Taking Climate Action – Together

Supply Chain Sustainability



Dear Supplier,

Sustainability is an integral part of Coloplast's corporate strategy. We support the UN Sustainable Development Goals (SDGs) and the Business Ambition for 1.5°C in alignment with the Paris Agreement. We are working to improve our products and packaging, reducing emissions and continue to focus on responsible operations.

In 2022, our emission reduction targets were evaluated and approved by the Science-Based Target initiative (SBTi) in line with the 1.5°C ambition. By 2025, we strive to use 100% renewable energy and by 2030, achieve 100% reduction in our own direct and indirect emissions (scope 1+2). Furthermore, we have set an ambitious goal to half our emissions in our value chain (50% scope 3 reduction) per product by 2030. We cannot do this alone.

Tackling climate change together

Within the next 18 month, we urge you as a supplier to set a target of your own, in line with the 1.5° C ambition, addressing scope 1, 2 and 3 emissions, leading to a 50% reduction of your emissions per product/service by 2030. The target and the progress to reach it should be communicated to us and publicly reported on your website and / or in another public source (see inspiration from the 4 points on page 2) on an annual basis. Coloplast wish to make emission reductions a regular part of the agenda of our supplier business meetings.

We realise that companies are at different stages of the sustainability journey, and we acknowledge that it is no simple task. We thank you, if you have already set targets in alignment with the 1.5°C ambition or if you have started the journey to reduce emissions.

Confirmation and feedback

Please confirm receipt of this letter by responding to your normal Coloplast procurement contact person and procuresustainable@coloplast.com. Also kindly let us know the status of your current climate ambition by answering our sustainability questionnaire Coloplast Sustainability Questionnaire.

Kindly note that Climate action is not the only focus area within our Supplier Sustainability Program. We continuously strive to build capacity in our value chain to mitigate potential adverse impacts on Human and Labour rights or the environment.

Yours Sincerely

Coloplast Procurement

Appendix 1: Inspiration to set a climate target and knowledge sources

For further information on how to set a target aligned with the 1.5°C ambition, please see:

- 1. <u>Business Ambition for 1.5°C Science Based Targets</u> Used to publicly announce 1.5°C aligned targets and has useful information for how to calculate targets. Often used by larger companies.
- 2. <u>Action We Mean Business Coalition</u> We Mean Business Coalition, together with our extended network of partners, catalyzes business and policy action to halve emissions by 2030 and accelerate an inclusive transition to a net-zero economy.
- 3. <u>CDP</u> A database for reporting and collecting reports of emissions. Contains information for how to report and measure. Available in several languages.

Other Knowledge Sources:

Pharmaceutical Supply Chain Initiative (PSCI): <u>Supplier Registration - PSCI (pscinitiative.org)</u>. As a supplier to Coloplast, please register here to access a large supplier community and knowledge base about responsible supply chains.

List of Sustainability Definitions - CDP

Greenhouse Gas Protocol | (ghgprotocol.org)

Sustainability (coloplast.com)

supplier-code-of-conduct-cp.pdf (coloplast.com)

Renewable energy and Power Purchase Agreements (PPA):

One of the options to reduce emissions is to buy energy from renewable sources such as solar or wind farms. Coloplast is doing this, recently we entered into a PPA in Denmark (Coloplast enters into Power Purchase Agreement with Better Energy), adding electricity from a solar pharm to the electricity grid corresponding to our consumption in Denmark. We wish to do this in more countries. By asking if you are interested in this in our ESG questionnaire, you can contribute to a possibility to assess the demand for green energy in our supply base, which could lead to further discussions about how to collaborate on purchasing renewable energy.