

Corporate Responsibility Report 2014/15

Statutory Report cf. Danish Financial Statements Act sections 99 (a) and (b)

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Our approach to reporting

The intended audiences of this report are investors and analysts. Topics covered are based on our most recent materiality assessment disclosed in the back of this report.

Together with Coloplast's own ambitions, targets and challenges, this report includes general trends in the healthcare industry, changes in key demographic groups worldwide, and more. These trends are based on Coloplast's own assessments of external events.

Coloplast follows Global Reporting Initiative's (GRI) G4 to determine content and quality in terms of materiality. However, specific GRI-disclosures are not applied.

For this report, PwC has reviewed Coloplast's greenhouse gas emissions data. This step is taken to validate the quality of our data. Going forward, Coloplast intends to expand the scope of data reviewed.

2014/15 Highlights

Below is a summary of highlights specific to Coloplast's 2014/15 corporate responsibility performance. You will find more information on these topics throughout the chapters of this report.

Performance

- Launched new ostomy product that reduces frequency of leakage by 8% (see page 7)
- On track with our phthalates substitution ambition (see page 7)
- Developed an insights report to support clinicians (see page 9)
- Access to Healthcare has now trained more than 9,000 clinicians (see page 11)
- New Code of Conduct (see page 13)
- Expanded health programme, Coloplast Life, to our Chinese production site (see page 17)
- 13% women in top management (see page 15)
- New relative greenhouse gas and waste reduction target (see page 22)
- External review of environmental data (see page 31)
- Member of the Dow Jones Sustainability Index World Family

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In Collaboration with RobecoSAM 

CEO Statement

Today, 2.5 million people live with a stoma, close to 350 million suffer from incontinence and 50 million are treated for chronic wounds every year – as the world’s population grows, and grows older, these numbers will go up.

Living with intimate healthcare needs can be tough. Take for instance a person with bowel or bladder issues. Suddenly, a simple thing as going to the toilet becomes a daily challenge. Is there a toilet nearby? Can I access it with my wheelchair? Is it clean enough? Can I discharge my used catheter?

And what about my work? My sex life? Travelling?

At Coloplast, we want to help people live as active and rewarding lives as possible. We do it by listening to their needs, and responding with innovative solutions that can improve their quality of life.

We try to fulfil our mission of making life easier for people with intimate healthcare needs in the most

responsible way – towards society, people and the environment. This report is a testament to that.

As part of our commitment to operate responsibly, we are committed to the United Nations Global Compact. We will always strive to improve where we can, and in this report, you can read about our efforts and progress and how we integrate the principles of the Global Compact.

Lars Rasmussen,
President and CEO



This is our **Communication on Progress** in implementing the principles of the **United Nations Global Compact**.

We welcome feedback on its contents.

Company profile

Our business includes Ostomy Care, Urology Care, Continenence Care and Wound & Skin Care. Coloplast markets and sells products globally, and in most of our mature markets, local healthcare authorities provide reimbursement for our products. Coloplast supplies products to hospitals and institutions as well as wholesalers and retailers.

Coloplast employs more than 9,500 people and operates globally with sales subsidiaries in more than thirty countries and production in Denmark, Hungary, the US, China and France.

Our four business areas

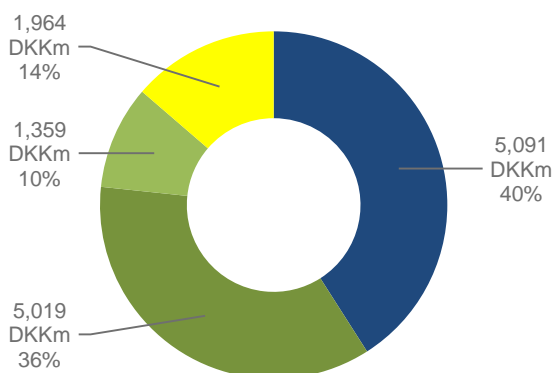
Ostomy Care products are for people whose intestinal outlet has been rerouted through the abdominal wall. Examples of disease areas are colorectal cancer, bladder cancer and inflammatory bowel disease.

Continenence Care is about helping people manage their bladder and bowel conditions. Examples of disease areas are spinal cord injuries, Spina Bifida and Multiple Sclerosis.

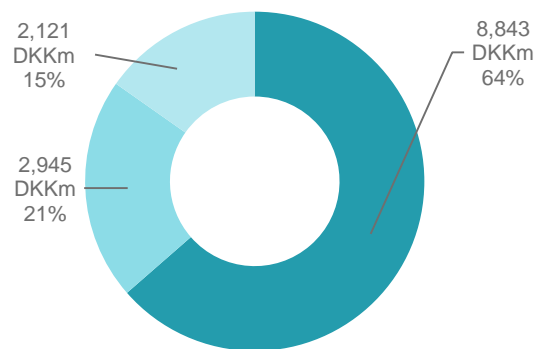
Urology Care is the treatment of medical issues related to the urinary system, the male reproductive system and the female pelvic health. Examples of disease areas are urinary incontinence, pelvic organ prolapse, erectile dysfunction and enlarged prostate.

Wound & Skin Care is the treatment of difficult-to-heal wounds, while skin care products are used for prevention and treatment of damaged or at-risk skin. Examples of disease areas are leg ulcers, diabetic foot ulcers, and pressure ulcers.

In the financial year 2014/15, total sales were DKK 13,909 million



■ Ostomy care ■ Continenence care ■ Urology care ■ Wound & Skin care



■ European markets ■ Other developed markets ■ Emerging markets

Our role in society: Empowering people

In the coming years, we will witness a demographic development that sees the world's elderly population grow. This will put more pressure on healthcare systems and could limit access to innovative treatment.

At Coloplast, we are committed to helping address the structural changes faced by healthcare systems and society, and to fulfil our part of the

objective shared with clinicians and users to achieve better health outcomes.

Coloplast contributes to better health outcomes by empowering people to be active in society with innovative solutions.

By doing so, Coloplast empowers people to live the lives, they choose. Whether that is to resume their social lives, careers, or passions.

Progress overview	2011/12	2012/13	2013/14	2014/15	Quantitative target
% reduction in total consumption of phthalates	-	-	-	0%	40% before 2017
Estimated number of clinicians trained in Access to Healthcare projects (cumulative)	3,500	5,450	7,000	9,150	N/A

Product development & safety

Our responsibility

To develop products that make life easier for people with intimate healthcare needs and set new standards for safe product composition.

Progress	2011/12	2012/13	2013/14	2014/15	Quantitative target
% reduction in total consumption of phthalates	-	-	-	0%	40% before 2017

Performance highlights in 2014/15

- **Frequency of leakage reduced by 8% with SenSura® Mio Convex.** Leakage is one of the most common problems for ostomates. Launched this year, the SenSura® Mio Convex portfolio reduces leakage by 8%¹. It will be available in all major markets by the end of the next financial year. Coloplast has worked in partnership with over 300 users and many clinicians over the last 4 years to develop numerous prototypes and ensure that the final convex product provides new benefits for both users and clinicians.
- **Setting a new standard for discretion.** The biggest dissatisfactions with bladder management are related to the loss of social life and identity. This year, Coloplast launched our most stylish and discreet catheter for women yet, SpeediCath® Compact Eve. SpeediCath® Compact Eve is designed to look like a cosmetic product for it to blend into women's everyday life whether that being at work, going out or staying at home. By optimising discretion, our ambition is to help users to be able to do more.
- **On track with our phthalate reduction target.** The process of substituting phthalates has started this year, which will result in significant reductions over the next few years. This progress is in line with our target to reduce our absolute consumption of phthalates by 40% before 2017.

Our approach

Coloplast is committed to investing in innovation because innovative products benefit users and healthcare systems alike. At the same time, the safety and quality of our products is crucial to Coloplast's mission to make life easier for people with intimate healthcare needs.

Product development

Getting an understanding of our users' needs is an integrated part of our product development process. All the way from the initial idea to final product. Based on this understanding, Coloplast is able to design products that make a difference and solve the problems experienced by users.

Our understanding comes from a wide variety of sources, which stimulate co-creation for innovation. Coloplast conducts numerous focus groups, advisory boards and run anthropological studies to get real insights into user needs. This year for example, Coloplast has facilitated more than 40 healthcare advisory boards involving around 500 clinicians.

Product safety

Coloplast is mindful of the materials and substances used in our products, and complies with international and local regulation and standards including EU's REACH.

In addition, Coloplast adopts a proactive approach in scouting for alternative substances. Through a structured monitoring process of changes in science and technology, Coloplast is able to identify opportunities and risks early on, and

¹Coloplast Clinical Study, 2014. Data on file.

proactively substitute relevant substances – as in the case of phthalates.

Phthalates

Coloplast has a target to reduce the absolute use of phthalates with 40% by 2017.

Phthalates are commonly used to make PVC plastics more flexible and durable. In the medical device industry, phthalates are used to soften products like catheters and urine bags. Although Coloplast products are safe to use, Coloplast recognises that there are concerns about the use of phthalates. Coloplast has therefore adopted a precautionary approach and limits the use of phthalates in products. This is an area where Coloplast leads by example and offers phthalate-free alternatives to 98% of our product range containing classified phthalates. For more information, please see our official phthalates policy on Coloplast.com.

Coloplast welcomes the increased awareness and regulation of these types of materials and substances that may have long-term harmful effects, and which many companies use in their products.

Animal testing

Animal testing is a standard method for documenting the safety of medical devices. By having a precise account of the composition of Coloplast products, animal testing can sometimes be avoided. However, in some cases animal testing is necessary due to legal requirements and safety assessments. Coloplast has audited animal test suppliers in compliance with our Animal Testing Policy. For more information on Coloplast's approach to animal testing, please read our Animal Testing Policy available on coloplast.com.

Stronger together through Coloplast® Care

Our responsibility

To guide people to a better life through advice and support on how to take control of bladder or ostomy-related issues.

Performance highlights in 2014/15

- **Created an online version of Coloplast® Care.** Coloplast has created a new version of the Coloplast® Care programme that integrates online and offline channels. The new version went live in the USA, Germany, Canada and the UK with the ambition of rolling out in all developed markets throughout the next calendar year.
- **New insights report to support clinicians.** Coloplast has developed an insights report to support the Coloplast® Care programme. Among other things, the report captures user's well-being, daily issues and worries. The insights report was developed in collaboration with clinicians who receive a report consisting of anonymous data aggregated on regional or national level. The ambition is to improve the feedback to clinicians about users' concerns of living with their chronic condition. By sharing our insights with the healthcare community, Coloplast aspires to improve the health outcomes of our users.

Our approach

Today, more and more people want a say in their care. They are searching for answers to make informed choices and take control of their recovery. For example, 80% of Internet users search online for health information making health information the third most popular online search activity.

This transformation from passive patient to active consumer is redefining healthcare.

At Coloplast, our goal has always been to help as many people as possible live a more active, rewarding life. Our ambition is to play an important role in the transformation of healthcare with a vision to be a greater resource for everyone.

Users, Clinicians and Coloplast

Coloplast wants to be a trusted guide for our users in a world of information overload, and a strong partner with clinicians who are the experts at getting people back to normal. With the dialogue-programme, Coloplast® Care, Coloplast actively seeks to improve both products and education for users and clinicians.

Through straight-forward advice and support, Coloplast® Care, guides more than 300,000 people to a better life and provides tips on how to take control of bladder or ostomy-related issues. The programme has been co-developed with our international nurse advisory boards, and it has been received positively by users where 83%² expressed feeling an improved quality of life through their participation.

The Coloplast® Care programme is active globally. The initial programme consisted of offline newsletters and trained advisors reaching out to users by phone at their request. Coloplast is currently updating this programme to include on-demand website content and personalised emails to increase the reach of the programme, and meet users where they search for information; online.

Ethical marketing practices

Coloplast respects the boundary between the clinical expertise of clinicians and our own product expertise. Our dialogue with users is focused on product and lifestyle issues.

To ensure that this boundary is respected, our staff is trained by clinicians, and our people on the phones use assessment tools developed by our medical marketing team that have been endorsed by global and national advisory healthcare boards. Coloplast will recommend solutions within our own portfolio, and clearly advise patients to contact their clinician if wishing to undertake a major appliance change. Coloplast therefore always recommends listening to the advice of the health care professionals.

² Coloplast Market Study 2013. Data on file.

Access to Healthcare

Our responsibility

To build sustainable partnerships that improve framework conditions and raise standards of care for people with intimate healthcare needs.

Progress	2011/12	2012/13	2013/14	2014/15	Quantitative target
Estimated number of clinicians trained in Access to Healthcare projects (cumulative)	3,500	5,450	7,000	9,150	N/A
Number of approved projects (cumulative)	17	19	24	29	N/A

Performance highlights in 2014/15

- **“Go West” II delivers in China.** The “Go West” initiative provides intimate healthcare training for professionals in China’s Central and Western provinces. The project has, to-date, trained 265 clinicians in ostomy, continence and wound care management.
- **Setting new standards for continence care in Poland.** More than 800 clinicians from 20 Polish cities have participated in workshops designed to improve instruction to patients in the practice of intermittent self-catheterisation.
- **Setting new standards for wound care in China.** In collaboration with Access to Healthcare, the European Wound Management Association (EWMA) and Chinese health authorities have defined a new standard of excellence in the treatment of chronic wounds. In September, 2015, the Beida Hospital in Beijing was the first to receive an official EWMA endorsement for its approach to wound management

for people who need care in the areas of ostomy, continence and wound care. Established in 2007, the program has so far supported 29 projects in nine countries.

Sustained and sustainable dialogue with our partners is pivotal to the success of Access to Healthcare projects, and all projects are created in collaboration with local stakeholders.

Access to Healthcare projects bring together practitioners, users, non-governmental organisations and other public and private partners to:

- empower users
- train practitioners
- advocate for better care

Access to Healthcare projects also support the long-term ambitions of Coloplast by bringing us closer to consumers and helping us gain new or deeper insights into the needs of other stakeholders, including healthcare practitioners, civil society and policy makers.

Our approach

Access to Healthcare, our corporate partnership programme, is committed to improving conditions

For a full list of Access to Healthcare partners and projects, please visit coloplast.com

Our approach to people and human rights: Acting with respect

Coloplast employs more than 9,500 people and operates in more than 40 countries. However, Coloplast expects these numbers to grow, and this year alone the total number of employees increased by more than 400.

In order to grow responsibly, Coloplast will ensure compliance with our company values. In short,

this means treating people with the same high level of respect throughout our operations. In practice, this means condemning corruption, upholding high safety standards, and supporting human and labour rights at all sites and throughout our supply chain - globally.

Progress overview	2011/12	2012/13	2013/14	2014/15	Quantitative target
% of white-collar employees trained in our Code of Conduct	95%	94%	93%	94%	100%
% of female managers (all positions at or above Manager level)	40%	40%	40%	43%	No specific target
% of female top managers (Vice Presidents, Senior Vice Presidents and Executive Management)	11%	13%	12%	13%	22% by end of 2017
Occupational injuries, all employees (LTI frequency) ¹	3.7	4.8	4.9	4.4	5.0 or less
Number of suppliers with improved risk profile because of significant improvements (cumulative)	22	23	26	27	No specific target

Code of Conduct and compliance

Our responsibility

To ensure that all our employees and business partners are aware of our business ethical standards and to partner with business to continuously maintain and develop good compliance practices.

Progress	2011/12	2012/13	2013/15	2014/15	Quantitative target
% of white-collar employees trained in our Code of Conduct	23%	95%	94%	94%	100%
Number of legal actions for anti-competitive behaviour	0	0	0	0	0
Amount of significant fines for noncompliance with laws and regulations	0	0	0	0	0

Performance highlights in 2014/15

- New Code of Conduct.** Coloplast has developed a new Code of Conduct. We call it Coloplast BEST for Business Ethical Standards, and it represents a value-based approach to compliance. Coloplast BEST will be launched at the beginning of the new financial year through face-to-face training of all white collar employees.
- Rolled out new process for handling distributors.** Coloplast has successfully rolled out a new process to conduct due-diligence and on-boarding of our closest distributors. The process will continue going forward.
- Implemented new system to manage third parties.** Together with an external provider, Coloplast has implemented a system to keep track and monitor integrity and compliance risks with third parties. Read more on the following page.

Our approach

Coloplast's good reputation is a prerequisite for our continuous support of users with our products

and services, for creating value, and for being a company where people are proud to work.

It is essential to Coloplast to keep it that way.

Business cultures vary around the world. In navigating such different business cultures, Coloplast abides by national and international laws as well as specific requirements for our industry through our well established Code of Conduct and compliance setup – a setup Coloplast has added resources to this year.

Global training on the Code of Conduct

In general, Coloplast believes that all policies and codes of conduct should reflect what our employees face on a daily basis, without legal jargon. To ensure this, Coloplast strives to get input from employees globally. This way, our courses and training consists of the real dilemmas our people face, with strong local ownership.

When deciding what appropriate conduct is, Coloplast employees (including executives, officers, directors and managers) are required to follow our Code of Conduct. For example on issues like anti-corruption, interaction with clinicians and conflicts of interest. Coloplast has focused on training and communication of the Code of Conduct to all white-collar employees.

Our approach to people and human rights: Acting with respect

To ensure compliance with the Coloplast Code of Conduct, Coloplast has mandated an e-learning course on the Code of Conduct available in 15 languages. This course has been rolled out to more than 35 countries.

Coloplast BEST – our new Code of Conduct

Coloplast has updated and expanded the scope of our Code of Conduct. The new Code of Conduct, called Coloplast BEST (Business Ethical Standards), will be launched at the beginning of the next financial year.

Coloplast emphasises employees' ability to use good judgement and common sense at all times rather than learning a set of rules by heart. That is why, Coloplast BEST is value-based rather than rule-based with the ambition of installing a compliance mind-set throughout the organisation.

Senior management have been trained in Coloplast BEST, and it will be rolled out to the rest of the organisation during the next financial year. The roll out will be done through face-to-face training of all white collars.

With the increased focus on face-to-face training, our purpose is to facilitate dialogue and to take the discussions about the compliance dilemmas with the employees who face them on a daily basis.

Distributor handling

Coloplast has dedicated resources to conduct risk assessments and due diligence and to formulate action plans for compliance improvements where needed. This is an ongoing process where Coloplast's focus in the recent financial year has been to implement a new system with an external partner to manage our integrity and compliance risks related to our close distributors.

Coloplast runs the process transparently based on dialogue with the distributors through dialogue

about the compliance situation in their market and on our Global Distributor Code of Conduct, which sets forth Coloplast's expectations to a distributor. It includes the UN Global Compact's ten fundamental principles within human rights, labour rights, environment and anti-corruption, which Coloplast endorses and works systematically to observe and promote.

Whistleblower hotline

Five years ago, Coloplast established a global whistleblower hotline enabling employees and others to report breaches of our Code of Conduct. Since then, Coloplast has received a total of 52 cases, 47 of which have been within the scope of the hotline, i.e. relating to the topics and subjects that may be reported via the hotline. The majority of cases reported have been related to conflicts of interest or fraud against Coloplast.

All relevant cases are investigated and followed up with appropriate remediation and sanctions up to termination of contract.

Responsible advocacy

Coloplast works in partnership with many different external stakeholders to influence decisions that affect our industry, clinicians and the rights of users.

Coloplast conducts advocacy both directly as a company and in coordination with external partners, including industry associations. Our public affairs work is guided by a Public Affairs Code of Conduct. The Code emphasises respect for transparency and integrity in our stakeholder relations. Our Public Affairs team has been registered with the European Commission's Register of Interest Representatives since 2009, and is part of the Transparency Register.

To read our code of conducts, please visit Coloplast.com

Diversity, development and leadership

Our responsibility

To offer the possibility for development and equal opportunities to all employees in our company.

Progress	2011/12	2012/13	2013/14	2014/15	Quantitative target
% of female managers (all positions at or above Manager level)	40%	40%	40%	43%	No specific target
% of female top managers (Vice Presidents, Senior Vice Presidents and Executive Management)	11%	13%	12%	13%	22% by end of 2017
% of manager positions filled by internal candidates	-	-	-	47%	67%

Performance highlights in 2014/15

- Percentage of women in top management.** The percentage of women in our overall management group increased to 43%. At the end of the 2014/15 financial year the percentage of women in top management was 13%.
- New on-boarding programme.** Coloplast has implemented a new on-boarding programme for employees. The ambition is to develop skills to reduce time to performance and maintain a low rate of new hires who leave Coloplast within the first 12 months. The programme was launched to around 400 targeted employees in selected countries according to business needs, and will be launched in remaining countries throughout the next financial year.

Our approach

In order to keep growing our business in the long term, Coloplast will require both high performing and motivated employees. That is why Coloplast employees are hired for a career, not just a job.

Coloplast wants every employee's career development to be performance based, without the hindrance of culturally related barriers. For Coloplast, mutual respect among our employees

is central to our values, and Coloplast does not tolerate discrimination or harassment of any kind.

On-boarding skilfully

With the ambition of developing skills to reduce time to performance and maintain a low rate of new hires who leave Coloplast within the first 12 months, Coloplast has successfully implemented a new on-boarding programme. The programme is based on multiple learning resources such as e-learning, workshops and in the field training. The objective is not only to give employees knowledge about Coloplast, but also to build their skills.

So far, the programme has been launched to around 400 targeted employees in selected countries according to business needs, and it will be launched in remaining countries throughout the next financial year.

Fairness and transparency

Coloplast emphasises fairness and transparency when reviewing employees' performance and potential. To ensure this, Coloplast annually conducts a People Review and completes Performance Development Plans (PDP) for all white-collar employees globally, and selected blue-collar employees.

During the People Review process, managers take time to reflect on their employees' past performance and future potential. As part of this

process, they gather feedback from internal and external colleagues the employee has worked with, and then discuss each employee's performance and development with the local management team. This process ensures that the employee's performance is not only evaluated by the manager alone, but also by the insights and specific examples from other colleagues and peers.

The PDP is an annual dialogue between the employee and the manager about performance, competencies and results, employee aspirations and work/life balance. The result is a development plan for the individual employee, which is followed up by the manager throughout the year until the next People Review and PDP cycle.

Gender diversity

Coloplast believes that diversity is a pre-requisite for success when competing at a global level. The People Review- and PDP-processes reflect Coloplast's commitment and obligation to ensure equal opportunities for employees, irrespective of gender, age, nationality, etc.

According to the Danish Financial Statements Act, section 99b, Coloplast defines other management levels as all positions at or above manager level. With 43% female managers at this level, Coloplast maintains an equal distribution between men and women in management.

To advance diversity, Coloplast has committed to a specific target for women in top management. The target is for 22% of top management to be female by the end of 2017. Top management is

classified as Vice President, Senior Vice President and Executive Management.

This year, the percentage of women in management saw a slight increase from 12% to 13%. The increase is due to internal promotions in line with our preference for own people.

The Board of Directors endeavours to increase the number of shareholder-elected women to one third of the shareholder-elected Board members, corresponding to two members, within two years. The resulting changes should take place by way of ordinary rotation among Board members.

There has been no ordinary rotation among Board members this year, and therefore no changes to the current composition of the Board of Directors. The Board of Directors remains committed to the ambition of increasing shareholder-elected women.

Health and safety

Our responsibility

To offer healthy and safe working conditions.

Progress	2011/12	2012/13	2013/14	2014/15	Quantitative target
Occupational injuries, all employees (LTI frequency) ¹	3.7	4.8	4.9	4.4	5.0 or less
Occupational injuries, all blue-collar employees (LTI frequency)	5.3	6.4	5.7	5.8	6.0 or less
% of workplaces with 'very high' level of repetitive work	1.5%	2.1% ²	1.7%	1.7%	0%

1. Lost Time Injuries – measured as the number of injuries resulting in absence from work of more than eight hours per one million working hours.

Performance highlights in 2014/15

- Expanded scope of LTI reporting.** This year, Coloplast has obtained data on LTI frequency rates from our sales subsidiaries. This means that LTI reporting from this year and onwards now covers 98% of all Coloplast employees. The reported LTI frequency rates now paint a more complete picture of the entire organisation.
- Safety culture remains a priority.** Coloplast continues to educate employees with the aim of bringing down LTI frequency rates. For example, this year the awareness campaign, 'You see it, you own it', was launched to encourage employees to take ownership and act if they notice a potential safety hazard.
- Health programme introduced in China.** This year, our health programme was introduced to employees at the production site in Zuhai. Coloplast Life now has activities in Hungary, Poland, the UK, the US, Denmark and China.

Our approach

Providing a safe and healthy work environment for employees is a priority for Coloplast. In general, operations work in Coloplast is relatively low-risk compared to other industries, and Coloplast has never had a fatal workplace injury.

The most common injuries for both white and blue-collar employees are sustained from stumbling and falling. Therefore, safety initiatives often focus on simple things that can make a big difference, e.g. keeping office spaces and production floors tidy.

Occupational injuries

In order to track and reduce occupational injuries, Coloplast measures Lost Time Injuries (LTI) frequency rates from the production sites, distribution centres, corporate headquarters and most sales subsidiaries. In total, 98% of employees are included in reporting of LTI frequency rates.

In addition, special attention is given to all minor and 'near-miss accidents' to help identify and solve problems early and minimise potential future risks.

Other initiatives to reduce occupational injuries include sharing best practices between sites, putting special focus on specific sites where LTI frequency is above target, enforcing safety behaviour, and increasing focus on safety specifications before new machine orders are finalised.

Repetitive work

Coloplast emphasises an ergonomically correct workplace layout whenever manual labour is required in production. Therefore, Coloplast systematically works to reduce repetitive work. Coloplast has developed a system for measuring this type of work, which enables improvements and accurate tracking of progress. Since 2008, Coloplast has more than halved the amount of stations considered to require 'high' and 'very high' repetitive work. When these stations are unavoidable, Coloplast ensures employees spend a limited amount of time on them by rotating them to stations with lower repetitive work levels.

Coloplast Life

Through the Coloplast Life programme, Coloplast provides different options to make healthy choices as easy as possible for employees. For example, this could be local activities such as "Bike to Work" and running clubs after work. Other activities include "Get Moving Week" and rubberbands training during work hours and a bicycle-race to raise awareness about diabetes. In addition, free health checks have been offered to employees at several locations. Coloplast Life also focuses on education (e.g., nutrition classes), and in addition, Coloplast works to prevent stress on a local basis. For example, Coloplast has

established a stress policy and offers a 24-hour stress hotline in Denmark.

Standards

Coloplast's health and safety management system is certified according to Occupational Health and Safety management standard, OHSAS 18001. This is a tool to ensure that sites adhere to the same rules globally and continuously improve their performance. Today, this management system covers 91% of Coloplast employees in production, distribution centres and headquarters, as well as our sales subsidiaries in DK and the US.

Supply chain responsibility

Our responsibility

To improve standards with our suppliers or find alternative suppliers.

Progress	2011/12	2012/13	2013/14	2014/15	Quantitative target
Number of suppliers with improved risk profile because of significant improvements (cumulative)	22	23	26	27	No specific target
Number of contracts terminated because of non-compliance (cumulative)	8	8	9	9	No specific target

Performance highlights in 2014/15

- Maintained 100% of raw material suppliers in supply chain responsibility programme.** For the last three years, Coloplast has maintained 100% of these suppliers registered in the programme. This financial year, Coloplast has performed 6 social audits to follow-up on supplier compliance with Coloplast standards.

Our approach

Coloplast actively monitors and audits existing raw material suppliers and screens new ones for compliance with human rights, labour rights, environmental, and occupational health and safety issues as well as corruption.

Through a supply chain responsibility programme, Coloplast has successfully standardised monitoring and compliance for raw material suppliers – reaching 100% coverage in 2011/12.

This programme includes maintaining sustained dialogue, monitoring for compliance and helping suppliers improve local conditions when they are willing and is supervised by a Decision Board made up of senior representatives from Global Operations, Corporate Procurement, Corporate Quality and Environment and Public Affairs.

Sustained dialogue

In high-risk countries, external partners audit any potential supplier on human rights, labour rights, environmental and occupational health and safety issues as well as corruption. Depending on the level of any non-compliance found, the Decision Board considers whether or not to do business with the supplier or help to improve the supplier's standards.

For new suppliers, Coloplast explains our expectations and how compliance is checked. Standards on human rights, labour rights, environmental impact, occupational health and safety as well as corruption are included. This information is also included in the final contract with the supplier.

Monitoring for compliance

Coloplast selects a number of existing suppliers throughout the year for site visits or social audits and reviews their compliance. This process usually takes place with the Coloplast procurement team in the markets where the supplier operates. If a case has a high-risk profile, the Decision Board reviews it according to local regulations, the United Nations Global Compact Principles, and considers factors such as the nature of the relationship with the supplier and history of cooperation.

If an issue is identified, Coloplast and the supplier then agree on any necessary improvements, which forms the basis for an action plan and provides the means for sustained dialogue.

Improving local conditions

In cases where suppliers may be unsure of how to implement improvements, local Coloplast teams provide advice regarding cost efficient best practices that comply with local regulations. Suppliers usually respond positively and implement recommendations. However, when necessary, Coloplast has terminated cooperation. Coloplast does not provide financial support to help suppliers implement changes.

From the start of the programme until the end of the 2014/15 financial year, Coloplast has

reclassified a total of 27 current suppliers to a lower risk category after making Coloplast-requested improvements. Coloplast has had to terminate cooperation with a total of 9 suppliers.

Our environmental promise: Minimising our footprint

As a medical device manufacturer with global operations, Coloplast has the ability - and responsibility - to do our part in addressing global environmental challenges related to climate change, resource scarcity and the use of hazardous substances.

Over the coming three to five years, Coloplast expects to grow 7-10% annually. This means increased production output, and consequently, increased impact on the environment. An example of this trend, is the increase of our total emissions this year due to the expansion of our site in Nyírbator.

However, Coloplast remains committed to minimising our environmental footprint while growing.

Our largest environmental impact stems from the use of raw materials and energy use. That is why our priority is to minimise future use of energy and raw materials through design of new products and production processes. In addition, we will continue our focus on optimising energy efficiency, waste and recycling capabilities in existing production processes.

Progress overview	2011/12	2012/13	2013/14	2014/15	Quantitative target
Total indexed greenhouse gas emissions ¹ (indexed, relative to 2008/09)	85	82	79	80	No specific target
Indexed greenhouse gas emissions per product produced relative to energy use ¹ (indexed relative to 2008/09)	67	56	52	49	Continuous reduction
Total amount of production waste ² (indexed relative to 2008/09)	105	112	122	128	No specific target
Production waste per product produced ² (indexed relative to 2008/09)	84	77	80	78	Continuous reduction
% of recycling coverage	22%	23%	26%	31%	No specific target
% of goods transported by air ³	3.7%	4.5%	2.8%	2.8%	2.3% by 2017/18

1. Scope 1 & 2 according to Greenhouse Gas Protocol.

2. Based on weighted amounts from the production sites, distribution centres and corporate headquarters

3. Not including deliveries of finished goods to customers from Coloplast local distribution centres and wholesalers. Measured as "transport work" in tonkm (weight x distance).

Environment and climate

Our responsibility

To minimise the overall strain on the environment caused by our activities by focusing on the entire life cycle of our products.

Performance highlights in 2014/15

- **Increased recycling of production waste.** Since last year, Coloplast increased our recycling rate from 26% to 31%. This translates to an increase in recycling coverage of 21%.
- **New ambition for waste.** Going forward our ambition is continuously to reduce the amount of production waste per produced unit.
- **New ambition for relative greenhouse gas emissions.** Over the coming years, Coloplast expects to grow 7-10% annually. That is why Coloplast has chosen to set a new ambition to continuously reduce our greenhouse gas emissions per product produced. Please read more on the following page
- **Adjusted air transportation-target.** Coloplast has adjusted our target for air transportation of goods from 1.5% to 2.3% by 2017/18. The new target is a result of growth in emerging markets where less developed infrastructure and tender based sales often makes air transportation the only viable means of transportation. The amount of goods transported by air was 2.8% in 2014/15.
- **Expansion of our Nyírbátor site meets the LEED silver standard.** Coloplast has expanded our operations in Nyírbátor, Hungary, with a new production site which meets the LEED silver standard. Read more on the following page.
- **External review of environmental data.** From this report onwards, our accountants PwC will review Coloplast's greenhouse gas emissions data. This step is taken to validate the quality of our data.

Our approach

The primary method used by Coloplast to address environmental challenges is the incorporation of ecodesign-principles when developing products and processes. This means:

- Utilising raw materials with lower environmental impact
- Improving waste management systems and recycling
- Minimising the use of energy required in production

Life cycle assessments therefore guide Coloplast's environmental efforts, covering everything from raw materials to waste management, energy consumption, disposal, and transportation of goods.

Raw materials use and waste management

The use of raw materials constitutes Coloplast's largest environmental impact. For example, approximately 45% of Coloplast's total greenhouse gas emissions stem from raw materials. Coloplast's ambition is to continuously improve the overall utilization of raw materials and to avoid raw materials that are particularly harmful to the environment.

The amount of waste generated per product has decreased by 6% since 2011/12. Coloplast has the ambition to continuously reduce the amount of production waste generated per produced unit.

In addition to optimizing our use of raw material, Coloplast continuously works together with waste handling companies to identify the optimal way of recycling waste. Over the last year, we have increased our recycling rate from 26% to 31%.

Energy consumption

Energy consumption in production accounts for approximately 25% of Coloplast's total greenhouse gas emissions. Coloplast therefore works to increase energy efficiency in production.

To encourage more environmentally responsible production, Coloplast allows investments that result in a significant environmental improvement to have a return on investment of up to five years – twice as long as regular investments. For more information about current projects, please visit Coloplast.com.

This year, Coloplast has implemented a new reduction ambition to continuously reduce greenhouse gas emissions per product produced relative to energy use. Since 2011/12, Coloplast has reduced emissions per product by 27%, and it is the ambition to continue that trend as Coloplast grows.

Disposal

Because most of Coloplast's products are usually contaminated after use, they must be disposed of properly due to risk of infection. This means that Coloplast's products are incinerated or sent to a landfill after disposal. However, most of our product packaging is designed so that it can be recycled.

When chlorinated plastic materials, e.g. PVC and PVdC, are incinerated their emissions are harmful to the environment. These plastic materials are commonly used in medical devices due to their unique technical properties. Coloplast recognises this environmental concern and only uses PVC or PVdC in new products when their technical properties are strictly necessary for product performance. For more information, please see our official PVC/PVdC policy on Coloplast.com.

Transportation of goods

In total, transportation of goods only accounts for approximately 9% of Coloplast's greenhouse gas emissions. However, significant reductions in greenhouse gas emissions are achievable simply by substituting air transportation with sea and ground transportation. Shipping goods via air

transportation emits up to 200 times more greenhouse gases on a given distance compared to shipping goods by sea.

Coloplast has successfully set up a systematic approach to substitute the air transportation of our portfolio of mature products. Coloplast will continue to substitute air transportation with sea and ground transportation whenever possible.

To facilitate this substitution, Coloplast has recently adjusted its reduction target for how products are transported from 1.5% to a maximum of 2.3% air transportation by 2017/18. The new target is a result of growth in emerging markets where less developed infrastructure and tender based sales often make air transportation the only viable means of transportation.

Water

Coloplast uses very limited amounts of water for production. Whenever water is used, our focus is to reduce.

Only one of our production sites is placed in a river ecosystem with scarcity issues, our site in Mankato US, where Coloplast is especially attentive to water use. At our other sites, water is primarily used for sanitation purposes and gardening.

Expanding production

Our expansion in Nyirbátor was built with environmentally friendly technologies meeting the LEED silver standard. For example, waste heat recovery systems have been integrated throughout the facility along with more efficient cooling systems. Coloplast will strive to adhere to this as the minimum environmental standard for all future production sites.

Environmental management system

Our environmental management system is based on the internationally acknowledged ISO14001 environmental certification scheme. Today, eight out of nine production sites including our corporate headquarters have been certified to the ISO 14001 standard.

Data tables

Social performance data

Empowering people

	Unit	2014/15	2013/14	2012/13	2011/12
Product safety					
Site visits ¹	Days	86	59	102	60
Non-phthalate products ²	%	98	98	98	98
Reduction in phthalate consumption	%	0	-	-	-
Animal testing ³	Number	295	755	900	921
... of which rodents	Number	250	679	832	773
... of which other animals	Number	45	76	68	148

1) Total duration in days of quality or environment, health and safety visits by the authorities worldwide for all Coloplast locations. The increase in the days in 2012/13 is mainly due to re-certification to ISO9001/ISO13485 and new regulations in Brazil, that caused the Brazilian health authorities to make their own inspections. 2) Alternatives available to Coloplast products containing phthalates. 3) Number of animals used for testing. 'Rodents' are mice, rats and guinea pigs. 'Other' animals are rabbits and dogs.

Access to Healthcare					
Project funds approved (cumulative) ¹	DKKmillion	19.8	16.2	13.7	12.6
Projects (accumulated)	Number	29	24	19	15
Estimated number of clinicians trained by our Access to Healthcare projects (cumulative) ²	Number	9,150	7,000	5,450	3,500

1) Accumulated sum of project funds approved by Access to Healthcare. Please note that there is usually a period of at least six months between the approval of a project and the initial payment of funds. 2) Training ranges from one day courses to full master programmes.

Acting with respect

	Unit	2014/15	2013/14	2012/13	2011/12
Employees					
Employee headcount ¹	Number	9,706	9,250	8,925	8,126
...blue-collar	Number	4,466	4,168	4,094	3,709
...white-collar	Number	5,240	5,082	4,831	4,417
Regions					
European markets ²	Number	6,271	5,952	5,869	5,347
Other developed markets ³	Number	860	839	814	784
Emerging markets ⁴	Number	2,575	2,459	2,242	1,995
Gender diversity					
Female employees total	%	65	64	67	63
Female managers ⁵	%	43	40	40	40
Female top managers ⁶	%	13	12	13	11
Attraction, recruitment and retention					
Manager positions filled by internal candidates	%	47	-	-	-
Age distribution total					
Employees aged < 30	%	24	24	25	25
Employees aged 30-50	%	61	62	62	60
Employees aged > 50	%	15	14	13	16
Occupational injuries and accidents					
Injuries and accidents, all employees ⁷	LTI freq.	4.4	4.9	4.8	3.7
Injuries and accidents, production workers ⁸	LTI freq.	5.8	5.7	5.9	5.3
Repetitive work⁹					
...No/low	%	42.5	41.2	38.9	34.3
...Medium	%	35.2	32.0	28.0	33.1
...High	%	20.6	25.1	31.0	31.2
...Very high	%	1.7	1.7	2.1	1.5
Employee engagement¹⁰					
...Response rate	Index	-	93	-	92
...Engagement index	Index	-	74	-	72
...Values index	Index	-	81	-	81
...Well-being index	Index	-	78	-	76
Human capital development					
Personal Development Plans ¹¹	Index	67	-	81	82

1) Employee headcount includes all full time and part time contracts. 2) UK, Germany, France, the Nordics, Benelux, Austria, Switzerland, Italy, Spain plus production in Denmark and Hungary. 3) USA, Canada, Japan and Australia plus production in USA. 4) Including countries not listed in the other categories for all remaining markets in Americas, Asia, Africa, Europe and Oceania plus production in China. 5) Managers include all positions at or above Manager level. 6) Top management includes Executive Management, Senior Vice Presidents, and Vice President positions. 7) Measured as the number of injuries resulting in absence from work of more than eight hours per one million working hours. From 2014/15, sales subsidiaries were included meaning that approximately 98% of all employees are covered compared to 67% in previous years. 8) As above, but covers production (blue-collar) workers only. 9) Percentage of workplaces in Coloplast production in Denmark, Hungary, US and China according to the degree of repetitive work. All figures are annual averages based on quarterly figures. No/low – no or low degree of repetitive work. Medium – repetitive work with 0-2 aggregating factors, High – repetitive work with 3-4 aggregating factors. Very high – repetitive work with 5 or more aggregating factors. 10) Note that Coloplast conducts this survey biannually. 11) Calculation is based on white-collar workers who have a PDP in SuccessFactors (based on workflow steps in system) divided by the headcount on October 1, 2014. Personal development plans for blue-collar workers are run locally and in local systems.

Acting with respect

	Unit	2014/15	2013/14	2012/13	2011/12
Supply chain responsibility					
Raw material suppliers covered by supply chain responsibility programme ¹	%	100	100	100	100
Suppliers with improved risk profile because of significant improvements ²	Number	1	3	1	2
... accumulated	Number	27	26	23	22
Contracts terminated ³	Number	0	1	0	1
...accumulated	Number	9	9	8	8

1) Percentage of raw materials suppliers fully covered by the Supply Chain Responsibility procedure. Covers the entire Coloplast organisation. 2) Number of suppliers whose risk profile has been downgraded by the internal decision-making body from 'Consult Decision Board' to high, or high to medium, or medium to low following documented improvements in their social, environmental or business ethical standards as a consequence of Coloplast's involvement. 3) Number of contracts terminated following concerns about the supplier's social, environmental or business ethical standards.

Certifications¹

Production and distribution sites (total)	Number	13	13	13	14
ISO 9001 / ISO 13485 ²	Number	13	13	13	14
ISO 14001 ³	Number	8	8	8	9
OHSAS 18001	Number	10	10	10	9

1) Coloplast currently has nine production sites including the corporate headquarters (Thisted, Mørdrup, Humlebæk, Tatabánya, Nyírbátor, Zhuhai, Mankato, West River Road, Sarlat) and four distribution sites (Hamburg, Marietta, Champlan and Tata). 2) Coloplast's goal (which Coloplast's has reached) is that all nine production sites and all four distribution sites are certified to ISO 9001 and ISO 13845. 3) None of the distribution sites will be certified due to their low environmental impact.

Anti-corruption

White-collar employees trained in Code of Conduct	%	94	93	94	95 ¹
Legal action for anti-competitive behaviour	Number	0	0	0	0
Significant fines for non-compliance with laws and regulations	EUR	0	0	0	0
Whistleblower hotline					
...number of cases submitted	Number	9	4	19	12
...of which within scope ¹	Number	6	4	19	11

1) Case is within scope of topics and subjects that may be reported via the hotline. It does not mean that the cases are necessarily substantiated.

Minimising our environmental footprint

	Unit	2014/15	2013/14	2012/13	2011/12
Waste total¹	Tonnes	11,288	10,752	9,886	9,280
...of which goes to hazardous waste handling	Tonnes	554	479	505	485
...of which goes to landfills	Tonnes	647	1,306	1,473	1,487
...of which goes to incineration	Tonnes	6,542	6,186	5,621	5,226
...of which is recycled ²	Tonnes	3,546	2,781	2,287	2,082
Waste per units produced ³	Index	80	82	79	85
...recycling coverage ⁴	%	31	26	23	22

1) Based on weighted amounts from the production sites, distribution centres and corporate headquarters. Historical data are updated as we have removed our distribution center in Peterborough, UK, from our corporate reporting, as this is considered a local warehouse outside of the reporting scope. 2) Waste recycled by external waste handling companies. 3) Waste per unit produced converted to index values (2008/2009=100). 4) Recycling coverage of total waste generation.

Water

Water use total ¹	m ³	254,535	254,864	301,036	277,854
Water sources significantly affected ²	Number	2	2	2	2
Spills (significant / insignificant)	Number	0/0	0/0	0/0	0/0

1) Including production sites, global distribution centres and corporate headquarters. Historical data are updated, as we have removed our distribution center in Peterborough, UK, from our corporate reporting, as this is considered a local warehouse outside of the reporting scope. All water use is delivered and treated by local municipalities. 2) According to the best of our knowledge, we only receive water from significantly affected water sources at our US operations in Minneapolis and Mankato (MN), which are both located in the Mississippi estuary.

Energy and GHG emissions¹ (2014/15 data reviewed by PwC)

Scope 1 / direct energy	mWh	40,117	39,172	45,541	46,970
	Tonnes CO _{2e}	8,069	7,864	9,148	9,439
...of which natural gas	mWh	39,993	39,172	45,541	46,967
	Tonnes CO _{2e}	7,999	7,834	9,108	9,393
...of which coal or fuel distilled from crude oil	mWh	124	0	0	3
	Tonnes CO _{2e}	33	0	0	1
...of which VOCs	Tonnes CO _{2e}	37	30	40	45
Scope 2 / indirect energy	mWh	88,042	82,698	81,078	81,850
	Tonnes CO _{2e}	34,368	33,870	34,023	35,355
...of which electricity ²	mWh	87,139	81,833	80,079	80,960
	Tonnes CO _{2e}	34,360	33,863	34,014	35,347
...of which district heating and cooling	mWh	903	865	999	890
	Tonnes CO _{2e}	8	8	9	8
Scope 1 + 2 / total emissions, direct and indirect	Tonnes CO _{2e}	42,436	41,735	43,171	44,795
...per number of units produced ³	Index	49	52	56	67
...per EBIT ⁴	Index	73	35	31	36
Scope 3 / other relevant indirect emissions	Tonnes CO _{2e}	131,400	153,300	152,400	134,000
...of which transportation of goods	Tonnes CO _{2e}	16,100	14,800	20,400	17,800
...of which business air travels ⁵	Tonnes CO _{2e}	15,100	14,000	12,900	15,200
...of which leased company cars	Tonnes CO _{2e}	10,300	10,100	9,100	8,800
...of which OEM Manufacturing ⁶	Tonnes CO _{2e}	8,000	10,600	10,800	11,800
...of which sales offices and subsidiaries	Tonnes CO _{2e}	2,800	2,800	2,800	2,800
...of which fluorinated hydrocarbons in products ⁷	Tonnes CO _{2e}	1,600	11,500	9,900	6,400
...of which raw materials in products	Tonnes CO _{2e}	77,500	89,500	86,500	71,200

1) Please refer to our greenhouse gas accounting principles available at www.coloplast.com for a thorough description of the methodologies used. Changes in accounting principles since last year and index values (all index values are relative to the fiscal year 2008/2009 = Index 100):

2) This year we have updated our CO₂ emission factors for electricity for all countries to match the DEFRA standard CO₂ emission factors retrospectively back to the start of our reporting in 2005/2006. In addition, energy consumption at our local distribution center in Peterborough, UK, has been converted from scope 1+2 emissions to scope 3 emissions. As a consequence, our overall reported emissions has dropped considerably and the year by year changes are larger than previously reported, as we now benefit from continuously higher penetration of renewable energy in the national energy grids. 3) GHG emissions per number of finished goods produced. 4) GHG emissions per EBIT DKK. The significant increase in 2014/15 is due our provision of DKK 3bn to cover potential settlements and costs in connection with litigation in the USA involving the use of transvaginal surgical mesh products designed to treat pelvic organ prolapse and stress urinary incontinence 5) Emissions from business travel is based on 2013/2014 data, extrapolated with growth in revenue to an estimate for 2014/2015. We are in the process of transferring to a new global travel provider, which has temporarily affected our access to reliable emission data. 6) This year we have updated our model to include both process energy and raw material use in OEM products and updated all historic numbers accordingly. In previous CR reports, we only estimated process energy use. 7) Completely phased out from production in 2014/2015. The remaining stock has all been included in this year's reporting, despite the fact that it will be sold in small quantities for another 2-3 years.

Governance and organisation of corporate responsibility

Coloplast's corporate responsibility is anchored within the Executive Management and Board of Directors. Executive Management makes most policy decisions within the field, typically after consultation with senior management of key line and staff functions. The Audit Committee is responsible for overseeing compliance with our Code of Conduct.

Coloplast prefers that corporate responsibility activities are driven and executed by the relevant business units. The business units with formal responsibility for the content in this report are Corporate Compliance, Global Quality, Corporate Procurement, Corporate HR, Corporate Communications and Public Affairs.

A small Corporate Responsibility unit is responsible for coordinating this work and for communicating with stakeholders. The Corporate Responsibility unit is managed by a Corporate Responsibility Manager within the Corporate Communications department.

Corporate responsibility is anchored in Coloplast's strategy

Respect and responsibility is a guiding principle at Coloplast and at the heart of the Coloplast culture. Corporate responsibility reflects Coloplast's mission, vision and values and supports Coloplast's leadership position and the broader responsibility that comes with it – responsibility to our users, to clinicians, to our employees, to business partners, to society, to the environment, and to our shareholders.

Mission

Making life easier for people with intimate healthcare needs

Vision

Setting the global standard for listening and responding

Values

Closeness... to better understand
Passion... to make a difference
Respect and responsibility... to guide us

About this report

This report constitutes the statutory report of cf. Danish Financial Statements Act, section 99a and 99b regarding social responsibility and the underrepresented gender. The report is published annually together with the Coloplast Annual Report, and covers the financial year 2014/15, from 1 October 2014 to 30 September 2015.

The aim of the report is to present complex issues in simple language, while including the data needed for specialist use.

UN Global Compact

In 2002, Coloplast made a formal commitment to make the ten principles of the UN Global Compact part of the business strategy and day-to-day operations. These principles cover basic human rights, labour, environmental and anti-corruption policies. To continue this tradition, this report functions as Coloplast's annual Communication on Progress to the UN Global Compact. Find information on progress on the following pages:

Human rights:

- Principle 1 Page 11-20
- Principle 2 Page 16, 19-20

Labour rights:

- Principle 3 Page 15-20
- Principle 4 Page 15-20
- Principle 5 Page 15-20
- Principle 6 Page 15-20

Environment

- Principle 7 Page 21-23
- Principle 8 Page 21-23
- Principle 9 Page 21-23

Anti-corruption:

- Principle 10 Page 13-14

Scope

This report is intended for shareholders and analysts. It is a presentation of Coloplast activities in the field of corporate responsibility, as well as the challenges Coloplast faces. Unless otherwise noted, the data and reporting include the entire Coloplast organisation, i.e. production sites, distribution centres, administration, sales and

representative offices. Third parties, such as distributors, are not included in the reporting, except for the Code of Conduct and Compliance chapter where Coloplast has started expanding the programme to distribution channels as well. Suppliers are only included in the specific reporting on our supply chain responsibly programme.

Stakeholder engagement

Coloplast's main stakeholders include shareholders, users, clinicians, employees, business partners, and society in general. This selection is based on discussions with internal and external stakeholders.

Coloplast has ongoing dialogue with its stakeholders through different channels, and used these for the purpose of the latest materiality assessment:

- **Shareholders.** An Investor Relations Unit facilitates dialogue with shareholders on a regular basis. For more information, please visit coloplast.com/investor_relations
- **Users.** Coloplast conducts annual satisfaction surveys, which target users in over ten countries. Furthermore, Coloplast engages with users through our dialogue programme, Coloplast Care, which aims to help users by providing needed guidance and support. Coloplast Care is currently active in more than 19 countries.
- **Clinicians.** Coloplast works with clinicians on advisory boards by engaging in semi-annual focus group meetings. This year, Coloplast held more than 50 meetings involving around 450 clinicians. At the same time, Coloplast also makes it easy for clinicians to submit complaints on the corporate website.
- **Society.** Coloplast works with relevant societal organisations through the Access to Healthcare partnership-programme, and maintains a sustained dialogue through regular updates on healthcare progress and challenges in local communities. Coloplast

also engages external stakeholders through our public affairs work, where Coloplast seeks to maintain high standards of professionalism and transparency.

- **Environment.** Issues regarding the environment are communicated through multiple channels. For example, material for sales reps and on Coloplast.com. The annual Corporate Responsibility Report is one of the most comprehensive sources of information regarding our environmental performance. Coloplast is also a member of the Carbon Disclosure Project.
- **Employees.** Coloplast communicates to employees on a daily basis through the Coloplast intranet “Connect”, and holds information meetings four to six times a year that are broadcasted globally within the company. In addition, Coloplast conducts global engagement surveys bi-annually.

Materiality

The topics covered by the Corporate Responsibility Report include issues material to Coloplast as well as stakeholders. Our most recent materiality assessment from 2015 is disclosed below.

The material topics were selected based on input from employees working with corporate responsibility issues from Coloplast A/S and Coloplast subsidiaries – and validated by key external stakeholders.

The evaluation of the issues’ importance to Coloplast was done through interviews and workshops with relevant personnel from all parts of the organisation. The issues’ importance to external stakeholders was evaluated through multiple interactions with our stakeholders such as employee surveys, workshop with healthcare advisory boards, and investor meetings.

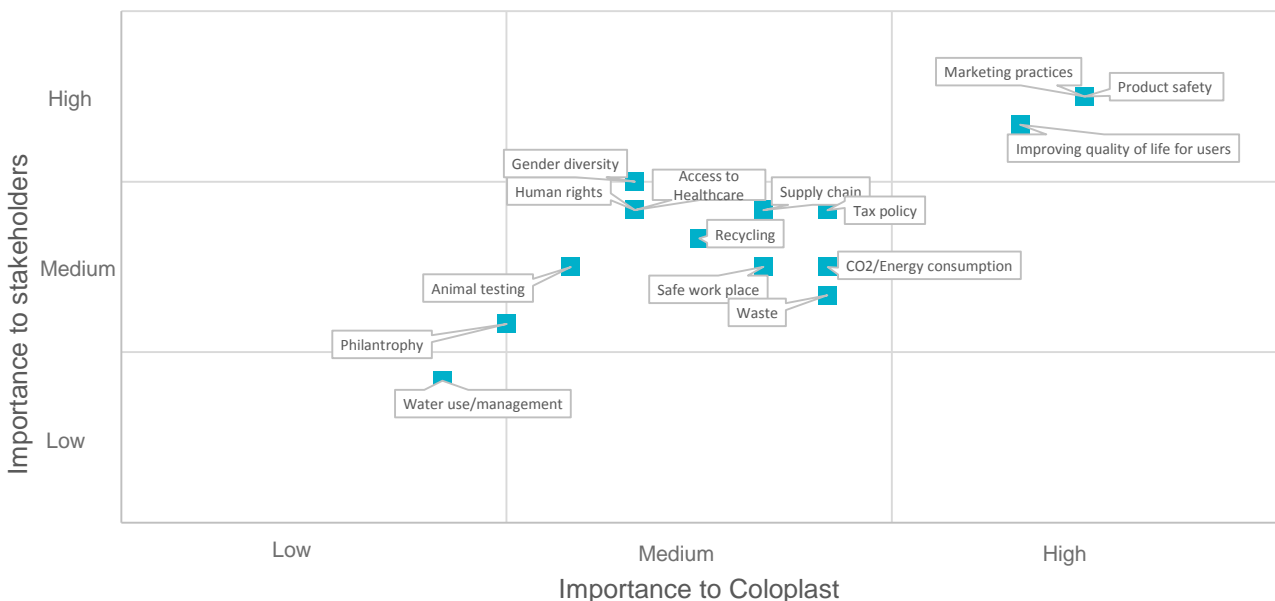
Coloplast will incorporate the findings of the materiality assessment into our decision process when prioritising activities and use them to guide our communication with our stakeholders groups. For example, information about our dialogue-programme Coloplast® Care has been included in this report, since part of the programme focus is to improve the quality of life for our users.

Data collection

Environmental, health and safety data are collected by the Corporate Quality and Environment unit, typically as part of our ISO or OHSAS certifications. HR data was collected by HR Operations, Corporate Procurement, and Corporate Finance.

In some cases, data from earlier financial years has been corrected, which can result in updates to figures in previous reports. In order to continue improving our reporting, there may be times when data has been restructured for a more precise representation. In all such cases, a note to that effect is provided in the text or in footnotes.

Materiality assessment 2015



Independent auditor's limited report

To the stakeholders of Coloplast A/S

We have been engaged by Coloplast A/S to obtain limited assurance on the 2014/15 greenhouse gas (GHG) emissions data of Coloplast A/S as stated on page 26 in the Corporate Responsibility Report 2014/15.

Criteria for preparation of the 2014/15 GHG emissions data

The criteria for preparation of the 2014/15 GHG emissions data are stated in Coloplast A/S' *Greenhouse Gas Accounting Principles* (<http://www.coloplast.com/About-Coloplast/Responsibility/Policies/>) and in the GHG Protocol, namely the GHG Protocol Corporate Standard and the GHG Corporate Value Chain (Scope 3) Accounting and Reporting Standard. Coloplast A/S *Greenhouse Gas Accounting Principles* also contain information concerning which of the Group's business areas and activities are included in the reporting, types of data, and Management's reasons for choosing the data included.

Greenhouse Gas quantification is subject to inherent uncertainty due to incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases.

Delegation of responsibility

Company Management is responsible for preparing the 2014/15 GHG emissions data, including establishing registration and internal control systems with a view to ensuring reliable reporting, specifying acceptable reporting criteria as well as choosing data to be collected. Our responsibility is, on the basis of our work, to express a conclusion on the 2014/15 GHG emissions data.

Hellerup, November 3, 2015

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab

Fin T. Nielsen
State authorized public accountant

Scope of our work

We have planned and completed our work in accordance with the International Standard on Assurance Engagements 3410, Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) for the purpose of obtaining limited assurance that the 2014/15 GHG emissions data presented on page 26 have been computed in accordance with the stated criteria in the accounting principles and in accordance with the GHG Protocol.

The obtained assurance is limited compared to that of an engagement with reasonable assurance. Our work has thus - based on assessment of materiality and risk - comprised inquiries regarding applied registration systems and procedures, assessment of data used in connection with preparation of the 2014/15 GHG emissions data, and assessment of underlying documentation, including assessment of whether the scope of 2014/15 GHG emissions data complies with defined accounting principles and the GHG Protocol. During our work we have conducted interviews and show me-meetings with key individuals at Coloplast A/S responsible for data registration in Denmark, Hungary, China and USA as well as the responsible for data consolidation.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our limited assurance conclusion.

Conclusion regarding the 2014/15 GHG emissions data

Based on our work, nothing has come to our attention causing us not to believe that the GHG emissions data as stated on page 26 in the Corporate Responsibility Report 2014/15 have been prepared, in all material respects, in accordance with the applied criteria stated in Coloplast A/S' *Greenhouse Gas Accounting Principles* and in accordance with the GHG Protocol.

Kim Tromholt
State authorized public accountant

The Coloplast story began back in 1954. Elise Sørensen is a nurse. Her sister Thora has just had an ostomy operation and is afraid to go out, fearing that her stoma might leak in public. Listening to her sister's problems, Elise creates the world's first adhesive ostomy bag. A bag that does not leak, giving Thora – and thousands of people like her – the chance to return to their normal life.

A simple solution with great significance.

Today, our business includes ostomy care, urology and continence care and wound and skin care. But our way of doing business still follows Elise's example: we listen, we learn and we respond with products and services that make life easier for people with intimate healthcare needs.

Ostomy Care
Urology & Continence Care
Wound & Skin Care

Coloplast develops products and services that make life easier for people with very personal and private medical conditions. Working closely with the people who use our products, we create solutions that are sensitive to their special needs. We call this intimate healthcare. Our business includes ostomy care, urology and continence care and wound and skin care. We operate globally and employ more than 10,000 people.

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