

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

**QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2022

**TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES
EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number 0-16211

DENTSPLY SIRONA Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of
incorporation or organization)

39-1434669
(I.R.S. Employer
Identification No.)

13320 Ballantyne Corporate Place, Charlotte, North Carolina
(Address of principal executive offices)

28277-3607
(Zip Code)

(844) 848-0137
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.01 per share	XRAY	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).
Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date: At November 3, 2022, DENTSPLY SIRONA Inc. had 214,911,886 shares of common stock outstanding.

EXPLANATORY NOTE

As described in additional detail in the Explanatory Notes to its Amendment No. 1 to its Annual Report on Form 10-K/A for the fiscal year ended December 31, 2021 (the "2021 Form 10-K/A") and Amendment No. 1 to its Quarterly Report on Form 10-Q/A for the quarter ended September 30, 2021 (the "Form 10-Q/A"), DENTSPLY SIRONA Inc. (the "Company"), restated its audited consolidated financial statements for the fiscal year ended December 31, 2021 and the unaudited consolidated financial statements for the quarter ended September 30, 2021.

The impact of the restatement on the Company's consolidated financial statements included herein is further described in Note 1, Significant Accounting Policies and Restatement. The comparative financial information for the three and nine months ended September 30, 2021 provided herein should be read in conjunction with the applicable financial statements and accompanying notes of the Company, as provided in the 2021 Form 10-K/A and the Form 10-Q/A.

DENTSPLY SIRONA Inc.

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General

Unless otherwise stated herein or the context otherwise indicates, reference throughout this Form 10-Q to “Dentsply Sirona,” or the “Company,” “we,” “us” or “our” refers to financial information and transactions of DENTSPLY SIRONA Inc., together with its subsidiaries on a consolidated basis.

Forward-Looking Statements and Associated Risks

All statements in this Form 10-Q that do not directly and exclusively relate to historical facts constitute “forward-looking statements” and include statements related to our ability to successfully remediate the material weaknesses in our internal control over financial reporting disclosed in this Form 10-Q in the manner currently anticipated. These statements represent current expectations and beliefs, and no assurance can be given that the results described in such statements will be achieved. Such statements are subject to numerous assumptions, risks, uncertainties and other factors that could cause actual results to differ materially from those described in such statements, many of which are outside of our control, including those described in Part II, Item 1A “Risk Factors” of this Form 10-Q and in Part I, Item 1A, “Risk Factors” of Amendment No. 1 to the Company's Annual Report on Form 10-K/A for the fiscal year ended December 31, 2021 filed on November 7, 2022, and other factors which may be described in the Company's other filings with the Securities and Exchange Commission (the “SEC”). No assurance can be given that any expectation, belief, goal or plan set forth in any forward-looking statement can or will be achieved, and readers are cautioned not to place undue reliance on such statements which speak only as of the date they are made. We do not undertake any obligation to update or release any revisions to any forward-looking statement or to report any events or circumstances after the date of this Form 10-Q or to reflect the occurrence of unanticipated events.

Investors should understand it is not possible to predict or identify all such factors or risks. As such, you should not consider the risks identified in the Company's SEC filings to be a complete discussion of all potential risks or uncertainties associated with an investment in the Company.

PART I – FINANCIAL INFORMATION

Item 1 – Financial Statements

**DENTSPLY SIRONA INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS**

(in millions, except per share amounts)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net sales	\$ 947	\$ 1,040	\$ 2,939	\$ 3,128
Cost of products sold	439	471	1,329	1,385
Gross profit	508	569	1,610	1,743
Selling, general, and administrative expenses	401	395	1,187	1,174
Research and development expenses	41	39	131	122
Goodwill impairment	1,187	—	1,187	—
Intangible asset impairment and other costs	97	3	107	11
Operating (loss) income	(1,218)	132	(1,002)	436
Other income and expenses:				
Interest expense, net	14	14	41	43
Other expense (income), net	9	5	20	4
(Loss) income before income taxes	(1,241)	113	(1,063)	389
(Benefit) provision for income taxes	(164)	29	(128)	97
Net (loss) income	(1,077)	84	(935)	292
Less: Net income attributable to noncontrolling interest	—	—	—	—
Net (loss) income attributable to Dentsply Sirona	\$ (1,077)	\$ 84	\$ (935)	\$ 292
Net (loss) income per common share attributable to Dentsply Sirona:				
Basic	\$ (5.01)	\$ 0.39	\$ (4.34)	\$ 1.34
Diluted	\$ (5.01)	\$ 0.38	\$ (4.34)	\$ 1.32
Weighted average common shares outstanding:				
Basic	214.9	218.6	215.6	218.6
Diluted	214.9	220.5	215.6	220.7

See accompanying Notes to Unaudited Interim Consolidated Financial Statements.

DENTSPLY SIRONA INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

(in millions)
(unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2022	2021	2022	2021
Net (loss) income	\$ (1,077)	\$ 84	\$ (935)	\$ 292
Other comprehensive loss, net of tax:				
Foreign currency translation loss	(148)	(68)	(310)	(130)
Net gain on derivative financial instruments	22	10	54	19
Pension liability gain	1	2	4	8
Total other comprehensive loss, net of tax	(125)	(56)	(252)	(103)
Total comprehensive (loss) income	(1,202)	28	(1,187)	189
Less: Comprehensive income attributable to noncontrolling interests	—	—	—	—
Total comprehensive (loss) income attributable to Dentsply Sirona	\$ (1,202)	\$ 28	\$ (1,187)	\$ 189

See accompanying Notes to Unaudited Interim Consolidated Financial Statements.

DENTSPLY SIRONA INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in millions, except per share amounts)
(unaudited)

	September 30, 2022	December 31, 2021
Assets		
Current Assets:		
Cash and cash equivalents	\$ 418	\$ 339
Accounts and notes receivables-trade, net	645	750
Inventories, net	592	515
Prepaid expenses and other current assets	284	248
Total Current Assets	1,939	1,852
Property, plant, and equipment, net	714	773
Operating lease right-of-use assets, net	201	198
Identifiable intangible assets, net	1,875	2,319
Goodwill	2,584	3,976
Other noncurrent assets	209	121
Total Assets	\$ 7,522	\$ 9,239
Liabilities and Equity		
Current Liabilities:		
Accounts payable	\$ 271	\$ 262
Accrued liabilities	711	760
Income taxes payable	68	57
Notes payable and current portion of long-term debt	246	182
Total Current Liabilities	1,296	1,261
Long-term debt	1,737	1,913
Operating lease liabilities	154	149
Deferred income taxes	246	391
Other noncurrent liabilities	475	528
Total Liabilities	3,908	4,242
Commitments and contingencies (Note 15)		
Equity:		
Preferred stock, \$1.00 par value; 0.25 million shares authorized; no shares issued	—	—
Common stock, \$0.01 par value; 400.0 million shares authorized, and 264.5 million shares issued at September 30, 2022 and December 31, 2021 214.9 million and 217.4 million shares outstanding at September 30, 2022 and December 31, 2021	3	3
Capital in excess of par value	6,619	6,606
Retained earnings	498	1,514
Accumulated other comprehensive loss	(844)	(592)
Treasury stock, at cost, 49.6 million and 47.1 million shares at September 30, 2022 and December 31, 2021, respectively	(2,663)	(2,535)
Total Dentsply Sirona Equity	3,613	4,996
Noncontrolling interests	1	1
Total Equity	3,614	4,997
Total Liabilities and Equity	\$ 7,522	\$ 9,239

See accompanying Notes to Unaudited Interim Consolidated Financial Statements.

DENTSPLY SIRONA INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(in millions, except per share amounts)
(unaudited)

	Common Stock	Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Dentsply Sirona Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2021	\$ 3	\$ 6,606	\$ 1,514	\$ (592)	\$ (2,535)	\$ 4,996	\$ 1	\$ 4,997
Net income	—	—	69	—	—	69	—	69
Other comprehensive loss	—	—	—	(37)	—	(37)	—	(37)
Exercise of stock options	—	1	—	—	4	5	—	5
Stock based compensation expense	—	11	—	—	—	11	—	11
Funding of employee stock purchase plan	—	1	—	—	1	2	—	2
Accelerated share repurchase	—	(30)	—	—	(120)	(150)	—	(150)
Restricted stock unit distributions	—	(16)	—	—	10	(6)	—	(6)
Cash dividends declared (\$0.125 per share)	—	—	(27)	—	—	(27)	—	(27)
Balance at March 31, 2022	\$ 3	\$ 6,573	\$ 1,556	\$ (629)	\$ (2,640)	\$ 4,863	\$ 1	\$ 4,864
Net income	—	—	73	—	—	73	—	73
Other comprehensive loss	—	—	—	(90)	—	(90)	—	(90)
Exercise of stock options	—	—	—	—	2	2	—	2
Stock based compensation expense	—	16	—	—	—	16	—	16
Funding of employee stock purchase plan	—	—	—	—	1	1	—	1
Accelerated share repurchase	—	30	—	—	(30)	—	—	—
Restricted stock unit distributions	—	(3)	—	—	1	(2)	—	(2)
Restricted stock unit dividends	—	1	(1)	—	—	—	—	—
Cash dividends declared (\$0.125 per share)	—	—	(26)	—	—	(26)	—	(26)
Balance at June 30, 2022	\$ 3	\$ 6,617	\$ 1,602	\$ (719)	\$ (2,666)	\$ 4,837	\$ 1	\$ 4,838
Net loss	—	—	(1,077)	—	—	(1,077)	—	(1,077)
Other comprehensive loss	—	—	—	(125)	—	(125)	—	(125)
Stock based compensation expense	—	3	—	—	—	3	—	3
Funding of employee stock purchase plan	—	—	—	—	3	3	—	3
Restricted stock unit distributions	—	(1)	—	—	—	(1)	—	(1)
Cash dividends (\$0.125 per share)	—	—	(27)	—	—	(27)	—	(27)
Balance at September 30, 2022	\$ 3	\$ 6,619	\$ 498	\$ (844)	\$ (2,663)	\$ 3,613	\$ 1	\$ 3,614

	Common Stock	Capital in Excess of Par Value	Retained Earnings	Accumulated Other Comprehensive Loss	Treasury Stock	Total Dentsply Sirona Equity	Noncontrolling Interests	Total Equity
Balance at December 31, 2020	\$ 3	\$ 6,604	\$ 1,198	\$ (464)	\$ (2,409)	\$ 4,932	\$ 3	\$ 4,935
Net income	—	—	112	—	—	112	—	112
Other comprehensive loss	—	—	—	(90)	—	(90)	—	(90)
Exercise of stock options	—	11	—	—	22	33	—	33
Stock based compensation expense	—	13	—	—	—	13	—	13
Funding of employee stock purchase plan	—	1	—	—	2	3	—	3
Treasury shares purchased	—	—	—	—	(90)	(90)	—	(90)
Restricted stock unit distributions	—	(11)	—	—	7	(4)	—	(4)
Cash dividends declared (\$0.10 per share)	—	—	(22)	—	—	(22)	—	(22)
Balance at March 31, 2021	\$ 3	\$ 6,618	\$ 1,288	\$ (554)	\$ (2,468)	\$ 4,887	\$ 3	\$ 4,890
Net income	—	—	96	—	—	96	—	96
Other comprehensive income	—	—	—	43	—	43	—	43
Exercise of stock options	—	3	—	—	9	12	—	12
Stock based compensation expense	—	19	—	—	—	19	—	19
Restricted stock unit distributions	—	(2)	—	—	1	(1)	—	(1)
Cash dividends declared (\$0.11 per share)	—	—	(25)	—	—	(25)	—	(25)
Balance at June 30, 2021	\$ 3	\$ 6,638	\$ 1,359	\$ (511)	\$ (2,458)	\$ 5,031	\$ 3	\$ 5,034
Net income	—	—	84	—	—	84	—	84
Other comprehensive loss	—	—	—	(56)	—	(56)	—	(56)
Exercise of stock options	—	—	—	—	1	1	—	1
Stock based compensation expense	—	23	—	—	—	23	—	23
Funding of employee stock purchase plan	—	1	—	—	2	3	—	3
Restricted stock unit distributions	—	(4)	—	—	1	(3)	—	(3)
Restricted stock unit dividends	—	1	(1)	—	—	—	—	—
Cash dividends (\$0.11 per share)	—	—	(23)	—	—	(23)	—	(23)
Balance at September 30, 2021	\$ 3	\$ 6,659	\$ 1,419	\$ (567)	\$ (2,454)	\$ 5,060	\$ 3	\$ 5,063

See accompanying Notes to Unaudited Interim Consolidated Financial Statements.

DENTSPLY SIRONA INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

(in millions)
(unaudited)

	Nine Months Ended September 30,	
	2022	2021
Cash flows from operating activities:		
Net (loss) income	\$ (935)	\$ 292
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	90	94
Amortization of intangible assets	159	167
Goodwill impairment	1,187	—
Indefinite-lived intangible asset impairment	94	—
Deferred income taxes	(220)	(11)
Stock based compensation expense	47	54
Other non-cash expense	38	13
Gain on sale of non-strategic businesses and product lines	—	(14)
Changes in operating assets and liabilities, net of acquisitions:		
Accounts and notes receivable-trade, net	43	(89)
Inventories, net	(140)	(88)
Prepaid expenses and other current assets, net	(46)	(24)
Other noncurrent assets	(13)	(12)
Accounts payable	40	(45)
Accrued liabilities	(2)	70
Income taxes	41	6
Other noncurrent liabilities	(8)	22
Net cash provided by operating activities	375	435
Cash flows from investing activities:		
Capital expenditures	(117)	(101)
Cash paid for acquisitions of businesses and equity investments, net of cash acquired	—	(248)
Cash received on sale of non-strategic businesses or product lines	—	27
Cash received on derivative contracts	10	1
Other investing activities	(2)	2
Net cash used in investing activities	(109)	(319)
Cash flows from financing activities:		
Cash paid for accelerated share repurchase	(150)	—
Proceeds on short-term borrowings	64	147
Cash paid for treasury stock	—	(90)
Cash dividends paid	(78)	(68)
Proceeds from long-term borrowings, net of deferred financing costs	7	15
Repayments on long-term borrowings	(2)	(297)
Proceeds from exercised stock options	6	47
Other financing activities, net	(15)	(11)
Net cash used in financing activities	(168)	(257)
Effect of exchange rate changes on cash and cash equivalents	(19)	(16)
Net increase (decrease) in cash and cash equivalents	79	(157)
Cash and cash equivalents at beginning of period	339	438
Cash and cash equivalents at end of period	\$ 418	\$ 281

See accompanying Notes to Unaudited Interim Consolidated Financial Statements.

NOTES TO UNAUDITED INTERIM CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES AND RESTATEMENT

Basis of Presentation

The accompanying unaudited interim consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“US GAAP”) and the rules of the U.S. Securities and Exchange Commission (“SEC”). In the opinion of management, all adjustments (consisting only of normal recurring adjustments) considered necessary for a fair statement of the results for interim periods have been included. Results for interim periods should not be considered indicative of results for a full year. These financial statements and related notes contain the accounts of DENTSPLY SIRONA Inc. and subsidiaries (“Dentsply Sirona” or the “Company”) on a consolidated basis and should be read in conjunction with the consolidated financial statements and notes included in the Company’s most recent Form 10-K/A for the year ended December 31, 2021, as amended and filed on November 7, 2022.

Recently Concluded Investigation

As previously disclosed, the Audit and Finance Committee of the Company's Board of Directors (the "Audit and Finance Committee"), assisted by independent legal counsel and forensic accountants, commenced an internal investigation in March 2022 of allegations regarding certain financial reporting matters submitted by current and former employees of the Company. The investigation was conducted in two components, one pertaining to allegations regarding the Company's use of incentives to sell products to certain distributors in North America in the third and fourth quarters of 2021 (the "North America Investigation") and another to analyze the increase in returns of products in China during the fourth quarter of 2021 identified by the Company (the "China Investigation"). In the North America Investigation, the Audit and Finance Committee concluded that there was no evidence of intentional wrongdoing or fraud. The Audit and Finance Committee found that certain former members of senior management, including the Company's former Chief Executive Officer and former Chief Financial Officer, violated provisions of the Company's Code of Ethics and Business Conduct. In addition, these former members of senior management did not maintain and promote an appropriate control environment focused on compliance in areas of the Company's business, nor did they sufficiently promote, monitor or enforce adherence to the Code of Ethics and Business Conduct. The North America Investigation found that certain former members of senior management, including the former Chief Executive Officer and the former Chief Financial Officer created a culture where employees did not feel comfortable raising concerns without fear of retaliation. In addition, the North America Investigation substantiated certain allegations regarding inappropriate tone at the top by the former Chief Executive Officer and the former Chief Financial Officer. Based on the China Investigation, the Audit and Finance Committee concluded that members of the Company's local commercial team in China, as well as the head of the Company's Asia-Pacific commercial organization, committed intentional wrongdoing by failing to provide requested information to the Company's local accounting team, by obstructing the work of the accounting team and by lacking truthfulness in providing information to the Company and to the Audit and Finance Committee as part of the China Investigation. The China Investigation also determined that these actions by the certain members of the Company's local commercial team in China, as well as the former Chief Financial Officer and the head of the Company's Asia-Pacific commercial organization, violated the Company's Code of Ethics and Business Conduct.

On October 29, 2022, the Audit and Finance Committee determined that its investigation was complete.

Prior Restatement and Other Corrections of Previously Issued Consolidated Financial Statements

The interim consolidated financial statements include previously-made corrections to the three-month and nine-month periods ended September 30, 2021 which were presented in Note 1 to the interim consolidated financial statements and notes thereto for these same periods in the Company's Form 10-Q/A filed on November 7, 2022. This restatement corrected for errors related to certain customer incentive programs as well as the accounting and assumptions in the determination of estimates related to the Company's sales returns provisions, warranty reserve provisions and variable consideration. In addition, a failure to appropriately account for certain product returns and/or exchanges identified as part of the China investigation referred to above resulted in an overstatement of Net sales in the third quarter of 2021 of approximately \$4 million which should have been recorded in the fourth quarter of 2021, and was also reflected in the restated interim financial statements for the three and nine month periods ended September 30, 2021. In conjunction with making these corrections, the Company has also made certain other restatements and revisions for previously identified errors. The restatement from these collective errors resulted in a decrease to Net sales by \$29 million, a decrease to Gross profit by \$22 million, a decrease to Operating income of \$27 million and a decrease to Diluted EPS by \$0.09 per share from amounts previously reported for the three-month period ended September 30, 2021. The restatement resulted in a decrease to Net sales by \$35 million, a decrease to Gross profit by \$25 million, a decrease to Operating income of \$32 million and a decrease to Diluted EPS by \$0.13 per share from amounts previously reported for the nine-month period ended September 30, 2021.

In order to correct these errors, management previously restated the Company's consolidated financial statements as of and for the three and nine months ended September 30, 2021 which are presented as the comparative periods in the accompanying consolidated financial statements, and also restated as necessary the comparative periods presented in the related notes included herein to correct these accounting errors. For details of these restatements on the previously issued financial statements for these periods, refer to Note 1 of the interim consolidated financial statements in the Company's Form 10-Q/A filed on November 7, 2022. The Company also restated its consolidated financial statements for the fiscal year ended December 31, 2021 in its Form 10-K/A filed on November 7, 2022.

Use of Estimates

The preparation of financial statements in conformity with US GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of Net sales and expense during the reporting period. Actual results could differ materially from those estimates.

Specifically, for the three months ended September 30, 2022, some of these estimates and assumptions continue to be based on an ongoing evaluation of expected future impacts from the COVID-19 pandemic. The full extent to which the COVID-19 pandemic will directly or indirectly have a negative material impact on the Company's financial condition, liquidity, or results of operations in future periods is highly uncertain and difficult to predict. More specifically, although demand for the Company's products has largely recovered from the impact of rigorous preventive measures implemented at the outset of the pandemic, it continues to be affected by social distancing guidelines, dental practice safety protocols which reduce patient traffic, and some lingering patient reluctance to seek dental care. Also, impacts from the pandemic continue to be experienced in the form of shortages for specific materials such as electronic components, higher related transportation costs, and labor shortages. Throughout 2022, the Company has continued to experience supply chain constraints, which has impacted its ability to timely produce and deliver certain products, and has also resulted in increases in shipping rates. In the third quarter the Company has been further impacted by deteriorating macroeconomic conditions more generally, including rising global interest rates and inflationary pressures which have raised the price of inputs, impacted the discretionary spending behavior of our customers, and introduced new competitive challenges. To address these issues, the Company has taken steps to mitigate the impact of these trends, including continued emphasis on cost reduction and supply chain efficiencies. However, uncertainties remain regarding how long these impacts will continue or whether future variants of the virus may have an adverse impact in affected markets.

Accounting Pronouncements Not Yet Adopted

In March 2020, the Financial Accounting Standards Board ("FASB") issued ASU No. 2020-04 "Reference Rate Reform (Topic 848): Facilitation of the Effects of Reference Rate Reform on Financial Reporting", which was subsequently amended by ASU No. 2021-01 "Reference Rate Reform (Topic 848): Scope" in January 2021. The new standard provides optional expedients and exceptions to contracts, hedging relationships, and other transactions that reference the London Interbank Offer Rate ("LIBOR") or another rate expected to be discontinued due to the reference rate reform. The amendments in this standard were effective upon issuance and generally can be applied to contract modifications made or evaluated through December 31, 2022. The Company does not expect this standard to have a material impact on its consolidated financial statements and related disclosures.

In October 2021, the FASB issued ASU No. 2021-08, "Business Combinations: Accounting for Contract Assets and Contract Liabilities from Contracts with Customers (Topic 805)", which requires contract assets and liabilities acquired in a business combination to be recognized and measured by the acquirer on the acquisition date in accordance with ASC 606, Revenue from Contracts with Customers, as if it had originated the contracts. The current requirement to measure contract assets and contract liabilities acquired in a business combination at fair value differs from the current approach. This standard is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years, and early adoption is permitted. The Company is currently assessing the impact of this standard on its consolidated financial statements and related disclosures.

Seasonality

Our business is subject to seasonal fluctuations. Our sales and profits are typically the highest during the third and fourth quarters due to DS World, our annual dental conference, which historically has occurred near the end of September. As a result, a disproportionate amount of operating cash flows is generated in the fourth quarter of our fiscal year. Despite a significant portion of these sales occurring in the third and fourth quarter, there are operating expenses, principally advertising and promotional expenses, throughout the year. Because of the seasonal nature of the Company's business, the results of operations for any fiscal quarter will not necessarily be indicative of results to be expected for other quarters or a full fiscal year.

NOTE 2 - REVENUE

Revenues are derived primarily from the sale of dental equipment and dental and healthcare consumable products. Revenues are measured as the amount of consideration the Company expects to receive in exchange for transferring goods or providing services.

Net sales disaggregated by product category for the three and nine months ended September 30, 2022 and 2021 were as follows:

(in millions)	Three Months Ended		Nine Months Ended	
	2022	2021	2022	2021
Equipment & Instruments	\$ 163	\$ 176	\$ 498	\$ 523
CAD/CAM	116	147	351	403
Orthodontics	76	63	220	212
Implants	135	150	439	461
Healthcare	66	76	208	225
Technology & Equipment segment revenue	\$ 556	\$ 612	\$ 1,716	\$ 1,824
Endodontic & Restorative	\$ 282	\$ 313	\$ 887	\$ 953
Other Consumables	109	115	336	351
Consumables segment revenue	\$ 391	\$ 428	\$ 1,223	\$ 1,304
Total net sales	\$ 947	\$ 1,040	\$ 2,939	\$ 3,128

Net sales disaggregated by geographic region for the three and nine months ended September 30, 2022 and 2021 were as follows:

(in millions)	Three Months Ended		Nine Months Ended	
	2022	2021	2022	2021
United States	\$ 357	\$ 384	\$ 1,023	\$ 1,094
Europe	358	393	1,183	1,239
Rest of World	232	263	733	795
Total net sales	\$ 947	\$ 1,040	\$ 2,939	\$ 3,128

Contract Assets and Liabilities

The Company normally does not have contract assets in the course of its business. Contract liabilities, which represent billings in excess of revenue recognized, are primarily related to advanced billings for customer aligner treatment where the performance obligation has not yet been fulfilled. The Company had \$74 million and \$68 million of deferred revenue recorded in Accrued liabilities in the Consolidated Balance Sheets at September 30, 2022 and December 31, 2021, respectively. The Company recognized revenue deferred as of December 31, 2021 of approximately \$48 million during the current year. The Company expects to recognize significantly all of the remaining deferred revenue within the next twelve months.

Allowance for Doubtful Accounts

Accounts and notes receivables-trade, net are stated net of allowances for doubtful accounts and trade discounts, which were \$9 million at September 30, 2022 and \$13 million at December 31, 2021. For the three months and nine months ended September 30, 2022 and 2021, changes to the provision for doubtful accounts including write-offs of accounts receivable that were previously reserved were insignificant. Changes to this provision are included in Selling, general, and administrative expenses in the Consolidated Statements of Operations.

NOTE 3 – STOCK COMPENSATION

The amounts of stock compensation expense recorded in the Company's Consolidated Statements of Operations for the three and nine months ended September 30, 2022 and 2021 were as follows:

(in millions)	Three Months Ended		Nine Months Ended	
	2022	2021	2022	2021
Cost of products sold	\$ 1	\$ 2	\$ 2	\$ 4
Selling, general, and administrative expense	12	19	43	48
Research and development expense	1	1	2	2
Total stock based compensation expense	<u>\$ 14</u>	<u>\$ 22</u>	<u>\$ 47</u>	<u>\$ 54</u>
Related deferred income tax benefit	<u>\$ 1</u>	<u>\$ 2</u>	<u>\$ 4</u>	<u>\$ 6</u>

NOTE 4 – COMPREHENSIVE INCOME (LOSS)

Changes in Accumulated other comprehensive income (loss) ("AOCI"), net of tax, by component for the nine months ended September 30, 2022 and 2021 were as follows:

(in millions)	Foreign Currency Translation Gain (Loss)	Gain (Loss) on Cash Flow Hedges	Gain (Loss) on Net Investment and Fair Value Hedges	Pension Liability Gain (Loss)	Total
Balance, net of tax, at December 31, 2021	\$ (366)	\$ (16)	\$ (103)	\$ (107)	\$ (592)
Other comprehensive (loss) income before reclassifications and tax impact	(37)	3	9	—	(25)
Tax expense	(11)	—	(1)	—	(12)
Other comprehensive (loss) income, net of tax, before reclassifications	(48)	3	8	—	(37)
Amounts reclassified from accumulated other comprehensive income, net of tax	—	(1)	—	1	—
Net (decrease) increase in other comprehensive income	(48)	2	8	1	(37)
Balance, net of tax, at March 31, 2022	\$ (414)	\$ (14)	\$ (95)	\$ (106)	\$ (629)
Other comprehensive (loss) income before reclassifications and tax impact	(86)	(3)	32	—	(57)
Tax expense	(28)	—	(8)	—	(36)
Other comprehensive (loss) income, net of tax, before reclassifications	(114)	(3)	24	—	(93)
Amounts reclassified from accumulated other comprehensive income, net of tax	—	1	—	2	3
Net (decrease) increase in other comprehensive income	(114)	(2)	24	2	(90)
Balance, net of tax, at June 30, 2022	\$ (528)	\$ (16)	\$ (71)	\$ (104)	\$ (719)
Other comprehensive (loss) income before reclassifications and tax impact	(120)	3	28	—	(89)
Tax expense	(28)	(1)	(7)	—	(36)
Other comprehensive (loss) benefit, net of tax, before reclassifications	(148)	2	21	—	(125)
Amounts reclassified from accumulated other comprehensive income, net of tax	—	(1)	—	1	—
Net (decrease) increase in other comprehensive income	(148)	1	21	1	(125)
Balance, net of tax, at September 30, 2022	\$ (676)	\$ (15)	\$ (50)	\$ (103)	\$ (844)

(in millions)	Foreign Currency Translation Gain (Loss)	Gain (Loss) on Cash Flow Hedges	Gain (Loss) on Net Investment and Fair Value Hedges	Pension Liability Gain (Loss)	Total
Balance, net of tax, at December 31, 2020	\$ (187)	\$ (25)	\$ (119)	\$ (133)	\$ (464)
Other comprehensive (loss) income before reclassifications and tax impact	(74)	(6)	9	3	(68)
Tax (expense) benefit	(25)	2	(2)	(1)	(26)
Other comprehensive (loss) income, net of tax, before reclassifications	(99)	(4)	7	2	(94)
Amounts reclassified from accumulated other comprehensive income, net of tax	—	2	—	2	4
Net (decrease) increase in other comprehensive income	(99)	(2)	7	4	(90)
Balance, net of tax, at March 31, 2021	<u>\$ (286)</u>	<u>\$ (27)</u>	<u>\$ (112)</u>	<u>\$ (129)</u>	<u>\$ (554)</u>
Other comprehensive income before reclassifications and tax impact	31	3	1	—	35
Tax benefit (expense)	6	(2)	(1)	—	3
Other comprehensive income, net of tax, before reclassifications	37	1	—	—	38
Amounts reclassified from accumulated other comprehensive income, net of tax	—	3	—	2	5
Net increase in other comprehensive income	37	4	—	2	43
Balance, net of tax, at June 30, 2021	<u>\$ (249)</u>	<u>\$ (23)</u>	<u>\$ (112)</u>	<u>\$ (127)</u>	<u>\$ (511)</u>
Other comprehensive (loss) income before reclassifications and tax impact	(59)	6	3	—	(50)
Tax expense	(9)	(1)	(1)	—	(11)
Other comprehensive (loss) income, net of tax, before reclassifications	(68)	5	2	—	(61)
Amounts reclassified from accumulated other comprehensive income, net of tax	—	3	—	2	5
Net (decrease) increase in other comprehensive income	(68)	8	2	2	(56)
Balance, net of tax, at September 30, 2020	<u>\$ (317)</u>	<u>\$ (15)</u>	<u>\$ (110)</u>	<u>\$ (125)</u>	<u>\$ (567)</u>

At September 30, 2022 and December 31, 2021, the cumulative tax adjustments were \$84 million and \$168 million, respectively, primarily related to foreign currency translation adjustments.

The cumulative foreign currency translation adjustments included translation losses of \$639 million and \$250 million at September 30, 2022 and December 31, 2021, respectively, and cumulative losses on loans designated as hedges of net investments of \$37 million and \$116 million, respectively. These foreign currency translation losses were partially offset by movements on derivative financial instruments.

Reclassifications out of AOCI to the Consolidated Statements of Operations for the three and nine months ended September 30, 2022 and 2021 were not significant.

NOTE 5 – EARNINGS PER COMMON SHARE

The computation of basic and diluted earnings per common share for the three and nine months ended September 30, 2022 and 2021 were as follows:

Basic Earnings Per Common Share (in millions, except per share amounts)	Three Months Ended		Nine Months Ended	
	2022	2021	2022	2021
Net (loss) income attributable to Dentsply Sirona	\$ (1,077)	\$ 84	\$ (935)	\$ 292
Weighted average common shares outstanding	214.9	218.6	215.6	218.6
(Loss) earnings per common share - basic	\$ (5.01)	\$ 0.39	\$ (4.34)	\$ 1.34
Diluted Earnings Per Common Share (in millions, except per share amounts)	Three Months Ended		Nine Months Ended	
	2022	2021	2022	2021
Net (loss) income attributable to Dentsply Sirona	\$ (1,077)	\$ 84	\$ (935)	\$ 292
Weighted average common shares outstanding	214.9	218.6	215.6	218.6
Incremental weighted average shares from assumed exercise of dilutive options from stock-based compensation awards	—	1.9	—	2.1
Total weighted average diluted shares outstanding	214.9	220.5	215.6	220.7
(Loss) earnings per common share - diluted	\$ (5.01)	\$ 0.38	\$ (4.34)	\$ 1.32

The calculation of weighted average diluted common shares outstanding excluded 0.3 million and 0.5 million of potentially diluted common shares because the Company reported a net loss for the three months ended and nine months ended September 30, 2022, respectively.

For the three and nine months ended September 30, 2022, the Company excluded from the computation of weighted average diluted shares outstanding 3.6 million of equivalent shares of common stock from stock options and RSUs because their effect would be antidilutive. For the three and nine months ended September 30, 2021, the Company excluded 0.9 million and 0.9 million of equivalent shares of common stock outstanding from stock options and RSUs, respectively, because their effect would be antidilutive.

The Board of Directors has approved a share repurchase program, of up to \$1.0 billion. Share repurchases may be made through open market purchases, Rule 10b5-1 plans, accelerated share repurchases, privately negotiated transactions or other transactions in such amounts and at such times as the Company deems appropriate based upon prevailing market and business conditions and other factors. At September 30, 2022, the Company had authorization to repurchase \$740 million in shares of common stock remaining under the share repurchase program.

On March 8, 2022, the Company entered into an Accelerated Share Repurchase Agreement ("ASR Agreement") with a financial institution to purchase the Company's common stock based on the volume-weighted average price of the Company's common stock during the term of the agreement, less a discount.

(in millions, except per share amounts)		Initial Delivery			Final Settlement		
Agreement Date	Amount Paid	Shares Received	Price per share	Value of Shares as a % of Contract Value	Settlement Date	Total Shares Received	Average Price per Share
March 8, 2022	\$ 150	2.4	\$ 50.44	80 %	April 19, 2022	3.1	\$ 48.22

The ASR agreement was accounted for as an initial delivery of common shares in a treasury stock transaction on March 9, 2022 of \$120 million and a forward contract indexed to the Company's common stock for an amount of common shares to be determined on the final settlement date. The forward contract met all applicable criteria for equity classification and was not accounted for as a derivative instrument. Therefore, the forward contract was recorded as Capital in excess of par value and upon final settlement was recorded as Treasury Stock in the Consolidated Balance Sheets at September 30, 2022. The initial delivery and final settlement of common stock reduced the weighted average common shares outstanding for both basic and diluted EPS. The forward contract did not impact the weighted average common shares outstanding for diluted EPS.

NOTE 6 – BUSINESS COMBINATIONS

Acquisitions

2021 Transactions

On July 1, 2021, the effective date of the transaction, the Company paid \$7 million to acquire the remaining interest in the dental business of a partially owned affiliate based in Switzerland that primarily develops highly specialized software with a focus on CAD/CAM systems. The acquisition is expected to further accelerate the development of the Company's specialized software related to CAD/CAM systems.

The fair values of the assets acquired and liabilities assumed in connection with the acquisition of the affiliate included \$4 million of Other current assets, \$3 million of Intangible assets, \$2 million of Current Liabilities and \$1 million of Other long-term liabilities. The cash paid and the \$4 million fair value of the previously-held interest in the entity prior to the acquisition has been allocated on the basis of the estimates of fair values of assets acquired and liabilities assumed, resulting in the recording of \$7 million in goodwill. This goodwill is considered to represent the value associated with the acquired workforce and synergies the Company anticipates realizing from integrating the acquired assets into the Company's existing business operations, and is not deductible for tax purposes. Measurement period adjustments made to the fair values of the assets acquired and liabilities assumed during the year ended December 31, 2021 and the nine months ended September 30, 2022 were immaterial to the financial statements, resulting in an increase to goodwill of \$2 million.

Identifiable intangible assets acquired were as follows:

(in millions, except for useful life)	Amount	Weighted Average Useful Life (in years)
In-process R&D	\$ 3	Indefinite

On June 1, 2021, the effective date of the transaction, the Company paid \$132 million to acquire substantially all of the assets of Propel Orthodontics LLC and certain of its affiliated entities, a privately-held business based in California ("Propel Orthodontics"). The acquired business manufactures and sells orthodontic devices and provides in-office and at-home orthodontic accessory devices to orthodontists and their patients primarily within the clear aligner market. The acquisition is expected to further accelerate the growth and profitability of the Company's combined clear aligners business.

The fair values of the assets acquired and liabilities assumed in connection with the Propel Orthodontics acquisition were as follows:

(in millions)	
Other current assets	\$ 4
Intangible assets	66
Current liabilities	(1)
Net assets acquired	69
Goodwill	63
Purchase consideration	\$ 132

The purchase price has been allocated on the basis of the estimates of fair values of assets acquired and liabilities assumed, resulting in the recording of \$63 million in goodwill, which is considered to represent the value associated with the acquired workforce and synergies the Company anticipates realizing from integrating the acquired assets into the Company's existing business operations. The goodwill is expected to be deductible for tax purposes. Measurement period adjustments made to the fair values of the assets acquired and liabilities assumed during the year ended December 31, 2021 and the nine months ended September 30, 2022 were immaterial to the financial statements, resulting in a reduction to goodwill of \$2 million.

Identifiable intangible assets acquired were as follows:

(in millions, except for useful life)	Amount	Weighted Average Useful Life (in years)
Developed technology	\$ 66	10

On January 21, 2021, the effective date of the transaction, the Company paid \$94 million with the potential for additional earn-out provision payments of up to \$10 million, to acquire 100% of the outstanding shares of Datum Dental, Ltd. ("Datum"), a privately-held producer and distributor of specialized regenerative dental material based in Israel. The fair value of the earn-out provision has been valued at \$9 million as of the transaction date, resulting in a total purchase price of \$103 million.

The fair values of the assets acquired and liabilities assumed in connection with the Datum acquisition were as follows:

(in millions)		
Cash and cash equivalents	\$	2
Other current assets		2
Intangible assets		76
Current liabilities		(2)
Other long-term assets (liabilities), net		(14)
Net assets acquired		64
Goodwill		39
Purchase consideration	\$	103

The purchase price has been allocated on the basis of the estimates of fair values of assets acquired and liabilities assumed, resulting in the recording of \$39 million in goodwill, which is considered to represent the value associated with the acquired workforce and synergies the Company anticipates realizing from integrating the acquired assets into the Company's existing business operations. The goodwill is not deductible for tax purposes. Measurement period adjustments made to the fair values of the assets acquired and liabilities assumed during the year ended December 31, 2021 and the nine months ended September 30, 2022 were immaterial to the financial statements, resulting in an increase to goodwill of \$6 million.

Identifiable intangible assets acquired were as follows:

(in millions, except for useful life)	Amount	Weighted Average Useful Life (in years)
Developed technology	\$ 66	15
In-process R&D	10	Indefinite
Total	\$ 76	

In the nine months ended September 30, 2022, certain earn-out provisions were achieved and the Company made cash payments of \$5 million to the former shareholders of Datum with no impact to the Company's Statement of Operations for the period. As of September 30, 2022, the remaining contingent consideration obligation was \$4 million.

The results of operations for each of the acquired businesses above upon the effective date of each transaction have been included in the accompanying financial statements. These results, as well as the historical results for the above acquired businesses for the periods ended September 30, 2022 and September 30, 2021, are not material in relation to the Company's net sales and earnings for those periods. The Company therefore does not believe these acquisitions represent material transactions either individually or in the aggregate requiring the supplemental pro-forma information prescribed by ASC 805 and accordingly, this information is not presented.

Investment in Affiliates

On June 4, 2021, the effective date of the transaction, the Company paid \$16 million to acquire a minority interest in a U.K.-based, privately-held provider of healthcare consumables. The investment is recorded as an equity method investment within Other noncurrent assets in the Consolidated Balance Sheets.

Divestitures

On April 1, 2021, the Company disposed of certain orthodontics businesses based in Japan previously included as part of the Technologies & Equipment segment in exchange for a cash receipt of \$8 million. The divestiture resulted in an immaterial loss recorded in Other expense (income), net in the Consolidated Statements of Operations for the nine months ended September 30, 2021.

On February 1, 2021, the Company disposed of an investment casting business previously included as part of the Consumables segment in exchange for a cash receipt of \$19 million. The divestiture resulted in a pre-tax gain of \$13 million recorded in Other expense (income), net in the Consolidated Statements of Operations for the nine months ended September 30, 2021.

NOTE 7 – SEGMENT INFORMATION

The Company's two operating segments are organized primarily by product and generally have overlapping geographical presence, customer bases, distribution channels, and regulatory oversight. These operating segments are also the Company's reportable segments in accordance with how the Company's chief operating decision-maker regularly reviews financial results and uses this information to evaluate the Company's performance and allocate resources.

The Company evaluates performance of the segments based on net sales and adjusted operating income. Segment adjusted operating income is defined as operating income before income taxes and before certain corporate headquarters unallocated costs, goodwill impairments, intangible asset impairments and other costs, interest expense, net, other expense (income), net, amortization of intangible assets and depreciation resulting from the fair value step-up of property, plant, and equipment from acquisitions.

A description of the products and services provided within each of the Company's two reportable segments is provided below.

Technologies & Equipment

This segment is responsible for the design, manufacture, and sales of the Company's dental technology and equipment products and healthcare products. These products include dental implants, CAD/CAM systems, orthodontic clear aligners, imaging systems, treatment centers, instruments, as well as medical devices.

Consumables

This segment is responsible for the design, manufacture, and sales of the Company's consumable products which include various preventive, restorative, endodontic, and dental laboratory products.

The Company's segment information for the three and nine months ended September 30, 2022 and 2021 was as follows:

Net Sales

(in millions)	Three Months Ended		Nine Months Ended	
	2022	2021	2022	2021
Technologies & Equipment	\$ 556	\$ 612	\$ 1,716	\$ 1,824
Consumables	391	428	1,223	1,304
Total net sales	\$ 947	\$ 1,040	\$ 2,939	\$ 3,128

Segment Adjusted Operating Income

(in millions)	Three Months Ended		Nine Months Ended	
	2022	2021	2022	2021
Technologies & Equipment	\$ 73	\$ 134	\$ 278	\$ 391
Consumables	121	123	398	426
Segment adjusted operating income	194	257	676	817

Reconciling items expense (income):

All other (a)	77	67	223	199
Goodwill impairment	1,187	—	1,187	—
Intangible asset impairment and other costs	97	3	107	11
Interest expense, net	14	14	41	43
Other expense (income), net	9	5	20	4
Amortization of intangible assets	51	56	159	167
Depreciation resulting from the fair value step-up of property, plant, and equipment from business combinations	—	(1)	2	4
(Loss) income before income taxes	\$ (1,241)	\$ 113	\$ (1,063)	\$ 389

(a) Includes the results of unassigned Corporate headquarters costs and inter-segment eliminations.

NOTE 8 – INVENTORIES

Inventories, net were as follows:

(in millions)	September 30, 2022	December 31, 2021
Raw materials and supplies	\$ 142	\$ 139
Work-in-process	70	72
Finished goods	380	304
Inventories, net	<u>\$ 592</u>	<u>\$ 515</u>

The Company's inventory reserve was \$77 million and \$86 million at September 30, 2022 and December 31, 2021, respectively. Inventories are stated at the lower of cost and net realizable value.

NOTE 9 – INTANGIBLE ASSET IMPAIRMENT AND OTHER COSTS

Intangible asset impairment and other costs for the three and nine months ended September 30, 2022 and 2021 were as follows:

Affected Line Item in the Consolidated Statements of Operations (in millions)	Three Months Ended		Nine Months Ended	
	2022	2021	2022	2021
Cost of products sold	\$ —	\$ —	\$ —	\$ (3)
Selling, general, and administrative expenses	—	3	—	6
Intangible asset impairment and other costs	97	3	107	11
Total intangible asset impairment and other costs	<u>\$ 97</u>	<u>\$ 6</u>	<u>\$ 107</u>	<u>\$ 14</u>

For the three and nine months ended September 30, 2022, the above costs include an impairment charge of \$94 million related to indefinite-lived tradenames and trademarks within the Technologies & Equipment segment and the Consumables segment. For more information on this impairment charge, refer to Note 14 Goodwill and Intangible Assets.

Other costs for these periods include severance and other expense related to the Company's restructuring plans. The Company's restructuring accruals at September 30, 2022 were as follows:

(in millions)	Severance			
	2020 and Prior Plans	2021 Plans	2022 Plans	Total
Balance at December 31, 2021	\$ 5	\$ 9	\$ —	\$ 14
Provisions	1	1	8	10
Amounts applied	(3)	(5)	(3)	(11)
Change in estimates	(1)	—	—	(1)
Balance at September 30, 2022	<u>\$ 2</u>	<u>\$ 5</u>	<u>\$ 5</u>	<u>\$ 12</u>

(in millions)	Other Restructuring Costs			
	2020 and Prior Plans	2021 Plans	2022 Plans	Total
Balance at December 31, 2021	\$ 4	\$ —	\$ —	\$ 4
Provisions	1	1	1	3
Amounts applied	(4)	(1)	(1)	(6)
Balance at September 30, 2022	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 1</u>

The cumulative amounts for the provisions and adjustments and amounts applied for all the plans by segment were as follows:

(in millions)	December 31, 2021	Provisions	Amounts Applied	Change in Estimates	September 30, 2022
Technologies & Equipment	\$ 7	\$ 3	\$ (6)	\$ —	\$ 4
Consumables	11	7	(8)	(1)	9
All Other	—	3	(3)	—	—
Total	<u>\$ 18</u>	<u>\$ 13</u>	<u>\$ (17)</u>	<u>\$ (1)</u>	<u>\$ 13</u>

The associated restructuring liabilities are recorded in Accrued liabilities and Other noncurrent liabilities in the Consolidated Balance Sheets.

NOTE 10 – FINANCIAL INSTRUMENTS AND DERIVATIVES

Derivative Instruments and Hedging Activities

The Company's activities expose it to a variety of market risks, which primarily include the risks related to the effects of changes in foreign currency exchange rates and interest rates. These financial exposures are monitored and managed by the Company as part of its overall risk management program. The objective of this risk management program is to reduce the volatility that these market risks may have on the Company's operating results and cash flows. The Company employs derivative financial instruments to hedge certain anticipated transactions, firm commitments, or assets and liabilities denominated in foreign currencies. Additionally, the Company utilizes interest rate swaps to convert fixed rate debt into variable rate debt or vice versa. The Company does not hold derivative instruments for trading or speculative purposes.

The following summarizes the notional amounts of cash flow hedges, hedges of net investments, fair value hedges, and derivative instruments not designated as hedges for accounting purposes by derivative instrument type at September 30, 2022 and the notional amounts expected to mature during the next 12 months.

(in millions)	Aggregate Notional Amount	Aggregate Notional Amount Maturing within 12 Months
Cash Flow Hedges		
Foreign exchange forward contracts	\$ 85	\$ 79
Total derivative instruments designated as cash flow hedges	<u>\$ 85</u>	<u>\$ 79</u>
Hedges of Net Investments		
Foreign exchange forward contracts	\$ 157	\$ 78
Cross currency basis swaps	262	—
Total derivative instruments designated as hedges of net investments	<u>\$ 419</u>	<u>\$ 78</u>
Fair Value Hedges		
Interest rate swaps	\$ 250	\$ —
Foreign exchange forward contracts	128	49
Total derivative instruments designated as fair value hedges	<u>\$ 378</u>	<u>\$ 49</u>
Derivative Instruments not Designated as Hedges		
Foreign exchange forward contracts	\$ 27	\$ 27
Total derivative instruments not designated as hedges	<u>\$ 27</u>	<u>\$ 27</u>

Cash Flow Hedges

Foreign Exchange Risk Management

The Company hedges select anticipated foreign currency cash flows to reduce volatility in both cash flows and reported earnings. The Company designates certain foreign exchange forward contracts as cash flow hedges. As a result, the Company records the fair value of the contracts primarily through AOCI based on the assessed effectiveness of the foreign exchange forward contracts. The Company measures the effectiveness of cash flow hedges of anticipated transactions on a spot-to-spot basis rather than on a forward-to-forward basis. Accordingly, the spot-to-spot change in the derivative fair value will be deferred in AOCI and released and recorded in the Consolidated Statements of Operations in the same period that the hedged transaction is recorded. The time-value component of the fair value of the derivative is reported on a straight-line basis in Cost of products sold in the Consolidated Statements of Operations in the period which it is applicable. Any cash flows associated with these instruments are included in operating activities in the Consolidated Statements of Cash Flows.

These foreign exchange forward contracts generally have maturities up to 18 months, which is the period over which the Company is hedging exposures to variability of cash flows and the counterparties to the transactions are typically large international financial institutions.

Interest Rate Risk Management

The Company enters into interest rate swap contracts infrequently as they are only used to manage interest rate risk on long-term debt instruments and not for speculative purposes. Any cash flows associated with these instruments are included in operating activities in the Consolidated Statements of Cash Flows.

On May 26, 2020, the Company paid \$31 million to settle the \$150 million notional T-Lock contract, which partially hedged the interest rate risk of the \$750 million senior unsecured notes. This loss is amortized over the ten-year life of the notes. As of September 30, 2022 and December 31, 2021, \$23 million and \$25 million, respectively, of this loss is remaining to be amortized from AOCI in future periods.

AOCI Release

Overall, the derivatives designated as cash flow hedges are considered to be highly effective for accounting purposes. At September 30, 2022, the Company expects to reclassify an immaterial amount of deferred net losses on cash flow hedges recorded in AOCI in the Consolidated Statements of Operations during the next 12 months. For the rollforward of derivative instruments designated as cash flow hedges in AOCI see Note 4, Comprehensive Income (Loss).

Hedges of Net Investments in Foreign Operations

The Company has significant investments in foreign subsidiaries. The net assets of these subsidiaries are exposed to volatility in currency exchange rates. The Company employs both derivative and non-derivative financial instruments to hedge a portion of this exposure. The derivative instruments consist of foreign exchange forward contracts and cross-currency basis swaps. The non-derivative instruments consist of foreign currency denominated debt held at the parent company level. Translation gains and losses related to the net assets of the foreign subsidiaries are offset by gains and losses in the aforementioned instruments, which are designated as hedges of net investments and are included in AOCI. The time-value component of the fair value of the derivative is reported on a straight-line basis in Other expense (income), net in the Consolidated Statements of Operations in the applicable period. Any cash flows associated with these instruments are included in investing activities in the Consolidated Statements of Cash Flows except for derivative instruments that include an other-than-insignificant financing element, for which all cash flows are classified as financing activities in the Consolidated Statements of Cash Flows.

The fair value of the foreign exchange forward contracts and cross-currency basis swaps is the estimated amount the Company would receive or pay at the reporting date, taking into account the effective interest rates, cross-currency swap basis rates and foreign exchange rates. The effective portion of the change in the value of these derivatives is recorded in AOCI, net of tax effects.

On July 2, 2021, the Company entered into a cross currency basis swap totaling a notional amount of \$300 million which matures on June 3, 2030. The cross currency basis swap is designated as a hedge of net investments. This contract effectively converts a portion of the \$750 million bond coupon from 3.3% to 1.7%.

On May 25, 2021, the Company re-established its euro net investment hedge portfolio by entering into eight foreign exchange forward contracts, each with a notional amount of 10 million euro. The original contracts have quarterly maturity dates through March 2023. The Company enters into additional foreign exchange contracts as individual contracts within the portfolio mature. As of September 30, 2022, the euro net investment hedge portfolio has an aggregate notional value of 160 million euro with maturity dates through September 2024.

Fair Value Hedges

Foreign Exchange Risk Management

The Company has intercompany loans denominated in Swedish kronor that are exposed to volatility in currency exchange rates. The Company employs derivative financial instruments to hedge these exposures. The Company accounts for these designated foreign exchange forward contracts as fair value hedges. The Company measures the effectiveness of fair value hedges of anticipated transactions on a spot-to-spot basis rather than on a forward-to-forward basis. Accordingly, the spot-to-spot change in the derivative fair value will be recorded in the Consolidated Statements of Operations. The time-value component of the fair value of the derivative is reported on a straight-line basis in Other expense (income), net in the Consolidated Statements of Operations in the applicable period. Any cash flows associated with these instruments are included in operating activities in the Consolidated Statements of Cash Flows.

On January 6, 2021 the Company entered into foreign exchange forward contracts with a notional value of 1.3 billion Swedish kronor as a result of an increase in intercompany loans denominated in Swedish kronor. The foreign exchange forwards are designated as fair value hedges.

Interest Rate Risk Management

On July 1, 2021, the Company entered into variable interest rate swaps with a notional amount of \$250 million, which effectively convert a portion of the underlying fixed rate of 3.3% on the \$750 million Senior Notes due June 2030 to a variable interest rate. Of the \$250 million notional amount, \$100 million has a term of five-years maturing on June 1, 2026 and \$150 million has a term of nine years maturing on March 1, 2030.

Derivative Instruments Not Designated as Hedges

The Company enters into derivative instruments with the intent to partially mitigate the foreign exchange revaluation risk associated with recorded assets and liabilities that are denominated in a non-functional currency. The Company primarily uses foreign exchange forward contracts to hedge these risks. The gains and losses on these derivative transactions offset the gains and losses generated by the revaluation of the underlying non-functional currency balances and are recorded in Other expense (income), net in the Consolidated Statements of Operations. Any cash flows associated with the foreign exchange forward contracts and interest rate swaps not designated as hedges are included in operating activities in the Consolidated Statements of Cash Flows.

Gains and (losses) recorded in the Company's Consolidated Statements of Operations related to the economic hedges not designated as hedges for the three and nine months ended September 30, 2022 and 2021 were not significant.

Derivative Instrument Activity

The amount of gains and losses recorded in the Company's Consolidated Balance Sheets and Consolidated Statements of Operations related to all derivative instruments for the three months ended September 30, 2022 and 2021 were as follows:

Three Months Ended September 30, 2022				
(in millions)	Gain (Loss) recognized in AOCI	Consolidated Statements of Operations Location	Effective Portion Reclassified from AOCI into Income (Expense)	Recognized in Income (Expense)
Cash Flow Hedges				
Foreign exchange forward contracts	\$ 3	Cost of products sold	\$ 1	\$ —
Interest rate swaps	—	Interest expense, net	—	—
Total for cash flow hedging	\$ 3		\$ 1	\$ —
Hedges of Net Investments				
Cross currency basis swaps	\$ 18	Interest expense, net	\$ —	\$ 2
Foreign exchange forward contracts	11	Other expense (income), net	—	—
Total for net investment hedging	\$ 29		\$ —	\$ 2
Fair Value Hedges				
Interest rate swaps	\$ —	Interest expense, net	\$ —	\$ (1)
Foreign exchange forward contracts	(1)	Other expense (income), net	—	13
Total for fair value hedging	\$ (1)		\$ —	\$ 12
Three Months Ended September 30, 2021				
(in millions)	Gain (Loss) Recognized in AOCI	Consolidated Statements of Operations Location	Effective Portion Reclassified from AOCI into Income (Expense)	Recognized in Income (Expense)
Cash Flow Hedges				
Foreign exchange forward contracts	\$ 6	Cost of products sold	\$ (2)	\$ —
Interest rate swaps	—	Interest expense, net	(1)	—
Total for cash flow hedging	\$ 6		\$ (3)	\$ —
Hedges of Net Investments				
Cross currency basis swaps	\$ (1)	Interest expense, net	\$ —	\$ 1
Foreign exchange forward contracts	4	Other expense (income), net	—	—
Total for net investment hedging	\$ 3		\$ —	\$ 1
Fair Value Hedges				
Foreign exchange forward contracts	\$ —	Interest expense, net	\$ —	\$ 6
Interest rate swaps	—	Cost of products sold	—	1
Total for fair value hedging	\$ —		\$ —	\$ 7

The amount of gains and losses recorded in the Company's Consolidated Balance Sheets and Consolidated Statements of Operations related to all derivative instruments for the nine months ended September 30, 2022 and 2021 were as follows:

Nine Months Ended September 30, 2022				
(in millions)	Gain (Loss) recognized in AOCI	Consolidated Statements of Operations Location	Effective Portion Reclassified from AOCI into Income (Expense)	Recognized in Income (Expense)
Cash Flow Hedges				
Foreign exchange forward contracts	\$ 3	Cost of products sold	\$ 3	\$ —
Interest rate swaps	—	Interest expense, net	(2)	—
Total for cash flow hedging	<u>\$ 3</u>		<u>\$ 1</u>	<u>\$ —</u>
Hedges of Net Investments				
Cross currency basis swaps	\$ 47	Interest expense, net	—	\$ 4
Foreign exchange forward contracts	24	Other expense (income), net	—	1
Total for net investment hedging	<u>\$ 71</u>		<u>\$ —</u>	<u>\$ 5</u>
Fair Value Hedges				
Interest rate swaps	\$ —	Interest expense, net	—	\$ —
Foreign exchange forward contracts	(2)	Other expense (income), net	—	37
Total for fair value hedging	<u>\$ (2)</u>		<u>\$ —</u>	<u>\$ 37</u>
Nine Months Ended September 30, 2021				
(in millions)	Gain (Loss) recognized in AOCI	Consolidated Statements of Operations Location	Effective Portion Reclassified from AOCI into Income (Expense)	Recognized in Income (Expense)
Cash Flow Hedges				
Foreign exchange forward contracts	\$ 3	Cost of products sold	\$ (4)	\$ 1
Interest rate swaps	—	Interest expense, net	(4)	—
Total for cash flow hedging	<u>\$ 3</u>		<u>\$ (8)</u>	<u>\$ 1</u>
Hedges of Net Investments				
Cross currency basis swaps	\$ 6	Interest expense, net	—	\$ 5
Foreign exchange forward contracts	7	Other expense (income), net	—	—
Total for net investment hedging	<u>\$ 13</u>		<u>\$ —</u>	<u>\$ 5</u>
Fair Value Hedges				
Interest rate swaps	\$ —	Interest expense, net	—	\$ 1
Foreign exchange forward contracts	—	Other expense (income), net	—	18
Total for fair value hedging	<u>\$ —</u>		<u>\$ —</u>	<u>\$ 19</u>

Consolidated Balance Sheets Location of Derivative Fair Values

The fair value and the location of the Company's derivatives in the Consolidated Balance Sheets were as follows:

		September 30, 2022			
(in millions)	Prepaid Expenses and Other Current Assets	Other Noncurrent Assets	Accrued Liabilities	Other Noncurrent Liabilities	
Designated as Hedges:					
Foreign exchange forward contracts	\$ 37	\$ 29	\$ 2	\$ 3	
Interest rate swaps	—	—	9	27	
Cross currency basis swaps	3	40	—	—	
Total	\$ 40	\$ 69	\$ 11	\$ 30	
Not Designated as Hedges:					
Foreign exchange forward contracts	\$ 4	\$ —	\$ 3	\$ —	
Total	\$ 4	\$ —	\$ 3	\$ —	

		December 31, 2021			
(in millions)	Prepaid Expenses and Other Current Assets	Other Noncurrent Assets	Accrued Liabilities	Other Noncurrent Liabilities	
Designated as Hedges:					
Foreign exchange forward contracts	\$ 18	\$ 11	\$ 2	\$ 1	
Interest rate swaps	5	—	—	9	
Cross currency basis swaps	4	—	—	7	
Total	\$ 27	\$ 11	\$ 2	\$ 17	
Not Designated as Hedges:					
Foreign exchange forward contracts	\$ 1	\$ —	\$ 1	\$ —	
Total	\$ 1	\$ —	\$ 1	\$ —	

Balance Sheet Offsetting

Substantially all of the Company's derivative contracts are subject to netting arrangements; whereby the right to offset occurs in the event of default or termination in accordance with the terms of the arrangements with the counterparty. While these contracts contain the enforceable right to offset through netting arrangements with the same counterparty, the Company elects to present them on a gross basis in the Consolidated Balance Sheets.

Offsetting of financial assets and liabilities under netting arrangements at September 30, 2022 were as follows:

(in millions)	Gross Amounts Recognized	Gross Amount Offset in the Consolidated Balance Sheets	Net Amounts Presented in the Consolidated Balance Sheets	Gross Amounts Not Offset in the Consolidated Balance Sheets		Net Amount
				Financial Instruments	Cash Collateral Received/Pledged	
Assets						
Foreign exchange forward contracts	\$ 70	\$ —	\$ 70	\$ (6)	\$ —	\$ 64
Cross currency basis swaps	43	—	43	(17)	—	26
Total assets	\$ 113	\$ —	\$ 113	\$ (23)	\$ —	\$ 90
Liabilities						
Foreign exchange forward contracts	\$ 8	\$ —	\$ 8	\$ (8)	\$ —	\$ —
Interest rate swaps	36	—	36	(15)	—	21
Total liabilities	\$ 44	\$ —	\$ 44	\$ (23)	\$ —	\$ 21

Offsetting of financial assets and liabilities under netting arrangements at December 31, 2021 were as follows:

(in millions)	Gross Amounts Recognized	Gross Amount Offset in the Consolidated Balance Sheets	Net Amounts Presented in the Consolidated Balance Sheets	Gross Amounts Not Offset in the Consolidated Balance Sheets		Net Amount
				Financial Instruments	Cash Collateral Received/Pledged	
Assets						
Foreign exchange forward contracts	\$ 31	\$ —	\$ 31	\$ (9)	\$ —	\$ 22
Total assets	\$ 31	\$ —	\$ 31	\$ (9)	\$ —	\$ 22
Liabilities						
Foreign exchange forward contracts	\$ 4	\$ —	\$ 4	\$ (4)	\$ —	\$ —
Interest rate swaps	4	—	4	(2)	—	2
Cross currency basis swaps	4	—	4	(3)	—	1
Total liabilities	\$ 12	\$ —	\$ 12	\$ (9)	\$ —	\$ 3

NOTE 11 – FAIR VALUE MEASUREMENT

The estimated fair value and carrying value of the Company's total debt, including current portion, was \$1,794 million and \$1,983 million, respectively, at September 30, 2022. At December 31, 2021, the estimated fair value and carrying value were \$2,239 million and \$2,095 million, respectively. The fair value of long-term debt is based on recent trade information in the financial markets of the Company's public debt or is determined by discounting future cash flows using interest rates available at September 30, 2022 and December 31, 2021 to companies with similar credit ratings for issues with similar terms and maturities. It is considered a Level 2 fair value measurement for disclosure purposes.

Assets and liabilities measured at fair value on a recurring basis

The Company's financial assets and liabilities set forth by level within the fair value hierarchy that were accounted for at fair value on a recurring basis were as follows:

(in millions)	September 30, 2022			
	Total	Level 1	Level 2	Level 3
Assets				
Cross currency basis swaps	\$ 43	\$ —	\$ 43	\$ —
Foreign exchange forward contracts	70	—	70	—
Long-term debt	36	—	36	—
Total assets	\$ 149	\$ —	\$ 149	\$ —
Liabilities				
Interest rate swaps	\$ 36	\$ —	\$ 36	\$ —
Foreign exchange forward contracts	8	—	8	—
Contingent considerations on acquisitions	4	—	—	4
Total liabilities	\$ 48	\$ —	\$ 44	\$ 4
December 31, 2021				
(in millions)	Total	Level 1	Level 2	Level 3
Assets				
Interest rate swaps	\$ 5	\$ —	\$ 5	\$ —
Long-term debt	4	—	4	—
Cross currency basis swaps	4	—	4	—
Foreign exchange forward contracts	30	—	30	—
Total assets	\$ 43	\$ —	\$ 43	\$ —
Liabilities				
Interest rate swaps	\$ 9	\$ —	\$ 9	\$ —
Cross currency basis swaps	7	—	7	—
Foreign exchange forward contracts	4	—	4	—
Contingent considerations on acquisitions	10	—	—	10
Total liabilities	\$ 30	\$ —	\$ 20	\$ 10

Derivative valuations are based on observable inputs to the valuation model including interest rates, foreign currency exchange rates, and credit risks. The Company utilizes interest rate swaps and foreign exchange forward contracts that are considered cash flow hedges. In addition, the Company at times employs certain cross currency basis swaps and forward exchange contracts that are considered hedges of net investment in foreign operations.

There have been no transfers between fair value measurement levels during the nine months ended September 30, 2022.

NOTE 12 – INCOME TAXES

Uncertainties in Income Taxes

The Company recognizes the impact of a tax position in the interim consolidated financial statements if that position is "more likely than not" of being sustained on audit based on the technical merits of the position. Under ASC 740-10, the Company provides for uncertain tax positions and the related interest expense by adjusting unrecognized tax benefits and accrued interest accordingly. The Company recognizes potential interest and penalties related to unrecognized tax benefits in income tax expense.

The Company files income tax returns in multiple jurisdictions based on its operations, some of which are under examination by taxing authorities. Certain amounts of unrecognized tax benefits may increase or decrease within twelve months of the reporting date of the Company's consolidated financial statements, primarily due to the completion of ongoing income tax examinations. Final settlement and resolution of outstanding tax matters in various jurisdictions during the next 12 months are not expected to be significant. Expiration of statutes of limitation in various jurisdictions during the next twelve months could include unrecognized tax benefits of approximately \$1 million that, if recognized, would affect the effective income tax rate.

Other Tax Matters

The impact of discrete items is separately recognized in the quarter in which they occur. During the three and nine months ended September 30, 2022, changes in tax expense for discrete tax matters was \$6 million and \$7 million, respectively, which are primarily composed of changes arising from income tax filings in certain jurisdictions, offset by uncertain tax positions and related interest expense. The overall tax benefit as compared to the tax expense in prior period is driven primarily by the impairment of certain goodwill and indefinite-lived intangibles. The tax benefit attributed to the impact of the impairments is \$183 million. Refer to Note 14, Goodwill and Intangible Assets in Item 1 of this Form 10-Q for further discussion of the impairments.

During the three and nine months ended September 30, 2021, the Company recorded \$4 million and \$11 million, respectively, of tax expense for discrete tax matters.

U.S. Federal Legislative Changes

On August 16, 2022, the U.S. federal government enacted the Inflation Reduction Act of 2022. The bill includes numerous tax provisions, including a 15% corporate minimum tax as well as a 1% excise tax on share repurchases. The Company continues to evaluate the impact of this law on our operations; at this point, the legislation is not expected to have a material impact on consolidated financial statements.

NOTE 13 – FINANCING ARRANGEMENTS

At September 30, 2022, the Company had \$503 million of borrowing available under lines of credit, including lines available under its short-term arrangements and revolving credit facility.

The Company has a \$500 million commercial paper program. The Company had outstanding borrowings of \$224 million and \$170 million under the commercial paper facility at September 30, 2022 and December 31, 2021, respectively. The Company also has a \$700 million multi-currency revolving credit facility which serves as a back-stop credit facility for the Company's commercial paper program. At September 30, 2022 and December 31, 2021, there were no outstanding borrowings under the multi-currency revolving credit facility. The Company also has access to \$48 million in uncommitted short-term financing under lines of credit from various financial institutions, the availability of which is reduced by other short-term borrowings of \$21 million. At September 30, 2022, the weighted-average interest rate for short-term debt was 4.0%.

The Company's revolving credit facility, term loans and senior notes contain certain affirmative and negative debt covenants relating to the Company's operations and financial condition. At September 30, 2022, the Company was in compliance with all debt covenants. As a result of the Company's failure to file its unaudited financial statements for the fiscal quarters ended March 31, 2022 and June 30, 2022 by the reporting deadlines, the Company obtained the consents of the requisite lenders and noteholders of its outstanding indebtedness to extend the time period for delivery of such unaudited financial statements until November 14, 2022. Those financial statements were delivered on November 9, 2022 and therefore, the Company has not suffered an event of default as a result of the delayed filings.

NOTE 14 – GOODWILL AND INTANGIBLE ASSETS

The Company assesses both goodwill and indefinite-lived intangible assets for impairment annually as of April 1 or more frequently if events or changes in circumstances indicate the asset might be impaired. In preparing its financial statements for the quarter ended September 30, 2022, the Company identified indicators of a "more likely than not" impairment related to its Digital Dental Group and Equipment & Instruments reporting units, included within the Technologies & Equipment segment. The Company has experienced adverse macroeconomic factors as a result of weakened global demand, higher cost of capital, unfavorable foreign currency impacts, and increased raw material, supply chain and service costs, which are contributing to reduced forecasted revenues, lower operating margins, and reduced expectations for future cash flows.

The fair values of the two reporting units above were computed using a discounted cash flow model with inputs developed using both internal and market-based data. The Company's significant assumptions in the discounted cash flow model included, but were not limited to, the weighted average cost of capital, revenue growth rates (including perpetual growth rates), and operating margin percentages of the reporting unit's business. As a result, the Company recorded a pre-tax goodwill impairment charge related to the Digital Dental Group and Equipment & Instruments reporting units within the Technologies & Equipment segment of \$1,100 million and \$87 million, respectively.

The timing of this impairment charge in the third quarter was the result of current macroeconomic conditions, including the rising interest rate environment and broad declines in equity valuations. Since the second quarter, core underlying market interest rates, which serve as the basis for the discount rate assumptions in our impairment models, rose by approximately 200 basis points. Further, earnings forecasts were reduced for several reporting units as these forecasts were impacted by ongoing macroeconomic forces. Global demand has weakened for certain products in the third quarter as inflationary pressures impacted the discretionary spending behavior of our customers, which has introduced new competitive challenges. Additionally, raw materials, supply chain, and service costs have all increased due to changes in our business model and broad inflationary trends.

At September 30, 2022, the remaining goodwill related to the Digital Dental Group and Equipment & Instruments reporting units was \$234 million and \$192 million, respectively. As the fair value of these reporting units approximate carrying value as of September 30, 2022, any further decline in key assumptions could result in additional impairment in future periods. Based on quantitative analysis performed for the other three reporting units within the Technologies & Equipment and Consumables segments, the Company believes there is no indication that the carrying value "more likely than not" exceeds the fair value in each case as of September 30, 2022; however, any further deterioration in key assumptions could result in impairment charges in the future.

For the Company's reporting units that were not impaired, the Company applied a hypothetical sensitivity analysis by increasing the discount rate of these reporting units by 100 basis points and, in a separate test, reducing by 10% the fair value of those reporting units. If discount rates were hypothetically increased by 100 basis points at September 30, 2022, one reporting unit within the Technologies & Equipment segment would have an estimated fair value less than 10% in excess of its carrying value. Goodwill associated with this reporting unit was \$1,068 million at September 30, 2022.

In preparing the financial statements for the quarter ended September 30, 2022, in conjunction with the goodwill impairment, the Company tested the intangible assets related to the businesses within the Digital Dental Group and Equipment & Instruments reporting units within the Technologies & Equipment segment for impairment. The Company also identified an indicator of impairment for indefinite-lived intangible assets within the Consumables reporting unit within the Consumables segment. Intangible assets were evaluated for impairment using an income approach, specifically a relief from royalty method, or using a qualitative assessment. The Company's significant assumptions in the relief from royalty method included, but were not limited to, revenue growth rates (including perpetual growth rates), royalty rates, and discount rates. As a result, the Company recorded an impairment charge of \$66 million, \$26 million and \$2 million for the Digital Dental Group, Equipment & Instruments and Consumables reporting units, respectively, for its indefinite-lived intangible assets for the three months ended September 30, 2022. The impairment charge was primarily driven by macroeconomic factors such as higher cost of capital, cost inflation, unfavorable foreign currency impacts, and increased supply chain costs, which are contributing to reduced forecasted revenues, lower operating margins, and reduced expectations for future cash flows. This charge was recorded in Intangible asset impairment and other costs in the Consolidated Statements of Operations. As the fair value of these indefinite-lived intangible assets approximate carrying value as of September 30, 2022, any further decline in key assumptions could result in additional impairment in future periods. Based on qualitative assessments performed on the indefinite-lived intangible assets related to the businesses in the two other reporting units within the Technologies & Equipment segment, the Company believes there is no indication that the carrying value "more likely than not" exceeds the fair value of these intangible assets in each case as of September 30, 2022; however, any further deterioration in key assumptions could result in impairment charges in the future.

For the Company's indefinite-lived intangible assets that were not impaired, the Company applied a hypothetical sensitivity analysis. If the fair value of each of these indefinite-lived intangible assets had been hypothetically reduced by 10% or the discount rate had been hypothetically increased by 100 basis points as of September 30, 2022, the fair value of certain indefinite-lived intangible assets within the Technologies & Equipment and Consumables segments would be less than book value and are considered at-risk based on the sensitivity analysis. The carrying value of these indefinite-lived intangibles within the Technologies & Equipment and Consumables segments was \$43 million and \$30 million, respectively, at September 30, 2022.

Any deviation in actual financial results compared to the forecasted financial results or valuation assumptions used in the annual or interim tests, a decline in equity valuations, increases in interest rates, or changes in the use of intangible assets, among other factors, could have a material adverse effect to the fair value of either the reporting units or intangible assets and could result in a future impairment charge. There can be no assurance that the Company's future asset impairment testing will not result in a material charge to earnings.

A reconciliation of changes in the Company's goodwill by reportable segment were as follows:

(in millions)	Technologies & Equipment	Consumables	Total
Balance at December 31, 2021			
Goodwill	\$ 5,989	\$ 880	\$ 6,869
Accumulated impairment losses	(2,893)	—	(2,893)
Goodwill, net	\$ 3,096	\$ 880	\$ 3,976
Impairment			
Impairment	(1,187)	—	(1,187)
Translation and other	(170)	(35)	(205)
Balance at September 30, 2022			
Goodwill	\$ 5,819	\$ 845	\$ 6,664
Accumulated impairment losses	(4,080)	—	(4,080)
Goodwill, net	\$ 1,739	\$ 845	\$ 2,584

Identifiable definite-lived and indefinite-lived intangible assets were as follows:

(in millions)	September 30, 2022			December 31, 2021		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Developed technology and patents	\$ 1,569	\$ (764)	\$ 805	\$ 1,729	\$ (762)	\$ 967
Tradenames and trademarks	269	(90)	179	269	(79)	190
Licensing agreements	31	(26)	5	36	(32)	4
Customer relationships	1,005	(553)	452	1,091	(545)	546
Total definite-lived	\$ 2,874	\$ (1,433)	\$ 1,441	\$ 3,125	\$ (1,418)	\$ 1,707
Indefinite-lived tradenames and trademarks	\$ 426	\$ —	\$ 426	\$ 598	\$ —	\$ 598
In-process R&D ^(a)	8	—	8	14	—	14
Total indefinite-lived	\$ 434	\$ —	\$ 434	\$ 612	\$ —	\$ 612
Total identifiable intangible assets	\$ 3,308	\$ (1,433)	\$ 1,875	\$ 3,737	\$ (1,418)	\$ 2,319

(a) Intangible assets acquired in a business combination that are in-process and used in research and development ("R&D") activities are considered indefinite-lived until the completion or abandonment of the R&D efforts. The useful life and amortization of those assets will be determined once the R&D efforts are completed. During the third quarter of 2022, the completion of certain R&D activities occurred, resulting in the reclassification of \$5 million of in-process R&D to in-service assets with a definite life.

During the second quarter of 2021, the Company purchased certain developed technology rights for an initial payment of \$3 million. The purchase consideration also includes minimum guaranteed contingent payments of \$17 million to be made upon reaching certain regulatory and commercial milestones. The contingent payments are not yet considered probable of payment as of September 30, 2022.

NOTE 15 – COMMITMENTS AND CONTINGENCIES

Contingencies

On January 25, 2018, Futuredontics, Inc., a former wholly-owned subsidiary of the Company, received service of a purported class action lawsuit brought by Henry Olivares and other similarly situated individuals in the Superior Court of the State of California for the County of Los Angeles. In January 2019, an amended complaint was filed adding another named plaintiff, Rachael Clarke, and various claims. The plaintiff class alleges several violations of the California wage and hours laws, including, but not limited to, failure to provide rest and meal breaks and the failure to pay overtime. The parties have engaged in written and other discovery. On February 5, 2019, Plaintiff Caethia Holt (represented by the same counsel as Mr. Olivares and Ms. Clarke) filed a separate representative action in Los Angeles Superior Court alleging a single violation of the Private Attorneys' General Act that is based on the same underlying claims as the Olivares/Clarke lawsuit. On April 5, 2019, Plaintiff Kendra Cato filed a similar action in Los Angeles Superior Court alleging a single violation of the Private Attorneys' General Act that is based on the same underlying claims as the Olivares/Clarke lawsuit. The Company has agreed to resolve all three actions (Olivares, Holt, and Cato). The court in Cato approved the settlement in that case, the settlement payment has been made, and the court dismissed the lawsuit. The parties to Olivares and Holt are in the process of seeking court approval of that settlement. The expected settlement amount, which is immaterial to the financial statements, has been recorded as an accrued liability within the Company's consolidated balance sheet as of September 30, 2022.

On June 7, 2018, and August 9, 2018, two putative class action suits were filed, and later consolidated, in the Supreme Court of the State of New York, County of New York claiming that the Company and certain individual defendants, violated U.S. securities laws (the "State Court Action") by making material misrepresentations and omitting required information in the December 4, 2015 registration statement filed with the SEC in connection with the 2016 merger of Sirona Dental Systems Inc. ("Sirona") with DENTSPLY International Inc. (the "Merger"). The amended complaint alleges that the defendants failed to disclose, among other things, that a distributor had purchased excessive inventory of legacy Sirona products and that three distributors of the Company's products had been engaging in anticompetitive conduct. The plaintiffs seek to recover damages on behalf of a class of former Sirona shareholders who exchanged their shares for shares of the Company's stock in the Merger. On September 26, 2019, the Court granted the Company's motion to dismiss all claims and a judgement dismissing the case was subsequently entered. On February 4, 2020, the Court denied plaintiffs' post-judgement motion to vacate or modify the judgement and to grant them leave to amend their complaint. The plaintiffs appealed the dismissal and the denial of the post-judgement motion to the Supreme Court of the State of New York, Appellate Division, First Department, and the Company cross-appealed select rulings in the Court's decision dismissing the action. The plaintiffs' appeals and the Company's cross-appeal were consolidated and argued on January 12, 2021. On February 2, 2021, the Appellate Division issued its decision upholding the dismissal of the State Court Action with prejudice on statute of limitations grounds. The Plaintiffs did not appeal the Appellate Division decision.

On December 19, 2018, a related putative class action was filed in the U.S. District Court for the Eastern District of New York against the Company and certain individual defendants (the "Federal Class Action"). The plaintiff makes similar allegations and asserts the same claims as those asserted in the State Court Action. In addition, the plaintiff alleges that the defendants violated U.S. securities laws by making false and misleading statements in quarterly and annual reports and other public statements between February 20, 2014, and August 7, 2018. The plaintiff asserts claims on behalf of a putative class consisting of (a) all purchasers of the Company's stock during the period February 20, 2014 through August 7, 2018 and (b) former shareholders of Sirona who exchanged their shares of Sirona stock for shares of the Company's stock in the Merger. The Company moved to dismiss the amended complaint on August 15, 2019. The plaintiff filed its second amended complaint on January 22, 2021, and the Company filed a motion to dismiss the second amended complaint on March 8, 2021. Briefing on the motion to dismiss was fully submitted on May 21, 2021, and that motion is currently pending before the Court.

On June 2, 2022, the Company was named as a defendant in a putative class action filed in the United States District Court for the Southern District of Ohio captioned City of Miami General Employees' & Sanitation Employees' Retirement Trust v. Casey, Jr. et al., No. 2:22-cv-02371 (S.D. Ohio), and on July 28, 2022, the Company was named as a defendant in a putative class action filed in the United States District Court for the Southern District of New York captioned San Antonio Fire and Police Pension Fund v. Dentsply Sirona Inc. et al., No. 1:22-cv-06339 (together, the "Securities Litigation"). The complaints in the Securities Litigation are substantially similar and both allege that, during the period June 9, 2021 through May 9, 2022, the Company, Mr. Donald M. Casey Jr., the Company's former Chief Executive Officer, and Mr. Jorge Gomez, the Company's former Chief Financial Officer, violated United States securities laws by, among other things, making materially false and misleading statements or omissions, including regarding the manner in which the Company recognizes revenue tied to distributor rebate and incentive programs.

No specific amounts of damages have been alleged in these lawsuits. We will continue to incur legal fees in connection with these pending cases, including expenses for the reimbursement of legal fees of present and former officers and directors under indemnification obligations. The expense of continuing to defend such litigation may be significant. We intend to defend these lawsuits vigorously, but there can be no assurance that we will be successful in any defense. If any of the lawsuits are decided adversely, we may be liable for significant damages directly or under our indemnification obligations, which could adversely affect our business, results of operations and cash flows. At this stage, we are unable to assess whether any material loss or adverse effect is reasonably possible as a result of these lawsuits or estimate the range of any potential loss.

As a result of an audit by the IRS for fiscal years 2012 through 2013, on February 11, 2019, the IRS issued to the Company a “30-day letter” and a Revenue Agent’s Report (“RAR”), relating to the Company’s worthless stock deduction in 2013 in the amount of \$546 million. The RAR disallows the deduction and, after adjusting the Company’s net operating loss carryforward, asserts that the Company is entitled to a refund of \$5 million for 2012, has no tax liability for 2013, and owes a deficiency of \$17 million in tax for 2014, excluding interest. In accordance with ASC 740, the Company recorded the tax benefit associated with the worthless stock deduction in the Company’s 2012 financial statements. In March 2019, the Company submitted a formal protest disputing on multiple grounds the proposed taxes. The Company and its advisors discussed its position with the IRS Appeals Office Team on October 28, 2020 and, on November 13, 2020, submitted a supplemental response to questions raised by the Appeals Team. The Company’s position continues to be reviewed by the IRS Appeals Office team. The Company believes the IRS’ position is without merit and believes that it is more likely-than-not the Company’s position will be sustained upon further review by the IRS Appeals Office Team. The Company has not accrued a liability relating to the proposed tax adjustments. However, the outcome of this dispute involves a number of uncertainties, including those inherent in the valuation of various assets at the time of the worthless stock deduction, and those relating to the application of the Internal Revenue Code and other federal income tax authorities and judicial precedent. Accordingly, there can be no assurance that the dispute with the IRS will be resolved favorably. If determined adversely, the dispute would result in a current period charge to earnings and could have a material adverse effect in the consolidated results of operations, financial position, and liquidity of the Company.

The Swedish Tax Agency has disallowed certain of the Company’s interest expense deductions for the tax years from 2013 to 2018. If such interest expense deductions were disallowed, the Company would be subject to an additional \$36 million in tax expense. The Company has appealed the disallowance to the Swedish Administrative Court. With respect to such deductions taken in the tax years from 2013 to 2014, the Court ruled against the Company on July 5, 2017. On August 7, 2017, the Company appealed the unfavorable decision of the Swedish Administrative Court. On November 5, 2018, the Company delivered its final argument to the Administrative Court of Appeals at a hearing. The European Union Commission has taken the view that Sweden’s interest deduction limitation rules are incompatible with European Union law and supporting legal opinions, and therefore the Company has not paid the tax or made provision in its financial statements for such potential expense. This view has now been confirmed by the European Union Court of Justice in a preliminary ruling requested by the Swedish Supreme Administrative Court. Subsequently, the Swedish Tax Authority has conceded in pending court proceedings that the Company should be granted further interest expense deductions, but still claims that interest expense deductions incurring a maximum additional tax expense of \$7 million should be disallowed on grounds not relating to European Union law.

The Company intends to vigorously defend its positions and pursue related appeals in the above-described pending matters.

In addition to the matters disclosed above, the Company is, from time to time, subject to a variety of litigation and similar proceedings incidental to its business. These legal matters primarily involve claims for damages arising out of the use of the Company’s products and services and claims relating to intellectual property matters including patent infringement, employment matters, tax matters, commercial disputes, competition and sales and trading practices, personal injury, and insurance coverage. The Company may also become subject to lawsuits as a result of past or future acquisitions or as a result of liabilities retained from, or representations, warranties or indemnities provided in connection with, divested businesses. Some of these lawsuits may include claims for punitive and consequential, as well as compensatory damages. Except as otherwise noted, the Company generally cannot predict what the eventual outcome of the above-described pending matters will be, what the timing of the ultimate resolution of these matters will be, or what the eventual loss, fines or penalties related to each pending matter may be. Based upon the Company’s experience, current information, and applicable law, it does not believe that these proceedings and claims will have a material adverse effect on its consolidated results of operations, financial position, or liquidity. However, in the event of unexpected further developments, it is possible that the ultimate resolution of these matters, or other similar matters, if unfavorable, may be materially adverse to the Company’s business, financial condition, results of operations, or liquidity.

While the Company maintains general, product, property, workers' compensation, automobile, cargo, aviation, crime, fiduciary and directors' and officers' liability insurance up to certain limits that cover certain of these claims, this insurance may be insufficient or unavailable to cover such losses. In addition, while the Company believes it is entitled to indemnification from third parties for some of these claims, these rights may also be insufficient or unavailable to cover such losses.

Commitments

Purchase Commitments

The Company has certain non-cancelable future commitments primarily related to long-term supply contracts for key components and raw materials. At September 30, 2022, non-cancelable purchase commitments are as follows:

(in millions)	
2022	\$ 66
2023	175
2024	77
2025	58
2026	69
Thereafter	—
Total	\$ 445

The above information should be read in conjunction with Part II, Item 7 "Contractual Obligations" and Part II, Item 8, Note 22 "Commitments and Contingencies" in our 2021 Form 10-K/A.

Off-Balance Sheet Arrangements

As of September 30, 2022, we had no material off-balance sheet arrangements that have, or are reasonably likely to have, a current or future material effect on our consolidated financial condition, results of operations, liquidity, capital expenditures or capital resources other than certain items disclosed in the sections above.

Indemnification

In the normal course of business to facilitate sale of our products and services, we indemnify certain parties: customers, vendors, lessors, and other parties with respect to certain matters, including, but not limited to, services to be provided by us and intellectual property infringement claims made by third parties. In addition, we have entered into indemnification agreements with our directors and our executive officers that will require us, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers. Several of these agreements limit the time within which an indemnification claim can be made and the amount of the claim.

It is not possible to make a reasonable estimate of the maximum potential amount under these indemnification agreements due to the unique facts and circumstances involved in each particular agreement. Additionally, we have a limited history of prior indemnification claims and the payments we have made under such agreements have not had a material effect on our results of operations, cash flows or financial position. As of September 30, 2022, we did not have any material indemnification claims that were probable or reasonably possible. However, to the extent that valid indemnification claims arise in the future, future payments by us could be significant and could have a material adverse effect on our results of operations or cash flows in a particular period.

DENTSPLY SIRONA Inc. and Subsidiaries

Item 2 – Management’s Discussion and Analysis of Financial Condition and Results of Operations

Information included in or incorporated by reference in this Form 10-Q, and other filings with the SEC and the Company’s press releases or other public statements, contains or may contain forward-looking statements. Please refer to the discussion under the header “Forward-Looking Statements and Associated Risks” in the forepart of this Form 10-Q.

Company Profile

DENTSPLY SIRONA Inc. is a leading manufacturer of professional dental products and technologies, with a 135-year history of innovation and service to the dental industry and patients worldwide. Dentsply Sirona develops, manufactures, and markets comprehensive solutions for dental equipment and consumable products under a strong portfolio of world class brands. The Company also manufactures and markets healthcare consumable products. Dentsply Sirona’s products provide innovative, high-quality, and effective solutions to advance patient care and deliver better, safer, and faster dentistry. Dentsply Sirona’s worldwide headquarters is located in Charlotte, North Carolina. The Company’s shares of common stock are listed on the Nasdaq stock market under the symbol XRAY.

Material Weaknesses in Internal Control Over Financial Reporting Identified During the Recent Investigation

As first disclosed in the Company’s Form 12b-25 filed on May 10, 2022, the Audit and Finance Committee of the Company’s Board of Directors (the “Audit and Finance Committee”), assisted by independent legal counsel and forensic accountants, commenced an internal investigation in March 2022 of allegations regarding certain financial reporting matters submitted by current and former employees of the Company (“the North America Investigation”). In the North America Investigation, the Audit and Finance Committee concluded that there was no evidence of intentional wrongdoing or fraud but determined that certain former members of senior management, including the Company’s former Chief Executive Officer and former Chief Financial Officer, violated provisions of the Company’s Code of Ethics and Business Conduct. In addition, these former members of senior management did not maintain and promote an appropriate control environment focused on compliance in areas of the Company’s business, nor did they sufficiently promote, monitor or enforce adherence to the Code of Ethics and Business Conduct. While the North America Investigation was ongoing, the Audit and Finance Committee determined that the scope of the internal investigation should be expanded to analyze an increase in returns of products in China during the fourth quarter of 2021 previously identified by management (the “China Investigation”). Based on the China Investigation, the Audit and Finance Committee concluded that members of the Company’s local commercial team in China, as well as the head of the Company’s Asia-Pacific commercial organization, committed intentional wrongdoing by failing to provide requested information to the Company’s local accounting organization, by obstructing the work of the accounting team and by lacking truthfulness in providing information to the Company and to the Audit and Finance Committee as part of the China Investigation. The China Investigation also determined that these actions by the certain members of the Company’s local commercial team in China, as well as the former Chief Financial Officer and the head of the Company’s Asia-Pacific commercial organization violated the Company’s Code of Ethics and Business Conduct.

Refer to the Explanatory Note to the 2021 Form 10-K/A for more information on each of these investigations and the related findings of the Audit and Finance Committee.

In connection with the restatement of the financial statements and related disclosures for the three and nine months ended September 30, 2021 and for the fiscal year ended December 31, 2021, management re-evaluated the effectiveness of the Company’s internal control over financial reporting and identified material weaknesses in the Company’s internal control over financial reporting as of September 30, 2021. These material weaknesses in internal controls over financial reporting were not remediated as of September 30, 2022 and are not remediated through the date of this filing. For more information about the internal investigation and its findings, the specific material weaknesses in internal control over financial reporting and the current status of the Company’s remedial actions, please see Part II, Item 9A Controls and Procedures of the 2021 Form 10-K/A.

BUSINESS

The Company operates in two operating segments, Technologies & Equipment (“T&E”) and Consumables.

The T&E segment is responsible for the design, manufacture, and sale of products including dental implants, CAD/CAM systems, orthodontic clear aligner products, imaging systems, treatment centers and instruments, as well as certain healthcare products, primarily catheters.

The Consumables segment is responsible for the design, manufacture, and sale of dental consumable products within the product categories of preventive, restorative, endodontic, and dental laboratory application.

Impact of COVID-19

The Company's financial results and operations continue to be impacted by the COVID-19 pandemic and its effect on inflation, supply chains, distribution networks and consumer behavior. Information pertaining to the impact of the pandemic on the Company's business during 2021 as well as the Company's response can be found in "Part II, Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations" included in the 2021 Form 10-K/A. Updates to that summary of impact for the nine months ended September 30, 2022 are as follows:

- As further described in the "Results of Operations" discussion below, the Company continues to experience supply chain challenges resulting from the pandemic including increased lead times, limited availability of certain components, raw material price increases, and higher shipping costs. As a result of supply chain constraints, the Company continued to have an elevated backlog at September 30, 2022 relative to historical levels, primarily in connection with orders on hand for imaging equipment which we are unable to fill due to continued shortages of electronic components. The Company has continued taking steps to mitigate the impact of these trends, including seeking alternative supplier sources for key raw materials.
- Sales continue to be impacted in certain geographic areas by public response to the COVID-19 pandemic. Towards the end of the first quarter of 2022, authorities in China began to periodically re-impose severe restrictions on individual and business activities in response to the resurgence of COVID-19 infections from variants of the virus, resulting in a loss of sales due to distribution constraints and lower demand from reduced patient traffic locally. Primarily as a result of these factors, sales in China declined by \$55 million in the first nine months of 2022 compared to the first nine months of 2021. Adverse trends in certain regions could persist if these restrictions are renewed as a result of additional outbreaks. While most government authorities have not re-imposed restrictions with significant impacts, it continues to be unclear when the remaining constraints will be lifted, and to what degree future variants of the virus or renewed restrictions in other markets may impact short-term demand for the Company's products more broadly.

Impact of Russia's Invasion of Ukraine

On February 24, 2022, Russian forces launched military action against Ukraine, resulting in warfare and significant disruption in the region ("the conflict"). As a result of the invasion, economic sanctions have been imposed by the U.S., the European Union, and other countries on certain Russian financial institutions, businesses and individuals.

The Company does not have significant operations in Russia or Ukraine. The Company's net sales in Russia and Ukraine approximate 3% of the Company's consolidated net sales, and the Company's net assets in these two countries aggregate to \$90 million, or less than 2% of consolidated net assets. These net assets include \$73 million of cash and cash equivalents held within Russia as of September 30, 2022. Due to the medical nature of its products, the current sanctions have not materially restricted the Company's ability to continue selling to customers located in Russia. The Company sources certain raw materials and components from Russia and Ukraine, and to minimize the adverse impacts from disrupted supply chains related to these items, it has purchased sufficient quantities for the near term, and is in process of identifying alternate sources for the longer term. The Company's operations in Ukraine consist primarily of research and development activities, which continue uninterrupted from other locations in order to focus on the safety of employees. Overall, the Company's operations in Russia and Ukraine have not been materially impacted by the conflict, and consequently, the Company has not recorded any allowance for doubtful accounts, inventory reserves, or asset impairments during the nine months ended September 30, 2022 as a result of these developments.

While neither Russia nor Ukraine constitutes a material portion of our business, a significant escalation or expansion of economic disruption or the conflict's current scope could result in a loss of sales, disrupt our supply chain, broaden inflationary costs, and have a material adverse effect on our results of operations. For additional discussion of associated risks, refer to Part I, Item 1A, "Risk Factors" of the 2021 Form 10-K/A.

RESULTS OF OPERATIONS, THREE MONTHS ENDED SEPTEMBER 30, 2022 COMPARED TO THREE MONTHS ENDED SEPTEMBER 30, 2021

Net Sales

The Company presents net sales comparing the current year periods to the prior year periods. In addition, the Company also presents the changes in net sales on an organic sales basis, which is a Non-GAAP measure. The Company defines "organic sales" as the reported net sales adjusted for: (1) net sales from acquired businesses recorded prior to the first anniversary of the acquisition, (2) net sales attributable to disposed businesses or discontinued product lines in both the current and prior year periods, and (3) the impact of foreign currency changes, which is calculated by translating current period net sales using the comparable prior period's foreign currency exchange rates.

Organic sales may differ from those used by other companies and should not be considered in isolation from, or as a substitute for, measures of financial performance prepared in accordance with US GAAP. Organic sales is an important internal measure for the Company which is utilized regularly by senior management in the review of operating results. Organic sales is disclosed to allow investors to evaluate the performance of the Company's operations exclusive of certain items that impact the comparability of results from period to period and may not be indicative of past or future performance of the normal operations of the Company. The Company believes that this information is helpful in understanding underlying net sales trends.

The Company's net sales for the three months ended September 30, 2022 and 2021, and the reconciliation to organic sales is as follows:

(in millions, except percentages)	Three Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 947	\$ 1,040	\$ (93)	(8.9 %)
Foreign exchange impact				(8.2 %)
Organic sales				(0.7 %)

Percentages are based on actual values and may not recalculate due to rounding.

Organic sales declined due to the continued impact of supply chain constraints affecting the ability to fulfill orders for certain Equipment & Instruments and Consumables products, and weaker performance in the United States partly due to the timing of sales to distributors as explained below, and the impact of COVID-19 variants on demand from patient traffic in China. These drivers were mostly offset by strong performance in volumes for Orthodontics products.

Net Sales by Segment

Technologies & Equipment

Net sales for the three months ended September 30, 2022 and 2021, and reconciliation of net sales to organic sales is as follows:

(in millions, except percentages)	Three Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 556	\$ 612	\$ (56)	(9.0 %)
Foreign exchange impact				(9.6 %)
Organic sales				0.6 %

Percentages are based on actual values and may not recalculate due to rounding.

The slight increase in organic sales was primarily due to higher volumes for Orthodontics products, as well as an overall benefit from sales of new products and price increases. These increases were mostly offset by a decline in sales of CAD/CAM products in the United States relative to the comparable quarter of 2021, due in part to the timing of sales to distributors as explained below. Sales have also continued to be adversely impacted by supply chain constraints and reduction in volumes due to product availability, particularly for certain Equipment & Instruments products which rely on electronic components.

Consumables

Net sales for the three months ended September 30, 2022 and 2021, and reconciliation of net sales to organic sales is as follows:

(in millions, except percentages)	Three Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 391	\$ 428	\$ (37)	(8.7 %)
Foreign exchange impact				(6.2 %)
Organic sales				(2.5 %)

Percentages are based on actual values and may not recalculate due to rounding.

The decrease in organic sales was primarily driven by lower sales volumes for Endodontic & Restorative products, particularly in the United States and China, offset by price increases and demand for new products.

Net Sales by Region

United States

Net sales for the three months ended September 30, 2022 and 2021, and reconciliation of net sales to organic sales is as follows:

(in millions, except percentages)	Three Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 357	\$ 384	\$ (27)	(7.2 %)
Foreign exchange impact				(2.0 %)
Organic sales				(5.2 %)

Percentages are based on actual values and may not recalculate due to rounding.

The decrease in organic sales was driven primarily by soft demand for Consumables products, and lower wholesale volumes for CAD/CAM products relative to prior year. Volumes for CAD/CAM products in the third quarter of 2021 benefited from a build in distributor inventory of approximately \$35 million, partly as a result of incremental incentives offered during that period which did not recur in 2022, compared to a build of approximately \$10 million during the third quarter of 2022 as orders from distributors have weakened in response to a slowdown in retail demand. Sales volumes during the three months ended September 30, 2022, were also negatively impacted by ongoing global supply chain constraints and reduction in volumes due to product availability, particularly for certain Equipment & Instruments products which rely on electronic components. The decline in sales volume was partly offset by overall growth in the Orthodontics business.

Europe

Net sales for the three months ended September 30, 2022 and 2021, and reconciliation of net sales to organic sales is as follows:

(in millions, except percentages)	Three Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 358	\$ 393	\$ (35)	(8.8 %)
Foreign exchange impact				(11.8 %)
Organic sales				3.0 %

Percentages are based on actual values and may not recalculate due to rounding.

The increase in organic sales was primarily due to overall higher volumes for Equipment & Instruments, Orthodontics, and Endodontic & Restorative products, as a result of favorable market trends and demand, as well as a benefit from price increases. The organic sales growth was partly offset by ongoing global supply chain constraints, and reduction in volumes due to product availability, particularly for certain Equipment & Instruments products which rely on electronic components.

Rest of World

Net sales for the three months ended September 30, 2022 and 2021, and reconciliation of net sales to organic sales is as follows:

(in millions, except percentages)	Three Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 232	\$ 263	\$ (31)	(11.6 %)
Foreign exchange impact				(11.7 %)
Organic sales				0.1 %

Percentages are based on actual values and may not recalculate due to rounding.

Organic sales were flat as higher sales for Other Consumables and Equipment & Instruments products were offset by declines for Endodontic & Restorative and Implants products. Volumes during the period overall were negatively impacted by ongoing global supply chain constraints and the adverse impact of COVID-19, particularly in China which was affected by lower demand resulting from ongoing government restrictions affecting patient traffic. In the third quarter of 2022, the Company began to see softer demand for Implants products in China ahead of the local volume based procurement program taking effect. Although sales have not yet been materially impacted, the Company expects sales of our Implants products in China will be negatively affected by price reductions as a result of this program which is anticipated to take effect beginning late in the fourth quarter of 2022 or the first quarter of 2023.

Gross Profit

(in millions, except percentages)	Three Months Ended September 30,			
	2022	2021	\$ Change	% Change
Gross profit	\$ 508	\$ 569	\$ (61)	(10.7 %)
Gross profit as a percentage of net sales	53.7 %	54.7 %	(100) bps	

Percentages are based on actual values and may not recalculate due to rounding.

Gross profit for the quarter was negatively impacted by the decrease in volumes as described above, as well as foreign currency translation headwinds of \$50 million. Gross profit margins as a percentage of net sales declined due to the impact of higher raw materials, labor, and distribution costs as a result of supply chain constraints and global inflation during the period, as well as the impact of unfavorable product mix. These decreases were partly offset by the benefit of price increases and favorable foreign currency transaction gains.

Operating Expenses

(in millions, except percentages)	Three Months Ended September 30,			
	2022	2021	\$ Change	% Change
Selling, general and administrative expenses ("SG&A")	\$ 401	\$ 395	\$ 6	1.9 %
Research and development expenses ("R&D")	41	39	2	5.2 %
Goodwill impairment	1,187	—	1,187	NM
Intangible asset impairment and other costs	97	3	94	NM
SG&A as a percentage of net sales	42.4 %	37.9 %	450 bps	
R&D as a percentage of net sales	4.3 %	3.7 %	60 bps	

Percentages are based on actual values and may not recalculate due to rounding.

NM - Not meaningful

SG&A Expenses

SG&A expenses increased primarily due to costs related to the recently concluded investigation and related remediation activities, including various legal, accounting and other professional service fees, as well as turnover and other employee-related costs. The increase due to these costs was offset by lower headcount costs overall which are in part driven by decreases in incentive compensation.

R&D Expenses

The increase in R&D expenses was primarily due to higher spend within the T&E segment driven by increases in both headcount expenses and professional service fees for ongoing investments in digital workflow solutions, product development initiatives, software development including clinical application suite and cloud deployment. The Company expects to continue to maintain an expanded level of investment in R&D that is at least 4% of annual net sales.

Goodwill Impairment

For the three months ended September 30, 2022, the Company recorded a goodwill impairment charge of \$1,187 million. The charge was related to two reporting units within the Technologies & Equipment segment. For further information see Note 14, Goodwill and Intangible Assets, in the Notes to Unaudited Consolidated Financial Statements of this Form 10-Q.

Intangible asset impairment and other costs

During the three months ended September 30, 2022, the Company recorded net expense of \$97 million of intangible asset impairment and other costs which consist primarily of an impairment charge of \$94 million related to certain tradenames and trademarks within the Technologies & Equipment segment and Consumables segment. For further details see, Note 9, Intangible asset impairment and other costs, in the Notes to Unaudited Consolidated Financial Statements of this Form 10-Q.

Segment Adjusted Operating Income

(in millions, except percentages) ^(a)	Three Months Ended September 30,			
	2022	2021	\$ Change	% Change
Technologies & Equipment	\$ 73	\$ 134	\$ (61)	(45.5 %)
Consumables	121	123	(2)	(1.6 %)

(a) See Note 7, Segment Information, in the Notes to Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for a reconciliation from segment adjusted operating income to consolidated US GAAP income.

The decrease in adjusted operating income for both Technologies & Equipment and Consumables was primarily driven by the decrease in sales volumes and the higher costs for raw materials, labor, and distribution costs in the current year as a result of supply chain constraints and global inflation, offset by benefits from pricing adjustments.

Other Income and Expense

(in millions)	Three Months Ended September 30,			
	2022	2021	\$ Change	% Change
Interest expense, net	\$ 14	\$ 14	\$ —	NM
Other expense (income), net	9	5	4	NM
Net interest and other expense (income)	\$ 23	\$ 19	\$ 4	

Percentages are based on actual values and may not recalculate due to rounding.

NM - Not meaningful

Interest expense, net

Interest expense, net for the three months ended September 30, 2022 was flat compared to the three months ended September 30, 2021.

Other expense (income), net

Other expense (income), net for the three months ended September 30, 2022 compared to the three months ended September 30, 2021 was as follows:

(in millions)	Three Months Ended September 30,			
	2022	2021	\$ Change	
Foreign exchange (gain) loss (a)	\$ 3	\$ 8	\$ (5)	
Loss (income) from equity method investments	4	(1)	5	
Defined benefit pension plan expenses	2	2	—	
Other non-operating loss (gain)	—	(4)	4	
Other expense (income), net	\$ 9	\$ 5	\$ 4	

(a) Foreign exchange losses are primarily related to the revaluation of intercompany payables and loans.

In February 2022, the three-year cumulative inflation rate in Turkey exceeded 100 percent. As a result, effective April 1, 2022, the functional currency of the Company's Turkish subsidiaries was changed to the U.S. dollar, the reporting currency of the parent. The impact of recognizing foreign currency gains and losses resulting from this change in functional currency were not material to the period.

Income Taxes and Net Income

(in millions, except percentages)	Three Months Ended September 30,		
	2022	2021	\$ Change
(Benefit) provision for income taxes	\$ (164)	\$ 29	\$ (193)
Effective income tax rate	13.2 %	25.8 %	
Net (loss) income attributable to Dentsply Sirona	\$ (1,077)	\$ 84	\$ (1,161)
Net (loss) income per common share - diluted	\$ (5.01)	\$ 0.38	

Percentages are based on actual values and may not recalculate due to rounding.

Provision for income taxes

For the three months ended September 30, 2022, the income tax benefit is \$164 million as compared to the tax expense of \$29 million during the three months ended September 30, 2021. This tax benefit as compared to the tax expense in prior period is driven primarily by the impairment of certain identified goodwill and indefinite-lived intangibles. The tax benefit attributed to the impact of the impairments is \$183 million and is not considered discrete to the period. Refer to Note 14, Goodwill and Intangible Assets in Item 1 of this Form 10-Q for further discussion of the impairments.

During the three months ended September 30, 2022, changes in tax expense for other discrete tax matters was \$6 million and is primarily composed of changes arising from income tax filings in certain jurisdictions, offset by uncertain tax positions and related interest expense.

During the three months ended September 30, 2021, the Company recorded \$4 million of tax expense for other discrete tax matters primarily related to changes in uncertain tax positions and related interest expense, and tax rate changes impacting the carrying value of deferred taxes, offset by share-based compensation activity and changes in valuation allowances.

The Company continues to reassess the realizability of its deferred tax assets and, after weighing all positive and negative evidence, continues to maintain a valuation allowance on certain deferred tax assets.

RESULTS OF OPERATIONS, NINE MONTHS ENDED SEPTEMBER 30, 2022 COMPARED TO NINE MONTHS ENDED SEPTEMBER 30, 2021

Net Sales

The Company's net sales for the nine months ended September 30, 2022 and 2021, and the reconciliation to organic sales are as follows:

(in millions, except percentages)	Nine Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 2,939	\$ 3,128	\$ (189)	(6.0 %)
Foreign exchange impact				(6.3 %)
Acquisitions				0.1 %
Divestitures and discontinued products				(0.1 %)
Organic sales				0.3 %

Percentages are based on actual values and may not recalculate due to rounding.

The increase in organic sales was due to benefits from price increases and strong performance in the T&E segment in markets outside the United States as explained below. These increases were largely offset by overall weaker performance in the United States as explained below, including sales of CAD/CAM and Endodontic & Restorative Consumables products, and the ongoing impact of global supply chain constraints and reduction in volumes due to product availability, particularly for certain Equipment & Instruments products which rely on electronic components. Results were also negatively impacted by COVID-19 variants on reduced demand from patient traffic in certain markets, particularly China.

Net Sales by Segment

Technologies & Equipment

Net sales for the nine months ended September 30, 2022 and 2021, and reconciliation of net sales to organic sales is as follows:

(in millions, except percentages)	Nine Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 1,716	\$ 1,824	\$ (108)	(5.9 %)
Foreign exchange impact				(7.4 %)
Acquisitions				0.2 %
Organic sales				1.3 %

Percentages are based on actual values and may not recalculate due to rounding.

The increase in organic sales was primarily due to strong performance for Implants and Equipment & Instruments, partly as a result of the benefit of price increases. These positive drivers were offset by the impact of ongoing global supply chain constraints and reduction in volumes due to product availability, particularly for certain Equipment & Instruments products which rely on electronic components, as well as the impact of COVID-19 reducing sales volumes in certain markets, particularly China. Sales of CAD/CAM products in the United States were also negatively impacted by high dealer inventory levels at the start of the year, as explained below.

Consumables

Net sales for the nine months ended September 30, 2022 and 2021, and reconciliation of net sales to organic sales is as follows:

(in millions, except percentages)	Nine Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 1,223	\$ 1,304	\$ (81)	(6.2 %)
Foreign exchange impact				(4.8 %)
Divestitures and discontinued products				(0.2 %)
Organic sales				(1.2 %)

Percentages are based on actual values and may not recalculate due to rounding.

The decrease in organic sales was due to the weaker sales for Endodontic & Restorative products, particularly in the United States. Sales were also negatively impacted by ongoing global supply chain constraints affecting the ability to fulfill orders, and the impact of COVID-19 variants on sales volumes in certain markets, particularly China. Sales during the nine months of 2021 benefited from a restocking of products by customers as part of the overall recovery from the pandemic. The decline in sales volume was partly offset by strong performance for Preventive Consumables and the benefit from the price increases.

Net Sales by Region

United States

Net sales for the nine months ended September 30, 2022 and 2021, and reconciliation of net sales to organic sales is as follows:

(in millions, except percentages)	Nine Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 1,023	\$ 1,094	\$ (71)	(6.5 %)
Foreign exchange impact				(1.1 %)
Acquisitions				0.2 %
Divestitures and discontinued products				(0.1 %)
Organic sales				(5.5 %)

Percentages are based on actual values and may not recalculate due to rounding.

The decrease in organic sales was attributable to both segments, driven primarily by lower wholesale volumes for Restorative and CAD/CAM products, due in part to high dealer inventory at the start of the year. Dealer inventory on hand for CAD/CAM units was approximately \$50 million higher at the start of 2022 than at the beginning of 2021. The level of inventory was reduced by approximately \$30 million during the first nine months of 2022, compared to a build in inventory levels of approximately \$80 million in the first nine months of 2021, partly as a result of incremental incentives offered during that period which did not recur in 2022. Sales volumes during the nine months ended September 30, 2022, were also negatively impacted by ongoing global supply chain constraints affecting the ability to fulfill orders for certain Equipment & Instruments, CAD/CAM and Consumables products, and the impact of COVID-19 on demand early in the first quarter. The decline in sales volume was partly offset by sales growth in the Equipment & Instruments business and a benefit from price increases.

Europe

Net sales for the nine months ended September 30, 2022 and 2021, and reconciliation of net sales to organic sales is as follows:

(in millions, except percentages)	Nine Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 1,183	\$ 1,239	\$ (56)	(4.5 %)
Foreign exchange impact				(9.5 %)
Organic sales				5.0 %

Percentages are based on actual values and may not recalculate due to rounding.

The increase in organic sales was primarily due to overall higher volumes for Equipment & Instruments, CAD/CAM, Implants and Endodontic & Restorative Consumables products as a result of favorable market trends and demand, as well as a benefit from price increases. The organic sales growth was partly suppressed by ongoing global supply chain constraints, particularly for certain Equipment & Instruments products which rely on electronic components.

Rest of World

Net sales for the nine months ended September 30, 2022 and 2021, and reconciliation of net sales to organic sales is as follows:

(in millions, except percentages)	Nine Months Ended September 30,			
	2022	2021	\$ Change	% Change
Net sales	\$ 733	\$ 795	\$ (62)	(7.7 %)
Foreign exchange impact				(8.5 %)
Acquisitions				0.1 %
Divestitures and discontinued products				(0.2 %)
Organic sales				0.9 %

Percentages are based on actual values and may not recalculate due to rounding.

The increase in organic sales was primarily due to higher sales for CAD/CAM products. This increase was partly offset by supply shortages for certain Equipment & Instruments products, and the adverse impact of COVID-19 on volumes, particularly in China which was affected by lower demand resulting from ongoing government restrictions affecting patient traffic. In the third quarter of 2022, the Company began to see softer demand for Implants products in China ahead of the local volume based procurement program taking effect. Although sales have not yet been materially impacted, the Company expects sales of our Implants products in China will be negatively affected by price reductions as a result of this program which is anticipated to take effect beginning late in the fourth quarter of 2022 or the first quarter of 2023.

Gross Profit

(in millions, except percentages)	Nine Months Ended September 30,			
	2022	2021	\$ Change	% Change
Gross profit	\$ 1,610	\$ 1,743	\$ (133)	(7.7 %)
Gross profit as a percentage of net sales	54.8 %	55.7 %	(90) bps	

Percentages are based on actual values and may not recalculate due to rounding.

Gross profit was negatively impacted by foreign currency translation headwinds of \$119 million and a decrease in sales volumes during the period. Gross profit margins as a percentage of net sales declined in the current period due to the impact of higher raw materials, labor, and distribution costs as a result of supply chain constraints and global inflation during the period, partly offset by the benefit of sales price increases.

Operating Expenses

(in millions, except percentages)	Nine Months Ended September 30,			
	2022	2021	\$ Change	% Change
Selling, general, and administrative expenses ("SG&A")	\$ 1,187	\$ 1,174	\$ 13	1.1 %
Research and development expenses ("R&D")	131	122	9	7.7 %
Goodwill impairment	1,187	—	1,187	NM
Intangible asset impairment and other costs	107	11	96	NM
SG&A as a percentage of net sales	40.4 %	37.5 %	290 bps	
R&D as a percentage of net sales	4.5 %	3.9 %	60 bps	

Percentages are based on actual values and may not recalculate due to rounding.

SG&A Expenses

SG&A expenses increased primarily due to costs related to the recently concluded investigation and related remediation activities, including various legal, accounting and other professional service fees, as well as turnover and other employee-related costs. The increase due to these costs was offset by lower headcount costs overall which are in part driven by decreases in incentive compensation.

R&D Expenses

The increase in R&D expenses was primarily due to an increase in spend within the T&E segment driven by increases in both headcount expenses and professional service fees for ongoing investments in digital workflow solutions, product development initiatives, software development including clinical application suite and cloud deployment. The Company expects to maintain an expanded level of investment in R&D that is at least 4% of annual net sales.

Goodwill Impairment

For the nine months ended September 30, 2022, the Company recorded a goodwill impairment charge of \$1,187 million. The charge was related to two reporting units within the Technologies & Equipment segment. For further information see Note 14, Goodwill and Intangible Assets, in the Notes to Unaudited Consolidated Financial Statements of this Form 10-Q.

Intangible asset impairment and other costs

During the nine months ended September 30, 2022, the Company recorded net expense of \$107 million of intangible asset impairment and other costs which consist primarily of an impairment charge of \$94 million related to certain tradenames and trademarks within the Technologies & Equipment segment and Consumables segment and \$13 million in connection with the various restructuring initiatives. For further details see, Note 9, Intangible asset impairment and other costs, in the Notes to Unaudited Consolidated Financial Statements of this Form 10-Q.

Segment Adjusted Operating Income

(in millions, except percentages) ^(a)	Nine Months Ended September 30,			
	2022	2021	\$ Change	% Change
Technologies & Equipment	\$ 278	\$ 391	\$ (113)	(28.9 %)
Consumables	398	426	(28)	(6.6 %)

(a) See Note 7, Segment Information, in the Notes to Unaudited Consolidated Financial Statements in Item 1 of this Form 10-Q for a reconciliation from segment adjusted operating income to consolidated US GAAP income.

The decrease in adjusted operating income for both Technologies & Equipment and Consumables was primarily driven by the decrease in sales volumes and the higher costs for raw materials, labor, and distribution costs in the current year as a result of supply chain constraints and global inflation, offset by benefits from pricing adjustments.

Other Income and Expense

(in millions, except percentages)	Nine Months Ended September 30,			
	2022	2021	\$ Change	% Change
Interest expense, net	\$ 41	\$ 43	\$ (2)	(2.6 %)
Other expense (income), net	20	4	16	NM
Net interest and other expense	\$ 61	\$ 47	\$ 14	

Percentages are based on actual values and may not recalculate due to rounding.
NM - Not meaningful

Interest expense, net

Interest expense, net for the nine months ended September 30, 2022 decreased by \$2 million compared to the nine months ended September 30, 2021, driven primarily by lower average long-term debt levels in 2022 relative to prior year.

Other expense (income), net

Other expense (income), net for the nine months ended September 30, 2022 compared to the nine months ended September 30, 2021 was as follows:

(in millions)	Nine Months Ended September 30,		
	2022	2021	\$ Change
Gain on sales of non-core businesses	\$ —	\$ (7)	\$ 7
Foreign exchange (losses) gains (a)	(1)	7	(8)
Loss from equity method investments	14	1	13
Defined benefit pension plan expenses	6	8	(2)
Other non-operating loss (gain)	1	(5)	6
Other expense (income), net	<u>\$ 20</u>	<u>\$ 4</u>	<u>\$ 16</u>

(a) Foreign exchange gains (losses) are primarily related to the revaluation of intercompany payables and loans.

In February 2022, the three-year cumulative inflation rate in Turkey exceeded 100 percent. As a result, effective April 1, 2022, the functional currency of the Company's Turkish subsidiaries was changed to the U.S. dollar, the reporting currency of the parent. The impact of recognizing foreign currency gains and losses resulting from this change in functional currency were not material to the period.

Income Taxes and Net Income

(in millions, except per share amounts and percentages)	Nine Months Ended September 30,		
	2022	2021	\$ Change
(Benefit) provision for income taxes	<u>\$ (128)</u>	<u>\$ 97</u>	<u>\$ (225)</u>
Effective income tax rate	<u>12.1 %</u>	<u>24.9 %</u>	
Net (loss) income attributable to Dentsply Sirona	<u>\$ (935)</u>	<u>\$ 292</u>	<u>\$ (1,227)</u>
Net (loss) income per common share - diluted	<u>\$ (4.34)</u>	<u>\$ 1.32</u>	

Percentages are based on actual values and may not recalculate due to rounding.

Provision for income taxes

For the nine months ended September 30, 2022, the income tax benefit was \$128 million as compared to the tax expense of \$97 million during the nine months ended September 30, 2021. This tax benefit as compared to the tax expense in prior period was driven primarily by the impairment of certain identified goodwill and indefinite-lived intangibles. The tax benefit attributed to the impact of the impairments is \$183 million and is not considered discrete to the period. Refer to Note 14, Goodwill and Intangible Assets in Item 1 of this Form 10-Q for further discussion of the impairments.

During the nine months ended September 30, 2022, tax expense for other discrete tax matters was \$7 million, which was primarily composed of changes arising from income tax filings in certain jurisdictions, offset by uncertain tax positions and related interest expense.

During the nine months ended September 30, 2021, the Company recorded \$11 million of tax expense for discrete tax matters of which \$7 million was primarily related to changes in uncertain tax positions and related interest expense and tax rate changes impacting the carrying value of deferred taxes, offset by shared based compensation activity and changes in valuation allowances. The Company also recorded \$4 million of tax expense as a discrete item related to business divestitures.

The Company continues to reassess the realizability of its deferred tax assets and, after weighing all positive and negative evidence, continues to maintain a valuation allowance on certain deferred tax assets.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

There have been no changes to the critical accounting policies as disclosed in the 2021 Form 10-K/A filed on November 7, 2022 other than those changes explained in Part I, Item 1, Note 1, Significant Accounting Policies, in the Notes to the Unaudited Consolidated Financial Statements of this Form 10-Q.

Goodwill Impairment

Goodwill represents the excess cost over the fair value of the identifiable net assets of businesses acquired. Goodwill is not amortized; instead, it is tested for impairment annually or more frequently if events or circumstances indicate that the carrying value of goodwill may be impaired. Judgment is involved in determining if an indicator of impairment has occurred during the course of the year. Such indicators may include a decline in expected cash flows, unanticipated competition or slower growth rates, among others. When testing goodwill for impairment, the Company may assess qualitative factors for its reporting units to determine whether it is "more likely than not" that the fair value of a reporting unit is less than its carrying amount including goodwill. Alternatively, the Company may bypass this qualitative assessment and perform the quantitative goodwill impairment test.

Goodwill is allocated among reporting units and evaluated for impairment at that level. The Company's reporting units are either an operating segment or one level below its operating segments, as determined in accordance with ASC 350.

In conjunction with the preparation of the financial statements for the three months ended September 30, 2022, the Company identified "more likely than not" indicators of impairment for two of its reporting units, and as a result, the Company recorded pre-tax goodwill impairment charges related to its Digital Dental Group and Equipment & Instruments reporting units within the Technologies & Equipment segment of \$1,100 million and \$87 million, respectively. The goodwill impairment charge was primarily driven by macroeconomic factors as a result of weakened global demand, higher cost of capital, unfavorable foreign currency impacts, and increased raw material, supply chain and service costs, which are contributing to reduced forecasted revenues, lower operating margins, and reduced expectations for future cash flows. At September 30, 2022, the remaining goodwill related to the Digital Dental Group and Equipment & Instruments reporting units was \$234 million and \$192 million, respectively. As the fair value of these reporting units approximate carrying value as of September 30, 2022, any further decline in key assumptions could result in additional impairment in future periods. For further information, see Part 1, Item 1, Note 14, Goodwill and Intangible Assets, in the Notes to the Unaudited Consolidated Financial Statements of this Form 10-Q.

For the Company's reporting units that were not impaired, the Company applied a hypothetical sensitivity analysis by increasing the discount rate of these reporting units by 100 basis points and, in a separate test, reducing by 10% the fair value of those reporting units. If discount rates were hypothetically increased by 100 basis points at September 30, 2022, one reporting unit within the Technologies & Equipment segment would have an estimated fair value less than 10% in excess of its carrying value. Goodwill associated with this reporting unit was \$1,068 million at September 30, 2022. Any further deterioration in key assumptions could result in impairment charges in the future.

To determine the fair value of the reporting units, the Company used a discounted cash flow model which utilizes both internal and market-based data as its valuation technique. The discounted cash flow model uses five-to-ten year forecasted cash flows plus a terminal value based on capitalizing the last period's cash flows using a perpetual growth rate. The Company's significant assumptions in the discounted cash flow model include, but are not limited to, the weighted average cost of capital, revenue growth rates (including perpetual growth rates), and operating margin percentages of the reporting unit's business. These assumptions were developed in consideration of current market conditions. The Company reconciled the aggregate fair values of its reporting units to its market capitalization, which included a reasonable control premium based on market conditions.

Indefinite-Lived Intangible Asset Impairment

Indefinite-lived intangible assets consist of tradenames and trademarks and are not subject to amortization; instead, tested for impairment annually or more frequently if events or circumstances indicate that the carrying value of indefinite-lived intangible assets may be impaired or if a decision is made to sell a business.

In preparing the financial statements for the quarter ended September 30, 2022, in conjunction with the goodwill impairment, the Company tested the intangible assets related to the businesses within the Digital Dental Group and Equipment & Instruments reporting units within the Technologies & Equipment segment for impairment. The Company also identified an indicator of impairment for indefinite-lived intangible assets within the Consumables reporting unit within the Consumables segment. Intangible assets were evaluated for impairment using an income approach, specifically a relief from royalty method, or using a qualitative assessment. The Company's significant assumptions in the relief from royalty method included, but were not limited to, revenue growth rates (including perpetual growth rates), royalty rates, and discount rates. As a result, the Company recorded an impairment charge of \$66 million, \$26 million and \$2 million for the Digital Dental Group, Equipment & Instruments and Consumables reporting units, respectively, for its indefinite-lived intangible assets for the three months ended September 30, 2022. The impairment charge was primarily driven by macroeconomic factors as a result of weakened global demand, higher cost of capital, unfavorable foreign currency impacts, and increased raw material, supply chain and service costs, which are contributing to reduced forecasted revenues, lower operating margins, and reduced expectations for future cash flows. This charge was recorded in Intangible asset impairment and other costs in the Consolidated Statements of Operations. As the fair value of these indefinite-lived intangible assets approximate carrying value as of September 30, 2022, any further decline in key assumptions could result in additional impairment in future periods. For further information, see Part I, Item 1, Note 14, Goodwill and Intangible Assets, in the Notes to the Unaudited Consolidated Financial Statements of this Form 10-Q.

For the Company's indefinite-lived intangible assets that were not impaired, the Company applied a hypothetical sensitivity analysis. If the fair value of each of these indefinite-lived intangibles assets had been hypothetically reduced by 10% or the discount rate had been hypothetically increased by 100 basis points as of September 30, 2022, the fair value of certain indefinite-lived intangible assets within the Technologies & Equipment and Consumables segments would be less than book value and are considered at-risk based on the sensitivity analysis. The carrying value of these indefinite-lived intangibles within the Technologies & Equipment and Consumables segments was \$43 million and \$30 million, respectively, at September 30, 2022. Any further deterioration in key assumptions could result in impairment charges in the future.

The fair value of acquired tradenames and trademarks is estimated by the use of a relief from royalty method, which values an indefinite-lived intangible asset by estimating the royalties saved through the ownership of an asset. Under this method, an owner of an indefinite-lived intangible asset determines the arm's length royalty that likely would have been charged if the owner had to license the asset from a third party. The royalty rate, which is based on the estimated rate applied against forecasted sales, is tax-effected and discounted at present value using a discount rate commensurate with the relative risk of achieving the cash flow attributable to the asset. Management judgment is necessary to determine key assumptions, including revenue growth rates, perpetual revenue growth rates, royalty rates, and discount rates. Other assumptions are consistent with those applied to goodwill impairment testing.

The determination of fair value involves uncertainties around the forecasted cash flows as it requires management to make assumptions and apply judgment to estimate future business expectations. Those future expectations include, but are not limited to, macroeconomic factors such as higher cost of capital, cost inflation, unfavorable foreign currency impacts, and increased supply chain costs and new product development changes for these reporting units.

Any deviation in actual financial results compared to the forecasted financial results or valuation assumptions used in the annual or interim tests, a decline in equity valuations, increases in interest rates, or changes in the use of intangible assets, among other factors, could have a material adverse effect to the fair value of either the reporting units or intangible assets and could result in a future impairment charge. There can be no assurance that the Company's future asset impairment testing will not result in a material charge to earnings.

Refer to Part I, Item 1, Note 14, Goodwill and Intangible Assets, in the Notes to the Unaudited Consolidated Financial Statements of this Form 10-Q for further discussion of the Company's annual goodwill and indefinite-lived intangible asset impairment testing.

LIQUIDITY AND CAPITAL RESOURCES

(in millions)	Nine Months Ended September 30,		
	2022	2021	\$ Change
Cash provided by (used in):			
Operating activities	\$ 375	\$ 435	\$ (60)
Investing activities	(109)	(319)	210
Financing activities	(168)	(257)	89
Effect of exchange rate changes on cash and cash equivalents	(19)	(16)	(3)
Net increase (decrease) in cash and cash equivalents	<u>\$ 79</u>	<u>\$ (157)</u>	<u>\$ 236</u>

Cash provided by operating activities decreased primarily as a result of lower sales during the current period, as well as a build-up in inventory partly as a consequence of temporary COVID-19 related shutdowns in China. These decreases in operating cash were offset by other changes in working capital including higher liabilities for trade accounts payables and a decrease in accounts receivable. At September 30, 2022, the number of days for sales outstanding in accounts receivable increased by 1 day to 61 days as compared to 60 days at December 31, 2021, and the number of days of sales in inventory increased by 27 days to 137 days at September 30, 2022 as compared to 110 days at December 31, 2021.

The decrease in cash used in investing activities was primarily due to lower cash paid for acquisitions of \$248 million, partially offset by higher capital expenditures of \$16 million, and less cash received on sale of non-strategic businesses of \$27 million. The Company estimates capital expenditures to be in the range of approximately \$150 million to \$160 million for the full year 2022 and expects these investments to include expansion of facilities to provide incremental space for growth and to consolidate operations for enhanced efficiencies.

The decrease in cash used in financing activities was primarily driven by lower payments on long-term borrowings of \$295 million, offset by lower proceeds from short-term borrowings of \$83 million, primarily from the use of the Company's commercial paper program, higher cash outflows related to stock repurchases of \$60 million, and reduced proceeds from exercises of stock options of \$41 million. As a result of this activity, combined with the impact due to exchange rate fluctuations on debt denominated in foreign currencies, the Company's total borrowings decreased by a net \$112 million during the nine months ended September 30, 2022.

During the nine months ended September 30, 2022, the Company entered into an accelerated share repurchase agreement ("ASR Agreement") of \$150 million with approximately 2.4 million shares delivered during March 2022 at a volume-weighted average price of \$50.44. In April 2022 an additional 0.7 million shares were delivered upon the final settlement of the ASR Agreement resulting in a total 3.1 million shares repurchased under the agreement. At September 30, 2022, \$740 million of authorization remained available for future share repurchases. Additional share repurchases, if any, may be made through open market purchases, Rule 10b5-1 plans, accelerated share repurchases, privately negotiated transactions, or other transactions in such amounts and at such times as the Company deems appropriate based upon prevailing market and business conditions and other factors. At September 30, 2022, the Company held 49.6 million shares of treasury stock.

The Company's ratio of total net debt to total capitalization was as follows:

(in millions, except percentages)	September 30, 2022		December 31, 2021	
Current portion of debt	\$ 246	\$ 182		
Long-term debt	1,737	1,913		
Less: Cash and cash equivalents	418	339		
Net debt	\$ 1,565	\$ 1,756		
Total equity	3,614	4,997		
Total capitalization	\$ 5,179	\$ 6,753		
Total net debt to total capitalization ratio	30.2 %	26.0 %		

At September 30, 2022, the Company had a total remaining borrowing capacity of \$503 million under lines of credit, including lines available under its short-term arrangements and revolving credit facility. The Company's borrowing capacity includes a \$700 million credit facility from 2018 available through July 28, 2024. The Company also has available an aggregate \$500 million under a U.S. dollar commercial paper facility. The \$700 million revolver serves as a back-up to the commercial paper facility, thus the total available credit under the commercial paper facility and the multi-currency revolving credit facility in the aggregate is \$700 million. The Company had \$224 million outstanding borrowings under the commercial paper facility at September 30, 2022 resulting in \$476 million remaining available under the revolving credit and commercial paper facilities. The Company also has access to \$48 million in uncommitted short-term financing under lines of credit from various financial institutions, the availability of which is reduced by other short-term borrowings. The lines of credit have no major restrictions and are provided under demand notes between the Company and the lending institutions. At September 30, 2022, the Company has \$21 million outstanding under short-term borrowing arrangements.

The Company's revolving credit facility, term loans and senior notes contain certain covenants relating to the Company's operations and financial condition. The most restrictive of these covenants are: a ratio of total debt outstanding to total capital not to exceed 0.6, and a ratio of operating income excluding depreciation and amortization to interest expense of not less than 3.0 times, in each case, as such terms are defined in the relevant agreement. Any breach of any such covenants would result in a default under the existing debt agreements that would permit the lenders to declare all borrowings under such debt agreements to be immediately due and payable and, through cross default provisions, would entitle the Company's other lenders to accelerate their loans. At September 30, 2022, the Company was in compliance with these covenants.

Additionally, the Company is required under certain of its debt agreements to deliver or make available to borrowers its unaudited financial statements on a timely basis each quarter along with the necessary certifications. As a result of the Company's failure to file its unaudited financial statements for the fiscal quarters ended March 31, 2022 and June 30, 2022 by the reporting deadlines, the Company obtained the consents of the requisite lenders and noteholders of its outstanding indebtedness to extend the time period for delivery of such unaudited financial statements until November 14, 2022. Those financial statements were delivered on November 9, 2022 and therefore, the Company has not suffered an event of default as a result of the previously delayed filings.

The Company expects on an ongoing basis to be able to finance operating cash requirements, capital expenditures, and debt service from the current cash, cash equivalents, cash flows from operations and amounts available under its existing borrowing facilities. The Company's credit facilities are further discussed in Note 13, Financing Arrangements, to the Unaudited Consolidated Financial Statements of this Form 10-Q.

The cash held by foreign subsidiaries for permanent reinvestment is generally used to finance the subsidiaries' operating activities and future foreign investments. The Company has the ability to repatriate cash to the United States, which could result in an adjustment to the tax liability for foreign withholding taxes, foreign and/or U.S. state income taxes, and the impact of foreign currency movements. At September 30, 2022, management believed that sufficient liquidity was available in the United States and expects this to remain for the next twelve months. The Company has repatriated and expects to continue repatriating certain funds from its non-U.S. subsidiaries that are not needed to finance local operations, however, these particular repatriation activities have not and are not expected to result in a significant incremental tax liability to the Company.

The Company continues to review its debt portfolio and may refinance additional debt or add debt in the near-term based on strategic capital management. The Company believes there is sufficient liquidity available for the next twelve months.

Material Trends in Capital Resources

Beginning in the second quarter of 2022, the Company's financial results have been impacted by the costs associated with the internal investigation conducted by the Audit and Finance Committee and assisted by independent legal counsel and forensic accountants. These costs have included professional service fees associated with the investigation itself, as well as third party accounting and legal costs incurred by management to make assessments and revisions and begin remediation activities in response to the investigation's findings. Additionally, the Company has incurred severance costs associated with its remedial personnel actions, as well as special one-time costs in connection with retention of key personnel. These costs totaled approximately \$45 million for the nine months ended September 30, 2022. Although the investigation has been completed at the time of this filing, related costs are expected to continue as a material trend into the fourth quarter of 2022 and beyond into 2023 as the Company completes its remediation activities described in Part I, Item 4 Controls and Procedures of this Form 10-Q, and incurs legal defense costs pertaining to the matters described in Note 15 Commitments and Contingencies to the financial statements included in Part I, Item 1.

NEW ACCOUNTING PRONOUNCEMENTS

Refer to Part 1, Item 1, Note 1, Significant Accounting Policies, to the Unaudited Consolidated Financial Statements of this Form 10-Q for a discussion of recent accounting pronouncements.

Item 3 – Quantitative and Qualitative Disclosures about Market Risk

There have been no material changes from the information provided in Part II, Item 7A, “Quantitative and Qualitative Disclosures About Market Risk,” in our Annual Report on Form 10-K/A for the fiscal year ended December 31, 2021.

Item 4 – Controls and Procedures

Conclusion Regarding the Effectiveness of Disclosure Controls and Procedures

The Company’s management, with the participation of the Company’s Chief Executive Officer and Chief Financial Officer, evaluated the effectiveness of the Company’s disclosure controls and procedures as of September 30, 2022, the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the Company’s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934, as amended) as of the end of the period covered by this report were not effective as of September 30, 2022 because of the material weaknesses in internal control over financial reporting, as described below under “Material Weaknesses in Internal Control over Financial Reporting.”

Notwithstanding the ineffective disclosure controls and procedures as a result of the identified material weaknesses, the Chief Executive Officer and Chief Financial Officer have concluded that the consolidated financial statements included in this Quarterly Report on Form 10-Q present fairly, in all material respects, the Company’s financial position, results of operations and cash flows in accordance with US GAAP.

Material Weaknesses in Internal Control over Financial Reporting

A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Company’s annual or interim financial statements will not be prevented or detected on a timely basis.

Management identified the following material weaknesses in the Company’s internal control over financial reporting as of September 30, 2022:

- a. The Company did not design and maintain an effective internal control environment, as former management failed to set an appropriate tone at the top. Specifically, certain members of senior management, including the Company’s former Chief Executive Officer and former Chief Financial Officer, engaged in conduct that was inconsistent with the Company’s culture of compliance and Code of Ethics and Business Conduct.
- b. The Company did not maintain a sufficient complement of personnel with an appropriate level of knowledge about accounting for variable consideration related to customer incentive arrangements in a manner commensurate with our financial reporting requirements.

These material weaknesses contributed to the following additional material weakness:

- c. The Company did not design and maintain effective controls associated with approving, communicating, and accounting for incentive arrangements with customers, impacting the completeness and accuracy of revenues, including variable consideration.

These material weaknesses resulted in the restatement of our consolidated financial statements for the year ended December 31, 2021, and the unaudited interim financial information for the three and nine months ended September 30, 2021. These material weaknesses also resulted in adjustments to substantially all of our accounts and disclosures for the interim and annual periods related to 2019, 2020, and 2021. Additionally, each of these material weaknesses could result in a misstatement of substantially all of our account balances or disclosures that would result in a material misstatement to the annual or interim consolidated financial statements that would not be prevented or detected.

Remediation Plan and Status

In response to the matters discussed in the Explanatory Note, management is devoting substantial resources to the planning and ongoing implementation of remediation efforts to address the material weaknesses described herein, as well as other identified areas of risk. These remediation efforts, summarized below, which either have already been implemented or are continuing to be implemented, are intended to address both the identified material weaknesses and to enhance the Company's overall internal control over financial reporting and disclosure controls and procedures.

With oversight from the Audit and Finance Committee and input from the Board of Directors, management has begun designing and implementing changes in processes and controls to remediate the material weaknesses and to enhance our internal control over financial reporting as noted below. Management and the Board of Directors, including the Audit and Finance Committee, are working to remediate the material weaknesses identified herein. While the Company expects to take other remedial actions, actions taken to date include:

- a. Appointment of a new Chief Executive Officer, a new Chief Financial Officer and a new Chief Accounting Officer;
- b. Termination of certain members of senior management as well as non-executive employees for violations of the Code of Ethics and Business Conduct.

In addition to the remedial actions taken to date, the Company is taking, or plans to take, the following actions to remediate the material weaknesses identified herein:

- a. Review and enhance the Company's Code of Ethics and Business Conduct to clarify responsibilities related to the Company's financial reporting and disclosures and provide incremental training to Company personnel on the updated Code of Ethics and Business Conduct;
- b. Implement written policies and procedures to provide governance and establish responsibility for oversight of incentive arrangements provided to customers, including the appropriate delegation of authority for such approvals;
- c. Formalize written policies and procedures to provide governance and establish responsibility for guidelines, documentation and oversight of product returns from customers when a contractual right to return exists in a customer agreement;
- d. Require and provide trainings for employees who have a role in negotiating, assessing, agreeing, and accounting for customer incentive arrangements with distributors;
- e. Provide training on new processes to individuals responsible for execution, oversight and review of customer incentive arrangements with customers;
- f. Enhance processes to ensure all applicable terms and conditions for incentive-based programs and customer agreements are timely communicated to individuals responsible for accounting and financial reporting;
- g. Strengthen internal controls over the accounting for customer incentive arrangements, including: (i) implementing formal controls to continuously review and document the methodology and assumptions used in estimating variable based incentives, and (ii) formal controls to ensure the accuracy of the estimated accrued liability analysis;
- h. Evaluate finance and commercial operations talent and address identified gaps;
- i. Enhance training programs on revenue recognition for commercial and finance personnel.

In addition, the Company took the following remedial actions to improve disclosure controls and procedures:

- a. Enhanced existing Disclosure Committee responsibilities through a more formal charter, which identifies members and sets forth the roles and responsibilities of the Disclosure Committee, among other requirements; and
- b. Implemented additional and enhance existing sub-certifications and internal management representation letters, including providing training on the purpose and execution of these processes.

Management developed a detailed plan and timetable for the implementation of the foregoing remediation efforts and will oversee the effective execution. In addition, under the direction of the Audit and Finance Committee, management will continue to identify and implement actions to improve the effectiveness of its disclosure controls and procedures and internal control over financial reporting, including plans to enhance its resources and training with respect to financial reporting and disclosure responsibilities and make necessary changes to policies and procedures to improve the overall effectiveness of such controls.

Management believes the foregoing efforts will effectively remediate the material weaknesses described above. As the Company continues to evaluate and work to improve its internal control over financial reporting and disclosure controls and procedures, management may determine to take additional measures to improve controls or determine to modify the remediation plan described above.

As of the filing of this Form 10-Q, the material weaknesses described above have not yet been remediated. The material weaknesses described above cannot be considered remediated until the applicable controls have operated for a sufficient period of time and management has concluded, through testing, that these controls are designed and operating effectively. Accordingly, management will continue to monitor and evaluate the effectiveness of our internal control over financial reporting in the activities affected by the material weaknesses described above.

The Company's management will continue to work towards remediation of these material weaknesses to improve its internal control over financial reporting.

Changes in Internal Control Over Financial Reporting

There have been no changes in the Company's internal control over financial reporting that occurred during the three months ended September 30, 2022 that have materially affected, or are reasonably likely to materially affect, its internal control over financial reporting.

PART II – OTHER INFORMATION

Item 1 – Legal Proceedings

Refer to Part I, Item 1, Note 15 Commitments and Contingencies, in the Notes to Unaudited Consolidated Financial Statements of this Form 10-Q.

Item 1A – Risk Factors

Except as noted below, there have been no material changes to the risk factors as disclosed in Part 1A, “Risk Factors” in the 2021 Form 10-K/A.

The Company has recognized substantial goodwill impairment charges, most recently in Q3 2022, and may be required to recognize additional goodwill and indefinite-lived intangible asset impairment charges in the future.

The Company acquired other companies and intangible assets and may not realize all the economic benefit from those acquisitions, which could cause an impairment of goodwill or intangibles. The Company reviews amortizable intangible assets for impairment when events or changes in circumstances indicate the carrying value may not be recoverable. The Company tests goodwill and indefinite-lived intangibles for impairment at least annually. The valuation models used to determine the fair value of goodwill or indefinite-lived intangible assets are dependent upon various assumptions and reflect management's best estimates.

Following the recording of an aggregate of \$3.5 billion in charges for impairment of certain businesses during 2017, 2018, and 2020, the Company had an aggregate amount of \$3.9 billion in goodwill on its balance sheet as of June 30, 2022. In preparing the financial statements for the quarter ended September 30, 2022, the Company identified a triggering event and recorded a \$1,187 million non-cash goodwill impairment charge associated with two reporting units within the Technologies & Equipment segment. At September 30, 2022, the remaining goodwill related to the Digital Dental Group and Equipment & Instruments reporting units was \$234 million and \$192 million, respectively. As the fair value of these reporting units approximate carrying value as of September 30, 2022, any further decline in key assumptions could result in additional impairment in future periods. In addition, the Company tested the indefinite-lived intangible assets related to these businesses, along with certain indefinite-lived intangibles related to the Consumables segment, and determined that certain tradenames and trademarks were impaired, resulting in the recording of an impairment charge of \$94 million for the three months ended September 30, 2022. As the fair value of these indefinite-lived intangible assets approximate carrying value as of September 30, 2022, any further decline in key assumptions could result in additional impairment in future periods. At September 30, 2022, the Company has \$434 million in indefinite-lived intangible assets and \$2.6 billion of goodwill recorded on its balance sheet.

The goodwill and indefinite-lived intangible asset impairment analyses are sensitive to changes in key assumptions used, such as discount rates, revenue growth rates, perpetual revenue growth rates, royalty rates, and operating margin percentages of the business as well as current market conditions affecting the dental and medical device industries in both the U.S. and globally. Given the uncertainty in the marketplace and other factors affecting management's assumptions underlying the Company's discounted cash flow model, the assumptions and projections used in the analyses may not be realized and the Company's current estimates could vary significantly in the future, which may result in an additional goodwill or indefinite-lived intangible asset impairment charge at that time.

Item 2 – Unregistered Sales of Securities and Use of Proceeds

On July 28, 2021 the Board of Directors approved a share repurchase program, up to \$1.0 billion. During the three months ended September 30, 2022, the Company had no repurchases of common shares under the stock repurchase program. At September 30, 2022, the Company had authorization to repurchase \$740 million in shares of common stock remaining under the share repurchase program.

Item 5 - Other Information

On September 2, 2022, the Company filed a current report on Form 8-K (the "Original 8-K") regarding the separation of Walter Petersohn, the Company's Senior Vice President, Chief Commercial Officer, effective September 30, 2022. The Original 8-K stated that Mr. Petersohn and the Company mutually agreed upon Mr. Petersohn's separation. Following subsequent discussions with Mr. Petersohn, the Company now considers Mr. Petersohn's departure to be a termination without mutual agreement and Mr. Petersohn's effective date of termination has been revised to November 10, 2022.

Item 6 – Exhibits

<u>Exhibit Number</u>	<u>Description</u>
4.1	Consent Memorandum, dated August 11, 2022, by and among DENTSPLY SIRONA Inc., the Subsidiary Borrowers from time to time party thereto, the lender parties thereto and JPMorgan Chase Bank, N.A., as administrative agent.
4.2	Note Purchase Agreement Amendment and Consent, dated August 26, 2022, by and among DENTSPLY SIRONA Inc. and each of the holders of Notes parties thereto, with respect to that certain Note Purchase Agreement, dated December 11, 2015, by and among the Issuers and the holders of Notes set forth therein.
4.3	Note Purchase and Guarantee Agreement Amendment and Consent, dated August 26, 2022, by and among DENTSPLY SIRONA Inc., Sirona Dental Services GmbH and each of the holders of Notes parties thereto, with respect to that certain Note Purchase Agreement and Guarantee Agreement, dated October 27, 2016, by and among the Issuers and the holders of Notes set forth therein.
4.4	Note Purchase Agreement Amendment and Consent, dated August 26, 2022, by and among DENTSPLY SIRONA Inc. and each of the holders of Notes parties thereto, with respect to that certain Note Purchase Agreement, dated June 24, 2019, by and among the Issuers and the holders of Notes set forth therein.
4.5	Consent Memorandum, dated September 14, 2022, by and among DENTSPLY SIRONA Inc., the Subsidiary Borrowers from time to time party thereto, the lender parties thereto and JPMorgan Chase Bank, N.A., as administrative agent.
4.6	Consent Memorandum, dated November 4, 2022, by and among DENTSPLY SIRONA Inc., the Subsidiary Borrowers from time to time party thereto, the lender parties thereto and JPMorgan Chase Bank, N.A., as administrative agent.
4.7	Note Purchase Agreement Amendment No. 2 and Consent, dated November 5, 2022, by and among DENTSPLY SIRONA Inc and each of the holders of Notes parties thereto, with respect to that certain Note Purchase Agreement, dated December 11, 2015, by and among the Issuers and the holders of Notes set forth therein.
4.8	Note Purchase Agreement Amendment No. 2 and Consent, dated November 5, 2022, by and among DENTSPLY SIRONA Inc, Sirona Dental Services GmbH and each of the holders of Notes parties thereto, with respect to that certain Note Purchase and Guarantee Agreement, dated October 27, 2016, by and among the Issuers and the holders of Notes set forth therein.
4.9	Note Purchase Agreement Amendment No. 2 and Consent, dated November 5, 2022, by and among DENTSPLY SIRONA Inc and each of the holders of Notes parties thereto, with respect to that certain Note Purchase Agreement, dated June 24, 2019, by and among the Issuers and the holders of Notes set forth therein.
10.1	Dentsply Sirona Inc. Amended and Restated Key Employee Severance Benefits Plan, dated September 22, 2022.
10.2	Employment Agreement between DENTSPLY SIRONA Inc. and Simon D. Campion, entered into as of August 22, 2022.(1)
10.3	First Amendment to the Interim Chief Financial Officer Employment Agreement between DENTSPLY SIRONA Inc. and Barbara W. Bodem, dated as of September 22, 2022.(2)
10.4	Offer Letter between DENTSPLY SIRONA Inc. and Glenn Coleman, entered into as of September 22, 2022.(3)
31.1	Section 302 Certification Statement Chief Executive Officer
31.2	Section 302 Certification Statement Chief Financial Officer
32	Section 906 Certification Statements
101.INS	XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Extension Labels Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

(1) Incorporated by reference to exhibit included in the Company's Form 8-K, dated August 25, 2022, File no. 0-16211.

(2) Incorporated by reference to exhibit included in the Company's Form 8-K, dated September 22, 2022, File no. 0-16211.

(3) Incorporated by reference to exhibit included in the Company's Form 8-K, dated September 22, 2022, File no. 0-16211.

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Company has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

DENTSPLY SIRONA Inc.

/s/	<u>Simon D. Campion</u> Simon D. Campion Chief Executive Officer	<u>November 14, 2022</u> Date
/s/	<u>Glenn G. Coleman</u> Glenn G. Coleman Executive Vice President and Chief Financial Officer	<u>November 14, 2022</u> Date

CONSENT MEMORANDUM

TO: DENTSPLY Sirona Inc. Lender Group
RE: Consent re: Quarterly Financial Statements Extension
DATE: August 11, 2022

Reference is hereby made to that certain Credit Agreement dated as of July 27, 2018 (as amended or otherwise modified from time to time, the “Credit Agreement”) by and among DENTSPLY Sirona Inc. (the “Company”), the Subsidiary Borrowers from time to time party thereto, the lenders parties thereto (collectively, the “Lenders”) and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the “Administrative Agent”). Terms used herein and not otherwise defined herein shall have the meanings set forth in the Credit Agreement.

The Company has informed the Administrative Agent and the Lenders of its need for an extension in order to provide the quarterly financial statements and other related deliverables required to be delivered pursuant to Section 5.09(a) and Section 5.09(c) of the Credit Agreement for the Fiscal Quarter ending June 30, 2022 as currently required by such Sections of the Credit Agreement (the “Q2 Quarterly Financials”). The Company has requested that the Administrative Agent and the Required Lenders consent to and agree (the “Consent”) that the Company may provide the Q2 Quarterly Financials on or prior to September 30, 2022 (the “Extended Delivery Date”). Notwithstanding anything contained in the Credit Agreement and the other Loan Documents, the Administrative Agent and the Lenders (a) hereby grant the Consent by the execution of this Consent Memorandum by the Administrative Agent and the Required Lenders and (b) hereby agree that, no Default or Event of Default shall have occurred and be continuing under the Credit Agreement solely and directly due to the delivery of the Q2 Quarterly Financials after August 14, 2022 but on or prior to the Extended Delivery Date (including, for the avoidance of doubt, for purposes of any condition to Borrowing or other action permitted or required to be taken under the Credit Agreement by the Company, the Administrative Agent or the Lenders but excluding any cross-default under Section 7.01(d) of the Credit Agreement); provided, however that a failure by the Company to deliver the Q2 Financials on or prior to the Extended Delivery Date shall constitute an immediate Event of Default.

Please indicate your Consent, as soon as possible but in no event later than 3:00 p.m. (New York City time) on August 11, 2022, by executing one (1) counterpart of your attached signature page to this Consent Memorandum and, upon execution, return one copy by e-mail to the attention of Andrea Keller at Latham & Watkins LLP, counsel to the Administrative Agent (e-mail: andrea.keller@lw.com) and return one (1) original to Heather Poitras at Latham & Watkins LLP, 330 North Wabash Avenue, Suite 2800, Chicago, Illinois 60611. Please make any necessary corrections or adjustments to your signature block prior to execution and delivery. This Consent Memorandum will be effective upon receipt of executed signature pages via e-mail from the Company, the Administrative Agent and the Required Lenders pursuant to Section 9.02 of the Credit Agreement.

Each reference in the Credit Agreement to “this Credit Agreement,” “this Agreement,” “hereunder,” “hereof,” “herein,” and words of like import, and each reference in the other Loan Documents to the Credit Agreement (including, without limitation, by means of words like “thereunder,” “thereof,” “therein” and words of like import), shall mean and be a reference to the Credit Agreement after giving effect to this Consent Memorandum; and this Consent Memorandum and the Credit Agreement shall be

read together and construed as a single instrument. This Consent Memorandum is a Loan Document. Except as expressly set forth herein, (i) all of the terms and provisions of the Credit Agreement and all other Loan Documents are and shall remain in full force and effect and are hereby ratified and confirmed and (ii) the execution, delivery and effectiveness of this Consent Memorandum shall not, except as expressly set forth herein, operate as a waiver of any right, power or remedy of the Lenders or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

This Consent Memorandum may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Consent Memorandum by email or other electronic imaging shall be effective as delivery of a manually executed counterpart of this Consent Memorandum. The words "execution," "signed," "signature," "delivery," and words of like import in or relating to this Consent Memorandum shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. This Consent Memorandum shall be governed by and construed in accordance with the laws of the State of New York.

[Signature Pages Follow]

JPMORGAN CHASE BANK, N.A.,
individually as a Lender and as Administrative Agent

By: /s/ James Kyle O'Donnell
Name: James Kyle O'Donnell
Title: Vice President

CITIBANK, N.A.,
as a Lender

By: /s/ Richard Rivera
Name: Richard Rivera
Title: Vice President

COMMERZBANK AG, NEW YORK BRANCH,
as a Lender

By: /s/ Michael Ravelo
Name: Michael Ravelo
Title: Managing Director

By: /s/ Robert Sullivan
Name: Robert Sullivan
Title: Vice President

MUFG BANK, LTD.,
as a Lender

By: /s/ Reema Sharma
Name: Reema Sharma
Title: Director

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Darin Mullis
Name: Darin Mullis
Title: Managing Director

UNICREDIT BANK AG, NEW YORK BRANCH,
as a Lender

By: /s/ Christine MacInnes
Name: Christine MacInnes
Title: Director

By: /s/ Laura Shelmerdine
Name: Laura Shelmerdine
Title: Director

TD BANK N.A.,
as a Lender

By: /s/ Bernadette Collins
Name: Bernadette Collins
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Domenic D’Ginto
Name: Domenic D’Ginto
Title: Managing Director

Signature Page to Consent Memorandum
DENSTPLY Sirona Inc.

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Maria Massimino
Name: Maria Massimino
Title: Senior Vice President

GOLDMAN SACHS BANK USA,
as a Lender

By: /s/ Keshia Leday_____

Name: Keshia Leday

Title: Authorized Signatory

BANK OF AMERICA, N.A.,
as a Lender

By: /s/ Darren Merten

Name: Darren Merten

Title: Authorized Signatory

TRUIST BANK,
as a Lender

By: /s/ Ben Cumming
Name: Ben Cumming
Title: Managing Director

SKANDINAVISKA ENSKILDA BANKEN AB (publ),
as a Lender

By: /s/ Andrew Moore
Name: Andrew Moore
Title: Authorised signatory

By: /s/ Alison Butt
Name: Alison Butt
Title: Authorised Signatory

Acknowledged and Agreed:

DENTSPLY SIRONA INC.,
as the Company

By: /s/ Dan Workinger
Name: Dan Workinger
Title: Vice President, Treasurer

NOTE PURCHASE AGREEMENT AMENDMENT AND CONSENT

This **NOTE PURCHASE AGREEMENT AMENDMENT AND CONSENT** (this “**Agreement**”), is dated as of August 26, 2022, by and among DENTSPLY SIRONA Inc. (f/k/a DENTSPLY International Inc.), a Delaware corporation (the “**Company**”), and each of the holders of Notes (as defined below) whose names appear on the signature pages hereto (collectively, the “**Noteholders**”), with respect to that certain Note Purchase Agreement, dated as of December 11, 2015 (as amended, the “**Note Purchase Agreement**”), by and between the Company and the holders of Notes.

RECITALS:

A. Pursuant to the Note Purchase Agreement, the Company issued and sold to the holders of Notes (i) CHF25,000,000 aggregate principal amount of the Company’s 0.86% Series A Senior Notes due December 11, 2025 (the “**Series A Notes**”), (ii) €30,000,000 aggregate principal amount of the Company’s 2.05% Series B Senior Notes due December 11, 2025 (the “**Series B Notes**”), (iii) €67,000,000 aggregate principal amount of the Company’s 2.05% Series C Senior Notes due December 11, 2025 (the “**Series C Notes**”), (iv) CHF7,500,000 aggregate principal amount of the Company’s 1.02% Series D Senior Notes due December 11, 2027 (the “**Series D Notes**”), (v) €15,000,000 aggregate principal amount of the Company’s 2.24% Series E Senior Notes due December 11, 2027 (the “**Series E Notes**”), (vi) €11,000,000 aggregate principal amount of the Company’s 2.05% Series F Senior Notes due February 19, 2026 (the “**Series F Notes**”), (vii) €15,000,000 aggregate principal amount of the Company’s 2.05% Series G Senior Notes due February 19, 2026 (the “**Series G Notes**”), (viii) €45,000,000 aggregate principal amount of the Company’s 2.45% Series H Senior Notes due February 19, 2031 (the “**Series H Notes**”), (ix) CHF58,000,000 aggregate principal amount of the Company’s 1.01% Series I Senior Notes due August 15, 2026 (the “**Series I Notes**”), (x) €40,000,000 aggregate principal amount of the Company’s 2.25% Series J Senior Notes due August 15, 2026 (the “**Series J Notes**”), (xi) €66,000,000 aggregate principal amount of the Company’s 2.25% Series K Senior Notes due August 15, 2026 (the “**Series K Notes**”), (xii) CHF140,000,000 aggregate principal amount of the Company’s 1.17% Series L Senior Notes due August 15, 2028 (the “**Series L Notes**”) and (xiii) CHF65,000,000 aggregate principal amount of the Company’s 1.33% Series M Senior Notes due August 15, 2031 (the “**Series M Notes**”, and together with the Series A Notes, Series B Notes, Series C Notes, Series D Notes, Series E Notes, Series F Notes, Series G Notes, Series H Notes, Series I Notes, Series J Notes, Series K Notes and Series L Notes, collectively, the “**Notes**”).

B. The Company has informed the holders of Notes of its desire for an extension to deliver the quarterly financial statements and related covenant compliance deliverables required to be delivered pursuant to Section 7.1(a) and Section 7.2 of the Note Purchase Agreement for (i) the quarterly fiscal period ended March 31, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-1 Quarterly Financials**”) and (ii) the quarterly fiscal period ended June 30, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-2 Quarterly Financials**”).

C. The Company has requested that the holders of Notes consent to and agree that the Company may deliver the Q-1 Quarterly Financials and the Q-2 Quarterly Financials on or prior to the earlier of (i) November 7, 2022 and (ii) the date the Q-2 Quarterly Financials are required to be delivered under the RCF or the date on which the Q-2 Quarterly Financials are delivered under the RCF if such delivery occurs earlier than such required delivery date (the “**Extended Delivery Date**”).

D. The Noteholders and the Company have agreed, upon the terms and conditions set forth herein, to the consents and amendments set forth herein.

AGREEMENT:

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Noteholders agree as follows:

1. DEFINITIONS.

Capitalized terms used herein (including the recitals) and not otherwise defined shall have the meanings ascribed to them in the Note Purchase Agreement.

2. CONSENTS.

Subject to the terms and conditions set forth in Section 5 hereof, each of the Noteholders (a) consents and agrees, effective as of May 15, 2022, that the Company may deliver the Q-1 Quarterly Financials on or prior to the Extended Delivery Date and (b) consents and agrees, effective as of the date of this Agreement, that the Company may deliver the Q-2 Quarterly Financials on or prior to the Extended Delivery Date (collectively, the “**Consents**”); provided, however that (x) the failure by the Company to deliver the Q-1 Quarterly Financials and the Q-2 Quarterly Financials on or prior to the Extended Delivery Date shall constitute an immediate Event of Default and (y) by its signature below the Company acknowledges and agrees that in connection with any future delivery of financial statements and related certifications under Sections 7.1 and/or 7.2 of the Note Purchase Agreement that the delivery of (i) preliminary financial statements and/or (ii) certifications required under Section 7.2 of the Note Purchase Agreement in a form different than the certification presented with the financial statements for the fiscal quarter ended September 30, 2021, in each case under clauses (i) or (ii), will not be in the respective forms required under the Note Purchase Agreement. Except as expressly provided herein, the foregoing Consents shall not constitute (a) a modification or alteration of the terms, conditions or covenants of the Note Purchase Agreement, the Notes or any other document entered into in connection therewith, or (b) a waiver, release or limitation upon the exercise by the Noteholders of any of their rights, legal or equitable, hereunder or under the Note Purchase Agreement, the Notes or any other document entered into in connection therewith. Except as set forth above, each of the Noteholders reserves any and all rights and remedies which it has had, has or may have under the Note Purchase Agreement, the Notes or any document entered into in connection therewith.

3. AMENDMENTS TO THE NOTE PURCHASE AGREEMENT.

The Note Purchase Agreement is hereby amended as set forth below (collectively, the “**Amendments**”):

3.1 Section 7 of the Note Purchase Agreement is hereby amended by adding a new Section 7.5 to read as follows:

7.5. Senior Financial Officer Conference Calls.

Until such time as the Company shall have delivered the Q-1 Quarterly Financials and Q-2 Quarterly Financials to the holders of Notes, within 15 days after the end of each quarterly fiscal period commencing with the fiscal quarter ended September 30, 2022 a Senior Financial Officer will host a noteholder update conference call to report on the status of the Company and to respond to questions from the holders of Notes. In addition, within 15 days after the delivery of the Q-1 Quarterly Financials and Q-2 Quarterly Financials to the holders of Notes, a Senior Financial Officer will host an additional noteholder update conference call to report on the status of the Company and to respond to questions from the holders of Notes.

3.2 Section 9 of the Note Purchase Agreement is hereby amended by adding a new Section 9.10 to read as follows:

9.10. Most Favored Lender.

(a) If at any time any lender or agent under any Principal Credit Facility is paid any fee or other consideration (other than legal counsel fees and expenses) greater than the equivalent fees being paid to the holders of Notes under the First Amendment in connection with any similar amendment, consent and waiver, including the RCF Consent, then the holders of Notes shall (concurrently with the provision of such consideration to such lender or agent) be provided with such additional equivalent consideration on a pro rata basis.

(b) If at any time between March 31, 2022 and on or prior to the date on which the Company delivers the Q-1 Quarterly Financials and the Q-2 Quarterly Financials to the holders of Notes any Principal Credit Facility is modified and/or amended to include any covenant or event of default (whether set forth as a covenant, undertaking, event of default, restriction or other such provision not set forth in this Agreement or that would be more beneficial to the holders of the Notes than any analogous provision contained in this Agreement, and whether included as a new provision in a new or existing Principal Credit Facility or by way of amendment or other modification of an existing provision or any defined term used therein) not included in this Agreement or that would be more beneficial to the holders of the Notes than any analogous provision included in this Agreement (any such covenant or event of default, an “**Additional Provision**”), then the Company will, within three Business Days after the inclusion of such Additional Provision in such Principal Credit Facility, deliver written notice thereof to each holder of a Note. Such notice shall be signed by a Responsible Officer and shall refer to the provisions of this Section 9.10 and shall set forth a verbatim statement of such Additional Provision and any defined terms used therein, and related explanatory calculations, as

applicable. Thereupon, unless waived in writing by the Required Holders within three Business Days after receipt of such notice by the holders of the Notes, such Additional Provision (and any related definitions) will be deemed automatically incorporated by reference into this Agreement, *mutatis mutandis*, as if set forth fully herein, without any further action required on the part of any Person, effective as of the date that such Additional Provision became effective under such Principal Credit Facility. Thereafter, upon the request of any holder of a Note, the Company will, at its expense, enter into any additional agreement or amendment to this Agreement reasonably requested by such holder evidencing any of the foregoing.

(c) So long as no Default or Event of Default has occurred and is continuing:

(i) if any Additional Provision incorporated into this Agreement pursuant to this Section 9.10 is amended or otherwise modified in each relevant Principal Credit Facility with the effect that such Additional Provision is made less restrictive or otherwise less onerous on the Company and its Subsidiaries, then such Additional Provision will be deemed so amended in this Agreement, without any further action required on the part of any Person, effective as of the date of such amendment or modification in each relevant Principal Credit Facility,

(ii) if any Additional Provision incorporated into this Agreement pursuant to this Section 9.10 is removed from each relevant Principal Credit Facility, then such Additional Provision will be deemed removed from this Agreement, without any further action required on the part of any Person, effective as of the date of such removal from each relevant Principal Credit Facility, and

(iii) if each Principal Credit Facility including an Additional Provision incorporated into this Agreement pursuant to this Section 9.10 is terminated and no amounts are outstanding thereunder, then such Additional Provision will be deemed removed from this Agreement, without any further action required on the part of any Person, effective as of the date of such termination,

provided that (x) except as provided in Section 17, this Agreement shall not be amended to remove any covenant, undertaking, event of default, restriction or other provision included in this Agreement (other than any Additional Provision included in this Agreement by operation of Section 9.10(a)) or to make any such provision less restrictive on the Company and its Subsidiaries, and (y) if any lender or agent under any Principal Credit Facility is provided any consideration for the amendment or other modification of such Principal Credit Facility, then the holders of Notes shall (concurrently with the provision of such consideration to such creditor or agent) be provided with equivalent consideration on a pro rata basis, and no such amendment, modification or removal of such Additional Provision in or from this Agreement shall be effective unless and until such equivalent consideration is provided to the holders of Notes.

3.3 Schedule B to the Note Purchase Agreement is hereby amended by adding the following new defined terms in their proper alphabetical order to read as follows:

“**Additional Provision**” is defined in Section 9.10(b).

“**First Amendment**” means that certain Note Purchase Agreement Amendment and Consent dated as of August 26, 2022 by and between the Company and the holders of the Notes party thereto, as amended from time to time.

“**Q-1 Quarterly Financials**” is as defined in the First Amendment.

“**Q-2 Quarterly Financials**” is as defined in the First Amendment.

“**RCF Consent**” is as defined in the First Amendment.

4. REPRESENTATIONS AND WARRANTIES.

To induce the Noteholders to enter into this Agreement, the Company represents and warrants to each of the Noteholders that:

(a) This Agreement constitutes a legal, valid and binding obligation of the Company and is enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(b) No event or condition exists that constitutes a Default or Event of Default.

(c) Since December 31, 2021 there is no fact known to the Company that could reasonably be expected to have a Material Adverse Effect.

(d) No fee or other consideration (other than legal counsel fees and expenses) is being paid to any lender or agent under any Principal Credit Facility in connection with any similar consent, including the RCF Consent (as defined below).

5. CONDITIONS TO EFFECTIVENESS OF CONSENTS AND AMENDMENTS.

The Amendments provided in Section 3 of this Agreement shall become effective as of the date first written above. The Consents provided in Section 2 of this Agreement shall become effective as of the date first written above (the “**Effective Date**”), provided that with respect to the Consents the following conditions are satisfied on or prior to such date:

(a) this Agreement shall have been executed by the Company and the Required Holders;

(b) the representations and warranties of the Company contained in this Agreement shall be true and correct;

(c) the Consent Memorandum shall have been executed by the Company, the Required Lenders (under and as defined in the RCF) and the Administrative Agent (the “**RCF Consent**”), and such RCF Consent shall be in full force and effect;

(d) the Note Purchase and Guarantee Agreement Amendment and Consent (the “**2016 NPA Amendment and Consent**”) shall have been executed by the Company, Sirona Dental Services GmbH and the Required Holders (under and as defined in that certain Note Purchase and Guarantee Agreement dated as of October 27, 2016 by and among the Company, Sirona Dental Services GmbH and the holders of the notes issued thereunder), and such 2016 NPA Amendment and Consent shall become concurrently in full force and effect with this Agreement and the 2019 NPA Amendment and Consent (as defined below);

(e) the Note Purchase Agreement Amendment and Consent (the “**2019 NPA Amendment and Consent**”) shall have been executed by the Company and the Required Holders (under and as defined in that certain Note Purchase Agreement dated as of June 24, 2019 by and between the Company and the holders of the notes issued thereunder), and such 2019 NPA Amendment and Consent shall become concurrently in full force and effect with this Agreement and the 2016 NPA Amendment and Consent; and

(f) each holder of Notes shall have received a consent fee equal to 0.20% (20 basis points) of the principal amount of the outstanding Notes held by such holder, payable in Dollars for all holders other than those holders that have notified the Company that such fee shall be payable in the Applicable Currency.

6. MISCELLANEOUS.

6.1 Governing Law.

This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

6.2 Counterparts; Electronic Signatures.

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto. The parties agree to electronic contracting and signatures with respect to this Agreement. Delivery of an electronic signature to, or a signed copy of, this Agreement and such other documents by facsimile, email or other electronic transmission shall be fully binding on the parties to the same extent as the delivery of the signed originals and shall be admissible into evidence for all purposes. The words “execution,” “execute,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement and such other documents shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Company and the Noteholders, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws

based on the Uniform Electronic Transactions Act. Notwithstanding the foregoing, if any Noteholder shall request manually signed counterpart signatures to this Agreement or any such document, the Company hereby agrees to use its reasonable endeavors to provide such manually signed signature pages as soon as reasonably practicable (but in any event within 30 days after such request).

6.3 Costs and Expenses.

Whether or not the Consents become effective, the Company confirms its obligations under Section 15.1 of the Note Purchase Agreement and agrees that it will pay all costs and expenses of the Noteholders relating to this Agreement.

6.4 Amendments and Consents.

Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by a writing signed by the Company and the Required Holders.

6.5 Delivery of Documents.

Promptly after the date of this Agreement, the Company will deliver fully executed copies of the documents described in Section 5 of this Agreement to each holder of Notes.

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by a duly authorized officer or agent thereof.

COMPANY:

DENTSPLY SIRONA INC.

By /s/ Dan Workinger

Name: Dan Workinger

Title: Vice President, Treasurer

NOTEHOLDERS:

METROPOLITAN LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

METROPOLITAN TOWER LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

BRIGHTHOUSE LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

By: /s/ Edward Teagan
Name: Edward Teagan
Title: Authorized Signatory

PENSIONSKASSE DES BUNDES PUBLICA

By: MetLife Investment Management Limited, as Investment Manager

By: /s/ Geert Henckens
Name: Geert Henckens
Title: Authorised Signatory

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

By: Macquarie Investment Management Advisers,
A series of Macquarie Investment Management Business Trust, Attorney in Fact

By: /s/ Tom Routhier
Name: Tom Routhier
Title: Senior Vice President

UNITED OF OMAHA LIFE INSURANCE COMPANY

By: /s/ Justin P. Kavan
Name: Justin P. Kavan
Title: Head of Private Placements

NATIONWIDE LIFE INSURANCE COMPANY

By: /s/ Thomas A. Gleason_____

Name: Thomas A. Gleason

Title: Authorized Signatory

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

By: Northwestern Mutual Investment Management Company, LLC,
its investment advisor

By: /s/ Brian P. McDonald _____
Name: Brian P. McDonald
Its: Managing Director

MANULIFE LIFE INSURANCE COMPANY

By: /s/ Kensuke Muraki _____
Name: Kensuke Muraki
Title: Senior Portfolio Manager, Investments

MANUFACTURERS LIFE REINSURANCE LIMITED

By: /s/ Mike Tsai _____
Name: Mike Tsai
Title: Director, Manulife General Account Investments (Singapore) Pte. Ltd.
as investment manager of Manufacturers Life Reinsurance Limited

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____

Name: Kyle Ulep

Title: Vice President

PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

By: PGIM Private Placement Investors, L.P., (as Investment Advisor)

By: PGIM Private Placement Investors, Inc. (as its General Partner)

By: /s/ Kyle Ulep _____

Name: Kyle Ulep

Title: Vice President

PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____

Name: Kyle Ulep

Title: Vice President

PRUDENTIAL ANNUITIES LIFE ASSURANCE CORPORATION

By: Pruco Life Insurance Company (as Grantor)

By: PGIM, Inc. (as Investment Manager)

By: /s/ Kyle Ulep _____

Name: Kyle Ulep

Title: Vice President

PRUDENTIAL LEGACY INSURANCE COMPANY OF NEW JERSEY

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____

Name: Kyle Ulep

Title: Vice President

NOTE PURCHASE AND GUARANTEE AGREEMENT AMENDMENT AND CONSENT

This **NOTE PURCHASE AND GUARANTEE AGREEMENT AMENDMENT AND CONSENT** (this “**Agreement**”), is dated as of August 26, 2022, by and among DENTSPLY SIRONA Inc., a Delaware corporation (the “**Company**”), Sirona Dental Services GmbH, a company with limited liability organized in the Federal Republic of Germany (the “**German Issuer**”; together with the Company, collectively, the “**Issuers**”, and each individually, an “**Issuer**”) and each of the holders of Notes (as defined below) whose names appear on the signature pages hereto (collectively, the “**Noteholders**”), with respect to that certain Note Purchase and Guarantee Agreement, dated as of October 27, 2016 (as amended, the “**Note Purchase Agreement**”), by and among the Issuers and the holders of Notes.

RECITALS:

A. Pursuant to the Note Purchase Agreement, (i) the Company issued and sold to the holders of Notes (a) €17,500,000 aggregate principal amount of the Company’s 0.98% Series N Senior Notes due October 27, 2024 (the “**Series N Notes**”), (b) €14,500,000 aggregate principal amount of the Company’s 1.31% Series O Senior Notes due October 27, 2027 (the “**Series O Notes**”), (c) €3,000,000 aggregate principal amount of the Company’s 1.31% Series P Senior Notes due October 27, 2027 (the “**Series P Notes**”), (d) €15,500,000 aggregate principal amount of the Company’s 1.50% Series Q Senior Notes due October 27, 2029 (the “**Series Q Notes**”), (e) €2,000,000 aggregate principal amount of the Company’s 1.50% Series R Senior Notes due October 27, 2029 (the “**Series R Notes**”), (f) €6,500,000 aggregate principal amount of the Company’s 1.58% Series S Senior Notes due October 27, 2030 (the “**Series S Notes**”), (g) €11,000,000 aggregate principal amount of the Company’s 1.58% Series T Senior Notes due October 27, 2030 (the “**Series T Notes**”), (h) €10,500,000 aggregate principal amount of the Company’s 1.65% Series U Senior Notes due October 27, 2031 (the “**Series U Notes**”) and (i) €7,500,000 aggregate principal amount of the Company’s 1.65% Series V Senior Notes due October 27, 2031 (the “**Series V Notes**”, and together with the Series N Notes, Series O Notes, Series P Notes, Series Q Notes, Series R Notes, Series S Notes, Series T Notes and Series U Notes, collectively, the “**U.S. Notes**”); and (ii) the German Issuer issued and sold to the holders of Notes (a) €52,500,000 aggregate principal amount of the German Issuer’s 0.98% Series A Senior Notes due October 27, 2024 (the “**Series A Notes**”), (b) €43,500,000 aggregate principal amount of the German Issuer’s 1.31% Series B Senior Notes due October 27, 2027 (the “**Series B Notes**”), (c) €9,000,000 aggregate principal amount of the German Issuer’s 1.31% Series C Senior Notes due October 27, 2027 (the “**Series C Notes**”), (d) €46,500,000 aggregate principal amount of the German Issuer’s 1.50% Series D Senior Notes due October 27, 2029 (the “**Series D Notes**”), (e) €6,000,000 aggregate principal amount of the German Issuer’s 1.50% Series E Senior Notes due October 27, 2029 (the “**Series E Notes**”), (f) €19,500,000 aggregate principal amount of the German Issuer’s 1.58% Series F Senior Notes due October 27, 2030 (the “**Series F Notes**”), (g) €33,000,000 aggregate principal amount of the German Issuer’s 1.58% Series G Senior Notes due October 27, 2030 (the “**Series G Notes**”), (h) €31,500,000 aggregate principal amount of the German Issuer’s 1.65% Series H Senior Notes due October 27, 2031 (the “**Series H Notes**”) and (i) €21,000,000 aggregate principal amount of the German Issuer’s 1.65% Series I Senior Notes due October 27, 2031 (the “**Series I Notes**”, and together with the Series A Notes, Series B Notes, Series C Notes, Series D Notes, Series E Notes, Series F Notes, Series G Notes

and Series H Notes, collectively, the “**German Notes**”; and together with the U.S. Notes, collectively, the “**Notes**”, and each individually, a “**Note**”).

B. The Issuers have informed the holders of Notes of their desire for an extension to deliver the quarterly financial statements and related covenant compliance deliverables required to be delivered pursuant to Section 7.1(a) and Section 7.2 of the Note Purchase Agreement for (i) the quarterly fiscal period ended March 31, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-1 Quarterly Financials**”) and (ii) the quarterly fiscal period ended June 30, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-2 Quarterly Financials**”).

C. The Issuers have requested that the holders of Notes consent to and agree that the Issuers may deliver the Q-1 Quarterly Financials and the Q-2 Quarterly Financials on or prior to the earlier of (i) November 7, 2022 and (ii) the date the Q-2 Quarterly Financials are required to be delivered under the RCF or the date on which the Q-2 Quarterly Financials are delivered under the RCF if such delivery occurs earlier than such required delivery date (the “**Extended Delivery Date**”).

D. The Noteholders and the Issuers have agreed, upon the terms and conditions set forth herein, to the consents and amendments set forth herein.

AGREEMENT:

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Issuers and the Noteholders agree as follows:

1. DEFINITIONS.

Capitalized terms used herein (including the recitals) and not otherwise defined shall have the meanings ascribed to them in the Note Purchase Agreement.

2. CONSENTS.

Subject to the terms and conditions set forth in Section 5 hereof, each of the Noteholders (a) consents and agrees, effective as of May 15, 2022, that the Issuers may deliver the Q-1 Quarterly Financials on or prior to the Extended Delivery Date and (b) consents and agrees, effective as of the date of this Agreement, that the Issuers may deliver the Q-2 Quarterly Financials on or prior to the Extended Delivery Date (collectively, the “**Consents**”); provided, however that (x) the failure by the Issuers to deliver the Q-1 Quarterly Financials and the Q-2 Quarterly Financials on or prior to the Extended Delivery Date shall constitute an immediate Event of Default and (y) by their signatures below each Issuer acknowledges and agrees that in connection with any future delivery of financial statements and related certifications under Sections 7.1 and/or 7.2 of the Note Purchase Agreement that the delivery of (i) preliminary financial statements and/or (ii) certifications required under Section 7.2 of the Note Purchase Agreement in a form different than the certification presented with the financial statements for the fiscal quarter ended September 30, 2021, in each case under clauses (i) or (ii), will not be in the respective forms required under the Note Purchase Agreement. Except as expressly provided

herein, the foregoing Consents shall not constitute (a) a modification or alteration of the terms, conditions or covenants of the Note Purchase Agreement, the Notes or any other document entered into in connection therewith, or (b) a waiver, release or limitation upon the exercise by the Noteholders of any of their rights, legal or equitable, hereunder or under the Note Purchase Agreement, the Notes or any other document entered into in connection therewith. Except as set forth above, each of the Noteholders reserves any and all rights and remedies which it has had, has or may have under the Note Purchase Agreement, the Notes or any document entered into in connection therewith.

3. AMENDMENTS TO THE NOTE PURCHASE AGREEMENT.

The Note Purchase Agreement is hereby amended as set forth below (collectively, the “**Amendments**”):

3.1 Section 7 of the Note Purchase Agreement is hereby amended by adding a new Section 7.5 to read as follows:

7.5. Senior Financial Officer Conference Calls.

Until such time as the Issuers shall have delivered the Q-1 Quarterly Financials and Q-2 Quarterly Financials to the holders of Notes, within 15 days after the end of each quarterly fiscal period commencing with the fiscal quarter ended September 30, 2022 a Senior Financial Officer will host a noteholder update conference call to report on the status of the Issuers and to respond to questions from the holders of Notes. In addition, within 15 days after the delivery of the Q-1 Quarterly Financials and Q-2 Quarterly Financials to the holders of Notes, a Senior Financial Officer will host an additional noteholder update conference call to report on the status of the Issuers and to respond to questions from the holders of Notes.

3.2 Section 9 of the Note Purchase Agreement is hereby amended by adding a new Section 9.10 to read as follows:

9.10. Most Favored Lender.

(a) If at any time any lender or agent under any Principal Credit Facility is paid any fee or other consideration (other than legal counsel fees and expenses) greater than the equivalent fees being paid to the holders of Notes under the First Amendment in connection with any similar amendment, consent and waiver, including the RCF Consent, then the holders of Notes shall (concurrently with the provision of such consideration to such lender or agent) be provided with such additional equivalent consideration on a pro rata basis.

(b) If at any time between March 31, 2022 and on or prior to the date on which the Issuers deliver the Q-1 Quarterly Financials and the Q-2 Quarterly Financials to the holders of Notes any Principal Credit Facility is modified and/or amended to include any covenant or event of default (whether set forth as a covenant, undertaking, event of default, restriction or other such provision not set forth in this Agreement or that would be more beneficial to the holders of the Notes than any analogous provision contained in

this Agreement, and whether included as a new provision in a new or existing Principal Credit Facility or by way of amendment or other modification of an existing provision or any defined term used therein) not included in this Agreement or that would be more beneficial to the holders of the Notes than any analogous provision included in this Agreement (any such covenant or event of default, an “**Additional Provision**”), then the Company and/or the German Issuer will, within three Business Days after the inclusion of such Additional Provision in such Principal Credit Facility, deliver written notice thereof to each holder of a Note. Such notice shall be signed by a Responsible Officer and shall refer to the provisions of this Section 9.10 and shall set forth a verbatim statement of such Additional Provision and any defined terms used therein, and related explanatory calculations, as applicable. Thereupon, unless waived in writing by the Required Holders within three Business Days after receipt of such notice by the holders of the Notes, such Additional Provision (and any related definitions) will be deemed automatically incorporated by reference into this Agreement, *mutatis mutandis*, as if set forth fully herein, without any further action required on the part of any Person, effective as of the date that such Additional Provision became effective under such Principal Credit Facility. Thereafter, upon the request of any holder of a Note, each Issuer will, at its expense, enter into any additional agreement or amendment to this Agreement reasonably requested by such holder evidencing any of the foregoing.

- (c) So long as no Default or Event of Default has occurred and is continuing:
 - (i) if any Additional Provision incorporated into this Agreement pursuant to this Section 9.10 is amended or otherwise modified in each relevant Principal Credit Facility with the effect that such Additional Provision is made less restrictive or otherwise less onerous on the Company and its Subsidiaries, then such Additional Provision will be deemed so amended in this Agreement, without any further action required on the part of any Person, effective as of the date of such amendment or modification in each relevant Principal Credit Facility,
 - (ii) if any Additional Provision incorporated into this Agreement pursuant to this Section 9.10 is removed from each relevant Principal Credit Facility, then such Additional Provision will be deemed removed from this Agreement, without any further action required on the part of any Person, effective as of the date of such removal from each relevant Principal Credit Facility, and
 - (iii) if each Principal Credit Facility including an Additional Provision incorporated into this Agreement pursuant to this Section 9.10 is terminated and no amounts are outstanding thereunder, then such Additional Provision will be deemed removed from this Agreement, without any further action required on the part of any Person, effective as of the date of such termination,

provided that (x) except as provided in Section 18, this Agreement shall not be amended to remove any covenant, undertaking, event of default, restriction or other provision included in this Agreement (other than any Additional Provision included in this Agreement by operation of Section 9.10(a)) or to make any such provision less restrictive

on the Company and its Subsidiaries, and (y) if any lender or agent under any Principal Credit Facility is provided any consideration for the amendment or other modification of such Principal Credit Facility, then the holders of Notes shall (concurrently with the provision of such consideration to such creditor or agent) be provided with equivalent consideration on a pro rata basis, and no such amendment, modification or removal of such Additional Provision in or from this Agreement shall be effective unless and until such equivalent consideration is provided to the holders of Notes.

3.3 Schedule B to the Note Purchase Agreement is hereby amended by adding the following new defined terms in their proper alphabetical order to read as follows:

“**Additional Provision**” is defined in Section 9.10(b).

“**First Amendment**” means that certain Note Purchase and Guarantee Agreement Amendment and Consent dated as of August 26, 2022 by and among the Issuers and the holders of the Notes party thereto, as amended from time to time.

“**Q-1 Quarterly Financials**” is as defined in the First Amendment.

“**Q-2 Quarterly Financials**” is as defined in the First Amendment.

“**RCF Consent**” is as defined in the First Amendment.

4. REPRESENTATIONS AND WARRANTIES.

To induce the Noteholders to enter into this Agreement, the Issuers represent and warrant to each of the Noteholders that:

(a) This Agreement constitutes a legal, valid and binding obligation of the Issuers and is enforceable against the Issuers in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(b) No event or condition exists that constitutes a Default or Event of Default.

(c) Since December 31, 2021 there is no fact known to either Issuer that could reasonably be expected to have a Material Adverse Effect.

(d) No fee or other consideration (other than legal counsel fees and expenses) is being paid to any lender or agent under any Principal Credit Facility in connection with any similar consent, including the RCF Consent (as defined below).

5. CONDITIONS TO EFFECTIVENESS OF CONSENTS AND AMENDMENTS.

The Amendments provided in Section 3 of this Agreement shall become effective as of the date first written above. The Consents provided in Section 2 of this Agreement shall become

effective as of the date first written above (the “**Effective Date**”), provided that with respect to the Consents the following conditions are satisfied on or prior to such date:

- (a) this Agreement shall have been executed by the Issuers and the Required Holders;
- (b) the representations and warranties of the Issuers contained in this Agreement shall be true and correct;
- (c) the Consent Memorandum shall have been executed by the Company, the Required Lenders (under and as defined in the RCF) and the Administrative Agent (the “**RCF Consent**”), and such RCF Consent shall be in full force and effect;
- (d) the Note Purchase Agreement Amendment and Consent (the “**2015 NPA Amendment and Consent**”) shall have been executed by the Company and the Required Holders (under and as defined in that certain Note Purchase Agreement dated as of December 11, 2015 by and between the Company and the holders of the notes issued thereunder), and such 2015 NPA Amendment and Consent shall become concurrently in full force and effect with this Agreement and the 2019 NPA Amendment and Consent (as defined below);
- (e) the Note Purchase Agreement Amendment and Consent (the “**2019 NPA Amendment and Consent**”) shall have been executed by the Company and the Required Holders (under and as defined in that certain Note Purchase Agreement dated as of June 24, 2019 by and between the Company and the holders of the notes issued thereunder), and such 2019 NPA Amendment and Consent shall become concurrently in full force and effect with this Agreement and the 2015 NPA Amendment and Consent; and
- (f) each holder of Notes shall have received a consent fee equal to 0.20% (20 basis points) of the principal amount of the outstanding Notes held by such holder, payable in Dollars for all holders other than those holders that have notified the Company that such fee shall be payable in the applicable currency of the Notes.

6. MISCELLANEOUS.

6.1 Governing Law.

This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

6.2 Counterparts; Electronic Signatures.

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto. The parties agree to electronic contracting and signatures with respect to this Agreement. Delivery of an electronic signature to, or a signed copy of, this Agreement and such other documents by facsimile, email or other electronic transmission shall be fully binding on the

parties to the same extent as the delivery of the signed originals and shall be admissible into evidence for all purposes. The words “execution,” “execute,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement and such other documents shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Company and the Noteholders, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Notwithstanding the foregoing, if any Noteholder shall request manually signed counterpart signatures to this Agreement or any such document, the Issuers hereby agrees to use their reasonable endeavors to provide such manually signed signature pages as soon as reasonably practicable (but in any event within 30 days after such request).

6.3 Costs and Expenses.

Whether or not the Consents become effective, the Company confirms its obligations under Section 16.1 of the Note Purchase Agreement and agrees that it will pay all costs and expenses of the Noteholders relating to this Agreement.

6.4 Amendments and Consents.

Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by a writing signed by the Issuers and the Required Holders.

6.5 Delivery of Documents.

Promptly after the date of this Agreement, the Issuers will deliver fully executed copies of the documents described in Section 5 of this Agreement to each holder of Notes.

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by a duly authorized officer or agent thereof.

ISSUERS:

DENTSPLY SIRONA INC.

By /s/ Dan Workinger
Name: Dan Workinger
Title: Vice President, Treasurer

SIRONA DENTAL SERVICES GMBH

By: /s/ Jan Siefert
Name: Jan Siefert
Title: Managing Director

NOTEHOLDERS:

METROPOLITAN LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

BRIGHTHOUSE LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

METROPOLITAN TOWER LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

By: /s/ Edward Teagan

Name: Edward Teagan

Title: Authorized Signatory

NEW YORK LIFE INSURANCE COMPANY

By: NYL Investors LLC, its Investment Manager

By: /s/ Jean J. Wauters

Name: Jean J. Wauters

Title: Director

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION

By: NYL Investors LLC, its Investment Manager

By: /s/ Jean J. Wauters

Name: Jean J. Wauters

Title: Director

**HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY
HARTFORD ACCIDENT AND INDEMNITY COMPANY
TALCOTT RESOLUTION LIFE INSURANCE COMPANY
THE HARTFORD RETIREMENT PLAN TRUST FOR U.S. EMPLOYEES**

By: Hartford Investment Management Company, Their Investment Manager

By: /s/ Dawn M. Crunden_____

Name: Dawn M. Crunden

Title: Senior Vice President

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

By: Macquarie Investment Management Advisers,
A series of Macquarie Investment Management Business Trust, Attorney in Fact

By: /s/ Tom Routhier
Name: Tom Routhier
Title: Senior Vice President

NATIONWIDE LIFE INSURANCE COMPANY

By: /s/ Thomas A. Gleason_____

Name: Thomas A. Gleason

Title: Authorized Signatory

[Dentsply - Signature Page to 2016 Note Purchase Agreement Amendment and Consent]

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

By: Northwestern Mutual Investment Management Company, LLC,
its investment advisor

By: /s/ Brian P. McDonald _____
Name: Brian P. McDonald
Its: Managing Director

THE GUARDIAN LIFE INSURANCE COMPANY OF AMERICA

By: /s/ Amy Carroll
Name: Amy Carroll
Title: Senior Director

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____
Name: Kyle Ulep
Title: Vice President

PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____
Name: Kyle Ulep
Title: Vice President

PRUDENTIAL LEGACY INSURANCE COMPANY OF NEW JERSEY

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____
Name: Kyle Ulep
Title: Vice President

NOTE PURCHASE AGREEMENT AMENDMENT AND CONSENT

This **NOTE PURCHASE AGREEMENT AMENDMENT AND CONSENT** (this “**Agreement**”), is dated as of August 26, 2022, by and among DENTSPLY SIRONA Inc., a Delaware corporation (the “**Company**”), and each of the holders of Notes (as defined below) whose names appear on the signature pages hereto (collectively, the “**Noteholders**”), with respect to that certain Note Purchase Agreement, dated as of June 24, 2019 (as amended, the “**Note Purchase Agreement**”), by and between the Company and the holders of Notes.

RECITALS:

A. Pursuant to the Note Purchase Agreement, the Company issued and sold to the holders of Notes ¥12,552,500,000 aggregate principal amount of the Company’s 0.99% Series W Senior Notes due September 25, 2031 (the “**Notes**”).

B. The Company has informed the holders of Notes of its desire for an extension to deliver the quarterly financial statements and related covenant compliance deliverables required to be delivered pursuant to Section 7.1(a) and Section 7.2 of the Note Purchase Agreement for (i) the quarterly fiscal period ended March 31, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-1 Quarterly Financials**”) and (ii) the quarterly fiscal period ended June 30, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-2 Quarterly Financials**”).

C. The Company has requested that the holders of Notes consent to and agree that the Company may deliver the Q-1 Quarterly Financials and the Q-2 Quarterly Financials on or prior to the earlier of (i) November 7, 2022 and (ii) the date the Q-2 Quarterly Financials are required to be delivered under the RCF or the date on which the Q-2 Quarterly Financials are delivered under the RCF if such delivery occurs earlier than such required delivery date (the “**Extended Delivery Date**”).

D. The Noteholders and the Company have agreed, upon the terms and conditions set forth herein, to the consents and amendments set forth herein.

AGREEMENT:

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Noteholders agree as follows:

1. DEFINITIONS.

Capitalized terms used herein (including the recitals) and not otherwise defined shall have the meanings ascribed to them in the Note Purchase Agreement.

2. CONSENTS.

Subject to the terms and conditions set forth in Section 5 hereof, each of the Noteholders (a) consents and agrees, effective as of May 15, 2022, that the Company may deliver the Q-1

Quarterly Financials on or prior to the Extended Delivery Date and (b) consents and agrees, effective as of the date of this Agreement, that the Company may deliver the Q-2 Quarterly Financials on or prior to the Extended Delivery Date (collectively, the “**Consents**”); provided, however that (x) the failure by the Company to deliver the Q-1 Quarterly Financials and the Q-2 Quarterly Financials on or prior to the Extended Delivery Date shall constitute an immediate Event of Default and (y) by its signature below the Company acknowledges and agrees that in connection with any future delivery of financial statements and related certifications under Sections 7.1 and/or 7.2 of the Note Purchase Agreement that the delivery of (i) preliminary financial statements and/or (ii) certifications required under Section 7.2 of the Note Purchase Agreement in a form different than the certification presented with the financial statements for the fiscal quarter ended September 30, 2021, in each case under clauses (i) or (ii), will not be in the respective forms required under the Note Purchase Agreement. Except as expressly provided herein, the foregoing Consents shall not constitute (a) a modification or alteration of the terms, conditions or covenants of the Note Purchase Agreement, the Notes or any other document entered into in connection therewith, or (b) a waiver, release or limitation upon the exercise by the Noteholders of any of their rights, legal or equitable, hereunder or under the Note Purchase Agreement, the Notes or any other document entered into in connection therewith. Except as set forth above, each of the Noteholders reserves any and all rights and remedies which it has had, has or may have under the Note Purchase Agreement, the Notes or any document entered into in connection therewith.

3. AMENDMENTS TO THE NOTE PURCHASE AGREEMENT.

The Note Purchase Agreement is hereby amended as set forth below (collectively, the “**Amendments**”):

3.1 Section 7 of the Note Purchase Agreement is hereby amended by adding a new Section 7.5 to read as follows:

7.5. Senior Financial Officer Conference Calls.

Until such time as the Company shall have delivered the Q-1 Quarterly Financials and Q-2 Quarterly Financials to the holders of Notes, within 15 days after the end of each quarterly fiscal period commencing with the fiscal quarter ended September 30, 2022 a Senior Financial Officer will host a noteholder update conference call to report on the status of the Company and to respond to questions from the holders of Notes. In addition, within 15 days after the delivery of the Q-1 Quarterly Financials and Q-2 Quarterly Financials to the holders of Notes, a Senior Financial Officer will host an additional noteholder update conference call to report on the status of the Company and to respond to questions from the holders of Notes.

3.2 Section 9 of the Note Purchase Agreement is hereby amended by adding a new Section 9.10 to read as follows:

9.10. Most Favored Lender.

(a) If at any time any lender or agent under any Principal Credit Facility is paid any fee or other consideration (other than legal counsel fees and expenses) greater

than the equivalent fees being paid to the holders of Notes under the First Amendment in connection with any similar amendment, consent and waiver, including the RCF Consent, then the holders of Notes shall (concurrently with the provision of such consideration to such lender or agent) be provided with such additional equivalent consideration on a pro rata basis.

(b) If at any time between March 31, 2022 and on or prior to the date on which the Company delivers the Q-1 Quarterly Financials and the Q-2 Quarterly Financials to the holders of Notes any Principal Credit Facility is modified and/or amended to include any covenant or event of default (whether set forth as a covenant, undertaking, event of default, restriction or other such provision not set forth in this Agreement or that would be more beneficial to the holders of the Notes than any analogous provision contained in this Agreement, and whether included as a new provision in a new or existing Principal Credit Facility or by way of amendment or other modification of an existing provision or any defined term used therein) not included in this Agreement or that would be more beneficial to the holders of the Notes than any analogous provision included in this Agreement (any such covenant or event of default, an “**Additional Provision**”), then the Company will, within three Business Days after the inclusion of such Additional Provision in such Principal Credit Facility, deliver written notice thereof to each holder of a Note. Such notice shall be signed by a Responsible Officer and shall refer to the provisions of this Section 9.10 and shall set forth a verbatim statement of such Additional Provision and any defined terms used therein, and related explanatory calculations, as applicable. Thereupon, unless waived in writing by the Required Holders within three Business Days after receipt of such notice by the holders of the Notes, such Additional Provision (and any related definitions) will be deemed automatically incorporated by reference into this Agreement, *mutatis mutandis*, as if set forth fully herein, without any further action required on the part of any Person, effective as of the date that such Additional Provision became effective under such Principal Credit Facility. Thereafter, upon the request of any holder of a Note, the Company will, at its expense, enter into any additional agreement or amendment to this Agreement reasonably requested by such holder evidencing any of the foregoing.

(c) So long as no Default or Event of Default has occurred and is continuing:

(i) if any Additional Provision incorporated into this Agreement pursuant to this Section 9.10 is amended or otherwise modified in each relevant Principal Credit Facility with the effect that such Additional Provision is made less restrictive or otherwise less onerous on the Company and its Subsidiaries, then such Additional Provision will be deemed so amended in this Agreement, without any further action required on the part of any Person, effective as of the date of such amendment or modification in each relevant Principal Credit Facility,

(ii) if any Additional Provision incorporated into this Agreement pursuant to this Section 9.10 is removed from each relevant Principal Credit Facility, then such Additional Provision will be deemed removed from this Agreement, without any further action required on the part of any Person, effective as of the date of such removal from each relevant Principal Credit

Facility, and

(iii) if each Principal Credit Facility including an Additional Provision incorporated into this Agreement pursuant to this Section 9.10 is terminated and no amounts are outstanding thereunder, then such Additional Provision will be deemed removed from this Agreement, without any further action required on the part of any Person, effective as of the date of such termination,

provided that (x) except as provided in Section 18, this Agreement shall not be amended to remove any covenant, undertaking, event of default, restriction or other provision included in this Agreement (other than any Additional Provision included in this Agreement by operation of Section 9.10(a)) or to make any such provision less restrictive on the Company and its Subsidiaries, and (y) if any lender or agent under any Principal Credit Facility is provided any consideration for the amendment or other modification of such Principal Credit Facility, then the holders of Notes shall (concurrently with the provision of such consideration to such creditor or agent) be provided with equivalent consideration on a pro rata basis, and no such amendment, modification or removal of such Additional Provision in or from this Agreement shall be effective unless and until such equivalent consideration is provided to the holders of Notes.

3.3 Schedule B to the Note Purchase Agreement is hereby amended by adding the following new defined terms in their proper alphabetical order to read as follows:

“**Additional Provision**” is defined in Section 9.10(b).

“**First Amendment**” means that certain Note Purchase Agreement Amendment and Consent dated as of August 26, 2022 by and between the Company and the holders of the Notes party thereto, as amended from time to time.

“**Q-1 Quarterly Financials**” is as defined in the First Amendment.

“**Q-2 Quarterly Financials**” is as defined in the First Amendment.

“**RCF Consent**” is as defined in the First Amendment.

4. REPRESENTATIONS AND WARRANTIES.

To induce the Noteholders to enter into this Agreement, the Company represents and warrants to each of the Noteholders that:

(a) This Agreement constitutes a legal, valid and binding obligation of the Company and is enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(b) No event or condition exists that constitutes a Default or Event of Default.

(c) Since December 31, 2021 there is no fact known to the Company that could reasonably be expected to have a Material Adverse Effect.

(d) No fee or other consideration (other than legal counsel fees and expenses) is being paid to any lender or agent under any Principal Credit Facility in connection with any similar consent, including the RCF Consent (as defined below).

5. CONDITIONS TO EFFECTIVENESS OF CONSENTS AND AMENDMENTS.

The Amendments provided in Section 3 of this Agreement shall become effective as of the date first written above. The Consents provided in Section 2 of this Agreement shall become effective as of the date first written above (the “**Effective Date**”), provided that with respect to the Consents the following conditions are satisfied on or prior to such date:

(a) this Agreement shall have been executed by the Company and the Required Holders;

(b) the representations and warranties of the Company contained in this Agreement shall be true and correct;

(c) the Consent Memorandum shall have been executed by the Company, the Required Lenders (under and as defined in the RCF) and the Administrative Agent (the “**RCF Consent**”), and such RCF Consent shall be in full force and effect;

(d) the Note Purchase Agreement Amendment and Consent (the “**2015 NPA Amendment and Consent**”) shall have been executed by the Company and the Required Holders (under and as defined in that certain Note Purchase Agreement dated as of December 11, 2015 by and between the Company and the holders of the notes issued thereunder), and such 2015 NPA Amendment and Consent shall become concurrently in full force and effect with this Agreement and the 2016 NPA Amendment and Consent (as defined below);

(e) the Note Purchase and Guarantee Agreement Amendment and Consent (the “**2016 NPA Amendment and Consent**”) shall have been executed by the Company, Sirona Dental Services GmbH and the Required Holders (under and as defined in that certain Note Purchase and Guarantee Agreement dated as of October 27, 2016 by and among the Company, Sirona Dental Services GmbH and the holders of the notes issued thereunder), and such 2016 NPA Amendment and Consent shall become concurrently in full force and effect with this Agreement and the 2015 NPA Amendment and Consent; and

(f) each holder of Notes shall have received a consent fee equal to 0.20% (20 basis points) of the principal amount of the outstanding Notes held by such holder, payable in Dollars for all holders other than those holders that have notified the Company that such fee shall be payable in the applicable currency of the Notes.

6. MISCELLANEOUS.

6.1 Governing Law.

This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

6.2 Counterparts; Electronic Signatures.

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto. The parties agree to electronic contracting and signatures with respect to this Agreement. Delivery of an electronic signature to, or a signed copy of, this Agreement and such other documents by facsimile, email or other electronic transmission shall be fully binding on the parties to the same extent as the delivery of the signed originals and shall be admissible into evidence for all purposes. The words “execution,” “execute,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement and such other documents shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Company and the Noteholders, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Notwithstanding the foregoing, if any Noteholder shall request manually signed counterpart signatures to this Agreement or any such document, the Company hereby agrees to use its reasonable endeavors to provide such manually signed signature pages as soon as reasonably practicable (but in any event within 30 days after such request).

6.3 Costs and Expenses.

Whether or not the Consents become effective, the Company confirms its obligations under Section 16.1 of the Note Purchase Agreement and agrees that it will pay all costs and expenses of the Noteholders relating to this Agreement.

6.4 Amendments and Consents.

Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by a writing signed by the Company and the Required Holders.

6.5 Delivery of Documents.

Promptly after the date of this Agreement, the Company will deliver fully executed copies of the documents described in Section 5 of this Agreement to each holder of Notes.

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by a duly authorized officer or agent thereof.

COMPANY:

DENTSPLY SIRONA INC.

By /s/ Dan Workinger_____

Name: Dan Workinger

Title: Vice President, Treasurer

NOTEHOLDERS:

BRIGHTHOUSE LIFE INSURANCE COMPANY

By: MetLife Investment Advisors, LLC, Its Investment Manager

METLIFE INSURANCE K.K.

By: MetLife Investment Advisors, LLC, Its Investment Manager

By: /s/ Edward Teagan
Name: Edward Teagan
Title: Authorized Signatory

HARTFORD FIRE INSURANCE COMPANY
HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY

By: Hartford Investment Management Company, Their Investment Manager

By: /s/ Dawn M. Crunden_____

Name: Dawn M. Crunden

Title: Senior Vice President

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

By: Northwestern Mutual Investment Management Company, LLC,
its investment adviser

By: /s/ Brian P. McDonald_____

Name: Brian P. McDonald

Its: Managing Director

CONSENT MEMORANDUM

TO: DENTSPLY Sirona Inc. Lender Group
RE: Consent re: Quarterly Financial Statements Extension
DATE: September 14, 2022

Reference is hereby made to that certain Credit Agreement dated as of July 27, 2018 (as amended or otherwise modified from time to time, the "Credit Agreement") by and among DENTSPLY Sirona Inc. (the "Company"), the Subsidiary Borrowers from time to time party thereto, the lenders parties thereto (collectively, the "Lenders") and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent"). Terms used herein and not otherwise defined herein shall have the meanings set forth in the Credit Agreement.

The Company has informed the Administrative Agent and the Lenders of its need for an extension in order to provide the quarterly financial statements and other related deliverables required to be delivered pursuant to Section 5.09(a) and Section 5.09(c) of the Credit Agreement for the Fiscal Quarter ending June 30, 2022 (the "Q2 Quarterly Financials") as currently required to be delivered by September 30, 2022 pursuant to such Sections of the Credit Agreement (after giving effect to that certain Consent Memorandum dated August 11, 2022 by and among the Administrative Agent, the Lenders party thereto and acknowledged and agreed by the Company). The Company has requested that the Administrative Agent and the Required Lenders consent to and agree (the "Consent") that the Company may provide the Q2 Quarterly Financials on or prior to November 7, 2022 (the "Extended Delivery Date"). In order to induce the Lenders to grant the Consent, the Company hereby represents and warrants that, as of the date hereof, no Default or Event of Default has occurred and is continuing under the Credit Agreement. Notwithstanding anything contained in the Credit Agreement and the other Loan Documents, the Administrative Agent and the Lenders (a) hereby grant the Consent by the execution of this Consent Memorandum by the Administrative Agent and the Required Lenders and (b) hereby agree that, no Default or Event of Default shall have occurred and be continuing under the Credit Agreement solely and directly due to the delivery of the Q2 Quarterly Financials after September 30, 2022 but on or prior to the Extended Delivery Date (including, for the avoidance of doubt, for purposes of any condition to Borrowing or other action permitted or required to be taken under the Credit Agreement by the Company, the Administrative Agent or the Lenders but excluding any cross-default under Section 7.01(d) of the Credit Agreement); provided, however that a failure by the Company to deliver the Q2 Financials on or prior to the Extended Delivery Date shall constitute an immediate Event of Default.

Please indicate your Consent, as soon as possible but in no event later than 3:00 p.m. (New York City time) on September 20, 2022, by executing one (1) counterpart of your attached signature page to this Consent Memorandum and, upon execution, return one copy by e-mail to the attention of Andrea Keller at Latham & Watkins LLP, counsel to the Administrative Agent (e-mail: andrea.keller@lw.com) and return one (1) original to Heather Poitras at Latham & Watkins LLP, 330 North Wabash Avenue, Suite 2800, Chicago, Illinois 60611. Please make any necessary corrections or adjustments to your signature block prior to execution and delivery. This Consent Memorandum will be effective upon the Administrative Agent's receipt of (i) executed signature pages via e-mail from the Company, the Administrative Agent and the Required Lenders pursuant to Section 9.02 of the Credit Agreement and (ii) a consent fee for the account of each Lender that submits its signature page via e-mail by the time specified in the first sentence of this paragraph, in an amount equal to 0.05% of such Lender's Commitment on September 14, 2022.

Each reference in the Credit Agreement to “this Credit Agreement,” “this Agreement,” “hereunder,” “hereof,” “herein,” and words of like import, and each reference in the other Loan Documents to the Credit Agreement (including, without limitation, by means of words like “thereunder”, “thereof”, “therein” and words of like import), shall mean and be a reference to the Credit Agreement after giving effect to this Consent Memorandum; and this Consent Memorandum and the Credit Agreement shall be read together and construed as a single instrument. This Consent Memorandum is a Loan Document. Except as expressly set forth herein, (i) all of the terms and provisions of the Credit Agreement and all other Loan Documents are and shall remain in full force and effect and are hereby ratified and confirmed and (ii) the execution, delivery and effectiveness of this Consent Memorandum shall not, except as expressly set forth herein, operate as a waiver of any right, power or remedy of the Lenders or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

This Consent Memorandum may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Consent Memorandum by email or other electronic imaging shall be effective as delivery of a manually executed counterpart of this Consent Memorandum. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Consent Memorandum shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. This Consent Memorandum shall be governed by and construed in accordance with the laws of the State of New York.

[Signature Pages Follow]

JPMORGAN CHASE BANK, N.A.,
individually as a Lender and as Administrative Agent

By: /s/ James Kyle O'Donnell
Name: James Kyle O'Donnell
Title: Vice President

CITIBANK, N.A.,
as a Lender

By: /s/ Richard Rivera
Name: Richard Rivera
Title: Vice President

Signature Page to Consent Memorandum
DENSTPLY Sirona Inc.

COMMERZBANK AG, NEW YORK BRANCH,
as a Lender

By: /s/ Matthew Ward

Name: Matthew Ward

Title: Director

By: /s/ Robert Sullivan

Name: Robert Sullivan

Title: Vice President

MUFG BANK, LTD.,
as a Lender

By: /s/ Jack Lonker
Name: Jack Lonker
Title: Managing Director

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Darin Mullis
Name: Darin Mullis
Title: Managing Director

UNICREDIT BANK AG, NEW YORK BRANCH,
as a Lender

By: /s/ Christine MacInnes
Name: Christine MacInnes
Title: Director

By: /s/ Bryon Korutz
Name: Bryon Korutz
Title: Associate Director

TD BANK N.A.,
as a Lender

By: /s/ Bernadette Collins
Name: Bernadette Collins
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Domenic D'Ginto _____

Name: Domenic D'Ginto

Title: Managing Director

Signature Page to Consent Memorandum
DENSTPLY Sirona Inc.

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Maria Massimino
Name: Maria Massimino
Title: Senior Vice President

GOLDMAN SACHS BANK USA,
as a Lender

By: /s/ Keshia Leday_____

Name: Keshia Leday

Title: Authorized Signatory

BANK OF AMERICA, N.A.,
as a Lender

By: /s/ Darren Merten
Name: Darren Merten
Title: Director

Signature Page to Consent Memorandum
DENSTPLY Sirona Inc.

TRUIST BANK,
as a Lender

By: /s/ Jonathan Hart _____
Name: Jonathan Hart
Title: Director

SKANDINAVISKA ENSKILDA BANKEN AB (publ),
as a Lender

By: /s/ Penny Neville-Park
Name: Penny Neville-Park
Title: Authorised signatory

By: /s/ Alison Butt
Name: Alison Butt
Title: Authorised Signatory

Acknowledged and Agreed:

DENTSPLY SIRONA INC.,
as the Company

By: /s/ Dan Workinger
Name: Dan Workinger
Title: Vice President, Treasurer

CONSENT MEMORANDUM

TO: DENTSPLY Sirona Inc. Lender Group
RE: Consent re: Quarterly Financial Statements Extension
DATE: October 28, 2022

Reference is hereby made to that certain Credit Agreement dated as of July 27, 2018 (as amended or otherwise modified from time to time, the "Credit Agreement") by and among DENTSPLY Sirona Inc. (the "Company"), the Subsidiary Borrowers from time to time party thereto, the lenders parties thereto (collectively, the "Lenders") and JPMorgan Chase Bank, N.A., as administrative agent (in such capacity, the "Administrative Agent"). Terms used herein and not otherwise defined herein shall have the meanings set forth in the Credit Agreement.

The Company has informed the Administrative Agent and the Lenders of its need for an extension in order to provide the quarterly financial statements and other related deliverables required to be delivered pursuant to Section 5.09(a) of the Credit Agreement for the fiscal quarter of the Company ending June 30, 2022 (the "Q2 Quarterly Financials") as currently required to be delivered by November 7, 2022 pursuant to such Section of the Credit Agreement (after giving effect to that certain Consent Memorandum dated September 14, 2022 by and among the Administrative Agent, the Lenders party thereto and acknowledged and agreed by the Company). The Company has requested that the Administrative Agent and the Required Lenders consent to and agree (the "Consent") that the Company may provide the Q2 Quarterly Financials on or prior to November 14, 2022 (the "Extended Delivery Date"). In order to induce the Lenders to grant the Consent, the Company hereby represents and warrants that, as of the date hereof, no Default or Event of Default has occurred and is continuing under the Credit Agreement. Notwithstanding anything contained in the Credit Agreement and the other Loan Documents, the Administrative Agent and the Lenders (a) hereby grant the Consent by the execution of this Consent Memorandum by the Administrative Agent and the Required Lenders and (b) hereby agree that, no Default or Event of Default shall have occurred and be continuing under the Credit Agreement solely and directly due to the delivery of the Q2 Quarterly Financials after November 7, 2022 but on or prior to the Extended Delivery Date (including, for the avoidance of doubt, for purposes of any condition to Borrowing or other action permitted or required to be taken under the Credit Agreement by the Company, the Administrative Agent or the Lenders but excluding any cross-default under Section 7.01(d) of the Credit Agreement); provided, however that a failure by the Company to deliver the Q2 Financials on or prior to the Extended Delivery Date shall constitute an immediate Event of Default.

Please indicate your Consent, as soon as possible but in no event later than 3:00 p.m. (New York City time) on November 4, 2022, by executing one (1) counterpart of your attached signature page to this Consent Memorandum and, upon execution, return one copy by e-mail to the attention of Andrea Keller at Latham & Watkins LLP, counsel to the Administrative Agent (e-mail: andrea.keller@lw.com) and return one (1) original to Heather Poitras at Latham & Watkins LLP, 330 North Wabash Avenue, Suite 2800, Chicago, Illinois 60611. Please make any necessary corrections or adjustments to your signature block prior to execution and delivery. This Consent Memorandum will be effective upon the Administrative Agent's receipt of (i) executed signature pages via e-mail from the Company, the Administrative Agent and the Required Lenders pursuant to Section 9.02 of the Credit Agreement and (ii) a consent fee for the account of each Lender that submits its signature page via e-mail by the time specified in the first sentence of this paragraph, in an amount equal to 0.05% of such Lender's Commitment on October 28, 2022.

Each reference in the Credit Agreement to “this Credit Agreement,” “this Agreement,” “hereunder,” “hereof,” “herein,” and words of like import, and each reference in the other Loan Documents to the Credit Agreement (including, without limitation, by means of words like “thereunder”, “thereof”, “therein” and words of like import), shall mean and be a reference to the Credit Agreement after giving effect to this Consent Memorandum; and this Consent Memorandum and the Credit Agreement shall be read together and construed as a single instrument. This Consent Memorandum is a Loan Document. Except as expressly set forth herein, (i) all of the terms and provisions of the Credit Agreement and all other Loan Documents are and shall remain in full force and effect and are hereby ratified and confirmed and (ii) the execution, delivery and effectiveness of this Consent Memorandum shall not, except as expressly set forth herein, operate as a waiver of any right, power or remedy of the Lenders or the Administrative Agent under any of the Loan Documents, nor constitute a waiver of any provision of any of the Loan Documents.

This Consent Memorandum may be executed by one or more of the parties hereto on any number of separate counterparts, and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed counterpart of a signature page to this Consent Memorandum by email or other electronic imaging shall be effective as delivery of a manually executed counterpart of this Consent Memorandum. The words “execution,” “signed,” “signature,” “delivery,” and words of like import in or relating to this Consent Memorandum shall be deemed to include Electronic Signatures, deliveries or the keeping of records in any electronic form (including deliveries by telecopy, emailed pdf, or any other electronic means that reproduces an image of an actual executed signature page), each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be. This Consent Memorandum shall be governed by and construed in accordance with the laws of the State of New York.

[Signature Pages Follow]

JPMORGAN CHASE BANK, N.A.,
individually as a Lender and as Administrative Agent

By: /s/ James Kyle O'Donnell
Name: James Kyle O'Donnell
Title: Vice President

CITIBANK, N.A.,
as a Lender

By: /s/ Kevin Ciok
Name: Kevin Ciok
Title: Vice President

Signature Page to Consent Memorandum
DENSTPLY Sirona Inc.

COMMERZBANK AG, NEW YORK BRANCH,
as a Lender

By: /s/ Majed Roz
Name: Majed Roz
Title: Director

By: /s/ Robert Sullivan
Name: Robert Sullivan
Title: Vice President

MUFG BANK, LTD.,
as a Lender

By: /s/ Steve Aronowitz _____
Name: Steve Aronowitz
Title: Managing Director

WELLS FARGO BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Darin Mullis
Name: Darin Mullis
Title: Managing Director

Signature Page to Consent Memorandum
DENSTPLY Sirona Inc.

UNICREDIT BANK AG, NEW YORK BRANCH,
as a Lender

By: /s/ Christine MacInnes
Name: Christine MacInnes
Title: Director

By: /s/ Laura Shelmerdine
Name: Laura Shelmerdine
Title: Director

TD BANK N.A.,
as a Lender

By: /s/ Bernadette Collins
Name: Bernadette Collins
Title: Senior Vice President

PNC BANK, NATIONAL ASSOCIATION,
as a Lender

By: /s/ Domenic D'Ginto_____

Name: Domenic D'Ginto

Title: Managing Director

Signature Page to Consent Memorandum
DENSTPLY Sirona Inc.

U.S. BANK NATIONAL ASSOCIATION,
as a Lender

By: /s/ Maria Massimino
Name: Maria Massimino
Title: Senior Vice President

GOLDMAN SACHS BANK USA,
as a Lender

By: /s/ Keshia Leday_____

Name: Keshia Leday

Title: Authorized Signatory

BANK OF AMERICA, N.A.,
as a Lender

By: /s/ Darren Merten _____
Name: Darren Merten
Title: Director

TRUIST BANK,
as a Lender

By: /s/ Jonathan Hart _____
Name: Jonathan Hart
Title: Director

DZ BANK AG NEW YORK BRANCH,
as a Lender

By: /s/ Alexander Dickhoff
Name: Alexander Dickhoff
Title: Vice President

By: /s/ Oliver Hildebrand
Name: Oliver Hildebrand
Title: Director

SKANDINAVISKA ENSKILDA BANKEN AB (publ),
as a Lender

By: /s/ Penny Neville-Park
Name: Penny Neville-Park
Title: Authorised signatory

By: /s/ Alison Butt
Name: Alison Butt
Title: Authorised Signatory

Acknowledged and Agreed:

DENTSPLY SIRONA INC.,
as the Company

By: /s/ Dan Workinger
Name: Dan Workinger
Title: Vice President, Treasurer

NOTE PURCHASE AGREEMENT AMENDMENT NO. 2 AND CONSENT

This **NOTE PURCHASE AGREEMENT AMENDMENT NO. 2 AND CONSENT** (this “**Agreement**”), is dated as of November 5, 2022, by and among DENTSPLY SIRONA Inc. (f/k/a DENTSPLY International Inc.), a Delaware corporation (the “**Company**”), and each of the holders of Notes (as defined below) whose names appear on the signature pages hereto (collectively, the “**Noteholders**”), with respect to that certain Note Purchase Agreement, dated as of December 11, 2015 (as amended by that certain Note Purchase Agreement Amendment and Consent dated August 26, 2022 (“**Amendment No. 1**”), and as may be further amended or otherwise modified, the “**Note Purchase Agreement**”), by and between the Company and the holders of Notes.

RECITALS:

A. Pursuant to the Note Purchase Agreement, the Company issued and sold to the holders of Notes (i) CHF25,000,000 aggregate principal amount of the Company’s 0.86% Series A Senior Notes due December 11, 2025 (the “**Series A Notes**”), (ii) €30,000,000 aggregate principal amount of the Company’s 2.05% Series B Senior Notes due December 11, 2025 (the “**Series B Notes**”), (iii) €67,000,000 aggregate principal amount of the Company’s 2.05% Series C Senior Notes due December 11, 2025 (the “**Series C Notes**”), (iv) CHF7,500,000 aggregate principal amount of the Company’s 1.02% Series D Senior Notes due December 11, 2027 (the “**Series D Notes**”), (v) €15,000,000 aggregate principal amount of the Company’s 2.24% Series E Senior Notes due December 11, 2027 (the “**Series E Notes**”), (vi) €11,000,000 aggregate principal amount of the Company’s 2.05% Series F Senior Notes due February 19, 2026 (the “**Series F Notes**”), (vii) €15,000,000 aggregate principal amount of the Company’s 2.05% Series G Senior Notes due February 19, 2026 (the “**Series G Notes**”), (viii) €45,000,000 aggregate principal amount of the Company’s 2.45% Series H Senior Notes due February 19, 2031 (the “**Series H Notes**”), (ix) CHF58,000,000 aggregate principal amount of the Company’s 1.01% Series I Senior Notes due August 15, 2026 (the “**Series I Notes**”), (x) €40,000,000 aggregate principal amount of the Company’s 2.25% Series J Senior Notes due August 15, 2026 (the “**Series J Notes**”), (xi) €66,000,000 aggregate principal amount of the Company’s 2.25% Series K Senior Notes due August 15, 2026 (the “**Series K Notes**”), (xii) CHF140,000,000 aggregate principal amount of the Company’s 1.17% Series L Senior Notes due August 15, 2028 (the “**Series L Notes**”) and (xiii) CHF65,000,000 aggregate principal amount of the Company’s 1.33% Series M Senior Notes due August 15, 2031 (the “**Series M Notes**”, and together with the Series A Notes, Series B Notes, Series C Notes, Series D Notes, Series E Notes, Series F Notes, Series G Notes, Series H Notes, Series I Notes, Series J Notes, Series K Notes and Series L Notes, collectively, the “**Notes**”).

B. The Company has informed the Noteholders that it will be restating: (i) the quarterly financial statements of the Company delivered pursuant to Section 7.1(a) of the Note Purchase Agreement for the quarterly fiscal period ended September 30, 2021 (“**Q-3 2021 Quarterly Financials**”) and (ii) the annual financial statements of the Company delivered pursuant to Section 7.1(b) of the Note Purchase Agreement for the fiscal year ended December 31, 2021 (the “**2021 Annual Financials**”, and together with the Q-3 2021 Quarterly Financials, the “**2021 Financials**”, and such restated financial statements, in the form filed with the SEC, being referred to herein as the “**Restated 2021 Financials**”).

C. Pursuant to Amendment No. 1, the Company and the holders of Notes party thereto previously agreed that the Company may deliver the quarterly financial statements and related covenant compliance deliverables required to be delivered pursuant to Section 7.1(a) and Section 7.2 of the Note Purchase Agreement for (i) the quarterly fiscal period ended March 31, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-1 2022 Quarterly Financials**”) and (ii) the quarterly fiscal period ended June 30, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-2 2022 Quarterly Financials**”) on or prior to the Extended Delivery Date (as defined in Amendment No. 1).

D. The Company has informed the holders of Notes of its desire for an additional extension to deliver the Q-1 2022 Quarterly Financials and the Q-2 2022 Quarterly Financials.

E. The Company has now requested that the holders of Notes consent to and agree that the Company may deliver the Q-1 2022 Quarterly Financials, the Q-2 2022 Quarterly Financials and the Restated 2021 Financials on or prior to the earlier of (i) November 14, 2022 and (ii) the date on which the Q-2 2022 Quarterly Financials are delivered under the RCF (the “**Second Extended Delivery Date**”).

F. The Noteholders and the Company have agreed, upon the terms and conditions set forth herein, to the consent and amendments set forth herein.

AGREEMENT:

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Noteholders agree as follows:

1. DEFINITIONS.

Capitalized terms used herein (including the recitals) and not otherwise defined shall have the meanings ascribed to them in the Note Purchase Agreement.

2. CONSENT.

Subject to the terms and conditions set forth in Section 5 hereof, each of the Noteholders consents and agrees, effective as of the date hereof, that the Company may deliver the Q-1 2022 Quarterly Financials and the Q-2 2022 Quarterly Financials on or prior to the Second Extended Delivery Date (the “**Consent**”); provided, however that (x) the failure by the Company to deliver the Q-1 2022 Quarterly Financials, the Q-2 2022 Quarterly Financials and the Restated 2021 Financials, in each case together with the related covenant compliance deliverables required to be delivered pursuant to Section 7.1(a) and Section 7.2 of the Note Purchase Agreement, all on or prior to the Second Extended Delivery Date shall constitute an immediate Event of Default and (y) by its signature below the Company acknowledges and agrees that in connection with any future delivery of financial statements and related certifications under Sections 7.1 and/or 7.2 of the Note Purchase Agreement that the delivery of (i) preliminary financial statements and/or (ii) certifications required under Section 7.2 of the Note Purchase Agreement in a form different than the certification presented with the financial statements for the fiscal quarter ended

September 30, 2021, in each case under clauses (i) or (ii), will not be in the respective forms required under the Note Purchase Agreement. Except as expressly provided herein, the foregoing Consent shall not constitute (a) a modification or alteration of the terms, conditions or covenants of the Note Purchase Agreement, the Notes or any other document entered into in connection therewith, or (b) a waiver, release or limitation upon the exercise by the holders of Notes of any of their rights, legal or equitable, hereunder or under the Note Purchase Agreement, the Notes or any other document entered into in connection therewith. Except as set forth above, each of the Noteholders reserves any and all rights and remedies which it has had, has or may have under the Note Purchase Agreement, the Notes or any document entered into in connection therewith.

3. AMENDMENTS TO THE NOTE PURCHASE AGREEMENT.

The Note Purchase Agreement is hereby amended as set forth below (collectively, the “**Amendments**”):

(a) Section 7.5 of the Note Purchase Agreement is hereby amended and restated in its entirety to read as follows:

7.5. Senior Financial Officer Conference Calls.

Within 15 days after the end of each quarterly fiscal period of the Company from (and including) the fiscal quarter ending December 31, 2022 to (and including) the fiscal quarter ending September 30, 2023, a Senior Financial Officer will host a noteholder update conference call to report on the status of the Company and to discuss improvements in the Company’s internal controls implemented (or to be implemented) regarding financial reporting, and respond to questions from the holders of Notes. In addition, within 15 days after the delivery of the Q-1 2022 Quarterly Financials and Q-2 2022 Quarterly Financials to the holders of Notes, a Senior Financial Officer will host an additional noteholder update conference call to report on and discuss such matters and respond to questions from the holders of Notes.

(b) Section 9.10 of the Note Purchase Agreement is hereby amended by deleting the phrase at the beginning of clause (b) thereof that reads “If at any time between March 31, 2022 and on or prior to the date on which the Company delivers the Q-1 Quarterly Financials and the Q-2 Quarterly Financials to the holders of Notes any Principal Credit Facility is modified and/or amended to include any covenant or event of default”, and replacing such phrase with “If at any time any Principal Credit Facility is modified and/or amended to include any covenant or event of default”.

(c) Section 11(c)(i) of the Note Purchase Agreement is hereby amended and restated in its entirety to read:

(c) (i) the Company defaults in the performance of or compliance with any term contained in Section 7.1(e) or Section 10 or

(d) Schedule B to the Note Purchase Agreement is hereby amended by adding the following new defined terms in their proper alphabetical order to read as follows:

“**2021 Financials**” is as defined in the Second Amendment.

“**Second Amendment**” means that certain Note Purchase Agreement Amendment No. 2 and Consent dated as of November 5, 2022 by and between the Company and the holders of the Notes party thereto.

(e) Schedule B to the Note Purchase Agreement is hereby amended by deleting the defined terms “Q-1 Quarterly Financials” and “Q-2 Quarterly Financials” and replacing them with the following:

“**Q-1 2022 Quarterly Financials**” is as defined in the Second Amendment.

“**Q-2 2022 Quarterly Financials**” is as defined in the Second Amendment.

4. REPRESENTATIONS AND WARRANTIES.

To induce the Noteholders to enter into this Agreement, the Company represents and warrants to each of the Noteholders that:

(a) This Agreement constitutes a legal, valid and binding obligation of the Company and is enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(b) No event or condition exists that constitutes a Default or Event of Default.

(c) Since December 31, 2021 there is no fact known to the Company that could reasonably be expected to have a Material Adverse Effect.

(d) No fee or other consideration is being paid to any lender or agent under any Principal Credit Facility in connection with any similar consent, including the RCF Consent (as defined below) other than (i) legal counsel fees and expenses, (ii) a consent fee of 0.05% (5 bps) of the commitments of each lender under the RCF which was paid to each such lender in consideration of its agreement under a Consent Memorandum dated September 14, 2022, and (iii) a consent fee of not more than 0.05% (5 bps) of the commitments of each lender under the RCF to be paid to each such lender in consideration of its agreement to the RCF Consent.

5. CONDITIONS TO EFFECTIVENESS OF CONSENT AND AMENDMENTS.

The Amendments provided in Section 3 of this Agreement shall become effective as of the date first written above. The Consent provided in Section 2 of this Agreement shall become effective as of the date first written above (the “**Effective Date**”), provided that with respect to the Consent the following conditions are satisfied on or prior to such date:

(a) this Agreement shall have been executed by the Company and the Required Holders;

(b) the representations and warranties of the Company contained in this Agreement shall be true and correct;

(c) the Consent Memorandum dated October 28, 2022 shall have been executed by the Company, the Required Lenders (under and as defined in the RCF) and the Administrative Agent (the “**RCF Consent**”), and such RCF Consent shall be in full force and effect;

(d) the Note Purchase Agreement Amendment No. 2 and Consent (the “**2019 NPA Consent**”) shall have been executed by the Company and the Required Holders (under and as defined in that certain Note Purchase Agreement dated as of June 24, 2019 by and between the Company and the holders of the notes issued thereunder), and such 2019 NPA Consent shall become concurrently in full force and effect with this Agreement and the 2016 NPA Consent (as defined below); and

(e) the Note Purchase and Guarantee Agreement Amendment No. 2 and Consent (the “**2016 NPA Consent**”) shall have been executed by the Company, Sirona Dental Services GmbH and the Required Holders (under and as defined in that certain Note Purchase and Guarantee Agreement dated as of October 27, 2016 by and among the Company, Sirona Dental Services GmbH and the holders of the notes issued thereunder), and such 2016 NPA Consent shall become concurrently in full force and effect with this Agreement and the 2019 NPA Consent.

6. MISCELLANEOUS.

(a) **Governing Law.**

This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

(b) **Counterparts; Electronic Signatures.**

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto. The parties agree to electronic contracting and signatures with respect to this Agreement. Delivery of an electronic signature to, or a signed copy of, this Agreement and such other documents by facsimile, email or other electronic transmission shall be fully binding on the

parties to the same extent as the delivery of the signed originals and shall be admissible into evidence for all purposes. The words “execution,” “execute,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement and such other documents shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Company and the Noteholders, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Notwithstanding the foregoing, if any Noteholder shall request manually signed counterpart signatures to this Agreement or any such document, the Company hereby agrees to use its reasonable endeavors to provide such manually signed signature pages as soon as reasonably practicable (but in any event within 30 days after such request).

(c) **Costs and Expenses.**

Whether or not the Consent becomes effective, the Company confirms its obligations under Section 15.1 of the Note Purchase Agreement and agrees that it will pay all costs and expenses of the Noteholders relating to this Agreement.

(d) **Amendments in Writing.**

Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by a writing signed by the Company and the Required Holders.

(e) **Delivery of Documents.**

Promptly after the date of this Agreement, the Company will deliver fully executed copies of the documents described in Section 5 of this Agreement to each holder of Notes.

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by a duly authorized officer or agent thereof.

COMPANY:

DENTSPLY SIRONA INC.

By /s/ Dan Workinger

Name: Dan Workinger

Title: Vice President, Treasurer

NOTEHOLDERS:

METROPOLITAN LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

METROPOLITAN TOWER LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

BRIGHTHOUSE LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

By: /s/ Edward Teagan
Name: Edward Teagan
Title: Authorized Signatory

PENSIONSKASSE DES BUNDES PUBLICA

By: MetLife Investment Management Limited, as Investment Manager

By: /s/ Geert Henckens
Name: Geert Henckens
Title: Authorised Signatory

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____
Name: Kyle Ulep
Title: Vice President

PRUDENTIAL RETIREMENT INSURANCE AND ANNUITY COMPANY

By: PGIM Private Placement Investors, L.P., (as Investment Advisor)

By: PGIM Private Placement Investors, Inc. (as its General Partner)

By: /s/ Kyle Ulep _____
Name: Kyle Ulep
Title: Vice President

PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____
Name: Kyle Ulep
Title: Vice President

PRUDENTIAL ANNUITIES LIFE ASSURANCE CORPORATION

By: Pruco Life Insurance Company (as Grantor)

By: PGIM, Inc. (as Investment Manager)

By: /s/ Kyle Ulep _____
Name: Kyle Ulep
Title: Vice President

PRUDENTIAL LEGACY INSURANCE COMPANY OF NEW JERSEY

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____
Name: Kyle Ulep
Title: Vice President

NATIONWIDE LIFE INSURANCE COMPANY

By: /s/ Mary Beth Cadle

Name: Mary Beth Cadle

Title: Authorized Signatory

[Agreement Re Dentsply 2015 Note Purchase Agreement]

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

By: Northwestern Mutual Investment Management Company, LLC,
its investment advisor

By: /s/ Brian P. McDonald _____
Name: Brian P. McDonald
Its: Managing Director

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

By: Barings, LLC, as Investment Adviser

By: /s/ James Moore

Name: James Moore

Title: Managing Director

C.M. LIFE INSURANCE COMPANY

By: Barings, LLC, as Investment Adviser

By: /s/ James Moore

Name: James Moore

Title: Managing Director

UNITED OF OMAHA LIFE INSURANCE COMPANY

By: /s/ Justin P. Kavan
Name: Justin P. Kavan
Title: Head of Private Placements

[Agreement Re Dentsply 2015 Note Purchase Agreement]

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

By: Macquarie Investment Management Advisers,
A series of Macquarie Investment Management Business Trust, Attorney in Fact

By: /s/ Tom Routhier
Name: Tom Routhier
Title: Senior Vice President

**NOTE PURCHASE AND GUARANTEE AGREEMENT AMENDMENT NO. 2 AND
CONSENT**

This **NOTE PURCHASE AND GUARANTEE AGREEMENT AMENDMENT NO. 2 AND CONSENT** (this “**Agreement**”), is dated as of November 5, 2022, by and among DENTSPLY SIRONA Inc., a Delaware corporation (the “**Company**”), Sirona Dental Services GmbH, a company with limited liability organized in the Federal Republic of Germany (the “**German Issuer**”; together with the Company, collectively, the “**Issuers**”, and each individually, an “**Issuer**”) and each of the holders of Notes (as defined below) whose names appear on the signature pages hereto (collectively, the “**Noteholders**”), with respect to that certain Note Purchase and Guarantee Agreement, dated as of October 27, 2016 (as amended by that certain Note Purchase and Guarantee Agreement Amendment and Consent dated August 26, 2022 (“**Amendment No. 1**”), and as may be further amended or otherwise modified, the “**Note Purchase Agreement**”), by and among the Issuers and the holders of Notes.

RECITALS:

A. Pursuant to the Note Purchase Agreement, (i) the Company issued and sold to the holders of Notes (a) €17,500,000 aggregate principal amount of the Company’s 0.98% Series N Senior Notes due October 27, 2024 (the “**Series N Notes**”), (b) €14,500,000 aggregate principal amount of the Company’s 1.31% Series O Senior Notes due October 27, 2027 (the “**Series O Notes**”), (c) €3,000,000 aggregate principal amount of the Company’s 1.31% Series P Senior Notes due October 27, 2027 (the “**Series P Notes**”), (d) €15,500,000 aggregate principal amount of the Company’s 1.50% Series Q Senior Notes due October 27, 2029 (the “**Series Q Notes**”), (e) €2,000,000 aggregate principal amount of the Company’s 1.50% Series R Senior Notes due October 27, 2029 (the “**Series R Notes**”), (f) €6,500,000 aggregate principal amount of the Company’s 1.58% Series S Senior Notes due October 27, 2030 (the “**Series S Notes**”), (g) €11,000,000 aggregate principal amount of the Company’s 1.58% Series T Senior Notes due October 27, 2030 (the “**Series T Notes**”), (h) €10,500,000 aggregate principal amount of the Company’s 1.65% Series U Senior Notes due October 27, 2031 (the “**Series U Notes**”) and (i) €7,500,000 aggregate principal amount of the Company’s 1.65% Series V Senior Notes due October 27, 2031 (the “**Series V Notes**”, and together with the Series N Notes, Series O Notes, Series P Notes, Series Q Notes, Series R Notes, Series S Notes, Series T Notes and Series U Notes, collectively, the “**U.S. Notes**”); and (ii) the German Issuer issued and sold to the holders of Notes (a) €52,500,000 aggregate principal amount of the German Issuer’s 0.98% Series A Senior Notes due October 27, 2024 (the “**Series A Notes**”), (b) €43,500,000 aggregate principal amount of the German Issuer’s 1.31% Series B Senior Notes due October 27, 2027 (the “**Series B Notes**”), (c) €9,000,000 aggregate principal amount of the German Issuer’s 1.31% Series C Senior Notes due October 27, 2027 (the “**Series C Notes**”), (d) €46,500,000 aggregate principal amount of the German Issuer’s 1.50% Series D Senior Notes due October 27, 2029 (the “**Series D Notes**”), (e) €6,000,000 aggregate principal amount of the German Issuer’s 1.50% Series E Senior Notes due October 27, 2029 (the “**Series E Notes**”), (f) €19,500,000 aggregate principal amount of the German Issuer’s 1.58% Series F Senior Notes due October 27, 2030 (the “**Series F Notes**”), (g) €33,000,000 aggregate principal amount of the German Issuer’s 1.58% Series G Senior Notes due October 27, 2030 (the “**Series G Notes**”), (h) €31,500,000 aggregate principal amount of the German Issuer’s 1.65% Series H Senior Notes due October 27, 2031 (the “**Series H Notes**”) and (i) €21,000,000 aggregate principal amount of the German Issuer’s 1.65% Series

I Senior Notes due October 27, 2031 (the “**Series I Notes**”, and together with the Series A Notes, Series B Notes, Series C Notes, Series D Notes, Series E Notes, Series F Notes, Series G Notes and Series H Notes, collectively, the “**German Notes**”; and together with the U.S. Notes, collectively, the “**Notes**”, and each individually, a “**Note**”).

B. The Company has informed the Noteholders that it will be restating: (i) the quarterly financial statements of the Company delivered pursuant to Section 7.1(a) of the Note Purchase Agreement for the quarterly fiscal period ended September 30, 2021 (“**Q-3 2021 Quarterly Financials**”) and (ii) the annual financial statements of the Company delivered pursuant to Section 7.1(b) of the Note Purchase Agreement for the fiscal year ended December 31, 2021 (the “**2021 Annual Financials**”, and together with the Q-3 2021 Quarterly Financials, the “**2021 Financials**”, and such restated financial statements, in the form filed with the SEC, being referred to herein as the “**Restated 2021 Financials**”).

C. Pursuant to Amendment No. 1, the Issuers and the holders of Notes party thereto previously agreed that the Issuers may deliver the quarterly financial statements and related covenant compliance deliverables required to be delivered pursuant to Section 7.1(a) and Section 7.2 of the Note Purchase Agreement for (i) the quarterly fiscal period ended March 31, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-1 2022 Quarterly Financials**”) and (ii) the quarterly fiscal period ended June 30, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-2 2022 Quarterly Financials**”) on or prior to the Extended Delivery Date (as defined in Amendment No. 1).

D. The Issuers have informed the holders of Notes of their desire for an additional extension to deliver the Q-1 2022 Quarterly Financials and the Q-2 2022 Quarterly Financials.

E. The Issuers have now requested that the holders of Notes consent to and agree that the Issuers may deliver the Q-1 2022 Quarterly Financials, the Q-2 2022 Quarterly Financials and the Restated 2021 Financials on or prior to the earlier of (i) November 14, 2022 and (ii) the date on which the Q-2 2022 Quarterly Financials are delivered under the RCF (the “**Second Extended Delivery Date**”).

F. The Noteholders and the Issuers have agreed, upon the terms and conditions set forth herein, to the consent and amendments set forth herein.

AGREEMENT:

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Issuers and the Noteholders agree as follows:

1. DEFINITIONS.

Capitalized terms used herein (including the recitals) and not otherwise defined shall have the meanings ascribed to them in the Note Purchase Agreement.

2. CONSENT.

Subject to the terms and conditions set forth in Section 5 hereof, each of the Noteholders consents and agrees, effective as of the date hereof, that the Issuers may deliver the Q-1 2022 Quarterly Financials and the Q-2 2022 Quarterly Financials on or prior to the Second Extended Delivery Date (the “**Consent**”); provided, however that (x) the failure by the Issuers to deliver the Q-1 2022 Quarterly Financials, the Q-2 2022 Quarterly Financials and the Restated 2021 Financials, in each case together with the related covenant compliance deliverables required to be delivered pursuant to Section 7.1(a) and Section 7.2 of the Note Purchase Agreement, all on or prior to the Second Extended Delivery Date shall constitute an immediate Event of Default and (y) by their signatures below the Issuers acknowledge and agree that in connection with any future delivery of financial statements and related certifications under Sections 7.1 and/or 7.2 of the Note Purchase Agreement that the delivery of (i) preliminary financial statements and/or (ii) certifications required under Section 7.2 of the Note Purchase Agreement in a form different than the certification presented with the financial statements for the fiscal quarter ended September 30, 2021, in each case under clauses (i) or (ii), will not be in the respective forms required under the Note Purchase Agreement. Except as expressly provided herein, the foregoing Consent shall not constitute (a) a modification or alteration of the terms, conditions or covenants of the Note Purchase Agreement, the Notes or any other document entered into in connection therewith, or (b) a waiver, release or limitation upon the exercise by the holders of Notes of any of their rights, legal or equitable, hereunder or under the Note Purchase Agreement, the Notes or any other document entered into in connection therewith. Except as set forth above, each of the Noteholders reserves any and all rights and remedies which it has had, has or may have under the Note Purchase Agreement, the Notes or any document entered into in connection therewith.

3. AMENDMENTS TO THE NOTE PURCHASE AGREEMENT.

The Note Purchase Agreement is hereby amended as set forth below (collectively, the “**Amendments**”):

(a) Section 7.5 of the Note Purchase Agreement is hereby amended and restated in its entirety to read as follows:

7.5. Senior Financial Officer Conference Calls.

Within 15 days after the end of each quarterly fiscal period of the Company from (and including) the fiscal quarter ending December 31, 2022 to (and including) the fiscal quarter ending September 30, 2023, a Senior Financial Officer will host a noteholder update conference call to report on the status of the Issuers and to discuss improvements in the Issuers’ internal controls implemented (or to be implemented) regarding financial reporting, and respond to questions from the holders of Notes. In addition, within 15 days after the delivery of the Q-1 2022 Quarterly Financials and Q-2 2022 Quarterly Financials to the holders of Notes, a Senior Financial Officer will host an additional noteholder update conference call to report on and discuss such matters and respond to questions from the holders of Notes.

(b) Section 9.10 of the Note Purchase Agreement is hereby amended by deleting the phrase at the beginning of clause (b) thereof that reads “If at any time between March 31, 2022

and on or prior to the date on which the Issuers deliver the Q-1 Quarterly Financials and the Q-2 Quarterly Financials to the holders of Notes any Principal Credit Facility is modified and/or amended to include any covenant or event of default”, and replacing such phrase with “If at any time any Principal Credit Facility is modified and/or amended to include any covenant or event of default”.

(c) Section 11(c)(i) of the Note Purchase Agreement is hereby amended and restated in its entirety to read:

(c) (i) either Issuer defaults in the performance of or compliance with any term contained in Section 7.1(e) or Section 10,

(d) Schedule B to the Note Purchase Agreement is hereby amended by adding the following new defined terms in their proper alphabetical order to read as follows:

“**2021 Financials**” is as defined in the Second Amendment.

“**Second Amendment**” means that certain Note Purchase Agreement Amendment No. 2 and Consent dated as of November 5, 2022 by and among the Issuers and the holders of the Notes party thereto.

(e) Schedule B to the Note Purchase Agreement is hereby amended by deleting the defined terms “Q-1 Quarterly Financials” and “Q-2 Quarterly Financials” and replacing them with the following:

“**Q-1 2022 Quarterly Financials**” is as defined in the Second Amendment.

“**Q-2 2022 Quarterly Financials**” is as defined in the Second Amendment.

4. REPRESENTATIONS AND WARRANTIES.

To induce the Noteholders to enter into this Agreement, the Issuers represent and warrant to each of the Noteholders that:

(a) This Agreement constitutes a legal, valid and binding obligation of each Issuer and is enforceable against each Issuer in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors’ rights generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(b) No event or condition exists that constitutes a Default or Event of Default.

(c) Since December 31, 2021 there is no fact known to either Issuer that could reasonably be expected to have a Material Adverse Effect.

(d) No fee or other consideration is being paid to any lender or agent under any Principal Credit Facility in connection with any similar consent, including the RCF Consent (as defined below) other than (i) legal counsel fees and expenses, (ii) a consent fee of 0.05% (5 bps)

of the commitments of each lender under the RCF which was paid to each such lender in consideration of its agreement under a Consent Memorandum dated September 14, 2022, and (iii) a consent fee of not more than 0.05% (5 bps) of the commitments of each lender under the RCF to be paid to each such lender in consideration of its agreement to the RCF Consent.

5. CONDITIONS TO EFFECTIVENESS OF CONSENT AND AMENDMENTS.

The Amendments provided in Section 3 of this Agreement shall become effective as of the date first written above. The Consent provided in Section 2 of this Agreement shall become effective as of the date first written above (the “**Effective Date**”), provided that with respect to the Consent the following conditions are satisfied on or prior to such date:

- (a) this Agreement shall have been executed by the Issuers and the Required Holders;
- (b) the representations and warranties of the Issuers contained in this Agreement shall be true and correct;
- (c) the Consent Memorandum dated October 28, 2022 shall have been executed by the Company, the Required Lenders (under and as defined in the RCF) and the Administrative Agent (the “**RCF Consent**”), and such RCF Consent shall be in full force and effect;
- (d) the Note Purchase Agreement Amendment No. 2 and Consent (the “**2019 NPA Consent**”) shall have been executed by the Company and the Required Holders (under and as defined in that certain Note Purchase Agreement dated as of June 24, 2019 by and between the Company and the holders of the notes issued thereunder), and such 2019 NPA Consent shall become concurrently in full force and effect with this Agreement and the 2015 NPA Consent (as defined below); and
- (e) the Note Purchase Agreement Amendment No. 2 and Consent (the “**2015 NPA Consent**”) shall have been executed by the Company and the Required Holders (under and as defined in that certain Note Purchase Agreement dated as of December 11, 2015 by and between the Company and the holders of the notes issued thereunder), and such 2015 NPA Consent shall become concurrently in full force and effect with this Agreement and the 2019 NPA Consent.

6. MISCELLANEOUS.

(a) Governing Law.

This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

(b) Counterparts; Electronic Signatures.

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of

the parties hereto. The parties agree to electronic contracting and signatures with respect to this Agreement. Delivery of an electronic signature to, or a signed copy of, this Agreement and such other documents by facsimile, email or other electronic transmission shall be fully binding on the parties to the same extent as the delivery of the signed originals and shall be admissible into evidence for all purposes. The words “execution,” “execute,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement and such other documents shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Company and the Noteholders, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Notwithstanding the foregoing, if any Noteholder shall request manually signed counterpart signatures to this Agreement or any such document, the Issuers hereby agree to use their reasonable endeavors to provide such manually signed signature pages as soon as reasonably practicable (but in any event within 30 days after such request).

(c) Costs and Expenses.

Whether or not the Consent becomes effective, the Company confirms its obligations under Section 16.1 of the Note Purchase Agreement and agrees that it will pay all costs and expenses of the Noteholders relating to this Agreement.

(d) Amendments in Writing.

Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by a writing signed by the Issuers and the Required Holders.

(e) Delivery of Documents.

Promptly after the date of this Agreement, the Issuers will deliver fully executed copies of the documents described in Section 5 of this Agreement to each holder of Notes.

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by a duly authorized officer or agent thereof.

ISSUERS:

DENTSPLY SIRONA INC.

By /s/ Dan Workinger
Name: Dan Workinger
Title: Vice President, Treasurer

SIRONA DENTAL SERVICES GMBH

By: /s/ Jan Siefert
Name: Jan Siefert
Title: Managing Director

NOTEHOLDERS:

METROPOLITAN LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

METROPOLITAN TOWER LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

BRIGHTHOUSE LIFE INSURANCE COMPANY

By: MetLife Investment Management, LLC, its Investment Manager

By: /s/ Edward Teagan

Name: Edward Teagan

Title: Authorized Signatory

THE PRUDENTIAL INSURANCE COMPANY OF AMERICA

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____

Name: Kyle Ulep

Title: Vice President

PRUCO LIFE INSURANCE COMPANY OF NEW JERSEY

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____

Name: Kyle Ulep

Title: Vice President

PRUDENTIAL LEGACY INSURANCE COMPANY OF NEW JERSEY

By: PGIM, Inc., as investment manager

By: /s/ Kyle Ulep _____

Name: Kyle Ulep

Title: Vice President

NATIONWIDE LIFE INSURANCE COMPANY

By: /s/ Mary Beth Cadle

Name: Mary Beth Cadle

Title: Authorized Signatory

[Agreement Re Dentsply 2016 Note Purchase and Guarantee Agreement]

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

By: Northwestern Mutual Investment Management Company, LLC,
its investment advisor

By: /s/ Brian P. McDonald_____

Name: Brian P. McDonald

Its: Managing Director

NEW YORK LIFE INSURANCE COMPANY

By: NYL Investors LLC, its Investment Manager

By: /s/ Jean J. Wauters

Name: Jean J. Wauters

Title: Director

NEW YORK LIFE INSURANCE AND ANNUITY CORPORATION

By: NYL Investors LLC, its Investment Manager

By: /s/ Jean J. Wauters

Name: Jean J. Wauters

Title: Director

MASSACHUSETTS MUTUAL LIFE INSURANCE COMPANY

By: Barings, LLC, as Investment Adviser

By: /s/ James Moore_____

Name: James Moore

Title: Managing Director

**HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY
HARTFORD ACCIDENT AND INDEMNITY COMPANY
TALCOTT RESOLUTION LIFE INSURANCE COMPANY
THE HARTFORD RETIREMENT PLAN TRUST FOR U.S. EMPLOYEES**

By: Hartford Investment Management Company, Their Investment Manager

By: /s/ Dawn M. Crunden

Name: Dawn M. Crunden

Title: Senior Vice President

THE LINCOLN NATIONAL LIFE INSURANCE COMPANY

By: Macquarie Investment Management Advisers,
A series of Macquarie Investment Management Business Trust, Attorney in Fact

By: /s/ Tom Routhier
Name: Tom Routhier
Title: Senior Vice President

ALLIANZ LIFE INSURANCE COMPANY OF NORTH AMERICA

By: Voya Investment Management Co. LLC, as Agent

By: /s/ Lawrence Halliday
Name: Lawrence Halliday
Title: Senior Vice President

NOTE PURCHASE AGREEMENT AMENDMENT NO. 2 AND CONSENT

This **NOTE PURCHASE AGREEMENT AMENDMENT NO. 2 AND CONSENT** (this “**Agreement**”), is dated as of November 5, 2022, by and among DENTSPLY SIRONA Inc., a Delaware corporation (the “**Company**”), and each of the holders of Notes (as defined below) whose names appear on the signature pages hereto (collectively, the “**Noteholders**”), with respect to that certain Note Purchase Agreement, dated as of June 24, 2019 (as amended by that certain Note Purchase Agreement Amendment and Consent dated August 26, 2022 (“**Amendment No. 1**”), and as may be further amended or otherwise modified, the “**Note Purchase Agreement**”), by and between the Company and the holders of Notes.

RECITALS:

A. Pursuant to the Note Purchase Agreement, the Company issued and sold to the holders of Notes ¥12,552,500,000 aggregate principal amount of the Company’s 0.99% Series W Senior Notes due September 25, 2031 (the “**Notes**”).

B. The Company has informed the Noteholders that it will be restating: (i) the quarterly financial statements of the Company delivered pursuant to Section 7.1(a) of the Note Purchase Agreement for the quarterly fiscal period ended September 30, 2021 (“**Q-3 2021 Quarterly Financials**”) and (ii) the annual financial statements of the Company delivered pursuant to Section 7.1(b) of the Note Purchase Agreement for the fiscal year ended December 31, 2021 (the “**2021 Annual Financials**”, and together with the Q-3 2021 Quarterly Financials, the “**2021 Financials**”, and such restated financial statements, in the form filed with the SEC, being referred to herein as the “**Restated 2021 Financials**”).

C. Pursuant to Amendment No. 1, the Company and the holders of Notes party thereto previously agreed that the Company may deliver the quarterly financial statements and related covenant compliance deliverables required to be delivered pursuant to Section 7.1(a) and Section 7.2 of the Note Purchase Agreement for (i) the quarterly fiscal period ended March 31, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-1 2022 Quarterly Financials**”) and (ii) the quarterly fiscal period ended June 30, 2022 as required under the Note Purchase Agreement (such quarterly financial statements and other related covenant compliance deliverables, collectively, the “**Q-2 2022 Quarterly Financials**”) on or prior to the Extended Delivery Date (as defined in Amendment No. 1).

D. The Company has informed the holders of Notes of its desire for an additional extension to deliver the Q-1 2022 Quarterly Financials and the Q-2 2022 Quarterly Financials.

E. The Company has now requested that the holders of Notes consent to and agree that the Company may deliver the Q-1 2022 Quarterly Financials, the Q-2 2022 Quarterly Financials and the Restated 2021 Financials on or prior to the earlier of (i) November 14, 2022 and (ii) the date on which the Q-2 2022 Quarterly Financials are delivered under the RCF (the “**Second Extended Delivery Date**”).

F. The Noteholders and the Company have agreed, upon the terms and conditions set forth herein, to the consent and amendments set forth herein.

AGREEMENT:

NOW THEREFORE, for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Company and the Noteholders agree as follows:

1. DEFINITIONS.

Capitalized terms used herein (including the recitals) and not otherwise defined shall have the meanings ascribed to them in the Note Purchase Agreement.

2. CONSENT.

Subject to the terms and conditions set forth in Section 5 hereof, each of the Noteholders consents and agrees, effective as of the date hereof, that the Company may deliver the Q-1 2022 Quarterly Financials and the Q-2 2022 Quarterly Financials on or prior to the Second Extended Delivery Date (the “**Consent**”); provided, however that (x) the failure by the Company to deliver the Q-1 2022 Quarterly Financials, the Q-2 2022 Quarterly Financials and the Restated 2021 Financials, in each case together with the related covenant compliance deliverables required to be delivered pursuant to Section 7.1(a) and Section 7.2 of the Note Purchase Agreement, all on or prior to the Second Extended Delivery Date shall constitute an immediate Event of Default and (y) by its signature below the Company acknowledges and agrees that in connection with any future delivery of financial statements and related certifications under Sections 7.1 and/or 7.2 of the Note Purchase Agreement that the delivery of (i) preliminary financial statements and/or (ii) certifications required under Section 7.2 of the Note Purchase Agreement in a form different than the certification presented with the financial statements for the fiscal quarter ended September 30, 2021, in each case under clauses (i) or (ii), will not be in the respective forms required under the Note Purchase Agreement. Except as expressly provided herein, the foregoing Consent shall not constitute (a) a modification or alteration of the terms, conditions or covenants of the Note Purchase Agreement, the Notes or any other document entered into in connection therewith, or (b) a waiver, release or limitation upon the exercise by the holders of Notes of any of their rights, legal or equitable, hereunder or under the Note Purchase Agreement, the Notes or any other document entered into in connection therewith. Except as set forth above, each of the Noteholders reserves any and all rights and remedies which it has had, has or may have under the Note Purchase Agreement, the Notes or any document entered into in connection therewith.

3. AMENDMENTS TO THE NOTE PURCHASE AGREEMENT.

The Note Purchase Agreement is hereby amended as set forth below (collectively, the “**Amendments**”):

(a) Section 7.5 of the Note Purchase Agreement is hereby amended and restated in its entirety to read as follows:

7.5. Senior Financial Officer Conference Calls.

Within 15 days after the end of each quarterly fiscal period of the Company from (and including) the fiscal quarter ending December 31, 2022 to (and including) the fiscal quarter ending September 30, 2023, a Senior Financial

Officer will host a noteholder update conference call to report on the status of the Company and to discuss improvements in the Company's internal controls implemented (or to be implemented) regarding financial reporting, and respond to questions from the holders of Notes. In addition, within 15 days after the delivery of the Q-1 2022 Quarterly Financials and Q-2 2022 Quarterly Financials to the holders of Notes, a Senior Financial Officer will host an additional noteholder update conference call to report on and discuss such matters and respond to questions from the holders of Notes.

(b) Section 9.10 of the Note Purchase Agreement is hereby amended by deleting the phrase at the beginning of clause (b) thereof that reads "If at any time between March 31, 2022 and on or prior to the date on which the Company delivers the Q-1 Quarterly Financials and the Q-2 Quarterly Financials to the holders of Notes any Principal Credit Facility is modified and/or amended to include any covenant or event of default", and replacing such phrase with "If at any time any Principal Credit Facility is modified and/or amended to include any covenant or event of default".

(c) Section 11(c)(i) of the Note Purchase Agreement is hereby amended and restated in its entirety to read:

(c) (i) the Company defaults in the performance of or compliance with any term contained in Section 7.1(e) or Section 10 or

(d) Schedule B to the Note Purchase Agreement is hereby amended by adding the following new defined terms in their proper alphabetical order to read as follows:

"2021 Financials" is as defined in the Second Amendment.

"Second Amendment" means that certain Note Purchase Agreement Amendment No. 2 and Consent dated as of November 5, 2022 by and between the Company and the holders of the Notes party thereto.

(e) Schedule B to the Note Purchase Agreement is hereby amended by deleting the defined terms "Q-1 Quarterly Financials" and "Q-2 Quarterly Financials" and replacing them with the following:

"Q-1 2022 Quarterly Financials" is as defined in the Second Amendment.

"Q-2 2022 Quarterly Financials" is as defined in the Second Amendment.

4. REPRESENTATIONS AND WARRANTIES.

To induce the Noteholders to enter into this Agreement, the Company represents and warrants to each of the Noteholders that:

(a) This Agreement constitutes a legal, valid and binding obligation of the Company and is enforceable against the Company in accordance with its terms, subject to applicable bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights

generally and subject to general principles of equity, regardless of whether considered in a proceeding in equity or at law.

(b) No event or condition exists that constitutes a Default or Event of Default.

(c) Since December 31, 2021 there is no fact known to the Company that could reasonably be expected to have a Material Adverse Effect.

(d) No fee or other consideration is being paid to any lender or agent under any Principal Credit Facility in connection with any similar consent, including the RCF Consent (as defined below) other than (i) legal counsel fees and expenses, (ii) a consent fee of 0.05% (5 bps) of the commitments of each lender under the RCF which was paid to each such lender in consideration of its agreement under a Consent Memorandum dated September 14, 2022, and (iii) a consent fee of not more than 0.05% (5 bps) of the commitments of each lender under the RCF to be paid to each such lender in consideration of its agreement to the RCF Consent.

5. CONDITIONS TO EFFECTIVENESS OF CONSENT AND AMENDMENTS.

The Amendments provided in Section 3 of this Agreement shall become effective as of the date first written above. The Consent provided in Section 2 of this Agreement shall become effective as of the date first written above (the “**Effective Date**”), provided that with respect to the Consent the following conditions are satisfied on or prior to such date:

(a) this Agreement shall have been executed by the Company and the Required Holders;

(b) the representations and warranties of the Company contained in this Agreement shall be true and correct;

(c) the Consent Memorandum dated October 28, 2022 shall have been executed by the Company, the Required Lenders (under and as defined in the RCF) and the Administrative Agent (the “**RCF Consent**”), and such RCF Consent shall be in full force and effect;

(d) the Note Purchase Agreement Amendment No. 2 and Consent (the “**2015 NPA Consent**”) shall have been executed by the Company and the Required Holders (under and as defined in that certain Note Purchase Agreement dated as of December 11, 2015 by and between the Company and the holders of the notes issued thereunder), and such 2015 NPA Consent shall become concurrently in full force and effect with this Agreement and the 2016 NPA Consent (as defined below); and

(e) the Note Purchase and Guarantee Agreement Amendment No. 2 and Consent (the “**2016 NPA Consent**”) shall have been executed by the Company, Sirona Dental Services GmbH and the Required Holders (under and as defined in that certain Note Purchase and Guarantee Agreement dated as of October 27, 2016 by and among the Company, Sirona Dental Services GmbH and the holders of the notes issued thereunder), and such 2016 NPA Consent shall become concurrently in full force and effect with this Agreement and the 2015 NPA Consent.

6. MISCELLANEOUS.

(a) **Governing Law.**

This Agreement shall be construed and enforced in accordance with, and the rights of the parties shall be governed by, the law of the State of New York excluding choice-of-law principles of the law of such State that would permit the application of the laws of a jurisdiction other than such State.

(b) **Counterparts; Electronic Signatures.**

This Agreement may be executed in any number of counterparts, each of which shall be an original but all of which together shall constitute one instrument. Each counterpart may consist of a number of copies hereof, each signed by less than all, but together signed by all, of the parties hereto. The parties agree to electronic contracting and signatures with respect to this Agreement. Delivery of an electronic signature to, or a signed copy of, this Agreement and such other documents by facsimile, email or other electronic transmission shall be fully binding on the parties to the same extent as the delivery of the signed originals and shall be admissible into evidence for all purposes. The words “execution,” “execute,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement and such other documents shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Company and the Noteholders, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. Notwithstanding the foregoing, if any Noteholder shall request manually signed counterpart signatures to this Agreement or any such document, the Company hereby agrees to use its reasonable endeavors to provide such manually signed signature pages as soon as reasonably practicable (but in any event within 30 days after such request).

(c) **Costs and Expenses.**

Whether or not the Consent becomes effective, the Company confirms its obligations under Section 16.1 of the Note Purchase Agreement and agrees that it will pay all costs and expenses of the Noteholders relating to this Agreement.

(d) **Amendments in Writing.**

Neither this Agreement nor any term hereof may be changed, waived, discharged or terminated orally, or by any action or inaction, but only by a writing signed by the Company and the Required Holders.

(e) **Delivery of Documents.**

Promptly after the date of this Agreement, the Company will deliver fully executed copies of the documents described in Section 5 of this Agreement to each holder of Notes.

[Remainder of page intentionally left blank. Signature pages follow.]

IN WITNESS WHEREOF, each of the parties hereto has caused this Agreement to be executed on its behalf by a duly authorized officer or agent thereof.

COMPANY:

DENTSPLY SIRONA INC.

By /s/ Dan Workinger_____

Name: Dan Workinger

Title: Vice President, Treasurer

NOTEHOLDERS:

BRIGHTHOUSE LIFE INSURANCE COMPANY

By: MetLife Investment Advisors, LLC, Its Investment Manager

METLIFE INSURANCE K.K.

By: MetLife Investment Advisors, LLC, Its Investment Manager

By: /s/ Edward Teagan

Name: Edward Teagan

Title: Authorized Signatory

THE NORTHWESTERN MUTUAL LIFE INSURANCE COMPANY

By: Northwestern Mutual Investment Management Company, LLC,
its investment adviser

By: /s/ Brian P. McDonald_____

Name: Brian P. McDonald

Its: Managing Director

HARTFORD FIRE INSURANCE COMPANY
HARTFORD LIFE AND ACCIDENT INSURANCE COMPANY

By: Hartford Investment Management Company, Their Investment Manager

By: /s/ Dawn M. Crunden_____

Name: Dawn M. Crunden

Title: Senior Vice President

**AMENDED & RESTATED
DENTSPLY SIRONA INC.
KEY EMPLOYEE SEVERANCE BENEFITS PLAN**

(Effective as of September 22, 2022)

**ARTICLE 1.
INTRODUCTION**

1.1. **Establishment, Effective Date and Purpose.** Dentsply Sirona Inc. (the “**Company**”) adopted the Dentsply Sirona Inc. Key Employee Severance Benefits Plan (the “**Plan**”) originally effective as of May 25, 2022 and amended and restated effective as of September 22, 2022. The Plan is generally designed to provide separation pay and benefits to certain eligible employees of the Company whose employment is involuntarily terminated by the Company without Cause (as defined in Section 2.1(h) below) or voluntarily resignation for Good Reason (as defined in Section 2.1(x) below) by the Employee, as further set forth in this Plan.

1.2. **Administration.** The Plan shall be administered by the Human Resource Committee of the Board of Directors of the Company.

**ARTICLE 2.
DEFINITIONS AND CONSTRUCTION**

2.1. **Definitions.** For purposes of the Plan, the following words and phrases shall have the respective meanings set forth below, unless the context clearly requires a different meaning:

(a) “**Accrued Benefits**” means:

(i) Base Salary earned through the date of the Qualified Termination;

(ii) the balance of any awarded, but as yet unpaid, annual incentive for any fiscal year prior to the fiscal year during which the Employee’s date of the Qualified Termination occurs;

(iii) any vested, but not forfeited, benefits on the date of the Qualified Termination under the Company’s employee benefit plans in accordance with the terms of such plans; and

(iv) any benefit continuation and conversion rights to which the Employee is entitled under the Company’s employee benefit plans.

(b) “**Affiliate**” means a Person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, the Person specified.

(c) “**Alternative First Payment Date**” means when the total number of days in the Consideration Period (as defined in Section 4.4) combined with the total number of days in the Revocation Period (as defined in Section 4.4) begin in one calendar year and end in the subsequent calendar year from the date a General Release is presented to the Employee under

Section 4.4), it is the date which is *the later of* (I) January 1 of such subsequent calendar year, or (ii) the date on which the General Release becomes effective and irrevocable, and that later date becomes the date on which Employee's (A) COC Severance Pay, (B) Limited Initial Coverage Period Severance Pay, or (C) Non-COC Severance Pay, as the case may be, is then paid.

(d) "**Base Salary**" means the Employee's gross base annual rate of salary with respect to services rendered or labor performed as reflected in the personnel records of the Company immediately prior to the Employee's Qualified Termination (or if the termination is due to a voluntary resignation for Good Reason based on a reduction in base salary, then the Employee's annual base salary in effect immediately prior to such reduction).

(e) "**Beneficial Owner**" has the meaning ascribed to such term in Rule 13d-3 under the Exchange Act.

(f) "**Board**" means the board of directors of Dentsply Sirona Inc.

(g) "**Cash Awards**" shall have that meaning ascribed to it in the Dentsply Sirona Inc. 2016 Omnibus Incentive Plan.

(h) "**Cause**" means the Employee has:

(i) committed an act of fraud against the Company,

(ii) committed an act of malfeasance, recklessness, or gross negligence that is materially injurious to the Company or its customers,

(iii) is indicted for, or convicted of, or pleads no contest to, a felony or a crime involving Employee's moral turpitude, or

(iv) breached any confidentiality, non-competition, non-solicitation or assignment of inventions covenants to which the Employee is a party with the Company or any Affiliates, or

Effective on or after January 1, 2024:

(v) breached any material policy of or obligations to the Company,

(vi) committed any willful or intentional act of misconduct, malfeasance, recklessness, gross negligence, personal dishonesty or fraud, or

(vii) willfully failed to perform the Employee's duties to the Company.

(i) "**CEO**" means the Chief Executive Officer of the Company.

(j) "**CFO**" means the Chief Financial Officer of the Company.

(k) "**Change of Control**" means an event set forth in any one of the following subparagraphs which shall have occurred following May 25, 2022:

(i) any Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities beneficially owned by such Person any securities acquired directly from the Company or its Affiliates)

representing thirty percent (30%) or more of the combined voting power of the Company's then outstanding securities, excluding any Person who becomes such a Beneficial Owner in connection with a transaction described in clause (B) of subparagraph (iii) immediately below; OR

(ii) the following individuals cease for any reason to constitute a majority of the number of directors then serving:

(A) individuals who, on May 25, 2022, constitute the Board, and

(B) any new director (other than a director whose initial assumption of office is in connection with an actual or threatened election contest, including but not limited to a consent solicitation, relating to the election of directors of the Company) whose appointment or election by the Board or nomination for election by the Company's stockholders was approved or recommended by a vote of at least two-thirds ($\frac{2}{3}$) of the directors then still in office who either were directors on May 25, 2022 or whose appointment, election or nomination for election was previously so approved or recommended; OR

(iii) there is consummated a merger or consolidation of the Company (or any direct or indirect parent or subsidiary of the Company) with any other company, *other than*

(A) a merger or consolidation which would result in the Beneficial Owners of the voting securities of the Company outstanding immediately prior thereto continuing to own, in combination with the ownership of any trustee or other fiduciary holding securities under an employee benefit plan of the Company or any of its Affiliates, more than fifty percent (50%) of the combined voting power of the voting securities of the Company, the entity surviving such merger or consolidation or, if the Company or the entity surviving such merger or consolidation is then a subsidiary, the ultimate parent thereof outstanding immediately after such merger or consolidation, OR

(B) a merger or consolidation immediately following which the individuals who comprise the Board immediately prior thereto constitute at least a majority of the board of directors of the Company, the entity surviving such merger or consolidation or, if the Company or the entity surviving such merger or consolidation is then a subsidiary, the ultimate parent thereof, OR

(C) a merger or consolidation effected to implement a recapitalization of the Company (or similar transaction) in which no Person is or becomes the Beneficial Owner, directly or indirectly, of securities of the Company (not including in the securities Beneficially Owned by such Person any securities acquired directly from the Company or its Affiliates) representing thirty percent (30%) or more of the combined voting power of the Company's, a surviving entity's or, if the Company or the entity surviving such merger or consolidation is then a subsidiary, the ultimate parent's then outstanding securities; OR

(iv) a plan of complete liquidation or dissolution of the Company is consummated; OR

(v) there is consummated a sale or disposition of all or substantially all of the Company's assets, other than a sale or disposition by the Company of all or substantially all of the Company's assets immediately following which the individuals who comprise the Board immediately prior thereto constitute at least a majority of the board of directors of the entity to which such assets are sold or disposed or any parent thereof.

Notwithstanding the foregoing:

(I) a Change of Control shall **not** be deemed to have occurred by virtue of the consummation of any transaction or series of integrated transactions immediately following which the holders of Common Shares immediately prior to such transaction or series of transactions continue to have substantially the same proportionate ownership in an entity which owns all or substantially all of the assets of the Company immediately following such transaction or series of transactions, AND

(II) if all or a portion of any compensation (whether cash or equity) due under this Plan constitutes deferred compensation under Code Section 409A and such compensation (or portion thereof) is otherwise to be settled or paid on an accelerated basis due to a Change of Control event that is **not** a "change in control event" described in Treasury Regulation Section 1.409A-3(i)(5) or successor guidance,

then if such settlement or payment of such compensation (whether cash or equity) would result in additional tax under Code Section 409A, such compensation (or the portion thereof) shall vest at the time of the Change of Control (provided such accelerated vesting will not result in additional tax under Code Section 409A of the Code), but settlement or payment, as the case may be, shall not be accelerated, but instead be settled and paid in accordance with the original settlement or payment date.

(l) "**Change of Control Period**" means the period beginning on the date of closing of the Change of Control and ending twenty-four (24) months following the date of closing of the Change of Control.

(m) "**COBRA**" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended.

(n) "**COC Qualified Termination**" means an involuntary termination of the Employee's employment by the Company without Cause OR a voluntary resignation by the Employee for Good Reason, in either case, during the Change of Control Period.

(o) "**COC Severance Pay**" shall have the meaning ascribed to it in Section 4.2(a).

(p) "**Code**" means the Internal Revenue Code of 1986, as amended.

(q) "**Common Shares**" means the common shares, par value U.S. \$0.01 per share, of the Company.

(r) "**Company**" means Dentsply Sirona Inc. or any successor thereto.

(s) "**Employee**" means:

- (i) the CEO, but expressly excluding the Interim CEO;
- (ii) any executive that reports directly into the CEO (or Interim CEO) who has a title of Senior Vice President or higher, but expressly excluding the Interim CFO; and
- (iii) any other common-law employee that is designated in writing by the Human Resource Committee as eligible for participation under this Plan.

Notwithstanding the foregoing, if an executive who otherwise meets the definition of Employee on May 25, 2022 is in active negotiations with the Company pertaining to his/her impending termination of employment with the Company, such executive is expressly excluded from this definition and expressly exclude from eligibility under this Plan.

(t) “**ERISA**” means the Employee Retirement Income Security Act of 1974, as amended.

(u) “**Exchange Act**” means the Securities Exchange Act of 1934, as amended from time to time, and the rules, regulations and guidance thereunder. Any reference to a provision in the Exchange Act shall include any successor provision thereto.

(v) “**Equity Plan**” means the Dentsply Sirona Inc. 2016 Omnibus Incentive Plan (or any successor omnibus equity plan thereto).

(w) “**First Payment Date**” means the first payroll period that immediately follows the completion of *both* the Consideration Period (as defined in Section 4.4) and Revocation Period (as defined in Section 4.4) pertaining to an Employee’s (i) COC Severance Pay, (ii) Limited Initial Coverage Period Severance Pay, or (iii) Non-COC Severance Pay, as the case may be.

(x) “**Good Reason**” means when an Employee’s voluntary resignation from the Company is triggered following the initial existence of one or more of the following conditions arising without the Employee’s consent:

- (i) any material reduction in Employee’s Base Salary, other than as part of an across-the-board salary reduction applied to all similarly situated executives; OR

- (ii) any material reduction in Employee’s target annual cash bonus opportunity (i.e., as a percentage of Base Salary); OR

- (iii) relocation of Employee to a facility or location more than fifty (50) miles from his/her principal place of work, resulting in a material increase to his/her normal commute; OR

- (iv) **solely** with respect to the Company’s Chief Executive Officer, Chief Financial Officer and General Counsel, a material diminution of authorities, duties or responsibilities (other than temporarily while Employee is physically or mentally incapacitated and unable to properly perform such duties, as determined by the Committee in good faith); OR

- (v) **solely** with respect to a Change of Control, either:

(A) the Company's failure to obtain, within ten (10) days after the date of the Change of Control, the express assumption of the Plan by the successor entity, or

(B) any material reduction in Employee's target long term incentive (i.e., typically referred to in the Employee's employment agreement as an "annual equity award" expressed as a dollar amount).

Notwithstanding the foregoing, in order for an Employee to qualify for a Good Reason voluntary resignation, he/she must provide written notice of the circumstances giving rise to the Good Reason event to the CEO (but for the CEO, written notice is provided to the Board) within ninety (90) days after its initial existence and provide the Company thirty (30) days from receipt of such written notice any ability to cure such circumstance. An event constituting Good Reason shall no longer constitute Good Reason if the applicable event is cured by the Company within such thirty (30) day period; provided, however, if the Company does not timely cure the applicable Good Reason event, the Employee must resign for Good Reason by terminating his/her employment no later than thirty (30) days following the end of the Company's thirty (30) day cure period.

(y) "**Initial Coverage Period**" means the period beginning May 25, 2022 and ending on December 31, 2023, which is the period during which the Company is transitioning from the prior permanent CEO of the Company who held the position on December 31, 2021 to securing and hiring a newly appointed permanent CEO of the Company who is ultimately hired and appointed as CEO no later than December 31, 2023.

(z) "**Interim CEO**" means the interim CEO of the Company who was employed on an interim and non-permanent basis in accordance with that Interim Chief Executive Officer Employment Agreement, dated April 16, 2022.

(aa) "**Interim CFO**" means the interim CFO of the Company who was employed on an interim and non-permanent basis in accordance with that Interim Chief Executive Officer Employment Agreement, dated April 16, 2022.

(bb) "**Limited Initial Coverage Period Qualified Termination**" means an involuntary termination of the Employee's employment by the Company without Cause OR a voluntary resignation by the Employee for Good Reason, in either case, during the Initial Coverage Period.

(cc) "**Limited Initial Coverage Period Severance Pay**" shall have the meaning ascribed to it in Section 4.3(a).

(dd) "**Non-COC Qualified Termination**" means an involuntary termination of the Employee's employment by the Company without Cause OR a voluntary resignation by the Employee for Good Reason, in either case, outside of a Change of Control Period.

(ee) "**Non-COC Severance Pay**" shall have the meaning ascribed to it in Section 4.1(a).

(ff) "**Person**" has the meaning ascribed to such term in Section 3(a)(9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a "group" as defined in Section 13(d) thereof.

(gg) “**Plan**” means this Amended & Restated Dentsply Sirona Inc. Key Employee Severance Benefits Plan, effective September 22, 2022, and as further amended from time to time.

(hh) “**Qualified Termination**” means (i) a COC Qualified Termination, (ii) a Limited Initial Coverage Period Qualified Termination, or (iii) a Non-COC Qualified Termination, as the case may be.

(ii) “**Specified Employee**” shall mean an Employee who is a key employee (as defined in Code Section 416(i) without regard to Code Section 416(i)(5)) of the Company. For purposes of this definition, an Employee is a key employee if the Employee meets the requirements of Code Section 416(i)(1)(A)(i), (ii) or (iii) (applied in accordance with the regulations thereunder and disregarding Code Section 416(i)(5)) at any time during the twelve-month period ending on any December 31. If an Employee is a key employee as of any December 31, that Employee is treated as a Specified Employee for the twelve-month period beginning on the January 1 following the relevant December 31.

2.2. **Number and Gender.** Wherever appropriate, words used in the singular shall be considered to include the plural and words used in the plural shall be considered to include the singular. The masculine gender, where appearing in the Plan, shall be deemed to include the feminine gender.

2.3. **Headings.** The headings are included solely for convenience, and if there is any conflict between any heading and the text of the Plan, the Plan text shall control.

ARTICLE 3. PARTICIPATION AND ELIGIBILITY

3.1. **Participation.** An individual who meets the definition of an “Employee” as of his/her termination of employment with the Company **and** whose employment terminates due to an event which constitutes a Qualified Termination is entitled to receive benefits under this Plan.

ARTICLE 4. SEVERANCE BENEFITS

4.1. **Non-COC Qualified Termination.** With respect to a Non-COC Qualified Termination, the following payment and benefits apply:

(a) **Severance Pay.**

(i) **Amounts.** Subject to Section 4.4 and Section 4.5 below, the Employee will be eligible to receive from the Company:

(A) **CEO.** A lump-sum payment equal to two (2) times the sum of the CEO’s:

(I) Base Salary, *plus*

(II) target bonus opportunity available for the fiscal year which includes the date of the CEO’s Non-COC Qualified Termination, *plus*

(III) the sum of the applicable monthly COBRA charges for continuation of medical, dental and vision insurances on a post-employment basis which are based on the CEO's active insurance coverage elections on the date of the CEO's Non-COC Qualified Termination *multiplied by* twelve (12) (whether or not the CEO actually elects COBRA coverage); and

(B) **Employees Other Than the CEO.** A lump-sum payment equal to one (1) times the sum of the respective Employee's:

(I) Base Salary, *plus*

(II) target bonus opportunity available for the fiscal year which includes the date of the respective Employee's Non-COC Qualified Termination, *plus*

(III) the sum of the applicable monthly COBRA charges for continuation of medical, dental and vision insurances on a post-employment basis which are based on the Employee's active insurance coverage elections on the date of the Employee's Non-COC Qualified Termination *multiplied by* twelve (12) (whether or not the Employee actually elects COBRA coverage).

Base Salary, target bonus, and potential COBRA payments under this Section 4.1(a) are collectively hereinafter referred to as the "**Non-COC Severance Pay.**" Notwithstanding the foregoing, to the extent an Employee has an offer letter or employment agreement with the Company providing a more favorable severance benefit pertaining to Base Salary, target bonus, and potential COBRA payment, then for purposes of this Section 4.1(a), the amount of such more favorable Base Salary, target bonus, and potential COBRA payment shall apply in lieu hereof.

(ii) **Payment.** If an Employee is **not** a Specified Employee as of the date of such Employee's Non-COC Qualified Termination, then the Non-COC Severance Pay shall be made in a lump sum payment on the First Payment Date in accordance with the Company's normal payroll practices; provided, that if the total number of days in the Consideration Period combined with the total number of days in the Revocation Period begin in one calendar year and end in the subsequent calendar year from the date such General Release is presented to the Employee, the Non-COC Severance Pay shall instead be paid on the Alternative First Payment Date. However, if the Employee is a Specified Employee as of the date of such Employee's Non-COC Qualified Termination, the Non-COC Severance Pay with respect to an Employee shall be paid as follows:

(A) an amount equal to *the lesser of:*

(I) *the lesser of:*

(1) the total Non-COC Severance Pay; or

(2) two (2) times the Employee's Base Salary as in effect on the date of the respective Employee's Non-COC Qualified Termination; OR

(II) two (2) times the compensation limit of Code Section 401(a)(17) for the calendar year which includes the date of the respective Employee's Non-COC Qualified Termination (*i.e.*, \$610,000 for 2022),

shall be paid to the Employee in a lump sum no later than the First Payment Date or the Alternative First Payment Date, as the case may be; and

(B) an amount, if any, equal to:

(I) the total Non-COC Severance Pay, ***reduced by***

(II) the amount paid to Employee under Subclause (A) immediately above,

shall be paid to the Employee in a lump sum no later than the seventh month anniversary of the date of the Employee's Non-COC Qualified Termination.

(b) **Pro-Rated Actual Bonus Severance**. Subject to Section 4.4 and Section 4.5 below, all Employees (including the CEO) will be eligible to receive from the Company, a lump-sum payment equal to

(i) the annual bonus that the Employee would have earned for the fiscal year in which the Employee's Non-COC Qualified Termination occurs had the Employee remained employed with the Company through the date the Employee was required to continue employment with the Company in order to be eligible to receive such bonus ***multiplied by***

(ii) the fraction of (I) the number of days of employment completed during the fiscal year in which the Employee's Non-COC Qualified Termination occurs ***divided by*** (II) the total number of days in such fiscal year.

The pro-rated actual bonus severance, if any, will be paid at the same time as other similarly situated employees of the Company receiving bonus payments for the fiscal year but in no event will such lump sum payment of the pro-rated actual bonus be later than March 15 of the year following the year of the Employee's Non-COC Qualified Termination.

(c) **Potential Equity-Compensation Accelerated Vesting**. Subject to Section 4.4 and Section 4.5 below, all Employees (including the CEO) with outstanding equity-compensation awards under the Equity Plan where such equity-compensation awards are subject to either full acceleration of vesting or deemed full satisfaction of any performance conditions imposed upon such equity-compensation awards pursuant to the Employee's involuntary termination without Cause, shall equally be able to receive full acceleration of vesting or deemed full satisfaction of any performance conditions imposed upon such equity-compensation awards pursuant to the Employee's voluntary resignation with Good Reason; provided, however, in such situation, this Plan's definition of Good Reason shall govern whether a Good Reason has occurred.

4.2. **COC Qualified Termination**. With respect to a COC Qualified Termination, the following payment and benefits apply:

(a) **Severance Pay.**

(i) **Amounts.** Subject to Section 4.4 and Section 4.5 below, the Employee will be eligible to receive from the Company:

(A) **CEO.** A lump-sum payment equal to:

(I) three (3) times the sum of the CEO's:

(1) Base Salary, *plus*

(2) target bonus opportunity available for the fiscal year which includes the date of the CEO's COC Qualified Termination, *plus*

(3) the sum of the applicable monthly COBRA charges for continuation of medical, dental and vision insurances on a post-employment basis which are based on the CEO's active insurance coverage elections on the date of the CEO's COC Qualified Termination *multiplied by* twelve (12) (whether or not the CEO actually elects COBRA coverage); *PLUS*

(II) the CEO's target annual bonus for the fiscal year in which the CEO's COC Qualified Termination occurs, *multiplied by* the fraction of (I) the number of days of employment completed during the fiscal year in which the CEO's COC Qualified Termination occurs, *divided by* (II) the total number of days in such fiscal year; and

(B) **Employees Other Than the CEO.** A lump-sum payment equal to:

(I) two (2) times the sum of the respective Employee's:

(1) Base Salary, *plus*

(2) target bonus opportunity available for the fiscal year which includes the date of the respective Employee's COC Qualified Termination, *plus*

(3) the sum of the applicable monthly COBRA charges for continuation of medical, dental and vision insurances on a post-employment basis which are based on the Employee's active insurance coverage elections on the date of the Employee's COC Qualified Termination *multiplied by* twelve (12) (whether or not the Employee actually elects COBRA coverage); *PLUS*

(II) the respective Employee's target annual bonus for the fiscal year in which the Employee's COC Qualified Termination occurs, *multiplied by* the fraction of (I) the number of days of employment completed during the fiscal year in which the

Employee's COC Qualified Termination occurs, *divided by* (II) the total number of days in such fiscal year.

Base Salary, target bonus, potential COBRA payments and pro-rated target bonus under this Section 4.2(a) are collectively hereinafter referred to as the "**COC Severance Pay.**"

(ii) **Payment.** If an Employee is **not** a Specified Employee as of the date of such Employee's COC Qualified Termination, then the COC Severance Pay shall be made in a lump sum payment on the First Payment Date in accordance with the Company's normal payroll practices; provided, that if the total number of days in the Consideration Period combined with the total number of days in the Revocation Period begin in one calendar year and end in the subsequent calendar year from the date such General Release is presented to the Employee, the COC Severance Pay shall instead be paid on the Alternative First Payment Date. However, if the Employee is a Specified Employee as of the date of such Employee's COC Qualified Termination, the COC Severance Pay with respect to an Employee shall be paid as follows:

- (A) an amount equal to *the lesser of:*
 - (I) *the lesser of:*
 - (1) the total COC Severance Pay; or
 - (2) two (2) times the Employee's Base Salary as in effect on the date of the respective Employee's COC Qualified Termination; OR
 - (II) two (2) times the compensation limit of Code Section 401(a)(17) for the calendar year which includes the date of the respective Employee's Non-COC Qualified Termination (*i.e.*, \$610,000 for 2022)

shall be paid to the Employee in a lump sum no later than the First Payment Date or the Alternative First Payment Date, as the case may be; and

- (B) an amount, if any, equal to:
 - (I) the total COC Severance Pay, *reduced by*
 - (II) the amount paid to Employee under Subclause (A) immediately above,

shall be paid to the Employee in a lump sum no later than the seventh month anniversary of the date of the Employee's COC Qualified Termination.

(b) **Equity Compensation Acceleration.** Subject to Section 4.4 and Section 4.5 below, all Employees (including the CEO) with outstanding equity-compensation awards under the Equity Plan which are subject to either full acceleration of vesting or deemed full satisfaction of any performance conditions imposed upon such equity-compensation awards pursuant to the change of control provisions under Section 15 of the Equity Plan, shall have this Plan's definition of Good Reason substituted for the definition of good reason which appears in the Equity Plan upon a Change of Control. However, consistent with the

provisions of the Equity Plan, if the Change of Control is **not** a “change in control event” described in Treasury Regulation Section 1.409A-3(i)(5) or successor guidance, then if such settlement or payment of such equity compensation (whether cash or equity) would result in additional tax under Code Section 409A, such equity compensation (or the portion thereof) shall vest at the time of the Change of Control (provided such accelerated vesting will not result in additional tax under Code Section 409A of the Code), but settlement or payment, as the case may be, shall not be accelerated, but instead be settled and paid in accordance with the original settlement or payment date applicable to such equity compensation.

4.3. **Limited Initial Coverage Period Qualified Termination.** With respect to a Limited Initial Coverage Period Qualified Termination, the following payment and benefits apply only to Employees other than the CEO:

(a) **Severance Pay.**

(i) **Amounts.** Subject to Section 4.4 and Section 4.5 below, Employees other than the CEO will be eligible to receive from the Company, a lump-sum payment equal to one and one-half (1.5) the sum of the respective Employee’s:

(A) Base Salary, *plus*

(B) target bonus opportunity available for the fiscal year which includes the date of the respective Employee’s Non-COC Qualified Termination, *plus*

(C) the sum of the applicable monthly COBRA charges for continuation of medical, dental and vision insurances on a post-employment basis which are based on the Employee’s active insurance coverage elections on the date of the Employee’s Non-COC Qualified Termination *multiplied by* twelve (12) (whether or not the Employee actually elects COBRA coverage).

Base Salary, target bonus, and potential COBRA payments under this Section 4.3(a) are collectively hereinafter referred to as the “**Limited Initial Coverage Period Severance Pay.**”

(ii) **Payment.** If an Employee is **not** a Specified Employee as of the date of such Employee’s Limited Initial Coverage Period Qualified Termination, then the Limited Initial Coverage Period Severance Pay shall be made in a lump sum payment on the First Payment Date in accordance with the Company’s normal payroll practices; provided, that if the total number of days in the Consideration Period combined with the total number of days in the Revocation Period begin in one calendar year and end in the subsequent calendar year from the date such General Release is presented to the Employee, the Limited Initial Coverage Period Severance Pay shall instead be paid on the Alternative First Payment Date. However, if the Employee is a Specified Employee as of the date of such Employee’s Limited Initial Coverage Period Qualified Termination, the Limited Initial Coverage Period Severance Pay with respect to an Employee shall be paid as follows:

(A) an amount equal to *the lesser of:*

(I) *the lesser of:*

(1) the total Limited Initial Coverage Period Severance Pay; or

(2) two (2) times the Employee's Base Salary as in effect on the date of the respective Employee's Limited Initial Coverage Period Qualified Termination; OR

(II) two (2) times the compensation limit of Code Section 401(a)(17) for the calendar year which includes the date of the respective Employee's Limited Initial Coverage Period Qualified Termination (*i.e.*, \$610,000 for 2022),

shall be paid to the Employee in a lump sum no later than the First Payment Date or the Alternative First Payment Date, as the case may be; and

(B) an amount, if any, equal to:

(I) the total Limited Initial Coverage Period Severance Pay, ***reduced by***

(II) the amount paid to Employee under Subclause (A) immediately above,

shall be paid to the Employee in a lump sum no later than the seventh month anniversary of the date of the Employee's Limited Initial Coverage Period Qualified Termination.

(b) **Pro-Rated Actual Bonus Severance**. Subject to Section 4.4 and Section 4.5 below, all Employees other than the CEO will be eligible to receive from the Company, a lump-sum payment equal to

(i) the annual bonus that the Employee would have earned for the fiscal year in which the Employee's Limited Initial Coverage Period Qualified Termination occurs had the Employee remained employed with the Company through the date the Employee was required to continue employment with the Company in order to be eligible to receive such bonus ***multiplied by***

(ii) the fraction of (I) the number of days of employment completed during the fiscal year in which the Employee's Limited Initial Coverage Period Qualified Termination occurs ***divided by*** (II) the total number of days in such fiscal year.

The pro-rated actual bonus severance, if any, will be paid at the same time as other similarly situated employees of the Company receiving bonus payments for the fiscal year but in no event will such lump sum payment of the pro-rated actual bonus be later than March 15 of the year following the year of the Employee's Limited Initial Coverage Period Qualified Termination.

(c) **Equity-Compensation Accelerated Vesting**. Subject to Section 4.4 and Section 4.5 below, all Employees who received a Retention Equity Award via notification from the Interim CEO on April 27, 2022 (a "**Retention Equity Award**") and incur a Limited Initial Coverage Period Qualified Termination on or prior to December 31, 2023, shall become fully and immediately vested in his/her Retention Equity Award on the date of his/her Limited Initial Coverage Period Qualified Termination. However, consistent with the

Code Section 409A, although the Employee's Retention Equity Award shall become fully vested in this situation, the settlement or payment, as the case may be, of the Retention Equity Award shall not be accelerated, but instead be settled and paid in accordance with the original settlement or payment date (i.e., the original vesting dates) applicable to such Retention Equity Awards.

(d) **Expiration of Section 4.3.** For clarity, this Section 4.3 shall naturally expire and have no further effect as of 11:59pm EST on December 31, 2023. Upon Section 4.3's expiration as of 11:59pm EST on December 31, 2023, the only Qualified Terminations that an Employee will then be eligible for on and after January 1, 2024 are (i) a COC Qualified Termination, or (ii) a Non-COC Qualified Termination, as the case may be. Effective January 1, 2024, Limited Initial Coverage Period Qualified Terminations will no longer exist.

4.4. **General Release.** Notwithstanding anything to the contrary, the severance benefits payable under Section 4.1(a), Section 4.2(a) and Section 4.3(a) above are specifically conditioned upon the execution by the Employee of a General Release and Waiver (the "**General Release**") of claims against the Company and all its Affiliates, effective as of the Employee's last day of employment, which agreement shall be in the form provided by the Company (in other words, that such General Release must be executed and become effective in accordance with its terms (i.e., not revoked), including the expiration of the Revocation Period (as defined below) specified in the General Release, and further that such General Release may reasonably be modified for general applicability by the Company from time to time). By law, any General Release provided to Employee must provide Employee a minimum period under the federal Age Discrimination in Employment Act (currently, either twenty-one (21) or forty-five (45) calendar days depending on Employee's age on the date of his/her Qualified Termination) to consider and evaluate whether to execute the General Release (the "**Consideration Period**"). Following Employee's execution of the General Release and providing such executed copy to the Company no later than the last day of the Consideration Period, the General Release will also identify for the Employee any applicable period which immediately follows the Consideration Period during which the Employee may revoke a General Release previously provided to the Company (the "**Revocation Period**"). For clarity, if the Employee does not execute the General Release within the Consideration Period specified in the General Release, or the Employee exercises the revocation right specified in the General Release, any and all such severance benefits provided for under Section 4.1(a), Section 4.2(a) or Section 4.3(a) shall be forfeited and shall not be payable at all. Further, notwithstanding anything in this Plan to the contrary, if the Consideration Period and Revocation Period taken together span two calendar years, then any and all severance benefits provided for under Section 4.1(a), Section 4.2(a) or Section 4.3(a) shall be paid or commence, as applicable, in the second such calendar year.

4.5. **Limitation on Plan Payments and Other Restrictions.**

(a) **Tax Withholding.** The Company may withhold from any and all amounts payable under this Plan all Federal, state, city, or other taxes as may be required pursuant to any law or governmental regulation or ruling.

(b) **Code Section 280G and Code Section 4999.** Notwithstanding any other provision of this Plan or any other plan, arrangement or agreement to the contrary, if any of the payments or benefits provided or to be provided by the Company or its affiliates to the Employee or for the Employee's benefit pursuant to the terms of this Plan or otherwise ("**Covered Payments**") constitute "parachute payments" within the meaning of Code Section 280G and would, but for this Section 4.5(b) be subject to the excise tax imposed under Code Section 4999 (or any successor provision thereto) or any similar tax imposed by state or local law or any interest or penalties with respect to such taxes (collectively, the "**Excise Tax**"),

then the Covered Payments shall either (i) be reduced (but not below zero) *to the minimum extent* necessary to ensure that no portion of the Covered Payments is subject to the Excise Tax or (ii) be delivered in full, whichever of the foregoing amounts, taking into account the applicable federal, state or local income and employment taxes and the Excise Tax, results in the receipt by the Employee, on an after-tax basis, of the greatest amount of benefits. Any reduction pursuant to this Section 4.5(b) shall be made in accordance with Code Section 409A and the following:

(i) the Covered Payments which do not constitute nonqualified deferred compensation subject to Code Section 409A shall be reduced first; and

(ii) all other Covered Payments shall then be reduced as follows:

(A) cash payments shall be reduced before non-cash payments;
and

(B) payments to be made on a later payment date shall be reduced before payments to be made on an earlier payment date.

(c) **Code Section 409A.** All payments to Employees pursuant to this Plan are intended to comply with the requirements of Code Section 409A and the regulations thereunder, and to the maximum extent permitted by law this Plan shall be interpreted and administered in accordance with that intent. Without limiting the generality of the foregoing: (i) each separate installment of severance payable to Employee shall be considered a separate “payment” for purposes of Code Section 409A; (ii) if Executive incurs a Qualified Termination that does not also constitute a “separation from service” as defined in Code Section 409A, Employee’s right to all amounts payable by reason of such Qualified Termination shall fully vest on the date of the Qualified Termination, but to the extent required to avoid the imposition of additional income taxes under Code Section 409A, payment shall be deferred until Employee incurs a “separation from service” as so defined and if the Employee is a Specified Employee, then until the earlier of (i) six (6) months and one day following the date of such Employee’s separation from service or (ii) such Employee’s death. The Company reserves the right to amend the Plan as it considers necessary or advisable, in its sole discretion and without the consent of the Employee or any other individual, to comply with any provision required to avoid the imposition of the additional tax imposed under Code Section 409A or to otherwise avoid income recognition under Code Section 409A prior to the actual payment of any benefits or imposition of any additional tax.

4.6. **Accrued Benefits.** Regardless of the type of Qualified Termination, Employees are always entitled to receive their Accrued Benefits on top of any benefits provided under this Plan.

4.7. **Termination other than Qualified Terminations.** If the termination of Employee’s employment with the Company is not a Qualified Termination, then the Employee will not be entitled to receive severance or other benefits under this Plan.

4.8. **Transfer between the Company and Affiliates.** For purposes of the Plan, if the Employee is involuntarily transferred from the Company to an Affiliate or vice versa, such transfer will not be an involuntary termination without Cause but may give the Employee the ability to resign for Good Reason.

4.9. **Exclusive Remedy.** In the event of a termination of the Employee's employment with the Company, the provisions of the Plan are intended to be and are exclusive and in lieu of any other rights or remedies to which the Employee may otherwise be entitled, whether at law, tort or contract, in equity. The Employee will be entitled to no benefits, compensation or other payments or rights upon termination of employment other than those benefits expressly set forth in the Plan.

ARTICLE 5.

DETERMINATION OF BENEFITS, CLAIMS PROCEDURE AND ADMINISTRATION

5.1. **Claims.** An Employee who believes that he/she is being denied a benefit to which he/she is entitled (hereinafter referred to as "**Claimant**"), or his/her duly authorized representative, may file a written request for such benefit with the Human Resources Committee setting forth his/her claim. The request must be addressed to the Human Resources Committee at the Company at its then principal place of business.

5.2. **Claim Decision.** Upon receipt of a claim, the Human Resources Committee shall advise the Claimant that a reply will be forthcoming within a reasonable period of time, but ordinarily not later than ninety (90) days, and shall, in fact, deliver such reply within such period. However, the Human Resource Committee may extend the reply period for an additional ninety (90) days for reasonable cause. If the reply period will be extended, the Human Resource Committee shall advise the Claimant in writing during the initial ninety (90)-day period indicating the special circumstances requiring an extension and the date by which the Human Resource Committee expects to render the benefit determination. If the claim is denied in whole or in part, the Human Resource Committee will render a written opinion, using language calculated to be understood by the Claimant, setting forth:

- (a) the specific reason or reasons for the denial;
- (b) the specific references to pertinent Plan provisions on which the denial is based;
- (c) description of any additional material or information necessary for the Claimant to perfect the claim and an explanation as to why such material or such information is necessary;
- (d) appropriate information as to the steps to be taken if the Claimant wishes to submit the claim for review, including a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following an adverse benefit determination on review; and
- (e) the time limits for requesting a review of the denial under Section 10.3 and for the actual review of the denial under Section 10.4.

5.3. **Request for Review.** Within sixty (60) days after the receipt by the Claimant of the written opinion described above, the Claimant may request in writing that the Secretary of the Company ("**Secretary**") review the Human Resource Committee's prior determination. Such request must be addressed to the Secretary at the Company at its then principal place of business. The Claimant or his/her duly authorized representative may submit written comments, documents, records or other information relating to the denied claim, which such information shall be considered in the review under this Section without regard to whether such information was submitted or considered in the initial benefit determination. The Claimant or his/her duly authorized

representative shall be provided, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information which:

- (a) was relied upon by the Human Resource Committee in making its initial claims decision;
- (b) was submitted, considered or generated in the course of the Human Resource Committee making its initial claims decision, without regard to whether such instrument was actually relied upon by the Human Resource Committee in making its decision; or
- (c) demonstrates compliance by the Human Resource Committee with its administrative processes and safeguards designed to ensure and to verify that benefit claims determinations are made in accordance with governing Plan documents and that, where appropriate, the Plan provisions have been applied consistently with respect to similarly situated claimants.

If the Claimant does not request a review of the Human Resource Committee's determination within such sixty (60)-day period, he or she shall be barred and estopped from challenging such determination.

5.4. **Review of Decision.** Within a reasonable period of time, ordinarily not later than sixty (60) days, after the Secretary's receipt of a request for review, it will review the Human Resource Committee's prior determination. If special circumstances require that the sixty (60)-day time period be extended, the Secretary will so notify the Claimant within the initial sixty (60)-day period indicating the special circumstances requiring an extension and the date by which the Secretary expects to render its decision on review, which shall be as soon as possible but not later than one-hundred twenty (120) days after receipt of the request for review. In the event that the Secretary extends the determination period on review due to a Claimant's failure to submit information necessary to decide a claim, the period for making the benefit determination on review shall not take into account the period beginning on the date on which notification of extension is sent to the Claimant and ending on the date on which the Claimant responds to the request for additional information. Benefits under the Plan will be paid only if the Secretary decides in its discretion that the Claimant is entitled to such benefits. The decision of the Secretary shall be final and non-reviewable, unless found to be arbitrary and capricious by a court of competent review. Such decision will be binding upon the Employer and the Claimant. If the Secretary makes an adverse benefit determination on review, the Secretary will render a written opinion, using language calculated to be understood by the Claimant, setting forth:

- (a) the specific reason or reasons for the denial;
- (b) the specific references to pertinent Plan provisions on which the denial is based; and
- (c) a statement that the Claimant is entitled to receive, upon request and free of charge, reasonable access to, and copies of, all documents, records and other information which:
 - (i) was relied upon by the Secretary in making its decision;
 - (ii) was submitted, considered or generated in the course of the Secretary making its decision, without regard to whether such instrument was actually relied upon by the Secretary in making its decision; or

(iii) demonstrates compliance by the Secretary with its administrative processes and safeguards designed to ensure and to verify that benefit claims determinations are made in accordance with governing Plan documents, and that, where appropriate, the Plan provisions have been applied consistently with respect to similarly situated claimants; and

(iv) a statement of the Claimant's right to bring a civil action under Section 502(a) of ERISA following the adverse benefit determination on such review.

5.5. **Discretionary Authority.** The Human Resource Committee and Secretary shall both have discretionary authority to determine a Claimant's entitlement to benefits upon his/her claim or his/her request for review of a denied claim, respectively.

ARTICLE 6. **MISCELLANEOUS**

6.1. **Plan Not a Contract of Employment.** The adoption and maintenance of the Plan shall not be or be deemed to be a contract between the Company and any Employee or to be consideration for the employment of any Employee. Nothing herein contained shall give or be deemed to give any person the right to be retained in the employ of the Company or to restrict the right of the Company to discharge any Employee at any time; nor shall the Plan give or be deemed to give the Company the right to require any Employee to remain in the employ of the Company or to restrict any Employee's right to terminate his/her employment at any time.

6.2. **Amendment and Termination.** The Committee may from time to time, in its complete and sole discretion, unilaterally amend, in whole or in part, any or all of the provisions of the Plan *subject to* providing one year's advance notice to the Employees prior to the effective date of any change that has the effect of reducing or diminishing the rights of any Employee under the Plan; provided, however, the Committee is not permitted to make any changes to the Plan during any Change of Control Period; provided, further, no amendment may be made which would impair the rights of an Employee with respect to amounts already due and owing. Notwithstanding anything to the contrary, (i) the Committee retains unilateral authority to amend the Plan at any time, regardless of impact to Employees, if such change is required under any law applicable to the Plan, and (ii) any change which directly impacts the benefits provided to the CEO may not be amended without the Committee seeking Board approval first. Only the Board has the right to terminate the Plan at any time so long as such termination complies fully with the provisions of Code Section 409A and the underlying final regulations.

6.3. **Governing Laws.** All provisions of the Plan shall be construed in accordance with the laws of Delaware except to the extent preempted by federal law.

6.4. **Entire Agreement.** This document and any amendments contain all the terms and provisions of the Plan and shall constitute the entire Plan, any other alleged terms or provisions being of no effect.

6.5. **No Guarantee of Tax Consequences.** While the Company has established, and will maintain the Plan, the Company makes no representation, warranty, commitment, or guaranty concerning the income, employment, or other tax consequences of participation in the Plan under federal, state, or local law.

6.6. **The Company's Successors.** Any successor (whether direct or indirect and whether by purchase, merger, consolidation, liquidation or otherwise) to all or substantially all of the

Company's business and/or assets must assume the obligations under the Plan and agree expressly to perform the obligations under the Plan in the same manner and to the same extent as the Company would be required to perform such obligations in the absence of a succession.

6.7 **Notice.**

(a) **General.** All notices and other communications required or permitted under the Plan shall be in writing and will be effectively given (i) upon actual delivery to the party to be notified, (ii) twenty-four (24) hours after confirmed facsimile transmission, (iii) one (1) business day after deposit with a recognized overnight courier, or (iv) three (3) business days after deposit with the U.S. Postal Service by first class certified or registered mail, return receipt requested, postage prepaid, addressed (A) if to the Employee, at the address the Employee shall have most recently furnished to the Company in writing, (B) if to the Company, at the following address:

DENTSPLY SIRONA Inc.
13320 Ballantyne Corporate Place
Charlotte, NC 28277
Attention: General Counsel

(b) **Notice of Termination.** Any termination by the Company for Cause will be communicated by a notice of termination to the Employee, and any termination by the Employee for Good Reason will be communicated by a notice of termination to the Company, in each case given in accordance with the Section 6.7. Such notice will indicate the specific termination provision in the Plan relied upon, will set forth in reasonable detail the facts and circumstances claimed to provide a basis for termination under the provision so indicated, and will specify the termination date (which will be not more than thirty (30) days after the later of (i) the giving of such notice, or (ii) the end of any applicable cure period). The failure by the Employee to include in the notice any fact or circumstance that contributes to a showing of Good Reason will not waive any right of the Employee under the Plan or preclude the Employee from asserting such fact or circumstance in enforcing the Employee's rights under the Plan.

6.8 **Resignation.** The termination of the Employee's employment for any reason will also constitute, without any further required action by the Employee, the Employee's voluntary resignation from all officer and/or director positions held at the Company or an Affiliate, and at the Board's request, the Employee will execute any documents reasonably necessary to reflect such resignation.

6.9 **Waiver.** No waiver by either party of any breach of, or of compliance with, any condition or provision of the Plan by the other party will be considered a waiver of any other condition or provision or of the same condition or provision at another time.

6.10 **Severability.** The invalidity or unenforceability of any provision or provisions of the Plan will not affect the validity or enforceability of any other provision hereof, which will remain in full force and effect.

Section 302 Certifications Statement

I, Simon D. Campion, certify that:

1. I have reviewed this Form 10-Q of DENTSPLY SIRONA Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2022

/s/ Simon D. Campion
Simon D. Campion
Chief Executive Officer

Section 302 Certifications Statement

I, Glenn G. Coleman, certify that:

1. I have reviewed this Form 10-Q of DENTSPLY SIRONA Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: November 14, 2022

/s/ Glenn G. Coleman

Glenn G. Coleman
Executive Vice President and
Chief Financial Officer

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Quarterly Report of DENTSPLY SIRONA Inc. (the "Company") on Form 10-Q for the period ended September 30, 2022 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), we, Simon D. Campion, Chief Executive Officer of the Company and Glenn G. Coleman, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of our knowledge and belief:

1. The Report fully complies with the requirements of Sections 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company as of the date of the Report.

/s/ Simon D. Campion
Simon D. Campion
Chief Executive Officer

/s/ Glenn G. Coleman
Glenn G. Coleman
Executive Vice President and
Chief Financial Officer

November 14, 2022