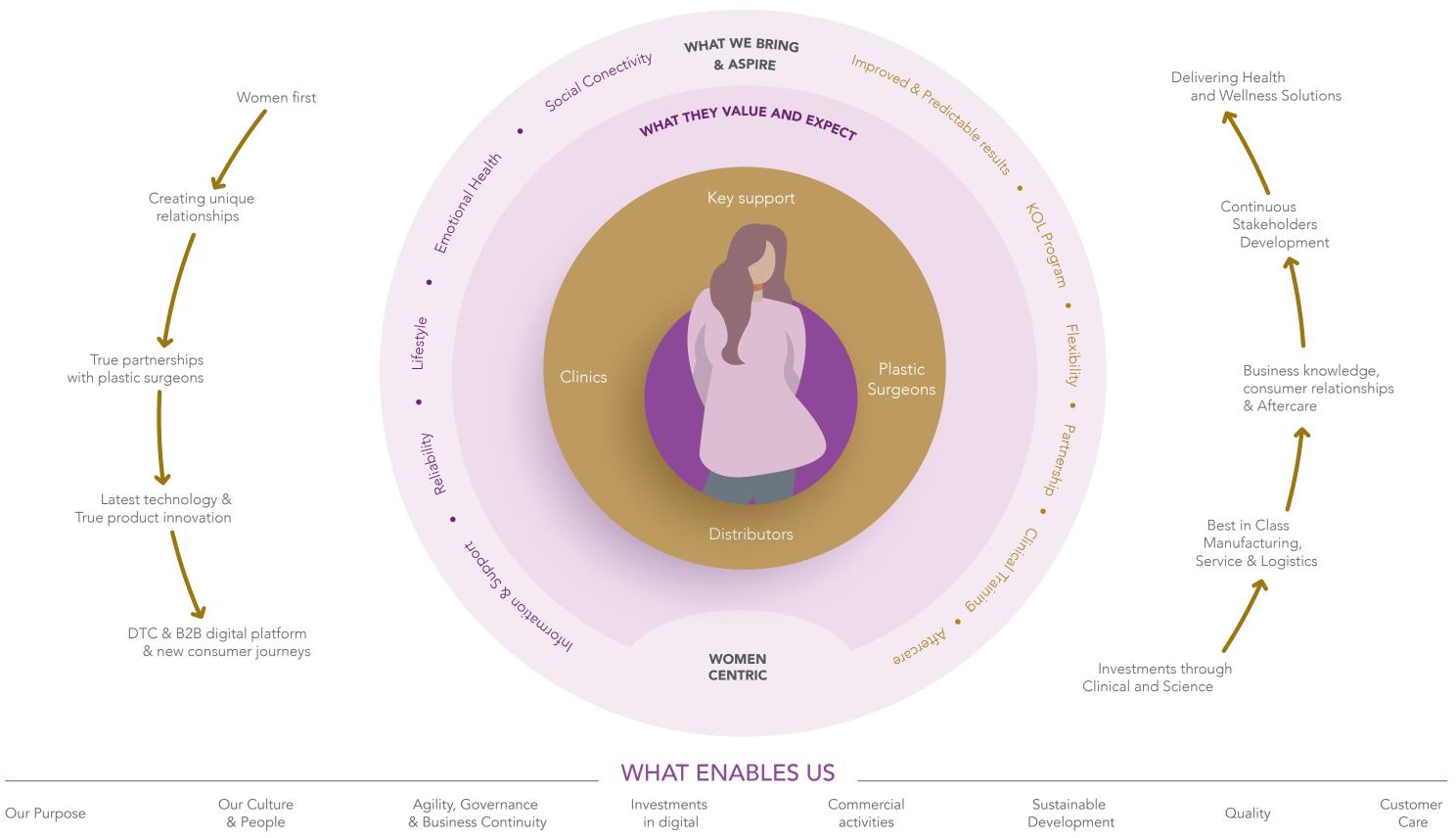
Highlights of our Journey:

Value Map, Stakeholders & Materiality

The starting point of our sustainability journey was defining our value map, stakeholders list, and materiality topics. These efforts create a solid base on which to build a sustainability strategy that incorporates our way of doing business, our plans, and our commitments.

To define our **Value Map**, we started with the company's purpose, which places women at the center of everything we do. Then we held several sessions, implemented by our Business Excellence Manager, where managers and executives from Patient Advocacy, Digital Marketing, Supply Chain, RDI, Medical Education, Commercial, and Operations areas participated.

Starting from the center—women—we created a circle from the inside out, which includes other highly important stakeholders, their expectations of our business, and the benefits that Establishment Labs brings as a provider of medical solutions. The outside of the circle holds the list of processes and actions that we, as a company, perform to deliver our products and add value to our core stakeholders at the center of the circle.



HOW WE DO THAT

After we had a developed a clear picture of our value map, we started to identify the different stakeholders or groups that we regularly interact with during the course of our work. With this exercise, we defined the following stakeholder list:



- Consumers
- Employees
- Medical Community
- Patient Groups
- Regulators
- Governments
- Vendors
- Distributors
- Shareholders
- Communities (local, digital, economical, etc.)

The creation of our first materiality assessment was divided into three different stages. The first one was a definition of material topics by our Founder and CEO, Juan Jose Chacon-Quiros. The second stage was to review different global materiality frameworks, to begin the process of benchmarking ourselves against other commercial organizations, with a focus on companies in the medical device industry. The international standards we consulted included Sustainability Topics, ROBECO SAM, and SASB. Additionally, ISO 26000 was reviewed as a general reference.

After the benchmarking analysis, we validated the materiality topics with our value map. This process led to 21 material topics divided into four categories: Women's Health and Well-being, Environment, Employees, and Business Innovation & New Technologies.

In December 2020, we did a validation process of the value map, stakeholders list, and materiality topics will all Establishment Labs' executive team. Additionally, during 2021, we will do a consultation assessment with our main stakeholders to validate these three processes.

In defining our materiality categories, we have made the conscious decision to deviate from the standard "ESG" framework and have elevated "Women's Health & well-being" to a major category. This is a reflection of our commitment to Women's Health as a core principle around which we have organized our business activities. Our belief is that by honoring and achieving success against this goal along with the others, we will be most successful in contributing to a sustainable future for all.



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United Nations' Sustainable Development Goals

In 2019, we adopted the United Nations' Sustainable Development Goals (SDGs) as pillars of our first CSR program. In our continued journey towards sustainability, the SDGs remain essential guidelines for our actions and objectives.

We have updated the three SDGs that match our purpose of putting women first:



Our Patient Advocacy Approach

Our Impact

Our main achievements

In 2020, ESTA created the Patient Advocate dedicated position as part of our ongoing evolution as a Women's Health organization.

While Public Affairs positions that engage with political and policy stakeholders are common within Medical Device companies, a senior position engaging directly with patients, their advocates, and organized patient groups is still rare.

Women have historically been marginalized in the development of medical technology. This is a mistake that we are trying to correct. Listen to women, and they will tell you what really matters to them. Involve them in the process, and the impact of those voices is amplified manyfold. This is the reason why the Patient Advocacy and Engagement function was created: to capture women's voices and translate them into our corporate strategy.



• SDG 3: Good Health and Well-being Ensure healthy lives and promote well-being for all ages



• SDG 5: Gender Equality Achieve gender equality and empower all women and girls



• SDG 12: Responsible Consumption and Production Ensure sustainable consumption and production patterns

For more information about the SDGs visit sdgs.un.org/goals

& WELL-BEING

• Providing women with answers to breast health question • Empowering women to take charge and to change their health

• Value mapping priority patient advocacy organizations • Increasing awareness of breast health conditions • Producing and sharing related risk assessments

We believe patient values translate to business values. By listening to the growing patient voice and incorporate those insights into the safety and design of products, we believe we will be rewarded with higher market shares and most importantly, better outcomes for women.



Central to our advocacy mission is to educate women and health care professionals, allowing them to make better informed health choices. By connecting with advocacy groups and plastic surgeon societies through fact based and expert-sourced content, we have been able to raise the awareness of important developments occurring in our industry.

Inclusion of patient voice is not only a best practice for product development, but health authorities are increasingly asking patients to contribute to product approval discussions. Even health technology assessments require patients' input on the value of the intervention. These activities are principally being driven through organized patient groups and patient advocates. These target audiences are not traditionally supported by the medical technology industry, but they are key stakeholders for our company.

As a Women's Health organization, there FemTech is a core focus: women spend more on health care than men and are more likely to use digital solutions for their personalized needs. Embracing FemTech means develop and collaborate on technological advances which are addressing needs and improvements for women's health and well-being which are unique to them and their bodies.

COVID-19 has had an impact on the implementation of educational programs, global events, and initiatives important to international advocacy groups. Despite these restrictions, we continued our virtual presence with these groups.

A Member of the Women's Health Innovation Coalition

Breast Cancer Awareness Campaign

At Establishment Labs[®], October is our annual time to promote breast health and to raise awareness about breast cancer. In 2020 we launch our global campaign Pink Motiva®. The focus was to create awareness among women of the importance of early detection of breast cancer. Each of our global sites and facilities implemented different initiatives to increase the scope of the campaign.

In Brazil, we launched a new edition of our annual breast reconstruction campaign. The centerpiece is the support we were able to provide to more than 60 women who had finished their breast cancer treatment but who did not have the financial means to pay for a private breast reconstruction surgery.

"Cancer is a disease that affects women physically, emotionally, and socially. And it is the awareness of this situation that engages us in causes like these. All our products were developed with a focus on the patient. We want, with our implants, to help these patients recover their self-esteem and the structure of their breasts, with safety and innovation."



Our European Distribution Center (EDC) supports the Pink Ribbon Foundation in Belgium. We encouraged employees to take pictures of themselves wearing pink as a way to increase awareness of the campaign. Our efforts led to a meaningful donation to the foundation. Additionally, we supported Pink Ribbon by purchasing their pink bottles, canvas bags, and cancer awareness wristbands for all employees.

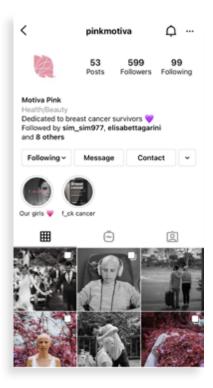
Mariana Bonatto

Sales and Marketing Director – Motiva® Brazil

In our Headquarters, we coordinated online sessions through the entire month of October to discuss different topics related to breast cancer: talking about cancer with kids, supporting a person who has breast cancer, how to communicate breast cancer to others, and a Beauty Boss session with breast cancer survivors to learn from their experiences. We had over 80 participants at the sessions.

Additionally, we took our breast cancer campaign to our primary social media channels on Facebook, LinkedIn, and Instagram under the hashtag #motivapink. The goal was to promote women's health and raise awareness of the importance of regular breast self-exams and other important steps to prevent breast cancer. Throughout the month, we had over 11,000 interactions with our different posts.





Breast Cancer Awareness Campaign - SDG Impacted



SDG – Goal

3. Ensure healthy lives and promote well-being for all at all ages

Target

3.4 By 2030, reduce by one-third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being

Women Empowerment Campaigns

International Day of Women & Girls in Science

On February 11th, the world celebrates the International Day of Women and Girls in Science, recognizing the critical role women and girls play in science and technology. We joined the conversation by launching our global campaign sharing tips to promote STEM (Science, Technology, Engineering, and Mathematics) careers to young women. Our objective was to raise awareness among all our employees about the different actions we can do to encourage more women to explore their options for careers in STEM.



In alliance with the Inspiring Girls Foundation, nine colleagues from our Headquarters volunteered to share their professional experience with 23 girls from the Saint Augustin School in Costa Rica. This activity sought to share with the girls the experiences of different women who work in the medical industry and to consider a professional future in STEM.

Volunteers' feedback

opportunities for women."

"I thought the activity was very good, especially because of the topic we discussed, it was organized."

International Day of Women & Girls in Science - SDG Impacted



SDG – Goal

5.1. Achieve gender equality and empower all women and girls

Target

5.1. End all forms of discrimination against all women and girls everywhere. 5.b. Enhance the use of enabling technology, in particular information and communications technology, to promote the empowerment of women

• "It seems to me that volunteer activities are opportunities for us as professionals to give back to society. In particular, the activity in which I participated seemed very enriching since we also participated in alliance with the Inspiring Girls Foundation. It seems to me that the girls made the most of the activity and now they know that there are many

International Women's Day

One of our biggest annual celebrations is International Women's Day. It is an initiative to support women's empowerment and our commitment to the third SDG: Gender Equality. In March 2020, we launched our Female & Fierce campaign to all our stakeholders.



Its key messages were centered on promoting the achievements, goals, and stories of different women from all over the world. In our social media profiles, **we had more than 41,000 impressions and reached more than 53,000 users.** Internally, five of our employees, from different facilities and countries joined our campaign to share their thoughts about women empowerment and the importance of female role models.

Additionally, 22 employees participated in a Beauty Boss session with Gabriela Mata from UN Women where we discussed the Women Empowerment Principles and their call to action towards gender equality and women empowerment.

International Day for the Elimination of Violence against Women

To achieve gender equality and women empowerment, we need to address violence against women. As a women's health company, we find it very important to raise awareness of this issue and in November 2020 we commemorated International Day against Violence against Women.

Under the concept of *Empower through care*, we launched a global campaign to educate women to identify the signs of psychological, verbal, sexual, and physical violence that they or other women may be affected by; to share the options they have to remove themselves from those situations; and providing access to a network of other women they can turn to for help. This campaign had more than 6,800 impressions and reached 14,700 users in our social media profiles.



Additionally, and in accordance with COVID-19 health protocols, we held two online sessions for all our employees to reinforce messages about what is violence against women, types of violence, how to identify them, and what to do in a violent situation. Both sessions were implemented by the Costa Rican Agency Boomerang Effect and 40 employees from different sites joined this initiative and learned more about these topics.

International Day for the Elimination of Violence against Women - SDG Impacted



SDG – Goal 5. Achieve gender equali

Target

5.2. Eliminate all forms of violence against all women and girls in the public and private spheres, including trafficking and sexual and other types of exploitation

International Women's Day - SDG Impacted



SDG – Goal

5. Achieve gender equality and empower all women and girls

Target**5.1.** End all forms of discrimination against all women and girls everywhere



5. Achieve gender equality and empower all women and girls

OUR ENVIRONMENTAL INITIATIVES

We are Carbon Neutral: Second Edition

At Establishment Labs, taking care of the environment has always been part of our way of doing business. For us, respecting our planet and all its inhabitants is a key element of our purpose and our vision to transform the industry. We have made a strong commitment to reducing our environmental impacts, especially our carbon emissions.

We are happy to announce that in 2020 we re-certified our Headquarters and manufacturing facilities as carbon-neutral, according to the Costa Rican national program. This achievement was possible due to our employees' commitment and to the corporate investments inefficient lighting systems, solar panels, ice banks and battery systems for energy storage, and a special air conditioning system.



Had we not implanted these changes over the past two years, our carbon footprint would be approximately 10% larger. This equates to almost 100 tons of annual carbon dioxide emissions and is equivalent to 295 passengers flying from Paris to New York. You can review the specific data about our carbon emissions in the following chart:

Source	2017 Tons [tCO2e]	2017 Percentage (%)	2018 Tons [tCO2e]	2018 Percentage (%
Coolant	99,5067	21,090	247,5800	54,386
Vehicle lubricant	0,0164	0,003	0,0455	0,010
Equipment lubricant	0,0158	0,003	0,0077	0,002
Penetrating fluids	0,0001	0,000	0,0005	0,000
Fertilizers	0,0005	0,000	0,0000	0,000
Fire extinguishers	0,0726	0,015	0,1837	0,040
Propane	0,0024	0,001	0,0000	0,000
Gasoline	1,4494	0,307	1,3495	0,296
Diesel	6,9626	1,476	21,7110	4,769
Electricity	363,7915	77,104	184,349	40,496
Total	471,82	100,00	455,23	100,000

Note: The period from January to December 2017 was chosen as the base year of our Carbon Neutral Program.

Carbon Dioxide Emissions – Summary

Celebrating the Environment

On June 5th, the UN celebrates World Environment Day, and we celebrated the planet and the environment during the entire month. In 2020, we launched a digital campaign focused on the importance of protecting the planet: When she thrives, we thrive. Protect Mother Earth. With this campaign, we reached more than 12,500 users through our social media profiles and had more than 10,000 impressions.

"I encourage you to join us in our commitment to Mother Earth. Reducing contamination, recycling, improving our habits, and using more efficient technologies are some of the initiatives you can implement today to positively impact our planet. Working together is the only way we are going to transform our world and achieve a sustainable future for all."





When she thrives, we thrive. Protect Mother Earth.

Internally, we adapted our campaign to the different health protocols in place and promoted tips that people can implement to take care of the environment at home. It included simple actions as reducing the time in the shower, planting, changing lightbulbs, among others. We even incorporated environmental activities that employees could do with their kids while staying safe at home.

During the month, we also held a tree planting activity at our Headquarters. The initiative was organized by the Coyol Free Zone administration and five of our manufacturing colleagues participated as volunteers.





Additionally, on March 22nd we celebrated World Water Day with a global communication to all employees raising awareness about the fact that 2.2 billion people live without access to safe water and promoting easy steps we can all take to save water and address climate change.

Celebrating the Environment - SDG Impacted



SDG – Goal

Target

12.8. By 2030, ensure that people everywhere have the relevant information and awareness for sustainable development and lifestyles in harmony with nature

Juan Jose Chacon-Quiros Founder and CEO

12. Ensure sustainable consumption and production patterns



Fast Facts



0	ESTA's Headcount (Dec. 2020)					
	Americas	502				
	EMEA	71				
	APAC	2				
	TOTAL	575				

• Basic Distribution	by Age	
18 – 29 years	37%	
30 – 39 years	43%	
40 – 49 years	16%	
50 – 59 years	3%	
60 years and over	1%	

0	Basic	Distrib	ution	by	Gender
---	-------	---------	-------	----	--------

Female	47%
Male	53%

0	Management Dist	ibution by Gender
	Female	43%
	Male	57%

Health & Safety

Employees Safety: Our Priority

At Establishment Labs[®], our employees' safety and well-being is a top priority. We have implemented different initiatives to promote a safe corporate culture that positively impacts our business. These efforts resulted in one of our biggest safety milestones to date: during 2020 we did not have any recordable incidents associated with work-related risks in all our offices and manufacturing facilities.

This achievement reflects everyone's commitment to safety in our workplace as well as protocols we have put in place, including an Emergency Response Team in our Headquarters and manufacturing facilities, weekly communications promoting well-being and safety practices, our annual EHS (Environmental – Health – Safety) Week, an on-site doctor in our Headquarters, and others.



• Global Training Hours:

Administrative employees	3,665
Hourly employees	1,053



Additionally, we exceeded our Occupational Safety and Health Administration (OSHA) goals in our Headquarters and manufacturing facilities, including targets around recordable incidents, restricted work cases, lost time incidents, and incidents on the road rates.

Facing COVID-19

As with every individual and company around the world, everything changed for us in March 2020 when the scope of the COVID-19 pandemic became clear There were a number of measures we took to safely navigate this critical situation while continuing to serve our stakeholders effectively. Along with the different initiatives we implemented to support the medical community through the pandemic, we also executed different actions to safeguard our employees' safety, health, and well-being.



Our Crisis Committee started working immediately to implement new plans and protocols to keep our employees safe while continuing to do their daily tasks. The objective was to establish the preventative and mitigation measures necessary to protect the health of our employees and prevent the spread of the COVID-19 virus.

Among the different changes we have implemented are enhanced cleaning protocols in all our facilities, visible signs, frequent internal communication to keep our employees informed, social distancing protocols, meeting room capacity limited to 50% of normal occupancy, working from home practices for all administrative employees, protocols for entering facilities, potential and confirmed case management protocols, and others.

To ensure the highest standards in our health protocols and plans, we submitted our internal COVID-19 Guidelines to a Checked by NSF[™] Gap Assessment. NSF partnered with Establishment Labs to support the process of planning, implementing, and verifying the mitigation plans developed by the company, with a three-phase plan: Review of Existing Program, Plan Implementation, and Ongoing Evaluation.

The first phase is completed. The organization's mitigation plan was evaluated by NSF and it complies with guidance from the U.S. CDC, WHO, or other appropriate national public health authorities.

Supporting Our Communities

In addition to the different actions and health protocols we implemented in all our sites and facilities as a result of COVID-19, during March and May 2020 we implemented a social initiative to support health care providers in Costa Rica through a donation of reusable face shields to 31 different organizations. The donation was made to assist workers in these institutions as they continue to deal with the COVID-19 pandemic, as well as to protect high-risk populations, such as the elderly.



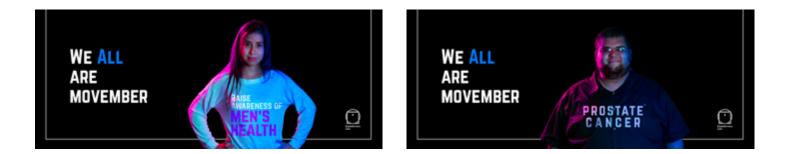
This initiative represents a donation of 4,000 reusable face shields for the staff of the selected organizations, including the Ministry of Health, the Costa Rican Association of Alzheimer and Other Dementias (ASCADA), the Santiago Crespo Calvo Nursing Home, the Alfredo and Delia González Flores Nursing Home, the Carlos María Ulloa Nursing Home, the Nursing Home of Piedades de Santa Ana, among others.

The face shields were designed in alliance with the Bionic Foundation and assembled by a team of 90 corporate volunteers. The face shields provide full-face coverage, are made of high-grade transparent PSAI, and are reusable with simple cleaning and disinfecting.

Celebrating our Employees' Health and Well-being

As part of our annual initiatives, we took part in two different UN programs to raise awareness about the importance of taking care of our health and well-being. The first celebration was World Cancer Day (February 4th). On this date, we fielded a global campaign to promote awareness about this disease.

In our Headquarters, employees wore a colored bow to commemorate someone who fights or fought against cancer. In our European Distribution Center (EDC), employees wore a blue garment and shared lunch to show support for a colleague fighting colon cancer. Along with joining the campaign, Motiva® Brazil held a scarf donation to a local cancer foundation.



During November, along with our campaign against violence against women, we supported the Movember movement through an awareness campaign and a global mustache contest. Eight employees were part of the awareness campaign with the objective of raising an understanding of men's health issues, specifically prostate and testicular cancer. These employees also took part in our 2020 ESTA's Gold Mustache contest. This edition was adapted to digital so that employees all over the world could participate.

Celebrating our Employees' Health and Well-being - SDG Impacted



SDG – Goal

3. Ensure healthy lives and promote well-being for all at all ages

Target

3.4. By 2030, reduce by one third premature mortality from non-communicable diseases through prevention and treatment and promote mental health and well-being



Business Excellence Model to Support our Success

Our corporate vision was the starting point for our Business Excellence Model. We created our own framework called "ESTA-Way of Living" to provide the tools and systems to live by our purpose, values, and principles. We look to increase our competitiveness and support our growth by standardizing and leveraging a continuous improvement network.

Our Current State

As part of this journey, our Headquarters in Costa Rica were the first to roll out the Business Excellence Model and to start measuring its performance through an evaluation by the Chamber of Industries of Costa Rica. In 2020, this public entity granted us a Silver Award in the Route to Excellence Evaluation, which places the company in an intermediate level of maturity in business excellence, using worldwide best practices as the reference.

Our goal now is to work on a plan to achieve an advanced maturity level and expand our Business Excellence Model globally.

Creating a Support Community

Our business excellence efforts will only succeed with the development, engagement, and participation of our people. For this reason, we are creating a community of business excellence supporters and Subject Matter Experts (SMEs). This year, we started with the training and certification of 45 Lean Six Sigma Green Belts in our Headquarters and Motiva[®] European Distribution Center in Belgium. This group is tasked with spreading the tools, knowledge, and message around the importance of continuous improvement for our company.

As a result of this business excellence community effort, we also received the Chamber of Industries of Costa Rica's Commitment to Excellence prize for developing an improvement thinking process by our manufacturing department.



Embracing Business Excellence in Unprecedented Times

The buy-in of business excellence starts with our leaders. In 2020, our founder and CEO, Juan Jose Chacon-Quiros leveraged the innovation and continuous improvement mindset through the creation of a global program called We are Entrepreneurs, with the objective of implementing new processes or initiatives to reduce the impacts caused by the COVID-19 pandemic while delivering value to our stakeholders.

The result of this program was 370 initiatives implemented worldwide and \$1.9 million in savings. We demonstrated that by internalizing business excellence across the company, we can maximize our competitive position while still investing in new equipment, products, and markets.

Our Entrepreneurs program will continue in 2021.

CORPORATE

Our Board believes that good governance requires well outlined and understood processes, but equally important is a culture of responsibility that permeates throughout the organization. Governance at Establishment Labs is intended to not only provide a set of rules that guide our actions but also principles against which our activities are measured and to which we hold ourselves accountable.

Our Board believes that it has adopted corporate governance practices that are aligned with the interests of our shareholders, our corporate business strategy, and the opinions expressed by recognized corporate governance authorities.

It is our policy to have our Board regularly review our corporate governance practices for compliance with applicable rules, listing standards and regulations, as well as best practices suggested by recognized corporate governance authorities, and modify our practices as warranted.

Corporate Governance Guidelines

Our Corporate Governance Guidelines, which were adopted by our Board, along with the charters for the standing committees of the Board and our Code of Business Conduct and Ethics serve to guide the operation and direction of the Board and its committees. These documents are published under "Corporate Governance" in the Investors section of our website at *www.establishmentlabs.com*.

The Board

Board Diversity

Establishment Labs believes the strength and effectiveness of the board reflects the balance, experience and diversity of the individual directors; their commitment; and the ability of the directors to work effectively as a group in carrying out their responsibilities.

Director Independence

At year-end 2020, 5 out of the 7 directors were independent as defined by NASDAQ guidelines.

Board Meetings

In 2020, the Board met 8 times and acted by written consent 1 time. All the directors attended at least 75% of the meetings of the Board and the standing committees of which they were members, either in person or by phone. Board Role in Risk Oversight

Our Board is primarily responsible for the oversight of our risk management activities and has delegated to the Audit Committee the responsibility to assist our Board in this task. While our Board oversees our risk management, our management is responsible for day-to-day risk management processes. Our Board expects our management to consider risk and risk management in each business decision, to proactively develop and monitor risk management strategies and processes for day-to-day activities, and to effectively implement risk management strategies adopted by the Board.

Ethics & Anticorruption

The Establishment Labs' Ethics and Compliance Program seek to ensure that its business practices comply with applicable laws, regulations, and ethical business principles and develop a culture of trust, transparency, and integrity.

We have earned the trust of patients, surgeons, commercial partners, and other stakeholders through our products' quality and safety. Our commitment to business integrity is as robust as our commitment to women's health – this means conducting our business ethically, based on our values, and in compliance with all applicable laws and regulations.

The foundation for transparency and integrity at Establishment Labs is our Code of Business Conduct and Ethics. The Code is intended to guide daily behavior; it helps employees and stakeholders resolve the most common ethical and compliance issues that they may encounter.

The Code of Business Conduct and Ethics applies to all employees, officers, and directors of Establishment Labs and any other third-party stakeholder acting on behalf of Establishment Labs. Our employees, leadership team, advisory board members, and Board of Directors are routinely trained on our Code of Conduct and Anti-Corruption Policy, and our agreements with consulting healthcare professionals and certain other suppliers include standard acknowledgements relating to both policies.

Reporting Concerns

We foster an environment where everyone can ask questions and raise concerns about unethical or inappropriate behavior in good faith and without fear of retaliation. We encourage employees and third parties to report any integrity or compliance-related concerns. Reports may be either made directly to our Compliance Officer; anonymously via the Global Ethics Line, a multilingual service operated by Navex Global, an independent third party; or by filing a report through our Ethics Line establishmentlabs.ethicspoint.com

For any instances of confirmed misconduct, we carry out appropriate corrective or disciplinary actions up to and including termination.

Data Protection

Our global Policy on the Protection of Personal Information establishes global requirements for the fair and lawful collection, processing, handling, and protection of personal data by and on behalf of Establishment Labs. Protecting this information is crucial to preserving our stakeholders' trust as well as protecting our brand and reputation.

In addition, we implement controls for, and monitor compliance with, privacy-related laws in each of our direct markets around the globe, such as the General Data Protection Regulation (GDPR) in Europe, the Lei Geral de Protecao de Dados (LGPD) in Brazil, and many other national privacy and security laws.

Monitoring Compliance

We test compliance with our policies and procedures through our self-audit and monitoring program on an annual basis. Our risk and controls assessment process guides these efforts and helps to identify and provide insight into our compliance risks. Any action items identified are tracked, together with their corrective and/or preventative action plans.

Our Future Commitments

In 2020, we shifted our company's scope as it relates to sustainability. We redefined our corporate purpose, vision, and mission to be clear on the focus of our company: Put women first in everything we do. To achieve this, we include sustainability as one of the key pillars of our corporate strategy. As a company, we intend to create long-term value for all our stakeholders by weaving world-class environmental, social, and governance practices into the fabric of our company.

Our journey in sustainability has just started. We are in the process of completing our first materiality and stakeholder assessments. Additionally, in the next months and years, we will continue to develop new alliances, adhere to international frameworks, and create a sustainability culture within the company to fulfill our purpose. Challenging ourselves to be the best is part of our corporate culture and our sustainability strategy will be not the exception. Success in these efforts will create positive impacts that benefit women's health and well-being around the globe.



This review contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). You can find many (but not all) of these statements by looking for words such as "approximates," "believes," "expects," "anticipates," "estimates," "intends," "plans," "would," "may" or other similar expressions in this review. Any statements that refer to projections of our future financial or operating performance, anticipated trends in our business (including the impact of the COVID-19 outbreak), our goals, strategies, focus and plans, and other characterizations of future events or circumstances, including statements expressing general optimism about future operating results, are forward-looking statements.

We claim the protection of the safe harbor contained in the Private Securities Litigation Reform Act of 1995. We caution investors that any forward-looking statements presented in this review, or that we may make orally or in writing from time to time, are expressions of our beliefs and expectations based on currently available information at the time such statements are made. Such statements are based on assumptions, and the actual outcome will be affected by known and unknown risks, trends, uncertainties, and factors that are beyond our control. Although we believe that our assumptions are reasonable, they are not guarantees of future performance, and some will inevitably prove to be incorrect. As a result, our actual future results may differ from our expectations, and those differences may be material.

Factors that could cause or contribute to these differences include, among others, those risks and uncertainties discussed under the sections contained in the Form 10-K for Fiscal Year 2020 and our other filings with the Securities and Exchange Commission. The risks included in those documents are not exhaustive, and additional factors could adversely affect our business and financial performance. We operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time, and it is not possible for us to predict all such risk factors, nor can we assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements.

We are not undertaking any obligation to update any forward-looking statements. Accordingly, investors should use caution in relying on past forward-looking statements, which are based on known results and trends at the time they are made, to anticipate future results or trends.



Motiva USA LLC

1187 Coast Village Road Suite 1-402, Santa Barbara, CA 93108, USA

Motiva European Distribution Center

Nijverheidsstraat 96, Wommelgem Antwerp, 2160, BELGIUM

Motiva Brazil

Av. Dr. Guilherme Dumont Vilares, 2450, Cj.32, São Paulo, BRAZIL

Establishment Labs S.A.

Coyol Free Zone, Alajuela, COSTA RICA