



Sustainable
Growth

2023
ANNUAL REVIEW

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About this review

This review is the Fifth Edition of our transparency exercise, sharing our contributions, results, initiatives, and activities implemented between January and December 2023. Along with guiding the content by the Sustainable Development Goals (SDGs) outlined in the United Nations resolution, "The 2030 Agenda", this year's Sustainability Review references the Global Reporting Initiative (GRI) Standards (2021 version).

To review our previous efforts in sustainability, please see our 2019 Corporate Social Responsibility Report, and 2020-2021-2022 Annual Sustainability Reviews at <https://establishmentlabs.com/our-impact/reviews/>

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

Raj Denhoy
Chief Financial Officer
rdenhoy@establishmentlabs.com

Micaela Mazzei
Global Business Center, Director
mmazzei@establishmentlabs.com

Faubricio Porras
Corporate Excellence Specialist
fporras@establishmentlabs.com

Message from the CEO

People, Planet, Profits.

This framework to build a sustainable future for companies and society is the major focus of Establishment Labs® today, and as we look to the next phase of healthy growth for our company. Over the last few years, we have devoted our annual review to the extraordinary efforts our company has made to promote a positive environment for our people and reduce the impact of our operations on the planet. However, we should never forget the importance of profits to the long-term sustainability of companies — it is what allows us to continue to grow while we support our employees and communities, the planet we live in, and our shareholders. In the recent past, several companies in our industry have ignored this framework and faced financial insolvency and bankruptcy. This has had a profound impact on patients, as they lose coverage for their long-term implantable devices and face uncertainty in case of reoperation. It also creates unnecessary confusion among the medical community, which affects the ability of patients to receive the care and outcomes they seek.

Our initiatives to protect people and planet are only sustainable based on the productivity and profitability of our company. As a result, in the second half of 2023, we undertook a strategic analysis of our business and implemented a plan to make structural changes across the organization. The changes we made and our continued focus on efficiency are now integral parts of our Road to Profitability Plan, where we plan to achieve profitability by the end of 2025 while still making the investments needed to support our growth. Sustainability at the core requires this balanced approach.

Opening of our **Sulàyöm Innovation Campus** in Costa Rica.

Carbon neutrality at our operating manufacturing facilities, a **first in our industry.**

Regulatory approval in China for Motiva Implants.

Regulatory approval in the United States for the Flora tissue expander.

We achieved many great things in 2023, including the opening of our Sulàyöm Innovation Campus in Costa Rica. This state-of-the-art facility expands our capabilities in R&D and manufacturing and will support our next wave of innovation and market expansion. We achieved carbon neutrality at our operating manufacturing facilities, a first in our industry. We also received regulatory approval in China for Motiva Implants and in the United States for the Flora tissue expander.

We are fully committed to continue developing Femtech solutions that empower women, with the support of the medical community, to take control of their health and wellbeing in breast aesthetics and reconstruction. You can track our progress according to GRI standards and the United Nations Sustainable Development Goals (SDGs) in this 2023 review. As a publicly traded company on NASDAQ, our governance policies serve as a focal point, highlighting our adherence to ethical standards, regulatory requirements, and resilient strategies, while also showcasing our operational excellence and dedication to sustainable practices.

People, Planet, Profits!



Juan José Chacón-Quirós
Founder & CEO
NASDAQ: ESTA

About Establishment Labs®

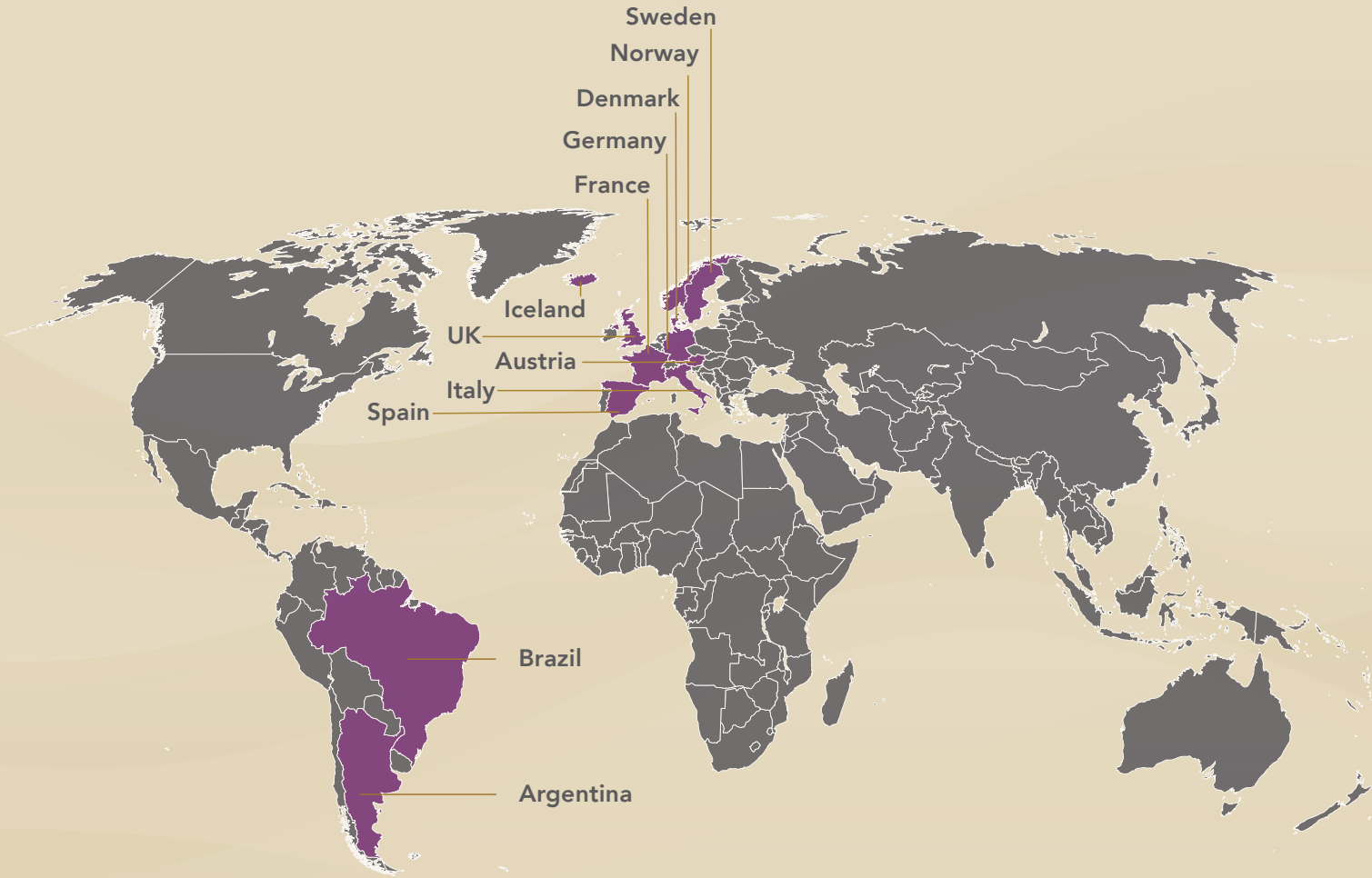
Establishment Labs® Holdings Inc. is a global medical technology company dedicated to improving women's health and wellness through the power of science, engineering, and technology. The Company offers a portfolio of Femtech solutions for breast health, breast aesthetics and breast reconstruction. The over three million Motiva® devices Establishment Labs® has delivered to plastic and reconstructive surgeons since 2010 have created a new standard for safety and patient satisfaction in the over 85 countries in which they are available. The Motiva Flora® tissue expander is used to improve outcomes in breast reconstruction following breast cancer and it is the only regulatory-approved expander in the world with an integrated port using radio-frequency technology that is MRI conditional. Mia Femtech™, Establishment Labs®' unique minimally invasive experience for breast harmony, is the Company's most recent breakthrough innovation. These solutions are supported by over 200 patent applications in 25 separate patent families worldwide and over 50 scientific studies and publications in peer reviewed journals.

Establishment Labs® manufactures at two facilities in Costa Rica compliant with all applicable regulatory standards under ISO13485:2016 and FDA 21 CFR 820 under the MDSAP program. In 2018, the Company received an investigational device exemption (IDE) from the FDA for Motiva Implants® and began a clinical trial to support regulatory approval in the United States. Please visit our website for additional information at www.establishmentlabs.com.

Establishment Labs®
in One Page

Corporate results

Commercial Offices



Main Locations

Headquarters and Manufacturing Sites	Costa Rica
Sulàyöm Innovation Campus	Costa Rica
Motiva European Distribution Center	Belgium
Motiva USA	USA
Distribution Center Motiva Brazil	Brazil
Women’s Health Hub	Spain

People Worldwide

689	Americas	TOTAL 882
160	EMEA	
4	APAC	
29	US	

Purpose

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

Mission

Creating a world that celebrates a woman's freedom to make informed decisions through her journey of breast health and wellness.

Vision

Women empowered through Femtech.

values



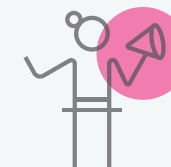
We before me.

Winning takes teamwork, not egos.



Adventurous hearts and minds.

We have a fearless passion to face challenges and create better ways.



I am, I can, I do

We are empowered to be the change, lead the way, and own our future.



Trusted to heal and protect

We inspire confidence and connections; we are healers.



Carpe Diem

We make a difference by making the most of today.

Products, Surgical Systems, Branded Surgeries

Femtech Solutions



Breast Augmentation

- Motiva®
- JOY®
- JOY.(dot)®



Design Surgeries

- Motiva Hybrid®
- Motiva MinimalScar®
- JOY.(dot)®



Breast Harmonization

- Mia FEMTECH®



Breast Reconstruction

- Aesthetic BreastRecon®
- Flora® Tissue Expander



Safety Features

- RFID Enablement (Qid® and Zen®)
- Smoothsilk®
- TrueMonobloc®
- BluSeal®
- TrueMonobloc+®
- Bluseal+®
- Super Silicone®

Governance

In our Sustainability Review, the governance section serves as a focal point, highlighting our adherence to ethical standards, regulatory requirements, and resilience strategies, while also showcasing our operational excellence and dedication to sustainable practices.

Financial Results

Consolidated Statements of Operations 2023

(In thousands, except share and per share data)

	Three Months Ended December 31		Year Ended December 31	
	2023	2022	2023	2022
Revenue	\$31,560	\$43,813	\$165,151	\$161,700
Cost of Revenue	10,975	15,648	58,174	55,105
Gross Profit	20,585	28,165	106,977	106,595
Operating Expenses:				
Sales, General and Administrative	36,880	34,846	145,575	125,984
Research and Development	5,820	6,479	26,428	20,269
Total Operating Expenses	42,700	41,325	172,003	146,253
Loss from Operations	(22,115)	(13,160)	(65,026)	(39,658)
Interest Income	504	25	1,020	87
Interest Expense	(4,338)	(2,200)	(15,393)	(11,760)
Change in Fair Value of Derivate Instruments	-	-	-	703
Loss on Extinguishment of Debt	-	-	-	(19,019)
Other Income (Expense), Net	2,902	2,592	816	(3,177)
Loss before Income Taxes	(23,047)	(12,743)	(78,583)	(72,824)
Benefit (provision) for Income Taxes	2,505	(819)	81	(3,177)
Net Loss	\$(20,542)	\$(13,562)	\$(78,502)	\$(75,209)
Basic and Diluted Net Loss Per Share	\$(0.79)	\$(0.55)	\$(3.07)	\$(3.08)
Weighted Average Outstanding Shares used for Basic and Diluted Net Loss per Share	26,062,724	24,457,793	25,600,029	24,457,793

Consolidated Balance Sheets 2023

(In thousands)

	December 31	
Current Assets	2023	2022
Cash	\$40,035	\$66,355
Accounts Receivable, Net of Allowance for Doubtful Accounts of \$1,841 and \$741 at December 31, 2023 and 2022, respectively	46,918	35,423
Inventory, net	79,471	36,583
Prepaid Expenses and Other Current Assets	8,477	11,543
Total Current Assets	174,901	149,904
Long-Term Assets:		
Property and Equipment, Net of Accumulated Depreciation	77,205	51,092
Goodwill	465	465
Intangible Assets, Net of Accumulated Amortization	7,987	4,608
Right-of-Use Operating Lease Assets, Net	3,381	3,702
Total Assets	\$268,641	\$211,061

	December 31	
Liabilities and Shareholders' Equity (Deficit)	2023	2022
Current Liabilities:		
Accounts Payable	\$41,624	\$20,034
Accrued Liabilities	13,690	17,237
Other Liabilities, Short-term	1,836	1,688
Total Current Liabilities	57,150	38,959
Long-Term Liabilities:		
Note Payable, Oaktree, Net of Debt Discount and Issuance	188,739	175,461
Madryn Put Option	-	-
Operating Lease Liabilities, Non-Current	2,712	3,200
Other Liabilities, Long-Term	1,645	1,626
Total Liabilities	250,246	219,246
Shareholders' Equity (Deficit)		
Total Shareholders Equity (Deficit)	18,395	\$(8,185.00)
Total Liabilities and Shareholders' Equity (Deficit)	\$268,641	\$211,061

Product Quality & Safety

Quality Policy

"Never compromise the quality of our products or the safety of our patients".

At Establishment Labs®, safeguarding the well-being of our patients and ensuring the excellence of our products has always stood as our paramount concern. This dedication has prompted us to prioritize it as one of our key governance materiality topics for 2023. We have instituted a robust quality management system to oversee every stage of the lifecycle of our sterile silicone gel breast implants, Motiva Flora tissue expanders, breast sizers, Motiva® injectors, Motiva® inflatable balloons, and associated accessories.

Aligned with our commitment and to underscore our commitment to quality outcomes, a suite of policies was enacted in 2023:

- Distribution Control Policy
- Warehouse Visitor Behavior and Control Policy
- Material Controls Policy
- Social Media Policy
- Media Education Policy
- Management Controls Policy
- Post-market Activities Policy
- Policy on the Use of Illicit Substances

Throughout 2023, our company underwent six external audits, all of which concluded without any warnings or significant regulatory deficiencies:

- BSI Certification of new manufacturing facility (B23)
- INMETRO Brazil Audit
- Sizers Annual Surveillance Desktop Audit
- BSI Microbiology Audit
- BSI MDSAP & ISO 13485 Audit
- EDC ISO 13485 Audit

Establishment Labs® proudly holds various quality management system certifications, ensuring full regulatory compliance in the over 85 countries where we operate, including:

- ISO13485:2016
- MDSAP
- Korea GMP
- Japan Foreign Manufacturer
- EU MDR Quality Management System

In 2017, we initiated the registration process for Motiva Ergonomix® Breast Implants in Chinese market and achieved registration approval in November 2023. Additionally in 2023, the U.S. Food and Drug Administration (FDA) granted 510(k) clearance for the Motiva Flora® SmoothSilk® Tissue Expander.

Through our robust quality systems, continuous improvement initiatives, and rigorous audits, we reaffirm our unwavering commitment to safety for all our customers, patients, and stakeholders.

Business Ethics: Anticorruption and Regulatory Compliance

Our commitment to business integrity is as robust as our commitment to Women's Health. Establishment Labs® has a Chief Compliance Officer and other compliance professionals who partner closely with our business to ensure that we comply with applicable laws and regulations and foster a culture of trust, transparency, and integrity.

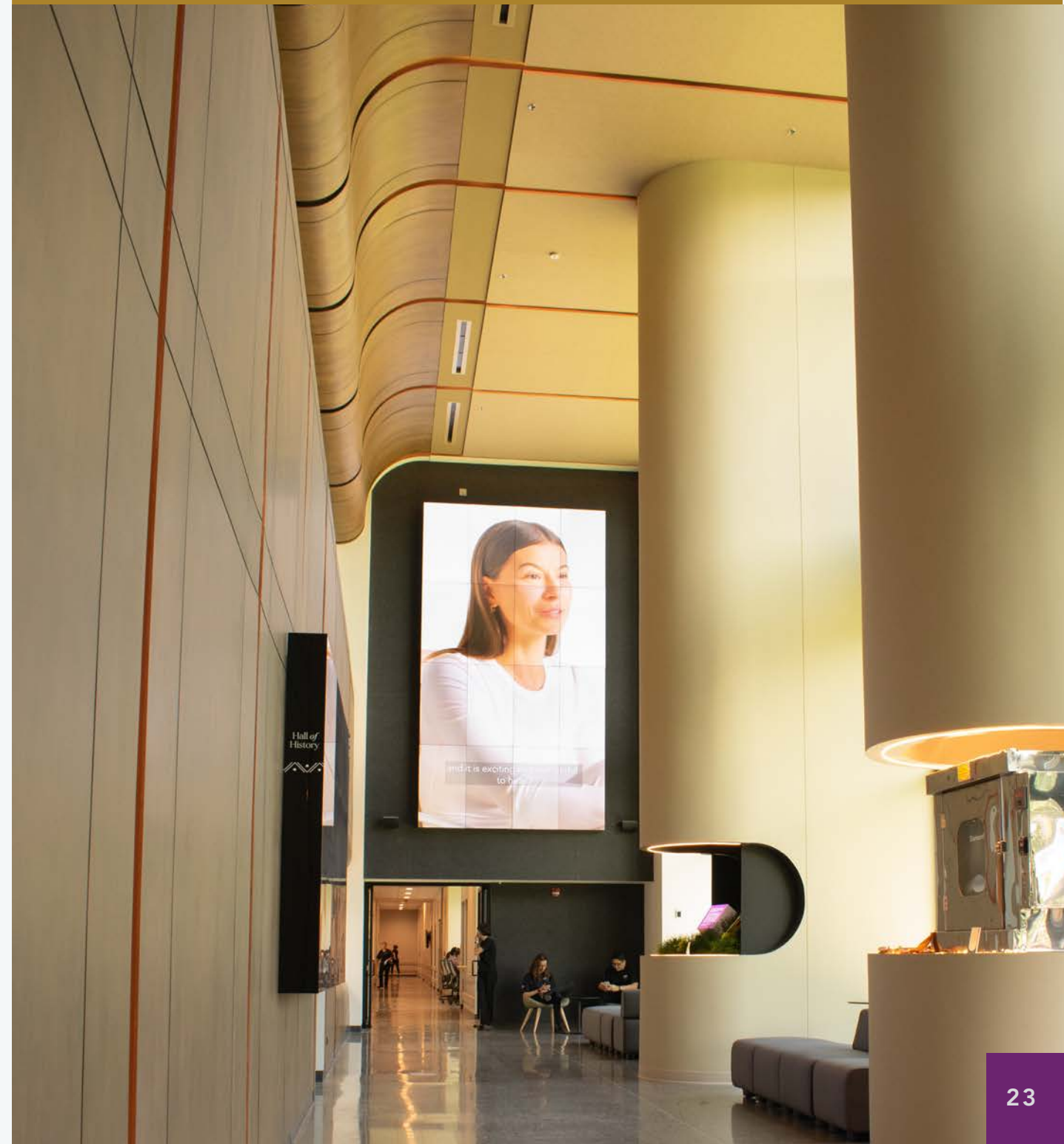
Our Annual Compliance Plan strives for continuous improvement across all aspects of our compliance program. In 2023, just as in the prior year, our Compliance Plan followed the design criteria described in the U.S. Department of Justice's "Evaluation of Corporate Compliance Programs," including Risk Assessment, Policies and Procedures, Training, and Communication.

As part of our 2023 Compliance Plan, we generated or updated 12 compliance related policies, including policies on data privacy, investigations, and social media.

Our Code of Conduct is the foundational document that sets the benchmark for our conduct. The Code applies to all employees, officers, and directors of Establishment Labs® and any third-party stakeholder acting on our behalf. We updated the Code in 2022. That updated version is publicly accessible and found [here](#).

In 2023, our Compliance Committee continued to meet quarterly, or as otherwise necessary, to review compliance-related matters, including any allegations of violations of our Code. Also, our Chief Compliance Officer reported to the Audit Committee of the Board of Directors about compliance matters quarterly or as otherwise necessary.

As Establishment Labs® continues down the path of innovation, our compliance program will continue evolving and improving. We are and will remain grounded in a commitment to integrity while we deliver on Establishment Labs® mission and goals for Women's Health.



Business Continuity

Risks Management

In our commitment to Women's Health, understanding and mitigating risks are paramount to our organizational objectives. In 2023, we took a significant step forward by implementing a comprehensive Risk Assessment at the corporate level, marking a pivotal moment in our journey towards ensuring the well-being of our stakeholders.

Key highlights of our Risk Assessment process include:



The Board of Directors' Audit Committee oversaw the implementation of a new risk management methodology, facilitating engagements with leaders to identify and prioritize significant organizational risks. Action plans were crafted and monitored quarterly for progress, with internal audits ensuring accountability across departments. This structured approach enhances organizational resilience and transparency in risk management practices.

Risk Analysis

Following thorough analysis, a comprehensive Risk List was created and prioritized using a heat map, focusing on critical risks aligned with our Corporate Objectives. Eighteen action plans were formulated across departments, addressing key areas such as second-source supplier strategies, manufacturing planning, and compliance training. These plans were overseen by the executive team and the CEO, ensuring strict adherence to our risk management framework and effective mitigation strategies.

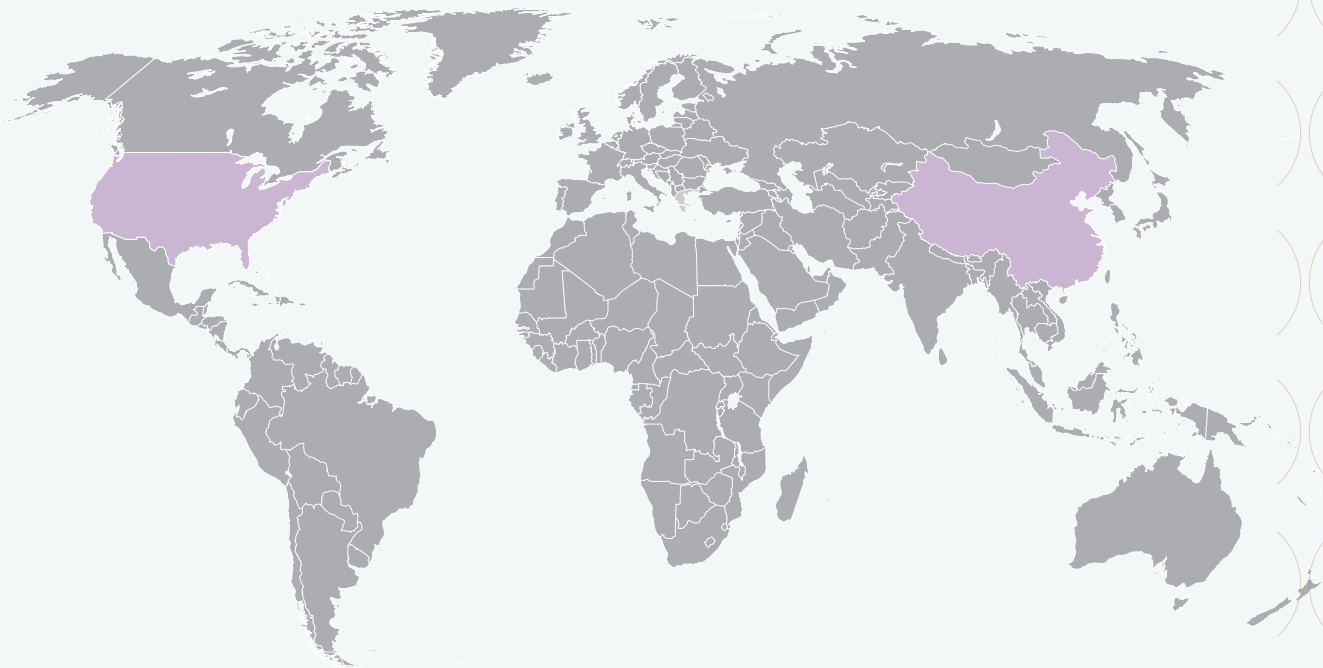
Internal Audit

The internal audit conducted for our risk management process involved regular meetings where we scrutinized the major identified risks. We evaluated crucial aspects such as the execution of action plans, the effectiveness of existing processes, the presence of relevant key-performance indicators (KPI's), and the effective execution of the relevant processes. The audit yielded zero non-conformities, signaling the strength of our risk management framework. However, it also revealed six improvement opportunities, highlighting areas where enhancements could further strengthen our risk mitigation strategies.

Through the diligent execution of our Risk Assessment process and the implementation of targeted action plans, **we reaffirm our unwavering commitment to safeguarding Women's Health while ensuring the resilience and success of our organization.**

2023 Commercial Scope

Approval for Motiva® Implants in China



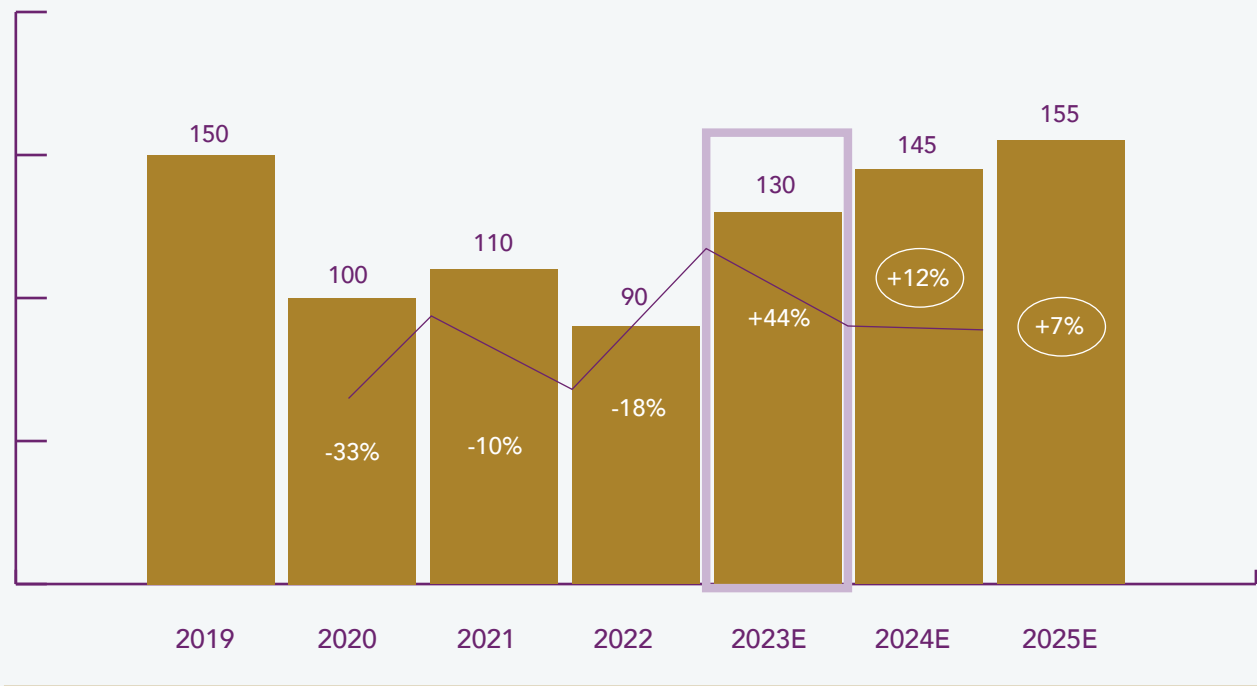
Establishment Labs® achieved a significant milestone with approval of Motiva® Implants in China, providing entry into a pivotal market for breast aesthetics. As a company dedicated to enhancing Women's Health globally, this achievement holds profound significance. Establishment Labs' status as the first breast implant technology approved in China in over a decade underscores its commitment to innovation and quality.

For women seeking breast augmentation or reconstruction, access to advanced technologies like Motiva Implants can be transformative.

In a world where access to quality healthcare remains unequal, Establishment Labs' entry into the Chinese market represents progress towards closing this gap. By providing women with access to the latest innovations in breast aesthetics, Establishment Labs® is empowering individual choices and contributing to the broader goal of advancing Women's Health worldwide.

Breast augmentation market volume in China is recovering

Breast Augmentation Market Size in Volume



Forecast overall market will gradually recover to the pre-COVID level by 2025

Market size in thousands of units
YoY growth

*Company estimates
J.P. Morgan Healthcare Conference

Progress in the United States

The U.S. Food an Drug Administration (FDA) has granted 510(k) clearence for the Motiva Flora® SmoothSilk® Tissue Expander.

Estimated US Breast Aesthetics and Reconstructive Annual Market

\$400m-\$600m/yr

Breast augmentation market in the USA

~365,000

Breast augmentation in 2021

(+44% from COVID decline in 2020)

\$350m/yr

Estimated breast reconstruction market in the USA

310,000

Procedures/yr average over the past 10 years

*The Aesthetic Society and company estimates

J.P. Morgan Health Conference

An Opportunity to educate and differentiate in a commodity market

Market research commissioned in 2022/23 to understand US Market surgeon and patient preference

Key Patient Findings (265 interviews)

Generally unaware of implants brands.

Do not come to surgeons with a pre-consult brand preference.

- Top priority for their implant selection is "aesthetics" followed by "safety".

Focused on the safety benefits and aesthetics.

- Patients desire improved safety, as long as aesthetics are equivalent.
- Most interested in discussing both implant-specific aesthetics and safety with their physician.

Excitement to discuss Motiva with their surgeons.

Showed a willingness to pay a premium for Motiva.

Key Surgeons Findings (100 interviews)

Surgeons generally view implant brands as "undifferentiated" and do not identify any unmet needs.

Most surgeons are interested in Motiva when it comes to market.

- Surgeons expressed excitement for a new produc.

Surgeons believe Motiva represent a step forward in safety pending further data

- Ergomonix is perceive as "differentiated, surgeons view it as an incremental improvement".

The U.S Food and Drug administration (FDA) has granted 510(k) clearence for the Motiva Flora® Smoothsilk® Tissue Expander

- Flora is the only magnet-free and MR Conditional tissue expander cleared for the U.S. market.
- First commercial procedure with a Motiva Flora® SmoothSilk® Tissue Expander in the United States was successfully performed on December 28, 2023 at the University of Texas MD Anderson Cancer Center in Houston, Texas.



Manufacturing and Headquarters

Opening of the Sulàyö̃m Innovation Campus

With this new facility, the manufacturing capacity at Establishment Labs® allows the company to meet over half of the global demand for breast implants and supports upcoming launches in China and the U.S.

Moreover, the inauguration of the Sulàyö̃m Innovation Campus in the Coyoil Free Zone in Costa Rica, signifies a significant milestone in Establishment Labs®' commitment to global growth and innovation.

The campus boasts approximately 100,000 square feet of cutting-edge facilities dedicated to manufacturing, research and development, digital media, training, and medical education. This expansion not only doubles Establishment Labs®' manufacturing capacity but also underscores its dedication to advancing women's health and wellness worldwide.

This milestone proves the company's heritage and unwavering commitment to women globally. It highlights the importance of the new campus in supporting the growing demand for their products, including those in the U.S. and China, and expanding access to high-quality surgical breast procedures.

The Sulàyö̃m Innovation Campus features state-of-the-art R&D labs, media production studios, executive offices, and a Global Learning Center equipped with a surgical theatre and procedure rooms for medical education and training.

In addition to fostering innovation, the campus is expected to create up to 1,000 new jobs over the coming years, further contributing to the local community and reinforcing Establishment Labs® commitment to sustainability.

Designed with sustainability in mind, the campus aims to be carbon neutral, employing sustainable materials and green design elements.

Progress in 2023

Combining our dedication to Women's Health and well-being and our desire to continue fostering a healthier and more sustainable future, our company has embraced a series of impactful initiatives aimed at promoting environmental stewardship and energy efficiency.

Energy Efficiency and Intelligent Building Management

By prioritizing the adoption of energy-efficient technologies and optimizing our building management systems, **we are reducing our carbon footprint and demonstrating our dedication to operating sustainably.** Through data analysis and strategic adjustments, we have achieved significant reductions in electricity and water consumption, all while ensuring our facilities' continued comfort and functionality.

Ecological Initiatives

Our transition to LED lighting and the adoption of alternative energy sources in our maintenance and facilities departments signify our proactive approach to minimizing environmental impact. By reducing energy consumption and decreasing our reliance on fossil fuels, **we are actively contributing to preserving our planet's resources and mitigating climate change.**

Promotion of Sustainable Mobility

Recognizing the importance of sustainable transportation solutions, we have expanded our infrastructure to accommodate the growing demand for electric vehicles. This initiative supports the adoption of eco-friendly transportation but also **empowers our stakeholders to make environmentally conscious choices in their daily lives.**

Innovation in Cleaning and Disinfection

By implementing eco-friendly sanitation and disinfection practices that use alternative technologies, we are prioritizing the health and well-being of our community and the environment. By reducing the use of harsh chemical products, we are promoting a safer and **more sustainable approach to hygiene while minimizing our ecological footprint.**

These initiatives underscore our unwavering commitment to sustainability and serve as a testament to our dedication to **creating a healthier and more environmentally conscious future for future generations.** As we prioritize women's health and well-being, we remain steadfast in our pursuit of holistic wellness for our stakeholders and the planet we call home.



Awards and recognitions



Country brand that certifies that we comply with the country's values: Excellence, Sustainability, Innovation, Social Progress and Costa Rican Origin.



Our headquarters and manufacturing facilities B15 & B25 are certified as Carbon Neutral.



Silver Award in 2023 Commitment to Excellence Evaluation by CICR with the Project "Program for identification and correction of unsafe acts and conditions through employee participation "SAS Reports""

Silver Award in 2023 Commitment to Excellence Evaluation by CICR with the Project "Implementation of MRP processes in the Supply Chain Team"

Bronze Award in 2023 Commitment to Excellence Evaluation by CICR with the Project "Transfer of the Finished Product Process to SEGEX"



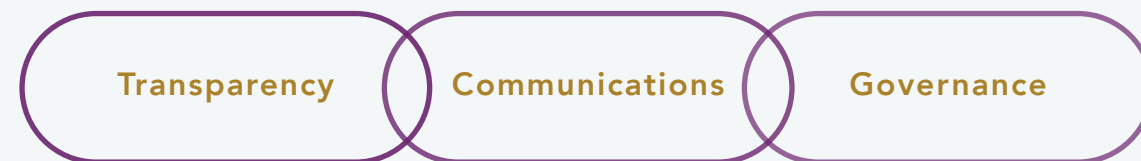
Our Headquarters B25 facility is certified as LEED Gold

Sustainability in our Core:

Materiality, Stakeholders and SDG Summary



Establishment labs Sustainability framework



At Establishment Labs®, we prioritize Women's Health by providing safe aesthetic options and empowering education through Femtech solutions. Sustainability is integral to our mission, guiding our operations across four key areas: Women's Health, environment, people, and governance. In 2023, we expanded our sustainability efforts, reinforcing our commitment and refining our processes. Our sustainability framework aligns with our business strategy, emphasizing positive impacts and long-term value.

With a meticulously crafted Sustainability Framework and robust governance, we aim to lead our industry while exceeding stakeholder expectations. In 2023, we focused on implementing and refining our governance mechanisms, materiality topics, and stakeholder engagement approach, reaffirming our dedication to progress. As a global leader in medical technology, **we strive to create lasting positive impacts through our solutions and initiatives.**

Governance

In 2023, Establishment Labs® prioritized governance excellence and sustainability integration. Our commitment extended beyond compliance, focusing on embodying stakeholder values and aligning strategies accordingly.

Key highlights include:

Board Oversight: Our Board ensured governance practices met evolving standards, fostering transparency and accountability.

Medical and Scientific Advisory Boards: Distinguished experts guided strategic directions, upholding safety, and innovation standards.

Enhanced Sustainability Governance: Transitioning to a three-level structure, we embedded sustainability into operations and engaged stakeholders for informed decision-making.

Leadership Commitment: Championing sustainability at all levels.

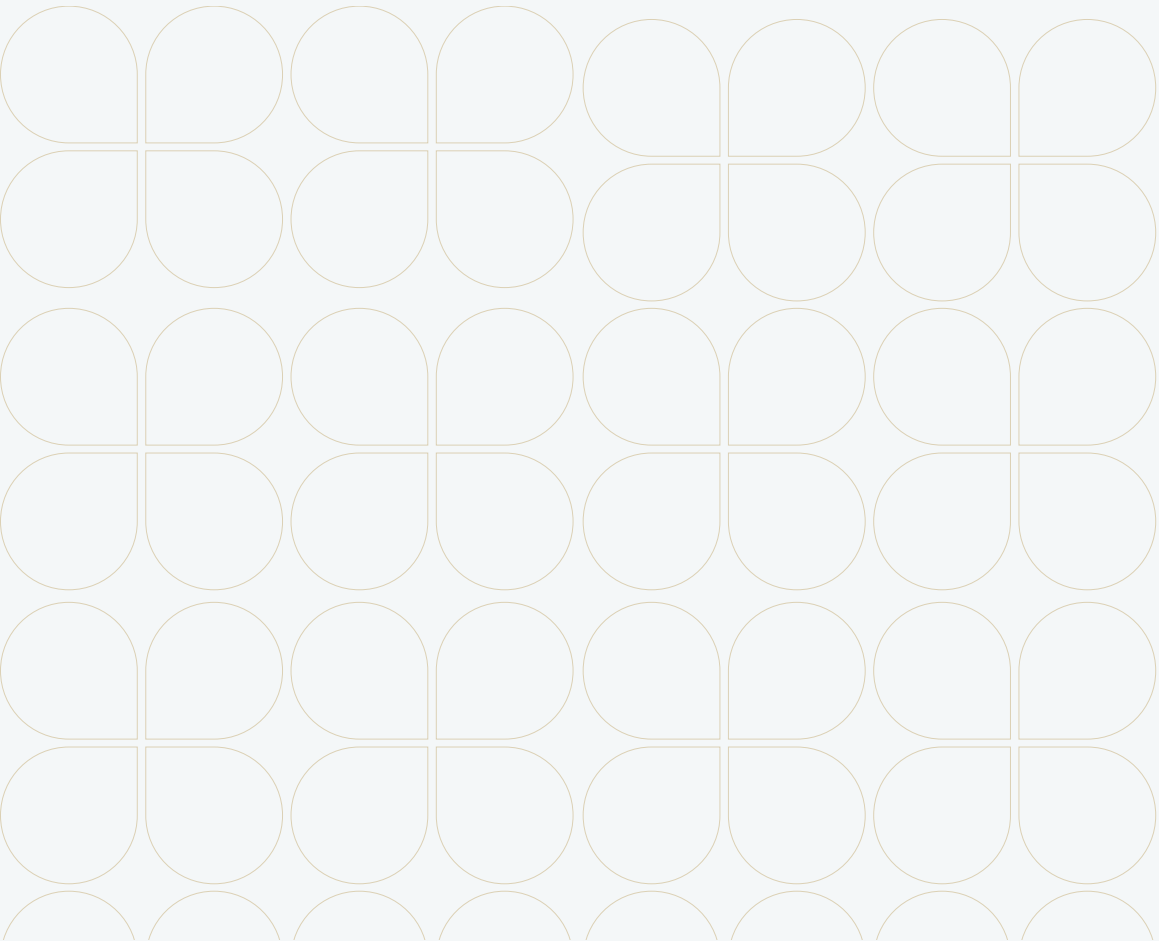
Operational Integration: Embedding sustainability into day-to-day operations.

Stakeholder Engagement: Actively seeking feedback for transparent decision-making.

In conclusion, Establishment Labs® is advancing governance and sustainability, driving positive impacts and creating long-term value for stakeholders.

Our Material Topics

In 2023, **we strengthened our Sustainability Framework with a diverse team of over 20 participants from various departments and locations**, including management and Women's Health contributors. This collaborative approach ensured a comprehensive perspective in shaping our sustainability agenda. Aligned with our core purpose and the 2026 business strategy, we realigned our materiality topics, incorporating insights from international frameworks and mapping them to our Life Cycle Stages to reinforce sustainability integration across our operations.



Women's Health & Wellbeing	Enviroment	People	Governance
Offer the safest options for breast harmonization, augmentations and reconstruction.	Carbon-neutral certification for all facilities globally in 2026	Eliminate any major gender gaps by 2026	Target Financial Results 2026 (LRP)
Health Outcomes	Waste management	Safety and well-being	Product quality and safety
Femtech roadmap	Carbon neutrality	Diversity and inclusion	Business ethics
Right to health	Product stewardship	Gender equality	Stakeholder involvement
Patient advocacy		Engagement	Business continuity
Women empowerment		Development	

Stakeholders

Recognizing the importance of stakeholders is critical for the successful implementation of a sustainability strategy at Establishment Labs®. Here's why stakeholders are crucial in this process:

Consumer Satisfaction and Trust:

Engaging with consumers ensures that sustainability initiatives resonate with their values and preferences, enhancing satisfaction and building trust in the brand. Example: Mia Femtech Net Promoter Score (NPS) in 2023.

Employee Commitment and Innovation:

Involving employees in sustainability efforts fosters a sense of ownership and commitment, driving innovation, productivity, and employee retention. Example: Enviroment, Health and Safety EHS strategy.

Medical Community Validation:

Collaboration with the medical community validates the efficacy and safety of sustainable practices, enhancing credibility and acceptance within the healthcare industry. Example: Advisory and Medical Advisory Boards.

Patient-Centric Approach:

Insights from patient groups guide the development of sustainable solutions that prioritize patient well-being, fostering loyalty and positive health outcomes. Example: Mia Femtech Consumer studies in 2023.

Regulatory Compliance and Risk Management:

Engagement with regulators helps ensure that sustainability initiatives align with regulatory requirements, reducing legal and reputational risks. Example: Adherence to regional approval systems such as CE Mark and FDA.

Government Support and Advocacy:

Building relationships with government entities secures support for sustainability policies and initiatives, facilitating compliance and driving systemic change. Example: Permanent relations with Procomer through Free Zone Regime.

Supply Chain Resilience and Transparency:

Collaboration with vendors and distributors promotes ethical sourcing, transparency, and resilience in the supply chain, mitigating risks and enhancing brand reputation. Example: second source supply strategies and strengthen relations with key suppliers.

Community Partnership and Social Impact:

Engaging with local, digital, and economic communities demonstrates commitment to social responsibility, fostering goodwill and positive social impact. Example: Pink October activity executed with Zona Franca Coyol.

Shareholder Confidence and Long-Term Value:

Meeting shareholder expectations for sustainable growth demonstrates responsible stewardship, enhancing investor confidence and long-term value creation.

By actively involving and addressing the needs of these stakeholders, Establishment Labs® can ensure the alignment, effectiveness, and balance of its sustainability strategy implementation, driving positive outcomes for all stakeholders involved.

Consumers: Individuals who use our products and services.

Employees: Our workforce, vital for implementing sustainable practices and driving innovation.

Medical Community: Healthcare professionals and organizations involved in patient care and advocacy.

Patient Groups: Organizations representing patients' interests, providing insights and feedback.

Regulators: Government bodies responsible for overseeing compliance and safety regulations.

Governments: Authorities at local, national, and international levels, influencing policies and regulations.

Vendors: Suppliers and partners who provide materials and services for our operations.

Distributors: Entities involved in distributing our products to various markets.

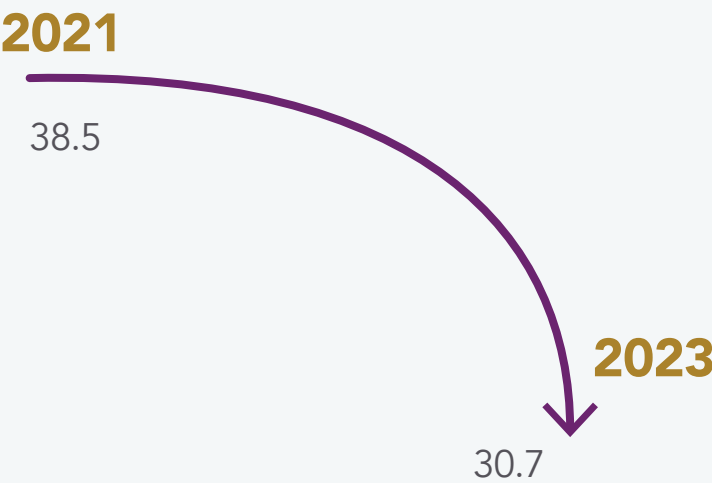
Shareholders: Individuals or entities owning shares in our company, expecting sustainable growth.

Communities (Local, Digital, Economic): Local communities where our facilities are located, online communities impacted by our digital presence, and the broader economic communities where we operate, all of which can be influenced by our sustainability efforts.



ESG Score

Continuous improvement: In recent years, we have closely monitored the ESG score generated by Sustainalytics in search of identifying opportunities for improvement both in how we report our achievements and in the generation of organizational structures and actions focused on generating a positive impact in our environment. These actions are evidenced by the improvement in the score, bringing us closer to being an organization with a Medium Risk—an objective we hope to achieve in the coming years. Evidence of improvement with scores and dates can be found below:



SDG3

Good Health and Well Being

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

SDG5

Gender Equality

Achieve gender equality and empower all women and girls

SDG12

Responsible Consumption and Production

Ensure sustainable consumption and production patterns

In 2023, we impacted the following SDGs:

GRI Referenced

Understanding the need to standardize our processes, starting in 2022, we trained our sustainability team to start reporting based on the GRI standards.

Our Reach

As a global company in over 85 countries, we understand the importance of standardizing processes and making a global impact. In that regard, we started developing projects and activities with a global reach to ensure that we create the value and positive impact we want.



Women's Health & Well-Being

Post Market Surveillance (PMS)

With over 3 million implants sold, spanning more than 13 years, in over 85 countries worldwide, Motiva Implants® have consistently reported superior safety outcomes. This includes rates of less than 1% of device-related complications that lead to reoperation, such as capsular contracture and implant rupture.

The low rates of capsular contracture with Motiva Implants® are consistent across all surgical planes: submuscular, subglandular, or subfascial. The worldwide rate of reoperation due to rupture with Motiva Implants® is lower than 0.1%.

Preliminary clinical results from the Motiva® IDE study in the United States, which is still in its follow-up phase, are encouraging and with a high rate of patient follow-up. The 3-year Kaplan-Meier risk of occurrence for capsular contracture and implant rupture are 0.5% and 0.6%, respectively.

The strong safety and performance of Motiva Implants® are confirmed by international registry data and independent peer-reviewed publications from around the world.



Adverse Events

Motiva Implants® Rate of Adverse Events
(as a % of sales)

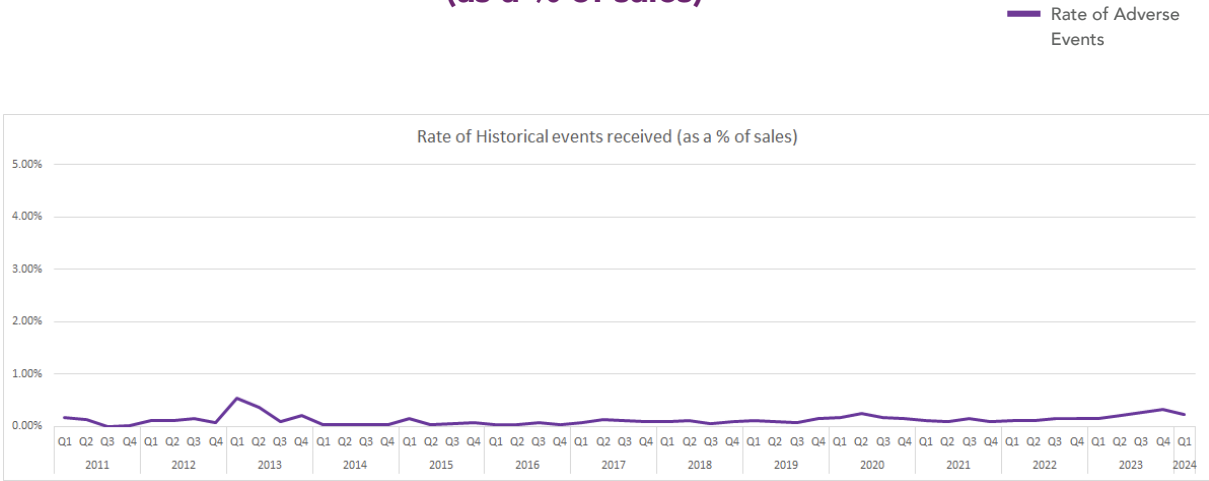
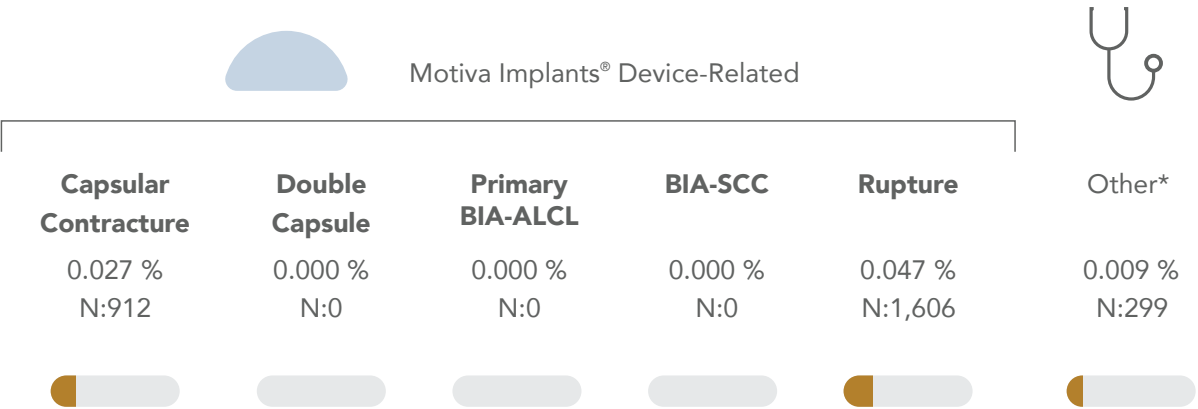


Figure 1:Trend of adverse events – Motiva Implants , January 2011 to March 2024.

Source: Establishment Labs®, Post-Market Surveillance Preliminary Results Q1-2024.

Adverse Events by Type



Percentages based on the total implants in the market.
* The following were considered technique-dependent complications: implant malposition, implant displacement, asymmetry. Infection, wound dehiscence, hematoma, and seroma.

Figure 2: Adverse events by type – Motiva Implants®, January 2011 to March 2024.

Source: Establishment Labs®, Post-Market Surveillance Preliminary Results Q1-2024.



Figure 1:

Update in our Femtech Solutions

Core

A notable achievement for Establishment Labs® in 2023 was the inauguration of the Sulâyöm Innovation Campus, marking a significant milestone in our journey. This state-of-the-art facility not only enhances our manufacturing capabilities but also positions us to meet over half of the current global demand for breast implants. Furthermore, it enables us to support product launches in key markets such as China and the USA.

Additionally, the opening of the Global Learning Center in 2023 underscores our commitment to advancing medical education and training. This facility equips plastic surgeons worldwide with access to cutting-edge technologies and modern facilities, empowering them to enhance their skills and stay abreast of the latest advancements in the field.

Aesthetic Breast Recon

In 2023, Motiva Flora® made significant strides in global expansion, achieving significant growth despite facing notable market challenges. This remarkable progress highlights the product's efficacy in the over 50 countries where it is available, affirming its value in providing enhanced options for healthcare professionals and supporting the well-being of women undergoing breast reconstruction.

A pivotal achievement for Establishment Labs® in 2023 was the FDA clearance of Motiva Flora®, distinguishing it as the sole magnet-free and MR Conditional tissue expander available in the market. This regulatory milestone not only demonstrates our commitment to innovation but also unlocks new possibilities for Establishment Labs® implantable technologies. It heralds a new chapter in the company's promising trajectory, promising a future filled with opportunities for growth and innovation.



mia[®]
FEMTECH

In 2023, Mia Femtech™, Establishment Labs® Breast Harmonization Experience featuring true minimally invasive technology, was officially launched across 16 distinguished Mia® Certified Centers spanning six nations: Japan (7), Spain (1), France (1), Switzerland (2), Sweden (2), and Germany (3).

This innovative approach combines patented minimally invasive technology with the first-ever injectable and biocompatible implant for a 1 to 2-cup increase, alongside an innovative tissue preservation technique. By eliminating the need for cutting breast tissue, the procedure results in only a concealed scar in the armpit folds.

Designed to prioritize safety, the Mia® Experience minimizes procedure time to just 15 minutes, with a total procedure time of 90 minutes, all without the need for general anesthesia. This streamlined approach facilitates a smooth recovery process and enables easy post-procedure care, allowing patients to resume their daily routine the same day.

Establishment Labs®. Data on file. CLINR-001018

Establishment Labs®. Data on file. CLINR-001007

Establishment Labs®. Data on file. CLINR-CLIR-001031

*Mia® results, experience, and recovery time may vary from consumer to consumer. Please consult with your doctor prior to returning to normal activity.



JOY[®]

In 2022, we initiated the expansion of JOY[®] into 11 new countries, empowering surgeons to refine their skills in minimal scar techniques, with incisions as small as 1.7 centimeters. To further enhance surgical training, a Medical Education Program was launched in 2023 across the world.

Building on the success of JOY[®], our expansion efforts continued in 2023, with availability in countries across APAC, EMEA, and LATAM regions. Despite facing market constraints, we achieved over 100% year over year growth, underscoring the value surgeons and patients find in our program.

As part of the JOY[®] program, participants benefit from the Women's Choice Program and a 5-year extended warranty. These additional warranties contribute to an increased number of implant registrations, allowing women to access their implant information worldwide via our website, thereby promoting transparency and peace of mind in women's health care.

Your right to health

Summary of events during 2023

192
Programs
in 2023

- 56 Masterclasses
- 52 Symposiums or Summits
- 33 Workshops or Roundtables
- 19 Webinars
- 2 Train The Trainers
- 30 Educational Dates for Mia®

Medical education by Establishment Labs®

Ergonomix2®
Educational Events: 52

Focus: Differentiation of surgical technique related to minimal incisions; Patient selection and resulting outcomes characterized as more natural look and feel; Technology advantages and product differentiation at the surgeons practice.

Flora®
Educational Events: 22

Focus: Improved clinical outcomes related to softness and comfort of the patient; technological advances impacting medical imaging and radiotherapy planning; surface improved biocompatibility highlighting clinical research studying an intra-individual comparison between Flora and a competitor.

ATF
Educational Events: 3

Focus: Surgical technique for proper tab fixation; differentiation of surface improved biocompatibility.

Medical education by Establishment Labs®

Pink is for Power

Establishment Labs®, through its campaign "Pink is for Power," honors the strength of breast cancer survivors.

The initiative raises awareness to maintain the connection with the body during Breast Cancer Awareness Month.

Breast reconstruction is a fundamental right for patients undergoing mastectomy or breast removal due to breast cancer.

For these patients, breast reconstruction signifies a boost in self-image and enables them to embark on a journey of self-recognition. In developed countries, 3 out of 10 women with mastectomy undergo such procedures, an essential component in the rehabilitation treatment of those facing the disease.

To raise awareness about the importance of early diagnosis and honor the strength and resilience of survivor women, Establishment Labs® created "Pink is for Power," an initiative that highlights society's responsibility towards education and connection with the human body.

As part of this campaign with several partners, we organized two informative sessions titled "The Path to Breast Health". The sessions discussed topics related to breast cancer, the physiological sequelae it can cause, who it can affect, and how to reduce the risk.

The event, held at the Sulayyöm Innovation Campus located in Coyol Free Zone, was attended by more than 220 employees from 14 companies in the park, who also had the opportunity to participate in the drawing of 90 mammograms donated by Establishment Labs® and Coyol Free Zone.



PINK IS FOR POWER

Worldwide

We also had efforts all over the world aligned to our Pink is for Power campaign. The following summary represent our worldwide commitment to women’s health.

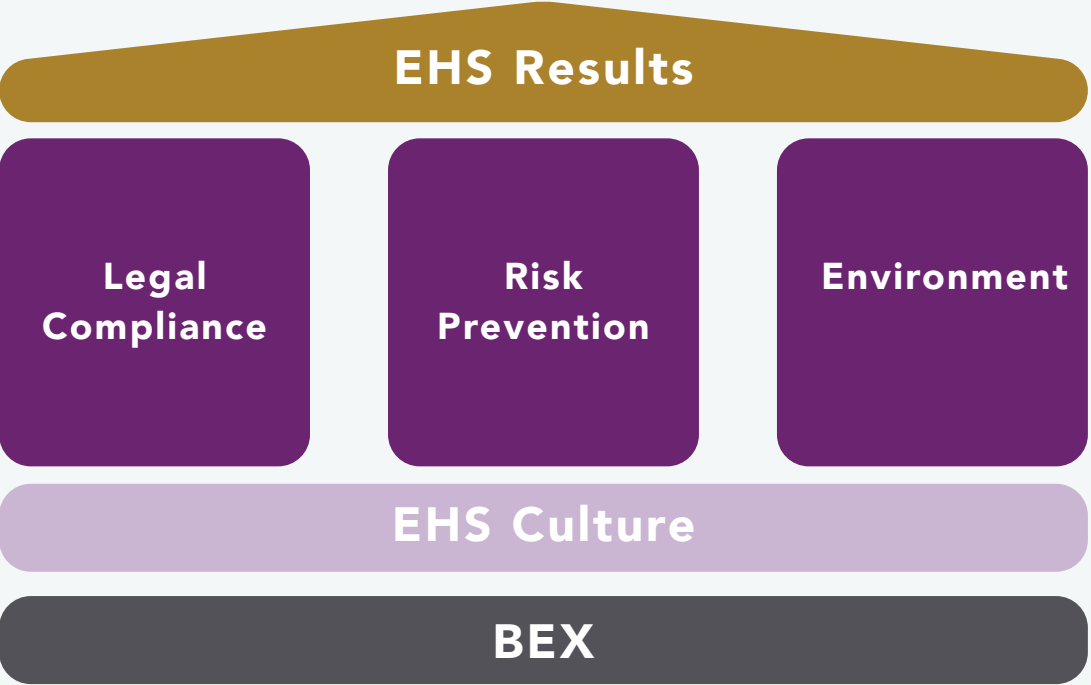
Argentina	<ul style="list-style-type: none">Desfile MACMA “Pongamos de moda la detención temprana”Travesía Rosa	
Australia	<ul style="list-style-type: none">Bra DayLifehealthcareTriathlon Pink	
Brazil	<ul style="list-style-type: none">Implants DonationEmployee EventMotiva Health Day	<ul style="list-style-type: none">PressScientific DinnerSocial Media
Distributors	<ul style="list-style-type: none">Doctor’s Interview on MTVLayalina EventMedica’s employees’ engagement	<ul style="list-style-type: none">Social Media CampaingTestimonials
France	<ul style="list-style-type: none">Ambroise Paré HartmannHôpital EuropéenPatients Interview	
Germany	<ul style="list-style-type: none">MuddyRun	

Italy	<ul style="list-style-type: none">Bra days or Breast TalkGrazia MagazinePink Ambassador 2023. Fondazione Veronessi	
Russia	<ul style="list-style-type: none">Healthy Cycling and free examinationInterCHARM2023Pink check-up (free examination)	<ul style="list-style-type: none">Pink collaboration in association with Golden ApplePrevention Rooms in shopping centersSpecial Pink Cream
South Korea	<ul style="list-style-type: none">Motiva Pink Festa	
Spain	<ul style="list-style-type: none">IG LiveMotiva For ResidentsLa Vanguardia - Breast Cancer Special Leaflet	<ul style="list-style-type: none">Otra visión del cáncer de mama
Switzerland	<ul style="list-style-type: none">Bra Day	
United Kingdom	<ul style="list-style-type: none">ABS Cadaver Course - SponsorshipPFMA Journal - Flora Sponsored ArticleSponsorship for STHK Annual Breast reconstruction eveningWest Midlands Breast Chapter Meeting	

Environment

By integrating Environmental Engineers into our team, we reaffirm our dedication to cultivating a culture of environmental responsibility and continuous improvement while advancing our business objectives.

Organizational Framework



The Environmental, Health, and Safety (EHS) department operates as a pivotal component of Global OPS, dedicated to managing and executing the three pillars of Environment, Health, and Safety. Anchored in Business Excellence, EHS Culture, and EHS Results, this department seamlessly integrates environmental considerations into the organization's regular functions. By aligning actions across Legal Compliance, Risk Prevention, and Environment verticals, the EHS framework enables comprehensive environmental management. This operational structure ensures that environmental impacts are addressed proactively, from regulatory compliance to risk mitigation, reflecting our commitment to sustainability and responsible corporate citizenship.

Policy

In May 2023, our COO signed our inaugural EHS Policy, pledging to conduct operations in a manner that ensures safe, healthy, and sustainable working conditions.

Environmental Engineer

At Establishment Labs®, we deeply value environmental sustainability and recognize its pivotal role in our business operations and global community. Therefore, we are pleased to announce the addition of a new role within the company: the "Environmental Engineer." This appointment reflects our commitment to reducing our environmental footprint, implementing sustainable practices, and fostering a greener future.

The Environmental Engineer will play a crucial role in assessing our current processes, identifying areas for improvement, and implementing innovative solutions to minimize environmental impact across all aspects of our operations. Collaborating with cross-functional teams, they will develop and implement strategies aligned with our environmental goals, inspire team members and stakeholders to embrace sustainability, and ensure compliance with regulatory standards.

By integrating an Environmental Engineer into our team, **we reaffirm our dedication to cultivating a culture of environmental responsibility and continuous improvement while advancing our business objectives.**

Business Environmental Impacts

Fuel Consumption Within the Organization

		2017		2018		2019		2020		2022	
Fuel		Gasoline	Diesel	Gasoline	Diesel	Gasoline	Diesel	Gasoline	Diesel	Gasoline	Diesel
Liters		619.97	2613.71	577.26	8222.10	2858.72	4304.39	1224.68	2672.29	3721.46	2331.76
GJ (gigajoule)		21.20	100.89	19.74	317.37	97.77	166.15	41.88	103.15	127.27	90.01
GJ TOTAL		122.09		337.12		263.92		145.03		217.28	

The value of liters of fuel is obtained from finance invoices. It is converted to joules taking into account the "lower caloric value" and later the conversion factor is used to pass it to Gigajoules.

Lower Caloric Value:
Diesel Fuel: 38.6MJ/l
Gasoline: 34.2 MJ/l
Formula: gasoline (l)* LCV (MJ/l)
Diesel (l)* LCV (MJ/l)
1 MJ:1000000 J
Source: https://www.engineeringtoolbox.com/fuels-higher-calorific-values-d_169.html

Energy Intensity

		2017	2018	2019	2020	2022
Fuel + Energy (gigajoules)		17,491.45	17,138.46	18,831.11	17,137.93	22,493.22
Annual Productions (unids)		240,246.00	359,451.00	481,206.00	656,712.00	1,001,176.00
Energy Intensity (gigajoules/ unids)		0.0728	0.0477	0.0391	0.0261	0.0225

The fuel consumption (diesel + gasoline) value (in Joules) and the energy consumption value (in Joules) of both buildings is added and divided by the number of units produced annually.

Energy Consumption Within the Organization

		2017		2018		2019		2020		2022	
Energy		B15	B25	B15	B25	B15	B25	B15	B25	B15	B25
kwh		1,367,148.00	3,457,673.00	1,281,224.00	3,385,817.00	1,334,839.00	3,822,714.00	1,121,991.00	3,598,257.00	1,328,033.00	4,859,729.00
GJ (gigajoule)		4,921.73	12,447.62	4,612.41	12,188.94	4,805.42	13,761.77	4,039.17	12,953.73	4,780.92	17,495.02
Total kwh		4,824,821.00		4,667,041.00		5,157,553.00		4,720,248.00		6,187,762.00	
Gj total		17,369.36		16,801.35		18,567.19		16,992.89		22,275.94	

The kWh value of electricity consumption of both buildings (B15 and B25) is obtained from invoices. The conversion factor is used to go from kilowatt hour to Joules and subsequently converted to Gigajoules.

1 Kilowatt-hour [kWh] = 3 600 000 Joule [J]
1 gigajulio = 1000000000 Joule [J]



2022 Emissions (Base Year)

Type	Source	GHG Type					Total Co2e
		HCFC-23	HFC 134-HCF 33	CO2	N2O	CH4	
Direct	R-22	0					0.0000
Direct	R-410a		51.44				51.4400
Direct	R-134a			106.9200			106.9200
Direct	R-4170						0.0000
Direct	R-600a						0.0000
Direct	R-290						0.0000
Direct	R-404a						0.0000
Direct	3M Novec 1230						0.0000
Direct	Spray lubricant (Penetrating)			0.0000			0.0000
Direct	Propane			0.0000			0.0000
Direct	CO2 Fire extinguishers			0.1860			0.1860
Direct	Vehicle lubricant			0.0244			0.0244
Direct	Equipment lubricant			0.0000			0.0000
Direct	Nitrogen Fertilizer				0.0000		0.0000
Direct	Gasoline Pressure Washer			0.0458	0.0001	0.0000	0.0460
Direct	Gasoline			8.2570	0.0700	0.3250	8.6520
Direct	Diesel			6.0930	0.0073	0.1113	6.2116
Indirect	Electricity			330.4265			330.4265
Total		0.0000	51.4400	451.9527	0.0774	0.4363	503.9065

GHG Emissions Intensity

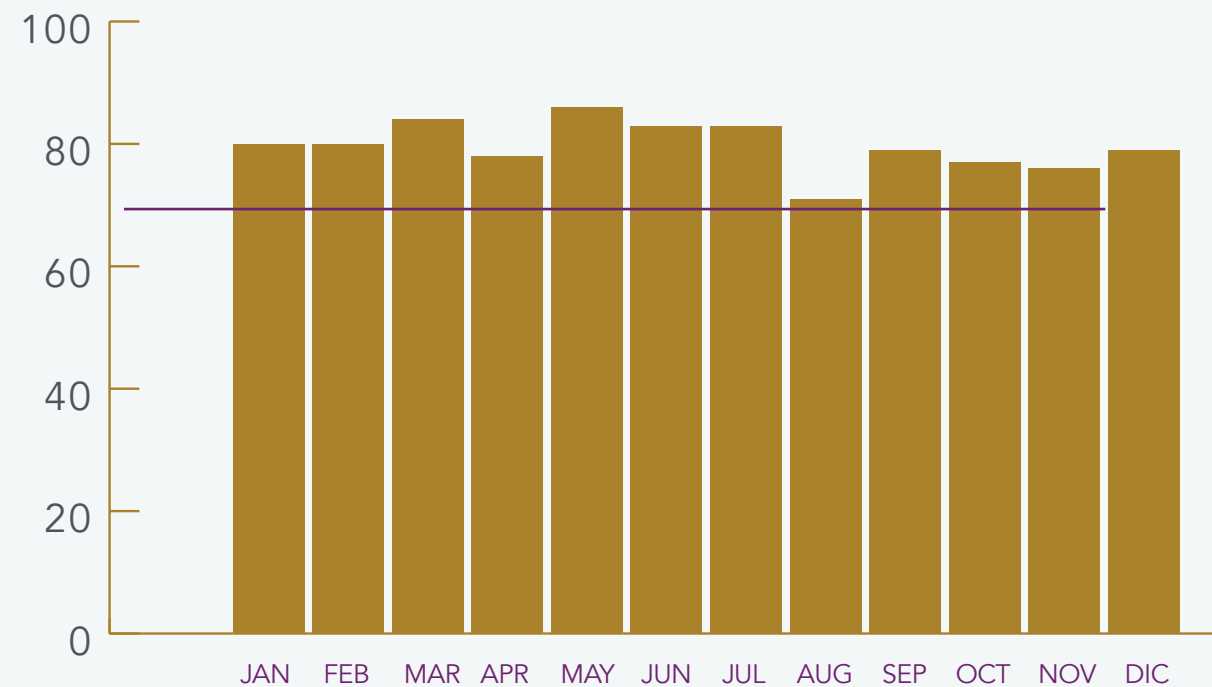
Year	Units Produced	Inventory [tCO2e]	Ecoeficiencia [units/tCO2e]
2017 (Previous Base Year)	240,246	471.818	509.192
2018	359,451	455.418	789.277
2019	481,206	496.207	969.769
2020	656,712	159.794	4,109.741
2022 (New base Year)	1,001,176	503.9065	1986.829051

Reduction of GHG Emissions

Year	Project	Reductions (tCO2e)
2017	Efficient lighting system installation	5.49
2017	Special air conditioning system (chiller) installation	31.44
2017	Shutdown of hot rooms in non-use periods	12.94
2017	Efficient lighting system installation in B15	0.24
2017	Solar panels installation	27.27
2017	Special air conditioning system (chiller) installation	2.12
2018	Shutdown of hot rooms in non-use periods	20.69
2018	AHUs Shutdown Schedule	2.41
2019	Training in the selection of refrigerants that contain zero ozone depletion potential	0
2019	AHUs Shutdown Schedule	3.26
2019	Overhauling HVAC B15	0.44
2020	Efficient lighting system installation	8.25
2022	Combustion Pressure Washer substitution	0.026
2022	BMS AHU-05 Shutdown Schedule	0.09
Total		114.666

Waste Management Efforts

Waste recovered in 2023



Goal: 70% YTD: 80%

New recycling collection station in B25 cafeteria

New collection center

Segregation according to Costarican legislation

Recycling collection center B25

New recycling collection center in B25

Main challenge:
Improvement of
environmental
culture



Operational Eco-Efficiency

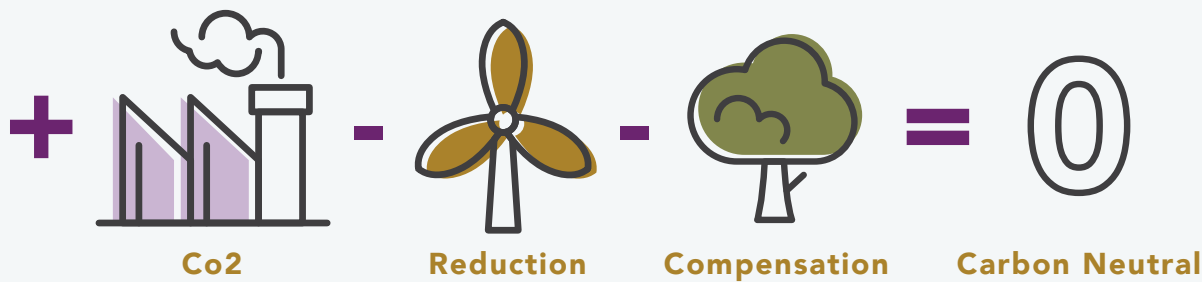
Carbon Neutral Certification and Process Update

In 2023, we attained Carbon Neutrality Certification by adhering to the INTE B5:2021 and ISO 14064-1:2019 standards, replacing the previous INTE B5:2016 /ISO14064-1:2006 standards. This involved identifying both direct and indirect emissions, including those from vendors, and implementing reduction projects to mitigate our environmental impact.

Looking ahead to 2024, we are committed to maintaining our environmental stewardship by pursuing Carbon Neutrality certification for our new building, Sulàyöm.

Our goal is to prepare all necessary projects and information to successfully demonstrate our efforts during the external audit in 2024.

This represents a significant challenge, but one that aligns with our ongoing commitment to sustainability and environmental responsibility.



Worldwide Environmental Efforts

Within our global environmental efforts, the EHS Global Office directs initiatives aimed at ensuring environmental health and safety (EHS) across our Brazil and EDC facilities. Key to this endeavor is the definition and empowerment of EHS Champions within these facilities. Through weekly meetings and safety walks, these champions actively engage with teams on the ground, promoting a culture of safety and environmental stewardship. Furthermore, they collaborate closely with our global EHS teams, providing invaluable support and ensuring alignment with regulatory requirements.

This structured approach not only strengthens our commitment to environmental sustainability but also fosters a safer and more conscientious workplace environment worldwide.

Product Stewardship

Product Design

Our design efforts have focused on two main objectives: seeking new suppliers and materials with lower environmental impact and reviewing the materials we currently use to assess costs, weights, and raw material usage.

An example of this second area is the cost reduction project for IFUs (Instructions for Use), which we have undertaken in collaboration with the Sourcing team.

Through this project, we have successfully reduced the number of pages by over 30%, decreased the number of colors, and reduced the paper weight, resulting in significant improvements in costs and production times and a reduction in the weight of the final product. We are now initiating an action plan to implement these improvements across all our IFUs.

Value Improvement Projects

In 2023, we executed 101 projects aimed at enhancing value. We achieved savings of US \$9.19 million, surpassing our target of US \$8 million.

Main savings:

Tax savings

Inventory improvements

Logistic cost reduction



Projects on Conversion of Expired Units to Samples:

By repurposing expired units that no longer serve a specific purpose into samples, we have achieved over \$100,000 in savings. Additionally, process modifications have been implemented to enable the utilization of expired units over time, further enhancing cost-efficiency and resource optimization.

Packaging







During 2023, we continued our quest for sustainable solutions to enhance our supply chain and reduce our environmental footprint. One of the most significant improvements in our product line has been the implementation of Electronic Directions for Use for the Motiva Flora® Tissue Expander in the United States.

Traditionally, this component was provided in printed form, generating a considerable amount of waste. However, in line with our commitment to sustainability, we have opted to deliver this information digitally. Through a QR code present on the product labeling, our customers have instant access to usage instructions, eliminating the need for a printed booklet. Since its launch in the U.S market, the Motiva Flora® Tissue Expander has been equipped with Electronic Directions-For-Use (DFU), reflecting our ongoing commitment to innovation and environmental responsibility.

Additionally, over the past year, we have made significant improvements in our supply chain, working closely with our suppliers to optimize packaging costs without compromising the quality or integrity of our products. We are committed to continuing to seek opportunities to reduce our environmental impact and enhance the sustainability of our products and operations overall.

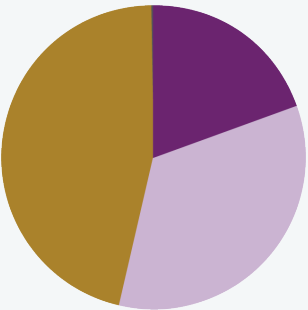
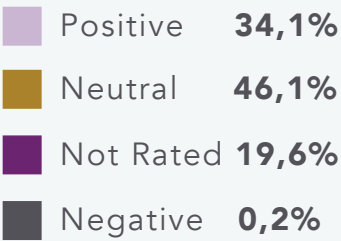
Marketing Practices

We are dedicated to empowering and educating women through our innovative marketing strategies and a commitment to responsible content creation. In 2023, our content aimed to promote Women's Health, empowerment, independence, and accountability by educating them about our cutting-edge Femtech solutions and the ongoing evolution of their well-being.

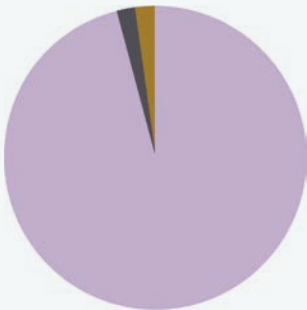
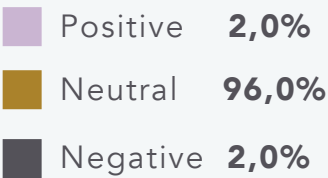
	Motiva Implants	33.824		Motiva Health	2.220
	Motiva Implants	69.142		Motiva Health	2.627
	Motiva Surgeons	2.555		Establishment Labs	23.543

Throughout the year, we intensified our online engagement efforts for our commercial and corporate brands, Motiva® and Establishment Labs®, resulting in a prevailing sense of positivity among our social media audience.

Motiva®
Total Mentions **1.25M**
+568%
Previous period 188K

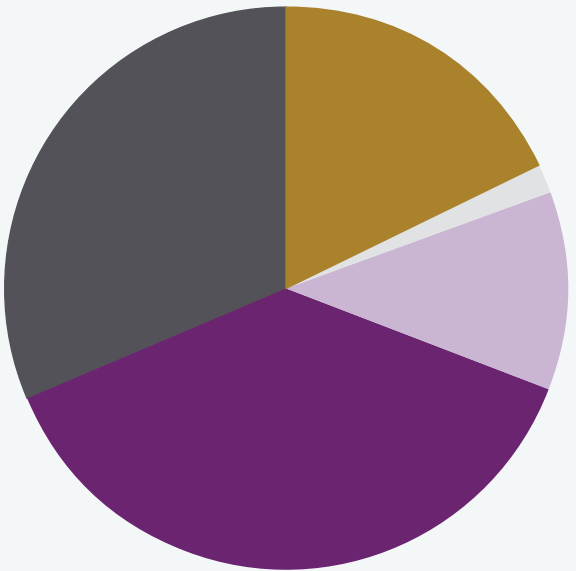


Establishment Labs®
Total Mentions **99**
+115%
Previous period 46



Sentiment analysis of our social media interactions revealed a positive outlook, indicating a favorable attitude towards our brands. Motiva® stood out as a leader in the conversation compared to its competitors, with a Share-of-Voice of 37.8%. This metric underscores the level of engagement and awareness surrounding Motiva® online, reflecting our success in fostering brand recognition and engagement among women.

Share of voice



These results highlight the influential role of our social networks in spreading awareness and education on our Sustainability material topics, in alignment with our business objectives.

Throughout 2023, we implemented significant digital initiatives aimed at expanding our brand's mission, fostering community interaction, and broadening our outreach efforts.

Campaigns	Hashtags	Mentions	Reach	Engagement
Breast Cancer Awareness	#PinkMotiva #BreastCancer AwarenessMonth	188	56K	2K
Pride Month	#MotivaPride	17	651K	368
The Motiva Standard	#TheMotiva Standard	484	1M	9K
Motiva Girl	#MotivaGirl	410	251K	12.2K
Women's Month International Day of Action for Women's Health	#CommittedTo WomensHealth	184	368	12K
Breast Reconstruction Awareness Day	#Breast Reconstruction AwarenessDay	43	13K	145
International Day Against Breast Cancer	#InternationalDay AgainstBreast Cancer	91	6K	119
Trans Visibility Day	#TransVisibilityDay	-	22K	2K
Cancer Survivor Day	#WorldCancerDay	-	33K	3K





People

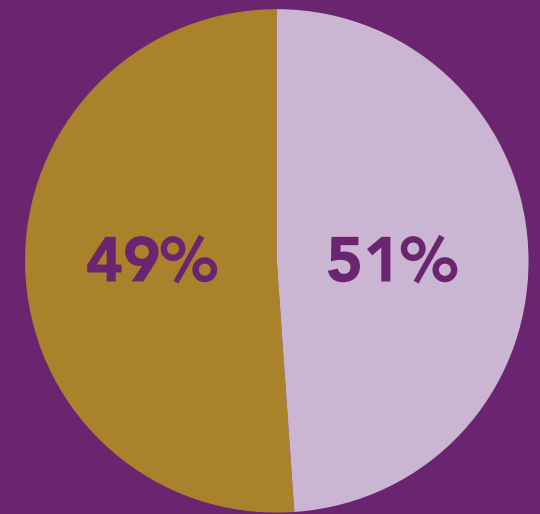
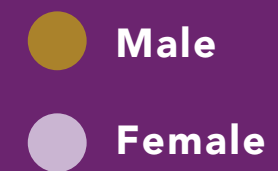
Together we are making an impact.

In 2023, we began long-term planning in line with our objectives and ongoing growth trajectory. As the year ended, the company undertook a strategic evaluation, focusing on forward-looking perspectives. This analysis was dedicated to planning and strategy, aimed at charting our course for financing operations in the United States in the upcoming periods. This initiative directly reflects our unwavering commitment to pursue our future goals and objectives actively and strategically.

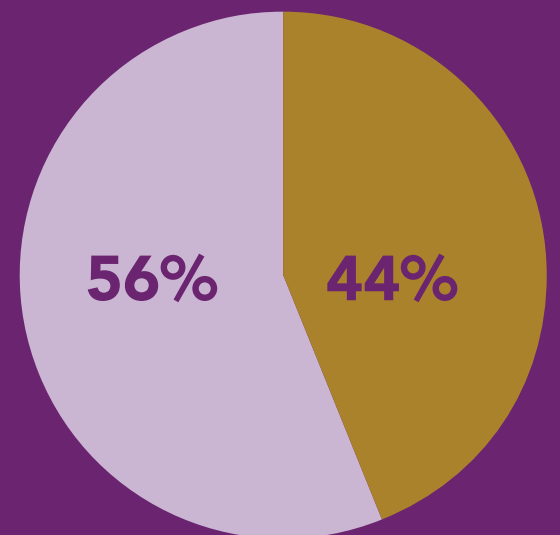
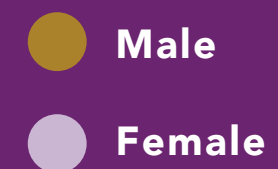
We believe that the dedication and passion of our team members are essential elements in our promise to enhance Women's Health through the development of Femtech solutions.

Job Level		Costa Rica	LATAM	US	EMEA	APAC	TOTAL
C-Suite		2		2			4
Sr. VP				1	1		2
VP		6		2		1	9
Sr. Director		1	3	1	2		7
Director		11	1	8	8		28
Sr. Manager		17	2	4	5	1	29
Manager		22	6	8	13		49
Jr. Manager		15	4		17	1	37
Administrative		216	37	3	114	1	371
COGS	MOD Direct	271					271
	MOI Indirect	75					75
		636	53	29	160	4	882

Employees Gender



% of Gender Manager and above



Fostering Company Culture and Values:

Establishment Labs®
Dedication to Resilience
and Sustainability



At Establishment Labs®, nurturing a resilient company culture and fortifying our corporate identity are paramount. In 2023, we prioritized sustainability initiatives to invigorate and enhance our organizational values.

We embarked on a deliberate effort to revitalize our core principles through strategic initiatives. This included a focus on operational excellence and the facilitation of workshops aimed at deepening our commitment to reinforcing our value of **"Adventurous Hearts and Minds."**

Moreover, we recognized the importance of embedding sustainability across all facets of our culture. Consequently, we implemented a range of complementary activities as integral components of our comprehensive sustainability strategy to uphold values such as **"I am, I can, I do"** and celebrate our role as healers with the value of **"Trusted to heal and protect."** These endeavors were pivotal in our overarching mission to rejuvenate the company, ensuring its resilience and relevance in an ever-evolving business landscape.

Additionally, we established the Coalition Team, a diverse and multicultural group comprising various departments, including Operations, Customer Success, Sales, Finance, HR, Medical/Clinical Affairs, Quality, and Product Engineering. Our team ethos revolves around the principle of **"we before me"** emphasizing collaboration toward our shared objective of successful commercialization in the US. This collaborative spirit is evident during our weekly meetings, where members from diverse backgrounds unite to work towards this common goal.

Aligned with our value of **"Carpe Diem,"** our performance reviews revealed that 10% of our total population excel as top performers. This statistic underscores our commitment to seizing the day and continuously striving for improvement in all aspects of our endeavors.

Projects

New policies

Costa Rica

- Illicit Substance control Policy.
- Policy on Disability Accommodation.

Talent Attraction Process

- General Policy and Procedures (Internal & External recruitment).
- New assessment tools and measures.
- Employer Branding.

Recruiting & Budget Control

USA

- Standardized NDAs and Offer Letter.
- Personnel File Policy.
- Substance and Alcohol Policy.
- Severance Pay Policy and Severance Agreement.

Job Descriptions

Objective

Create a standardized process that allows ESTA leaders to responsibly manage jobs descriptions within the Quality system and improve talent acquisition for the company.

Scope

All staff and leaders involved in the management of Job. Descriptions within the quality and talent acquisition system.

Importance and benefits:

- Attracting top talent to the organization.
- Decrease the turnover in the organization.
- Support for legal documentation and audits.
- Standardized tools to measure the performance of employees.
- Define succession and replacement plans in the organization.
- Standardized Position Names.

HRIS Update

Benefits

- Operational efficiency.
- Implementation of Data Analytics: gaining insights and making data-driven decisions, which can lead to improved efficiency, better understanding of customer needs, identification of trends, and, better business outcomes.
- Simplification of processes and standard procedures across the organization on a global scale.
- Streamline process.
- Minimization of task reprocessing.
- Implementation of programs aligned with employee development.
- Modules within the project scope.

New Recruitment Model

Objective

To implement a new talent acquisition methodology that enables the company to save costs and become more efficient in attracting the required talent.

Scope

Talent Acquisition global processes

Importance and benefit

- Efficiency in the process, optimizing time and resources.
- Identification of high-quality talent.
- Consistency and fairness in decisions.
- Improvement of the company's image.
- Agile adaptation to changes in the labor market.
- Clear responsibilities between human resources and business leaders.

Profitability

- Reduction in hiring costs savings \$1.5 M USD
- Decrease in employee turnover.
- Increase in team productivity.
- Fewer errors and rework.
- Improvement in return on investment.

Projects

Objective

Empower new leaders and managers through technical, procedural, and soft skills knowledge to be able to perform their jobs together with their team and be successful.

Scope

All staff and leaders involved in management.

Importance and benefit:

- Problem-solving: toolbox equips leaders with various problem-solving techniques and frameworks, enabling them to address issues efficiently.
- Adaptability: In today's fast-paced business environment, adaptability is crucial. A toolbox can equip leaders with strategies for navigating change, embracing innovation, and leading through uncertainty.
- Tools in one page for leaders: Information from different areas you can find in this toolbox such as Finance, Request for IT, Legal & Compliance, and others.

Toolbox

Diversity and Inclusion

The company has progressed globally and embraced multiculturalism by celebrating the diverse traditions of each country. This inclusive approach reflects our commitment to fostering a supportive and inclusive work environment.

As part of this commitment, we prioritize important efforts each year in areas such as safety and well-being, diversity, inclusion, gender equality, employee engagement, and professional development.

We recognize that diversity is not only the right thing to do but also essential for driving innovation, creativity, and success. By fostering an inclusive workplace where all voices are heard and valued, we harness the full potential of our diverse workforce to tackle challenges, spark innovation, and achieve our shared goals.

We strive to eliminate bias, promote equity, and create equal opportunities for all employees. We celebrate the unique identities and contributions of everyone, knowing that it is our collective diversity that fuels our collective success.

Valentine's Day Celebration	Labor Day	Father's Day
Nicoya Party Annexation Day	Independence Day	Children's Day
Day of the Black Person and Afro-Costa Rican Culture	Mother's Day	Coyol Classic Race
New Year's Eve Activity-Christmast Sunset		

Assessment

Diversity is our reality and inclusion is our choice. In ESTA, we choose to be a place where every person can thrive and reach their full potential.

Objective

Conduct a detailed analysis of the company's organizational structure with the aim of promoting diversity and inclusion at all levels, identifying opportunities to foster an equitable work environment where every employee feels valued and can contribute to their fullest potential.

Scope

Fifteen distinct areas across the organization.

Importance and Benefits

We obtained a report detailing findings by themes and recommendations derived from the diagnosis, where positive practices not standardized or regulated by the company but experienced in our organizational culture were identified. The survey and interviews conducted by an external company revealed that **at Establishment Labs® there is no differential treatment between men, women, or individuals from other diversity groups.** There were multiple statements about the company's commitment to the right to health and empowerment of women.

Sustainability

From a sustainability perspective, the goal is to close by 2026 any significant gender gap through specific policies and actions aimed at promoting equal opportunities and empowering all individuals, regardless of their gender.

Gender Equality

In 2023, we designed a strategic plan to support our commitment to Women's that establishes equal opportunities for training, mentoring, and networking. Where 47% of our training sessions were addressed to women. For 2024, we will establish a process to guarantee talent definition and development plans for our key talents, while ensuring equal opportunities for all women in our company.



Assessment

In Establishment Labs® we work as a team to achieve great things together. Each of us is an important piece in the puzzle of success.

In 2023, we assessed engagement levels and evaluated management practices to cultivate a strong emotional connection between employees and the organization. Additionally, we conducted a survey measuring the following: Career Advancement & Development, Company Potential, Culture, Employee Empowerment, Executive Leadership, Inclusion Manager Relationships, Recognition, Total Compensation, Work-Life Balance

Working Environment

The engagement interview provides us with a valuable opportunity to gain a deep understanding of the company's internal dynamics. On one hand, it allows us to identify areas where we can improve and make adjustments to strengthen our performance and employee satisfaction further. On the other hand, it also offers a clear view of the practices and strategies that are working well, enabling us to recognize and maintain those actions that positively contribute to organizational commitment and success. This interview not only helps us address weaknesses but also guides us in leveraging our strengths and maintaining a healthy and productive work culture

Engagement Survey Criteria



Development

More than 11,000 hours of training focusing on leadership skills, change management, project management, and technical skills were provided in 2023.

Leadership Trainings: “Compass” and “Lead to Change” training programs were provided to all our leaders, focusing on the importance of change management and soft leadership skills.

Let’s Learn in Collaboration: Training programs for our global leaders provided them with the tools to help lead change on a global level. This started with job description kickoff sessions.

Technical Knowledge: Technical trainings related to each position and a requirement for the business was provided.

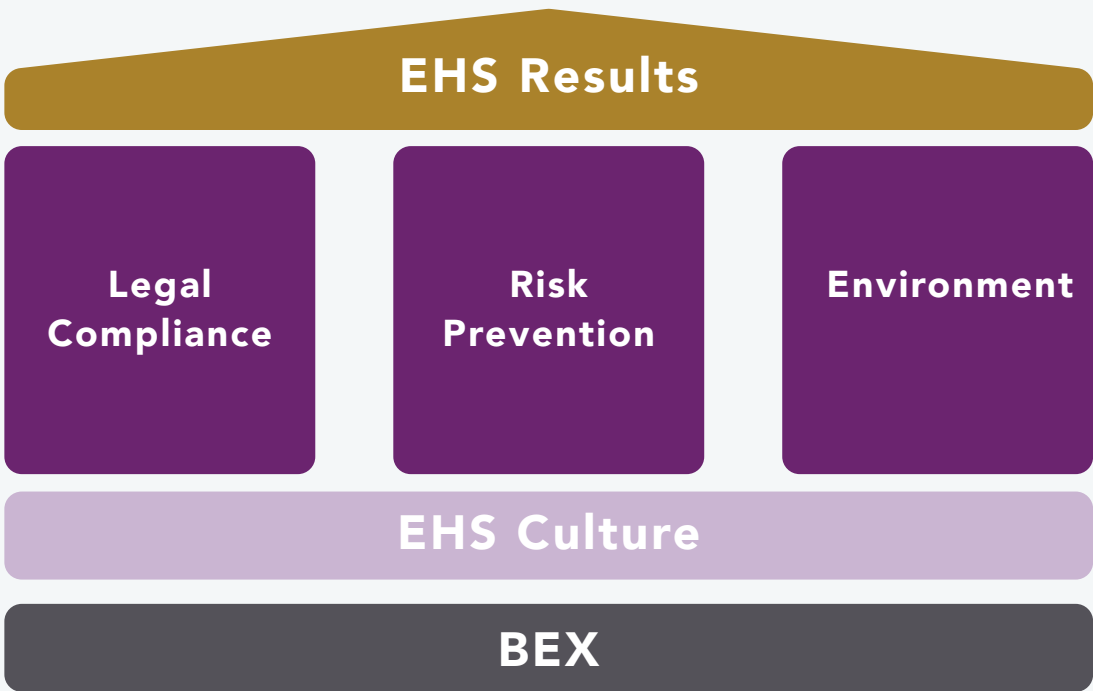
Training Hours

Type	Total
Let’s Learn in Collaboration	526
English Program	8883
Technical Knowledge	607
Leadership Trainings	1094
Total	11110

Safety and Well-Being

The cornerstone that complements our environmental considerations of our EHS department are our Health and Safety pillars. Within this framework, Business Excellence, EHS Culture, and EHS Results delineate the structural scope, ensuring that health and safety initiatives are seamlessly integrated into our organizational culture. Across Legal Compliance, Risk Prevention, and Environment verticals, our approach to health and safety extends beyond mere compliance to foster a culture of well-being and resilience.

By prioritizing the health and safety of our workforce, we not only mitigate risks and ensure regulatory adherence but also cultivate an environment where every individual can thrive and contribute to our collective success.



Legal Compliance

ESTA places a high emphasis on legal compliance regarding health and safety standards. We ensure that all our operations adhere to relevant laws and regulations to safeguard the well-being of our employees and the environment.

Risk Prevention

We continuously evaluate and mitigate risks to prevent incidents and accidents in the workplace. Recent initiatives in this area include the inclusion of new areas in our risk matrix, such as the RDI Labs, PMS, and Precision Workshop. Additionally, our commitment to safety is demonstrated through brigade training, first aid and CPR training, and regular emergency drills conducted in B15 and B25 facilities.

Medical Services

As part of our commitment to employee health, Establishment Labs® provides access to comprehensive medical services. These services include:

- Utilization of company doctors for medical consultations, with 3212 medical appointments scheduled in the past year.
- Provision of physiotherapy services, with 1686 appointments made, including 769 to address work-related injuries.
- Introduction of spirometry tests for personnel with direct solvent exposure to evaluate lung function.
- Conducting hygienic studies, including vapor measurements in various facilities to ensure a safe working environment.

Training

We prioritize employee training to enhance safety awareness and skills. 2023 trainings include virtual sessions on mental health, prostate, and testicular cancer awareness. Additionally, EHS-related trainings cover manual load handling, emergency procedures, chemical handling for RDI, and other essential topics to ensure employee competency and preparedness.

Prevention, Impact, and Culture Program

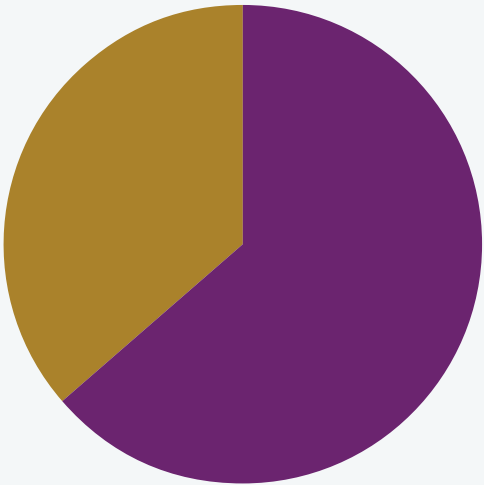
Our Prevention, Impact, and Culture (PIC) program integrates various initiatives to promote safety and well-being. This includes safety walks, risk evaluations, culture surveys, communication of EHS policies, security event communications, and the utilization of SAS Reports 2.0 for incident reporting and analysis.

Events

Incident tracking and analysis are crucial for continuous improvement in safety performance. We monitor incidents closely using established KPI's and conduct root cause analyses to identify corrective actions.

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Root cause analysis

Our performance in safety is measured through various KPIs, including:

Total Recordable Incident Rate (TRIR):	Days Away/Restricted or Job Transfer Rate (DART):	Lost Time Cases (LTC):
Goal - 1.6 YTD - 0.34	Goal - 1.0 YTD - 0	Goal - 0.6 YTD - 0.34

These KPI’s reflect our commitment to maintaining a safe and healthy workplace for all employees.

By integrating these initiatives and practices, ESTA demonstrates its unwavering dedication to safety, health, and well-being, fostering a culture of excellence and accountability across the organization.



Forward-Looking Statement

This report 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,” “intends to,” “would,” “will,” “may” or other similar expressions in this press release.

Any statements that refer to projections of our future financial or operating performance, anticipated trends in our business, our goals, strategies, focus and plans, including related product development and commercialization and regulatory approvals, and other characterizations of future events or circumstances, including statements expressing general optimism about future operating results, related to the company’s performance 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 report, 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, we cannot guarantee future performance, and some will inevitably prove to be incorrect. As a result, our actual future results and the timing of events may differ from our expectations, and those differences may be material.

Factors, among others, that could cause actual results and events to differ materially from those described in any forward-looking statements include risks and uncertainties relating to: our ability to successfully, timely and cost-effectively develop, seek and obtain regulatory clearance for and commercialize our product offerings; the rate of adoption of our products by healthcare providers or other customers; the success of our marketing initiatives; the safe and effective use of our products; our ability to protect our intellectual property; our future expansion plans and capital allocation; our ability to expand upon and/or secure sources of credit or capital; our ability to develop and maintain relationships with qualified suppliers to avoid a significant interruption in our supply chains; our ability to attract and retain key personnel; our ability to scale our operations to meet market demands; the effect on our business of existing and new regulatory requirements; and other economic and competitive factors.

These and other factors that could cause or contribute to actual results differing materially from our expectations include, among others, those risks and uncertainties discussed in the company’s annual report on Form 10-K filed on March 4, 2024, which risks and uncertainties may be updated in the future in other filings made by the company 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 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.

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