

Q&A

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Commercial

Q: We heard about the power of CRM. Do we have any plans on introducing a global task force to create one CRM globally this or next year?

A: CRM is a powerful tool and requires intentional effort in harnessing its benefit. At present, we are rolling it out by business and geography as the needs can differ by business and geography.

Q: With the results of how the Rehab team has been a steady growth area, and that Ant mentioned that their processes are the best in the company, will other businesses be shifting to use their sales process, i.e. the Salesforce platform?

A: As mentioned above, we are rolling CRM by business and geography. In the meantime, we will be improving funnel management in all our businesses and introducing CRM system in others, starting with the US HA Business. We have a team working on it now and are looking to launch it later this year.

Q: Will the ELT support the re-establishment of a Market Intelligence department to address global needs for a reliable market intel, given the current absence of an active market intel team or allocated resources for related tasks?

A: Market Intelligence is a key contributor to our longer-term success. As we go through our near- and longer-term priorities, a consistent Market Intelligence capability will be needed. How that presents itself within the organization is still to be determined.

Q: Can you please describe the MedEd strategy in more detail for HA and EXOGEN?

A: In prior years, we have financed an active Medical Education program, with science summits, cadaver labs, peer-to-peer educational events, and similar offerings. Going forward, with Commercial defining the key target AREAS, MedEd will tailor its offerings to those areas. While Commercial cannot dictate which exact healthcare professionals to target, the commercial strategy can and should absolutely inform our fields of focus.

HR

Q: What are some of the things we are doing to boost morale to retain strong talent at Bioventus?

A: The morale and engagement of our colleagues is a critical element to our success. In our last engagement survey, we had a strong 85% participation rate and increased our overall engagement score over the prior year. We are committed to building off the momentum of a strong 2023 and believe there has never been a better time to be part of Bioventus. First, we have been very focused on creating clear strategies and priorities to give our employees a reason to be excited about our future. As shared in the Town Hall, we are also intent on improving our capability gaps and our ways of working to ensure we have the right resources and can improve our efficiency in how we work. Second, we are committed to improving 2-way communication so that you are engaged in shaping our future business, culture, and success.

Third, we have recently revamped our recognition programs and launched On the Spot (OTS) Awards Program which gives us the opportunity to provide timely recognition throughout the year.

Last, but not least, we understand that it is also important to have fun and develop connections along the way to building a successful business. Therefore, we remain committed to our various employee groups that help drive the connectiveness and sense of belonging across the company (Employee Resource Groups (ERGs), Field Sales Advisory Boards (FSAB), Culture Champions & Influencers).

There has never been a better time to be part of Bioventus and we are all very excited about where we believe we can grow our company and, in turn, our talent.

Q: For People & Culture, we didn't see Diversity, Equity & Inclusion specifically called out. Is this part of our 2024 strategy?

A: We remain committed to our efforts around Diversity, Equity and Inclusion. We now have 8 ERGs that are all very active and continuing to increase in membership. As a reminder these are open to all associates globally who have an interest. Each ERG has already hosted or launched events this year and the company remains committed to supporting each of them with Executive and/or Sr. Level Leader sponsors. Additionally, as we look to improve 2-way communication across the organization, ERG members, as well as the DEI council, will provide a critical feedback loop in terms of understanding the depth of our engagement and employee's sense of belonging.

Q: With the 2023 EBITDA results, will this provide all 401K participants a profit payout?

A: The 2023 EBITDA results triggered a 200% payout of this portion of the AIP bonus plan; however, we did not exceed the threshold to trigger a supplemental 401k profit sharing contribution. Further, we felt it was more important to award a broader number of global employees with the EBITDA portion of AIP vs. just US focused group of employees enrolled in the 401k plan. Since this plan feature is very difficult to trigger given the thresholds set in 2021, we are evaluating whether it is worth keeping in our plan design going forward.

Q: In 2023 the AIP payout was a combination of cash & stock. Will AIP payouts for 2024 return to 100% cash payout?

A: The 2024 AIP plan, which will be released by the end of April will revert back to 100% cash. For non-ELT employees, the metrics will remain weighted as 35% Revenue, 35% EBITDA, 10% One Quality System, and 20% Personal Achievement.

Q: Has a date for the CEO awards been decided?

A: We are aiming to announce the 2023 award recipients in May (earlier than in 2022 and 2023). We are also looking to streamline the awards ceremony without compromising the recognition due to our award winners. Please stay tuned for more information coming out soon.

International

Q: The strategies have been presented as International vs. US business units. What happens with alignment for global initiatives? How are resources being allocated then? How is communication being done to inform one side of the ocean that an initiative takes place to avoid double efforts? Can we learn from each other, help each other etc.

A: The GMs are initiating Global Brand Teams that will focus on developing Upstream/Downstream Global Strategic Plans for all product platforms. This will include representation from both US and International teams to ensure we have a global lens on key strategic areas such as product development, portfolio expansion, market expansion as well as sharing best practices.

Medical Education

Q: Can the Leadership expand on their thoughts on Medical Education and our strategy going forward?

A: The key to Medical Education is to teach physicians to use our products safely and effectively in whatever procedures they are undertaking. Of course we want to create product Champions, but the number one goal is to ensure that physicians are well-versed in the many applications of Bioventus products.

Q: Does the mention of renewed global efforts in MedEd, along with increased resources for KOL development and educational events, imply the establishment of a medical education department for the international business unit akin to that of the USA?

A: Historically, we have relied on the direct marketing teams internationally to plan, develop, and implement Medical Education programs outside the U.S. There has been limited coordination with the U.S. MedEd group, and we envision an expanded and coordinated global Medical Education program across our portfolio and across our countries. We believe it is critical to align MedEd between the US and OUS, and to expand the OUS activities. Accordingly, we are tasking the U.S. MedEd group with sharing best practices with the marketing teams globally and coordinating MedEd offerings around the globe.

Rob

Q: Is there a timeline for ELT members to meet with their respective teams?

A: Each ELT member plans to meet with their respective organizations by the end of April. This will serve as an opportunity for you to discuss our 4 strategic pillars, top priorities, key performance metrics, and the expectations to optimize our execution for the rest of the year.