2023/24

Annual Report

Victoria
User, Ostomy Care

Company registration (CVR) No. 69 74 99 17

Ostomy Care | Continence Care | Advanced Wound Care | Interventional Urology | Voice and Respiratory Care

Coloplast

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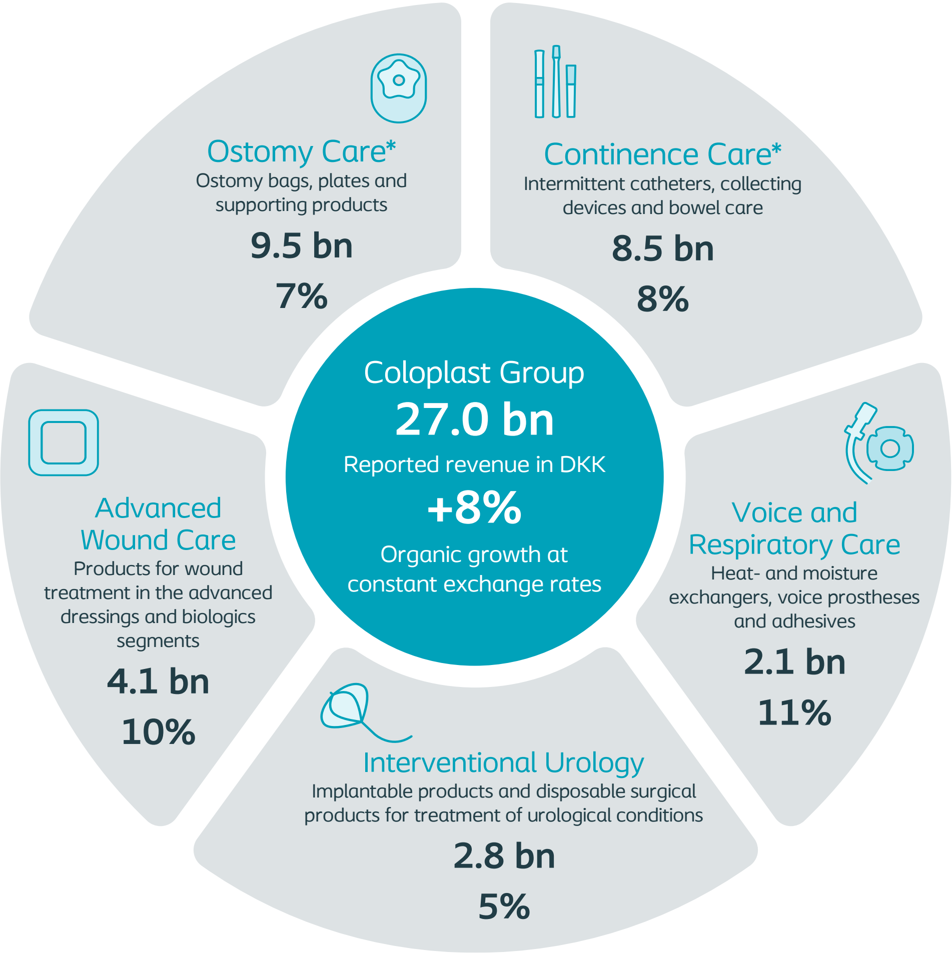
Coloplast across regions and business areas



European markets

Western, Northern and Southern Europe

14.8 bn

Reported revenue in DKK

+6%

Organic growth at constant exchange rates

Other developed markets

USA, Canada, Japan, Australia and New Zealand

7.7 bn

Reported revenue in DKK

+8%

Organic growth at constant exchange rates

Emerging markets

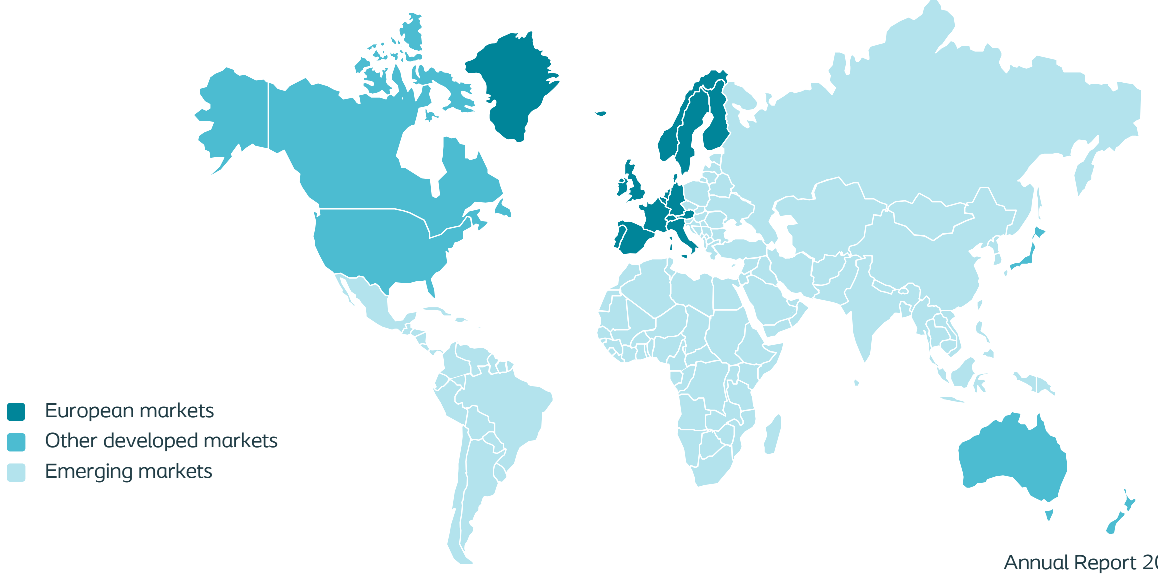
All other markets

4.5 bn

Reported revenue in DKK

+15%

Organic growth at constant exchange rates



* Ostomy Care and Continence Care are jointly referred to as Chronic Care elsewhere in the report

A message from the Chairman and the CEO

With the investments made during Strive25, we are building four growth platforms which all offer growth and value creation potential well beyond this strategic period and set us up for delivering on our long-term financial guidance.

Dear shareholders,

At Coloplast, we have a mission to make life easier for people with intimate healthcare needs. This year, we continued to help more than two million users.

During the Board of Directors' strategy days in June 2024, we had the pleasure of meeting one of our users and a three-time Olympic gold medallist, Pete Reed. Pete started using intermittent catheters after becoming paralysed from the chest down in 2019 and switched to Luja™ in August 2023. Luja is our new intermittent catheter designed to address key risk factors related to Urinary Tract Infections (UTIs), which are a major challenge for users. We were all very moved by how much Luja has meant to Pete: '(...) switching to Luja, I've seen a dramatic reduction in my UTIs*(...). The number one thing in my life since having a spinal cord injury that I would not do without is Luja. Who would have thought I'd be saying that about 80 small holes (...) I've got my life back.'

Pete's story reminds us why we are here. To help our users live the life they want by providing them with innovative, clinically differentiated technologies to manage their condition. It is how we create value and how we continue to lead in Chronic Care.

Financial year 2023/24 highlights

We delivered another solid year, with 8% organic growth, an EBIT margin before special items of 27% and growth in operating profit of 6%. These numbers reflect a strong year in Chronic Care in Europe and Emerging markets and a year with double-digit growth in Voice and Respiratory Care and Advanced Wound Dressings. Kerecis grew around 35% and continued to gain share in the biologics market.

Based on our company's financial performance in 2023/24, the Board of Directors will propose a total dividend of 22.00 Danish kroner per share at the Annual General Meeting in December 2024.

2023/24 was a year of launches, with a significant number of products launched across our business areas. Innovation remains at the core of our business model and a key driver of organic growth. In Continence Care, we continued the rollout of Luja, now available for both men and women. In Ostomy Care, we strengthened our SenSura® Mio brand and launched Heylo™, a novel digital leakage notification system, in the UK. In Advanced Wound Care, we launched Biatain® Silicone Fit, a silicone dressing for the US market, while Kerecis continued to expand its Shield® brand.

* Based on individual experience. Reduction in UTIs is not supported by clinical studies.

We have a lot to be proud of this year, but we also encountered some significant challenges. The establishment of a new distribution centre for the US market led to supply disruptions and extraordinary costs which impacted both our customers and our financial performance, particularly in Chronic Care. Interventional Urology grew below expectations because of competitive pressure. We are clearly not satisfied with these developments. But our focus is to learn from these setbacks and come back stronger.

Inflation continued to challenge our profitability, but as we look towards next year, we expect inflation to come down across cost categories. Beyond inflation, continued investments in capacity expansion to support our future growth also impacted our cost development. We continue to diversify our manufacturing footprint, with the ongoing ramp up of our manufacturing sites in Costa Rica and the establishment of a new site in Portugal, expected to be operational in 2026. Currencies also posed a headwind in the year.

Strive25 strategic update

Strive25 marks a chapter in our company's history with significant investments in organic and inorganic initiatives for long-term value creation. In addition to continuing many of the activities that have made us successful in the past, like innovation, we also added three new assets through M&A: Atos Medical, Kerecis and Intibia™. In essence, we are building four growth platforms in 1) Chronic Care, 2) Voice and Respiratory Care, 3) Advanced Wound Care and 4) Interventional Urology, which share some of the same characteristics. First, they are all in attractive end markets that are structurally growing. Second, technology and innovation are the key to winning in these segments. Finally, we are either the category leader or aspiring category leader.

These platforms all offer growth and value creation potential well beyond this strategic period and set us up for delivering on our long-term guidance of 8-10% organic growth and an EBIT margin of more than 30%. Let's look at each growth platform.

1) In **Chronic Care**, our strength comes from innovation and technologies, coupled with a commercial model which provides services to both healthcare professionals and users. Delivering on our financial ambition starts with running a strong Chronic Care business. Recent launches combined with our robust commercial model position us well for continued growth above the market.

2) **Voice and Respiratory Care** is a business very much alike our Chronic Care businesses. At the core, it is all about technologies which are proven to significantly improve quality of life for people with a neck stoma, supported by a strong commercial model. There continues to be a lot of 'white space' in the market with many unserved patients today, which translates into a significant long-term opportunity. The business is expected to deliver 8-10% organic growth and an EBITDA margin in the mid-30%s.

3) In **Advanced Wound Care**, we expect to continue to outgrow the market and improve profitability. With the acquisition of Kerecis, we aim to build a market leader in the biologics segment. Kerecis gives us an opportunity to transform the value creation of the Advanced Wound Care segment and turn it into a strong contributor to the group's value creation ambition. Kerecis has an attractive growth profile, with a 3-year CAGR of around 30% until 2025/26 and strong profitability expansion potential.

4) In **Interventional Urology**, our story is one of niches with strong technologies in segments like Men's Health. With the acquisition of Intibia in 2020, we aim to enter the attractive over-active bladder market in the financial year 2025/26 and return to high-single digit growth in the segment.

The financial year 2024/25 marks the final year of our Strive25 period. Looking ahead, we are moving into a new strategic period which will focus on unfolding the potential of our four growth platforms to drive long-term value creation. Today, we also announced a new, extended Executive Leadership Team, to drive the strategy work and deliver on our long-term targets.

Sustainability and Governance

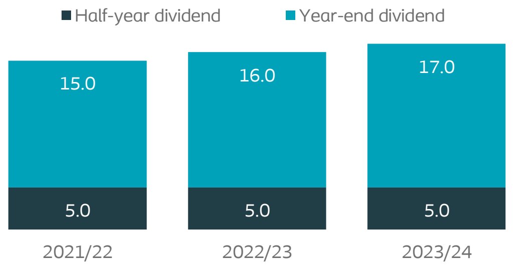
Coloplast is a purpose-driven company. As we continue to grow and help more users, we are committed to doing so in a sustainable way. We have an ambition to reduce our emissions and improve our products and packaging, while operating responsibly. We continued to make good progress in 2023/24, with further reduction in our scope 1 and 2 emissions and an increase in our waste recycling rate.

The Board of Directors and the Executive Leadership Team continued their strong collaboration during the year, based on mutual respect and trust. Key topics this year included the performance and integration of Kerecis, and the impact of current macroeconomic environment and world events on Coloplast. We have confidence that the decisions taken during Strive25 will enable the company to create sustainable long-term shareholder return.

Our employee engagement continues to be above industry benchmark, with a stable voluntary turnover level. We would like to thank our colleagues at Coloplast for their commitment and hard work this year. They make this possible. We would also like to thank our customers and investors for their continued trust and support.

Proposed dividend per share of DKK 22.00 in 2023/24

Of which a half-year dividend of DKK 5.00 was paid.



Lars Rasmussen
Chairman
of the Board of Directors

Kristian Villumsen
President & CEO

2023/24 in brief

Organic growth was 8%, driven by good contribution from our Chronic Care businesses - Ostomy Care and Continence Care - which grew 7% and 8% respectively. Our smaller business areas Voice and Respiratory Care and Advanced Wound Dressings grew 11% and 10% respectively. Interventional Urology posted 5% organic growth, impacted by competitive pressure in the Women's Health segment.

In 2023/24, a significant number of new products were launched in Chronic Care and Advanced Wound Care, to support continued growth above the market in this strategic period and beyond.

Revenue amounted to DKK 27,030 million, a 10% increase from DKK 24,500 million last year. Revenue from acquisitions contributed 4% to reported revenue from the acquisition of Kerecis. Currencies had a negative impact on reported revenue of 1%.

The integration of Kerecis onto Coloplast's infrastructure is ongoing, and both performance and integration are progressing in line with expectations. With Kerecis, Coloplast entered the attractive biologics market, worth an estimated DKK 16-18 billion and primarily in the US. The biologics market is the fastest growing segment of the total advanced wound care market, growing 6-8% annually. In 2023/24, Kerecis market share increased to 5-10%, from previously around 5%. Coloplast's ambition is to become the market leader in the biologics segment, which represents a significant long-term growth and value creation opportunity.

EBIT before special items amounted to DKK 7,286 million, a 6% increase from DKK 6,845 million last year. The EBIT margin before special items was 27% compared to 28% last year.

The EBIT margin includes negative impact from the inclusion of Kerecis of around 100 basis points (including PPA amortisation). Furthermore, extraordinary costs associated with the establishment of a new US distribution centre and currencies also had a negative impact on the EBIT margin. The negative impact on the EBIT margin was partly offset by favourable development in input costs and prudent management of operating expenses.

The EBIT margin after special items was also 27%.

ROIC after tax before special items was 15%, against 17% last year. 2023/24 ROIC includes negative impact from the acquisition of Kerecis in August 2023.

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8%
Organic revenue growth
was broad-based across business areas

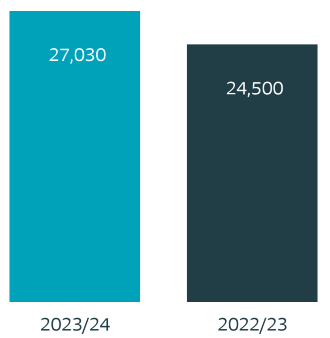
27%*
EBIT margin
with around 100 basis points dilution from Kerecis

* Before special items

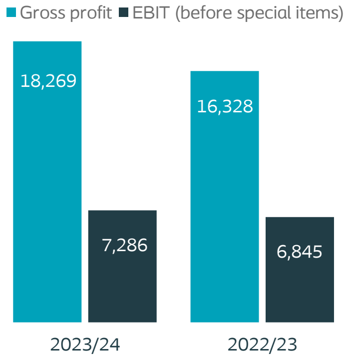
15%*
ROIC after tax
impacted by the Kerecis acquisition

* Before special items

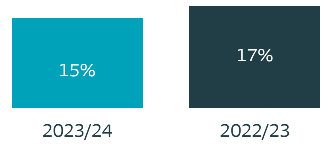
REVENUE (DKK MILLION)



GROSS PROFIT AND EBIT (DKK MILLION)



DEVELOPMENT IN ROIC AFTER TAX BEFORE SPECIAL ITEMS



Cash flows from operating activities amounted to DKK 2,766 million, against DKK 4,226 million last year. The negative development in cash flows from operating activities was mainly due to an extraordinary tax payment related to the transfer of Atos Medical's Intellectual Property, with a net negative impact of around DKK 2.5 billion. The negative impact from the extraordinary tax payment was only partly offset by an increase in operating profit (EBIT).

Cash flows from investing activities was an outflow of DKK 1,336 million compared to DKK 8,957 last year. The cash flow from investing activities in 2022/23 was impacted by the acquisition of Kerecis for a cash consideration of DKK 7,923 million.

The free cash flow was an inflow of DKK 1,430 million compared to an outflow of DKK 4,731 million last year. Adjusted for the extraordinary tax payment, the free cash flow in 2023/24 was DKK 3.9 billion, an increase of DKK 0.7 billion (23%) compared to the free cash flow in 2022/23 (adjusted for the acquisition of Kerecis).

Coloplast's absolute scope 1 and 2 emissions decreased by 27% in 2023/24 compared to the base year 2018/19.

The scope 1 and 2 emissions reduction was mainly driven by energy efficiency improvements, continued phase-out of natural gas and the continued transition of our company car fleet to electric vehicles.

In 2023/24, more than 270,000 new users enrolled in Coloplast Care, compared to more than 260,000 in 2022/23.

Coloplast Care is our flagship patient support programme, designed to provide personalised support and education for people with intimate healthcare needs. The programme is available to users in more than 30 markets and is tailored to the needs of each individual market.

1,430 m

Free cash flow in DKK
impacted by one off tax payment

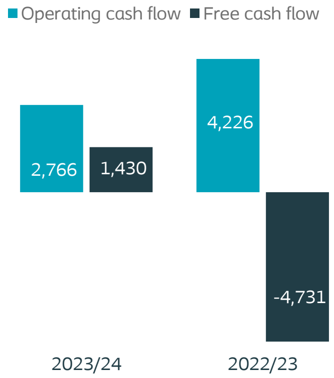
27%

Scope 1 and 2
emissions reduction since 2018/19 base year[1]

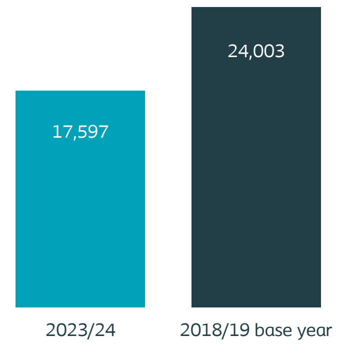
270,000+

New users in the Coloplast® Care
patient support programme

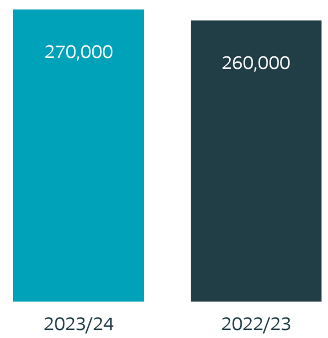
CASH FLOW (DKK MILLION)



SCOPE 1 AND 2 EMISSIONS (TONNES CO_2)[1]



NEW USERS ENROLLED IN OUR PATIENT SUPPORT PROGRAMME



[1] Base year emissions for scope 1 and 2 have been recalculated due to improved data quality.

Financial highlights and ratios

Income statement, DKK million	2023/24	2022/23	2021/22	2020/21	2019/20
Revenue	27,030	24,500	22,579	19,426	18,544
Research and development costs	-913	-872	-866	-755	-708
Operating profit before interest, tax, depr. and amort. (EBITDA)	8,610	7,840	7,369	6,947	6,705
Operating profit before interest, taxes and amortisa-tion (EBITA) before special items	7,737	7,179	7,170	6,484	6,013
Operating profit (EBIT) before special items	7,286	6,845	6,910	6,355	5,854
Special items	34	-74	-471	-200	-
Operating profit (EBIT)	7,320	6,771	6,439	6,155	5,854
Net financial income and expenses	-925	-746	-312	78	-388
Profit before tax	6,395	6,025	6,127	6,233	5,466
Net profit for the year	5,052	4,783	4,706	4,825	4,197
Revenue growth					
Annual growth in revenue, %	10	9	16	5	3
Growth breakdown:					
Organic growth, %	8	8	6	7	4
Currency effect, %	-1	-2	4	-2	-1
Acquired operations, %	4	3	6	0	-
Balance sheet, DKK million					
Total assets	48,073	48,159	37,446	15,841	13,499
Capital invested	41,079	37,255	27,679	11,576	9,864
Net interest-bearing debt	21,841	18,660	18,091	2,112	1,162
Equity at year end	17,942	17,299	8,292	8,168	7,406

Cash flows and investments, DKK million	2023/24	2022/23	2021/22	2020/21	2019/20
Cash flows from operating activities	2,766	4,226	5,099	5,290	4,759
Cash flows from investing activities	-1,336	-8,957	-11,759	-2,011	-901
Investments in property, plant and equipment, gross	-1,166	-1,020	-927	-919	-846
Free cash flow	1,430	-4,731	-6,660	3,279	3,858
Cash flows from financing activities	-1,518	5,265	6,591	-3,176	-3,857
Key ratios					
Average number of employees, FTEs[1]	16,202	15,069	13,825	12,656	12,284
Operating margin (EBIT margin) before special items, %	27	28	31	33	32
Operating margin (EBIT margin), %	27	28	29	32	32
Operating margin before interest, tax, depr. and amort. (EBITDA margin), %	32	32	33	36	36
Gearing ratio, NIBD/EBITDA before special items	2.5	2.4	2.3	0.3	0.2
Return on average invested capital before tax (ROIC), %[2]	19	21	35	58	59
Return on average invested capital after tax (ROIC), %[2]	15	17	27	45	46
Return on equity, %	31	59	64	70	66
Equity ratio, %	37	36	22	52	55
Net asset value per outstanding share, DKK	80	77	39	38	35

Key ratios have been calculated and applied in accordance with the Recommendations and Financial Ratios issued by the Danish Society of Financial Analysts.

1) The FTE definition has been reassessed during 2023/24 and the comparison figures has been adjusted.

2) This ratio is provided before special items. After special items, ROIC before tax was 19%/21%/33%/57%/61%, and ROIC after tax was 15%/17%/25%/44%/47%.

Share data	2023/24	2022/23	2021/22	2020/21	2019/20
Share price, DKK	875	748	776	1,007	1,004
Share price/net asset value per share	11	10	20	26	29
Average number of outstanding shares, in million	225	214	213	213	213
PE, price/earnings ratio	39	34	35	44	51
Dividend per share, DKK[1]	22.0	21.0	20.0	19.0	18.0
Payout ratio, %[2]	99	96	84	81	91
Earnings per share (EPS), diluted	22.46	22.20	22.11	22.63	19.67
Earnings per share (EPS) before special items, diluted	22.34	22.46	23.82	23.36	19.67
Free cash flow per share	6	-22	-31	15	18

[1] The figure shown for the 2023/24 financial year is the proposed dividend.
[2] This item is before special items. After special items, the payout ratio is 98%/97%/90%/84%/91%.

Sustainability highlights and ratios

	2023/24	2022/23	2021/22	2020/21	2019/20
Strive25 ambitions[1]					
Improving products and packaging					
90% of packaging recyclable[2]	74%	74%	74%	74%	75%
80% of packaging consisting of renewable materials[2]	68%	68%	68%	68%	68%
75% of production waste recycled	77%	75%	71%	58%	41%
Reducing emissions[3]					
100% reduction of scope 1 & 2 emissions by 2030[3)4)]	27%	10%	8%	–7%	-3%
100% renewable energy	83%	78%	72%	67%	67%
100% electric company cars by 2030	11%	8%	4%	2%	1%
50% reduction of scope 3 emissions per product by 2030 [3)4)5)]	3%	6%	9%	10%	0.3%
10% reduction of air travel and then freeze[3)6)]	50%	40%	55%	81%	45%
5% limit on goods transported by air	2%	2%	3%	2%	4%
Responsible operations					
100% white collars trained in Code of Conduct	99%	99%	100%	99%	98%
2.0 Lost Time Injury frequency[7]	2.1	2.6	2.5	2.2	2.5
40% representation of female senior leaders (VP+) by 2030	28%	26%	21%	24%	23%
75% share of diverse teams	56%	54%	55%	50%	51%
Engagement score above industry benchmark[8]	8.1	8.1	8.2	8.2	7.9

[1] Sustainability highlights and ratios for 2023/24 include Atos Medical, except for the ratios related to recyclable packaging, packing consisting of renewable materials and share of diverse teams. Kerecis is excluded from all sustainability information and figures.
[2] Due to improved reporting methodology and underlying data quality, figures from 2022/23, 2021/22, 2020/21 and 2019/20 have been restated.
[3] From the base year 2018/19.
[4] Target validated by the Science Based Targets initiative (SBTi).
[5] Figure for 2022/23 has been restated due to improved data quality and updated recalculation of our baseline. Due to these changes, figures from before 2022/23 are not comparable with later figures.
[6] Figure for 2022/23 has been restated due to a data correction
[7] In parts per million.
[8] The current Peakon True Benchmark® for our industry is 7.8. Due to the introduction of a new engagement survey in 2021/22, engagement scores reported before 2021/22 are not comparable with later scores.

Outlook and financial guidance

2024/25 *Financial guidance*

8-9%

Organic revenue growth at constant exchange rates

Around 28%

Reported EBIT margin (before special items)

Around 1.4 bn

Capital expenditure in DKK

Around 22%

Effective tax rate

Key assumptions

Current macroeconomic and industry-specific trends are continuously monitored and their potential impact on our business is evaluated on an ongoing basis. As such, the financial guidance is subject to a higher degree of uncertainty.

The addressable market in which Coloplast operates is expected to continue growing at 4-5%.

Revenue growth
Organic growth is expected at 8-9% in constant currencies with the following assumptions:

a. Growth across business areas and geographies is expected to be largely in line with the Strive25 expectations, with the exception of China Chronic Care and Interventional Urology.
b. China Chronic Care – mid-single digit growth, with continued impact from consumer sentiment.
c. Interventional Urology – mid single-digit growth, with continued impact from competitive pressure in Women's Health.
d. Around 1%-point contribution from Kerecis to group organic growth, assuming Kerecis remains on the covered list of products in the final LCD policy.
e. No current knowledge of significant health care reforms; positive pricing impact is expected. The expectation of long-term price pressure of up to 1% annually is unchanged.
f. A stable supply and distribution of products across the company.

Reported growth in DKK is also expected to be 8-9%, with neutral impact from currencies.

EBIT margin
The reported EBIT margin before special items is expected to be around 28%, and includes the following assumptions:

a. Costs of goods sold:

- Tailwind from favourable development across key input cost categories as inflationary pressure has come down.
- Negative impact from ramp-up activities in Costa Rica and Portugal.

b. Operating expenses:

- Prudent management of operating costs, expected to grow below reported revenue in DKK.
- Improvement in profitability in Advanced Wound Care (ex. Kerecis) from initiatives on portfolio, gross margin and cost structure, with positive impact on the group EBIT margin of around 30 basis points.
- Incremental investments at the lower end of the Strive25 guidance (up to 2% of sales in incremental OPEX investments).
- Kerecis: improvement in profitability, however, continued negative impact on the group EBIT margin of around 100 basis points (including around DKK 100 million in PPA amortisation).
- Neutral impact from currencies.

Special items of around DKK 130 million, mostly related to the Atos Medical integration and initiatives to improve profitability in Advanced Wound Care (ex. Kerecis).

Capex of DKK 1.4 billion which includes investments in the new manufacturing site in Portugal, investments in new machines for existing and new products, IT and sustainability investments, as well as Atos Medical integration capex.

Effective tax rate is expected to be around 22%. Coloplast's long-term expectations for a tax rate of around 23% are unchanged.

Dividend policy
The Board of Directors intends to distribute excess liquidity to the shareholders through dividends and share buybacks, with a target payout ratio of 60-80% of net profit.

Forward-looking statements

The forward-looking statements in this announcement, including revenue and earnings guidance, do not constitute a guarantee of future results and are subject to risk, uncertainty and assumptions, the consequences of which are difficult to predict.

The forward-looking statements are based on our current expectations, estimates and assumptions and are provided on the basis of information available to us at the present time.

Major fluctuations in the exchange rates of key currencies, significant changes in the healthcare sector or major developments in the global economy may impact our ability to achieve the defined long-term targets and meet our guidance. This may impact our company's financial results.

Exchange rate exposure

Our financial guidance for the 2024/25 financial year has been prepared on the basis of the following assumptions for the company's principal currencies:

Overview of exchange rates for key currencies against DKK

	GBP	USD	HUF
Average exchange rate 2022/23	855	698	1.92
Average exchange rate 2023/24	872	688	1.92
Change in average exchange rates for 2023/24 versus 2022/23	2%	-1%	0%
Spot rate on 1 November 2024	885	686	1.83
Change in spot rates compared with average exchange rate 2023/24	2%	0%	-5%

Revenue is particularly exposed to developments in USD and GBP relative to DKK. Fluctuations in HUF against DKK impact the operating profit because a substantial part of our production, and thus of our costs, are in Hungary, whereas our sales there are moderate.

Effect over 12 months of a 10% initial drop in exchange rates for key currencies (DKK million)

	Revenue	EBIT
USD	-740	-240
GBP	-370	-220
HUF	-	150

Long-term *financial guidance*

8-10%

Organic growth p.a.

Above 30%

EBIT margin beyond 2024/25 (at constant exchange rates)

Mission and commercial model

Mission

Coloplast has a mission to make life easier for people living with intimate healthcare needs. This has been at the core since our company was founded 67 years ago.

In 2023/24, we continued to help more than 2 million people living with intimate healthcare needs across 140 countries. We also welcomed more than 270,000 new users to our patient support programme, Coloplast® Care.

Making life easier for our users requires an understanding of their medical challenges and the many other concerns that impact their lives. We gain this understanding by listening to our users and to the healthcare professionals who care for them. It is what inspires us and what enables us to deliver products and services that can make a difference.

Coloplast has been committed to raising standards of care and leading the categories we operate in since the company was founded more than six decades ago. We have done so through product and service innovation, partnering with healthcare professionals and tailored user support.

Despite the decades-long innovation, we continue to see unmet needs in the market. We also see that the standard of care in our chronic categories, measured through product utilisation per capita, remains low in most markets outside of Northern Europe. Many patients continue to be underserved, with limited access to products and services. And many do not have access to the latest technologies.

We will continue to live our mission through a strong commitment to raising standards of care and ensuring more users get proper access to the products they need to live a better life, enabled by our commercial model.

Commercial model

Healthcare globally is experiencing pressure from demographic trends, constrained budgets, channel consolidation, more demanding consumers and digital transformation. Healthcare systems need to adapt to these trends and meet the increase in demand in a cost-effective way.

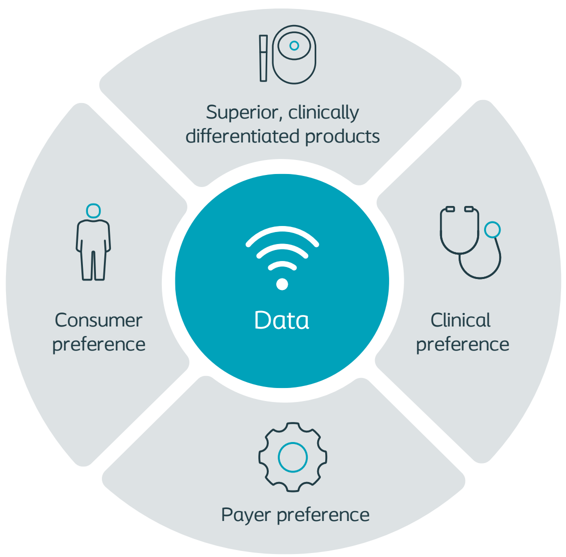
At Coloplast, we are building a company that plays an active role in the care continuum and addresses the unmet needs in the market, while supporting healthcare systems globally as they go through substantial changes.

Our model is built with the user in focus and has five elements:

1. bringing clinically differentiated products through innovation,
2. building clinical preference through partnering with healthcare professionals,
3. building consumer preference,
4. building payer preference,
5. documenting the value we create through data.

With our commercial model, we want to empower users to manage their conditions at home and minimise the use of healthcare resources, thus reducing the pressure on healthcare systems. We call this enabling self-care at scale. This is how we aim to support both the individual user and healthcare systems and how we add value to society.

Commercial model



This is also what we believe is at the core of being a sustainable business that is well positioned for the future. Being a sustainable business extends to the interactions with all our stakeholders. As we continue growing, we aim to minimise our environmental footprint by reducing emissions and improving products and packaging, as well as continue to operate responsibly.

Clinically differentiated products
Our business model starts with bringing differentiated technologies to the market through innovation. With our products, we aim to raise the standard of care and address the unmet needs in the market. The innovation strategy is to enable personalised care and extends beyond products, through an ecosystem of innovation which comprises core products, extended solutions and services.

The financial year 2023/24 was a year with a significant number of new product launches across business areas. A key example of our innovation is Luja™, an intermittent catheter with a unique Micro-hole Zone Technology, which is now available in both male and female version. Luja is designed to directly address key risk factors related to Urinary Tract Infections (UTIs) and raise the standard of care for intermittent catheter users. Another notable example is Heylo™, a novel digital leakage notification system designed to help users feel more in control over their condition, which was launched in the UK.

Clinical preference
Across our businesses, we aim to be the brand of choice for healthcare professionals. In addition to differentiated products and a broad portfolio that enables healthcare professionals to find the best product fit for their patients, we also offer them education and support.

Coloplast provides education through its Coloplast® Professional online platform in Chronic Care and Advanced Wound Care, as well as educational events across business areas. The Coloplast Professional platform is now available in 19 markets, with around 30,000 sign-ups in 2023/24.

Consumer preference
Getting the right support is crucial in ensuring that users in the chronic care segments establish a good routine and experience a high quality of life. To provide individualised support and services to users, and drive consumer preference and retention, Coloplast has made significant investments over the last decade in building stronger ties with end consumers.

Users are able to access dedicated support through our patient support programme, Coloplast® Care, available in more than 30 markets. Furthermore, Coloplast has built a direct-to-consumer channel where users can order products directly from Coloplast, available across more than 10 markets.

Payer preference and data
Majority of Coloplast's revenues are covered by reimbursement. Depending on the market, a public or a commercial payer will decide on whether a product will be covered and what the reimbursement level will be. To ensure that Coloplast's products are reimbursed, and that the reimbursement level is fair and reflects the differentiation of our technology, it is crucial that we document the value we create for users, payers and healthcare systems. We do this by actively gathering data through clinical studies and pilot programmes.

Luja, Coloplast's new intermittent catheter, is a good example of a product that is supported by compelling clinical evidence which has also resulted in a value upgrade compared to earlier generations of catheters. The clinical evidence on Luja shows that catheterisation with Luja leads to a complete bladder emptying in one free flow without the need to reposition the catheter, therefore addressing a key risk factor of UTIs and resulting in a significant benefit for users.

Another example on how we work with data to drive payer preference comes from Kerecis. Kerecis has a compelling body of clinical evidence, with more than 50 studies showing the efficacy and benefits of the unique fish skin technology. In 2023/24, around 50 commercial payers added Kerecis to their plans, effectively opening access to treatment with the fish skin technology for over 115 million people in the US.

Improving standards of care

Our mission and commercial model inherently strive for better health outcomes. Coloplast has a long-term ambition to create or improve access to better care across our business areas and geographies. To achieve this, we work on two main initiatives.

First, we advocate for establishing or improving reimbursement to ensure that users have appropriate access to the products they need. Over the last decade, we have supported establishment or improvement of reimbursement for hydrophilic catheters in Poland, Japan, South Korea and Australia. In 2024, the US Centers for Medicare & Medicaid Services (CMS) announced the establishment of three new codes dedicated to hydrophilic intermittent catheters, to be implemented as of 1 January 2026. Coloplast played an important role in the efforts to update the coding structure in the US which will benefit patients, ensuring they get the products that best fit their needs.

Second, we work on establishing treatment protocols for patients in new segments that are currently underserved, such as Multiple Sclerosis.

In collaboration with local stakeholders, with a common goal of helping people with intimate healthcare needs, Coloplast has a portfolio of initiatives under the corporate partnership programme Access to Healthcare. Since 2007, the programme has supported more than 100 projects in around 25 countries across business areas.

Strive25 Sustainable Growth Leadership

In September 2020, we announced our Strive25 – Sustainable Growth Leadership strategy, covering a five-year period ending in 2025.

'Sustainable' because it sends an important signal. Sustainability is a key enterprise theme. 'Growth' because we want Coloplast to continue to be an innovative growth company. 'Leadership' because we aspire to lead our categories and because we aim to evolve the way we lead.

With Strive25, we continue to focus on value creation through growth above the market and industry-leading profitability. We pursue market-leading growth across all our business areas and geographies. Our strategy has four enterprise-wide themes: Innovation, Unparalleled efficiency, Sustainability and Leadership, Culture and Organisation, all of which are enablers of the revenue growth and value creation that our business areas deliver.

Strive25 marks a period with significant investments in both organic and inorganic initiatives to drive growth and value creation during this strategic period and beyond.

In the first half of the strategic period, we made significant investments of up to 2% of annual revenue in incremental innovation and commercial activities.

We also made three significant acquisitions to secure long-term growth and value creation options beyond 2025.

In 2020, Coloplast acquired an early-stage technology, Intibia™, for treatment of over-active bladder in Interventional Urology. The technology is expected to launch in 2025/26 and to support long-term growth above the market in Interventional Urology.

With the Atos Medical acquisition in 2022, Coloplast added the Voice and Respiratory Care business area to the portfolio. The business area represents a continuous growth option in a chronic category with limited competition and significant untapped potential.

Finally, with the acquisition of Kerecis in 2023, Coloplast acquired a highly differentiated technology in the biologics wound care segment based on fish skin, with the aim to strategically transform our position in the advanced wound care market.

As a result of these initiatives, we expect a long-term organic revenue growth of 8-10%[1)] annually, with an industry-leading EBIT margin of above 30%[1)] long-term.

[1)]For more information, please refer to the guidance section on pages 10-11. EBIT margin guidance beyond 2024/25.

Strive25 marks also a period in which the EBIT margin has developed differently than our expectations set at the start of the strategic period. Inflationary pressure across input costs over the last three years has resulted in a negative development in our group gross margin. The strategic decision to invest in new assets have also put pressure on the EBIT margin, and both Kerecis and costs related to PPA-amortisation have had a negative impact on the group EBIT margin. Despite these challenges, we expect to return to an EBIT margin of above 30% long-term, supported by easing inflationary pressure, improvement in operations and an uplift in Kerecis' operating margin, which is expected to reach around 20% in 2025/26.

Innovation

Innovation and bringing differentiated technologies in the segments we compete in will continue to be a core driver of organic growth. We will continue to invest in R&D across business areas, and we maintain an R&D-to-sales ratio of around 4% annually.

The most important initiative in this strategic period is the launch of clinically differentiated products from our Clinical Performance Programme in Chronic Care. In 2023, we initiated the launch of our new intermittent catheter Luja™, the first product from the Programme. The rollout of Luja continued during 2024, with the launch of Luja male in key markets and the initiation of the launch of Luja female. The second product from the Programme, Heylo™, a digital leakage notification system in Ostomy Care, was also launched in 2024 in the UK.

Simultaneously, we continue to expand our portfolio by launching line extensions within existing technologies across all business areas. Recent examples include three line extensions within our SenSura® Mio ostomy care portfolio in 2024, as well as product launches in the bowel care and the advanced wound dressings segments.

Unparalleled efficiency

Since 2008, Global Operations have delivered significant value through Global Operations Plans (GOPs). In the Strive25 period, GOP5 and GOP6 play a key role in maintaining efficient operations. GOP5 and GOP6 differ from previous plans as the benefits from offshoring of manufacturing are limited. In addition, external factors like labour shortages in Hungary and broad inflationary pressure across input cost categories have put pressure on the overall financial performance.

A key initiative under GOP5 and GOP6 is the diversification of our manufacturing footprint, to support a wider geographical spread of risk and a more robust setup. Today, Hungary accounts for around 70% of volumes produced. And while Coloplast has significantly benefited from the setup in Hungary, continued pressure on the labour market and high inflation in recent years have led to the choice of two new countries – Costa Rica and Portugal – for further expansion of our production footprint. Both countries are characterised by a stable supply of qualified labour and lower salary inflation levels than Hungary. In Costa Rica, we have two operational sites which were opened in 2020/21 and 2021/22. The site in Portugal is expected to be operational in 2026 and will be the largest Coloplast site to date at 30,000 m2, removing the need to build additional sites until 2029/30. The establishment of the new site started in 2023/24 with an investment level of around DKK 700 million, evenly split over a 3-year period. In 2029/30, we expect Costa Rica and Portugal to account for 20-25% of total volumes each.

Another important initiative in Strive25 is automation of our manufacturing sites in Hungary and China to maintain headcount neutrality, with a net impact of ~1,000 FTEs in 2023/24. The automation programme was finalised in 2023/24.

Finally, as a result of the high inflationary environment, we have strong focus on managing input prices and cost efficiency. To manage the ongoing inflationary pressure, we have initiated a company-wide procurement programme expected to positively impact our cost base as of the financial year 2024/25.

During Strive25, we continue to benefit from scale effect in our business support organisation driven by further utilisation of our Coloplast Business Support Centre and investments in IT. We also expect benefit from synergies related to the ongoing integration of Atos Medical, estimated at up to DKK 100 million.

Sustainability

At Coloplast, we help more than 2 million users globally. Just as we set a high standard when it comes to helping our users, we do the same when it comes to how we run our business. That is why Coloplast has made an ambitious commitment to sustainability as part of Strive25. To supply users and healthcare professionals with products and services that have a lower environmental footprint, we are taking action across our business. Not all progress leads to visible changes to our products, but every time we reduce our overall emissions, we lower the environmental footprint of every single product – products that are picked up and used by around 50 people every second. We also believe that aiming high when it comes to sustainability will help future-proof our growth, spur innovation and provide resilience against regulation and supply chain disruptions.

Coloplast is investing DKK 250 million during the Strive25 period in more sustainable solutions and capacity building across our company. We are also partnering with suppliers, business partners and others within and outside our industry to improve our data foundation and accelerate the availability of more sustainable materials and technologies.

Coloplast is a signatory of the UN Global Compact and its ten principles are part of our way of doing business. We are also committed to contributing to the UN Sustainable Development Goals (SDGs). In addition, we adhere to widely accepted standards, certifications and methodologies within relevant sustainability topics such as climate accounting, life cycle assessment, health and safety and more.

With the addition of Voice and Respiratory Care to the Coloplast Group, we are extending our sustainability ambitions – including policies, tools and performance reporting – to this business area. This work is progressing well across social, environmental and governance (ESG) topics. We are also setting a plan for how to address ESG-related matters within Kerecis and will include Kerecis in our sustainability reporting from 2024/25. Kerecis has a strong foundation and a unique waste-to-value proposition with its mission to help more people in need of wound treatment through a portfolio based on cod fish skin, a by-product from Icelandic fisheries.

Improving our products and packaging

As for any manufacturing company, the environmental impacts from our products and packaging contribute significantly to our overall footprint. Coloplast's Strive25 sustainability strategy includes targets for introducing more renewable materials into our packaging, improving its recyclability and recycling more of our production waste. Focusing on packaging aligns with market trends, where we see increasing focus on more sustainable packaging from regulators and payers. It also allows us to make more immediate improvements to our environmental footprint while we work to make our products more sustainable in the long run.

To reduce the environmental footprint of our products, making informed decisions early in the product development process is key. We enable sustainable decision making through eco-design principles, which have been integrated into our innovation processes. Coloplast also remains committed to upholding our high production waste recycling rate.

Reducing our emissions

Climate action is a key priority for Coloplast. To ensure that we reduce our emissions at the scale and speed needed to limit global warming to 1.5˚C as outlined in the Paris Agreement, our emission reduction targets in scope 1, 2 and 3 as well as our renewable electricity target have been validated by the Science Based Targets initiative.

Within our own operations, our focus remains on phasing out the use of natural gas, increasing our renewable energy consumption and transitioning to electric company cars. In our value chain, our decarbonisation efforts include both short and long-term activities and progress tracking. Coloplast's decarbonisation plan is based on thorough mapping of value chain activities, emissions and climate risks, and our current strategic focus is on raw materials, transportation and business travel.

Our commitment to responsible operations

We have a strong commitment to operating responsibly by delivering safe and reliable products, ensuring a safe and healthy working environment for our employees and upholding a high level of integrity in interactions with all our stakeholders.

Leadership, talent and culture

Coloplast is a global employer with more than 16,500 employees working towards the shared purpose of making life easier for people with intimate healthcare needs. Our diverse employee population operates in 41 countries and represents 102 nationalities. Attracting and retaining a diverse pool of talent and enabling them to perform, grow and feel a sense of belonging is critical to Coloplast's future success and continued innovation and growth. In 2023/24, our global turnover was 13.9% with the voluntary turnover at 9.1%, which is significantly better than industry benchmarks.

Our leadership, culture and organisation agenda is centred around three themes: Talent for the future, employee engagement, and diversity, equity and inclusion.

Talent for the future

To ensure talent for our present and future, we prioritise leadership development, talent management and the creation of diverse, equitable and inclusive work environments. In a competitive global labour market, we focus on activating our employer value proposition with emphasis on unique purpose and growth opportunities for our employees. In 2023/24, 71% of open managerial positions at Vice President level and above were filled by internal candidates.

Employee engagement

We are dedicated to creating a work environment that fosters performance, well-being and a sense of belonging. We measure our success through annual engagement surveys and continue to see strong engagement among our employees. Last year, we had our highest-ever response rate at 92%. We also maintained our above-industry engagement score at 8.1 out of 10.

Diversity, equity and inclusion

At Coloplast, we believe we are stronger together due to our differences in background and way of working, and we strive to cultivate a workplace where employees can tap into their unique skills and experiences to reach their potential.

We have increased our focus on diversity, equity and inclusion within key people processes because we believe positive change comes by examining our everyday processes and culture. We foster a culture where positive change can happen at all organisational levels and are committed to listening to employees' voices, including through local Employee Resource Groups which bridge our colleagues' lived experiences with meaningful initiatives.

We are committed to balanced gender representation at all levels, including the senior leadership level (Vice President and above). In 2023/24, the share of female senior leaders increased to 28% from 26% in 2022/23, and we maintain an equal gender balance within our Board of Directors. Coloplast is a signatory to the Confederation of Danish Industry's Gender Diversity Pledge and is committed to a target of 40/60 gender distribution at all management levels and in the Board of Directors by 2030.

Diversity extends beyond gender. We work to ensure a diverse composition of teams in terms of gender, age and nationality, and we are proud to employ and include people with mental and/or physical disabilities. We are committed to continually creating more inclusive and accessible workspaces with necessary equipment and aids.

Case study

Innovation: Raising the standard in intermittent catheterisation with Luja™

As the market leader in Continence Care, Coloplast remains committed to raising the standard of care for people in need of bladder management through innovation and differentiated technologies.

Our first instantly ready-to-use hydrophilic catheter, SpeediCath®, transformed the standard of care for people with urinary retention 25 years ago. The launch of Luja™, an intermittent catheter with a novel Micro-hole Zone Technology, in 2023, marks the most important launch in Continence Care since the launch of SpeediCath. The rollout of Luja continued in 2024, and the catheter is now available to both male and female users. In 2024, Luja also received the indication for treatment of children in markets covered by CE-mark.

Within intermittent catheterisation, Urinary Tract Infections (UTIs) remain a major concern and challenge for users[1]. The Micro-hole Zone Technology in Luja is designed to address residual urine, which is considered an important risk factor for UTI development[2]. Luja features a drainage zone with more than 80 micro holes in the male catheter and more than 50 micro holes in the female catheter.

The performance of the Micro-hole Zone Technology is backed by compelling clinical evidence, showing that Luja enables complete bladder emptying in one free flow[*/**] without having to reposition the catheter[3][4]. The studies on Luja for women also found that users reported no discomfort when using Luja and that the catheter was gentle to use[4].

In 2024, the European Association of Urology Nurses (EAUN), whose goal is to foster the highest standards of urological nursing care in Europe, published updated guidelines for best practice in urological health care[5]. Based on the clinical evidence supporting the Micro-hole Zone Technology, the updated guidelines highlight that in case of incomplete bladder emptying, a micro-hole zone catheter may be useful.

To take sustainability into account, Luja female is designed with both the user and environment in mind. The catheter is made with 28% less plastic than Coloplast's SpeediCath® Compact Eve and has a 22% lower carbon footprint[6]. Additionally, the Luja female product container material is recyclable[7].

Theresa McGregor is 61 years old and lives in Liverpool, UK. Theresa has fibromyalgia, a chronic condition that causes pain and tenderness throughout the body. She began catheterising because of retention, following two accidents. Theresa is very passionate about football and supports Liverpool FC. She frequently goes to matches with her family.

"The risk of UTIs is a big challenge for me. They impact my life a lot and stop me from going out. With other catheters, it was a big worry for me whether I had emptied my bladder completely.

With Luja, I can empty my bladder without having to adjust the catheter while catheterising. Luja makes it easy for me to catheterise when I'm at the stadium. It's straight in and straight out of the toilets.

I also struggle with discomfort when catheterising. With Luja, that's less of an issue for me. When I used Luja for the first time, I didn't realise it had been inserted. I didn't feel any discomfort and I was amazed how smooth it was. The coating helps a lot. With the lubrication, it slides in smoothly and I don't feel it hurts my urethra. I would choose Luja for the reduced discomfort.

I know catheterising is something that won't go away. So I just have to take it on the chin as I do now."

Theresa McGregor, an intermittent catheter user.

[*] Luja™ male has close to no flow stops and complete bladder emptying is defined as <10 mL (Landauro MH et al (2023), DOI: 10.3390/jcm12165266, N=42). Individual results may vary. [**] Luja™ female ensured zero flow stops in 87% of catheterisations & <10 ml residual urine at first flow stop in 83% of catheterisations (RCTs, post-hoc, nct05841004, n="73," & nct05814211, n="82)." Thiruchelvam et al. 2024. DOI: 10.12968/bjon.2024.0212. individual results may vary. [1] Averbeck et al. (2023). DOI: 10.12968/bjon.2023.32.18.S8 [2] Kennelly et al. (2019). DOI: 10.1155/2019/2757862 [3] Landauro et al. (2023). DOI: 10.3390/jcm12165266 [4] Thiruchelvam et al. (2024). DOI: 10.12968/bjon.2024.0212 [5] EAUN-Guideline-2024 [6] Compared to SpeediCath® Compact Eve. Based on externally reviewed carbon footprint according to ISO14067. [7] Product design, use and local waste management specifics may limit recyclability.

Chronic Care description

Chronic Care business model
The Ostomy Care and Continence Care businesses are jointly referred to as Chronic Care. Chronic Care is characterised by treatment of chronic conditions, solid reimbursement and stable inflow of loyal users.

In both businesses, people normally use the products daily, over a long period, to manage their chronic condition. Average usage of products is estimated to be around 10 years in Ostomy Care, and up to 30 years in Continence Care.

More than 90% of sales in Chronic Care are covered by reimbursement. One significant exception is China, mostly an Ostomy Care business today, where product usage outside of the hospitals is largely paid out of pocket.

A user's journey typically starts in a clinical setting, such as a hospital or a rehabilitation centre, where they get introduced to the products and their application by a healthcare professional. Users tend to be very loyal to the products they are introduced to during their hospital stay and, in most cases, they continue to use the same products after discharge. Therefore, the choice of product and sales through a clinical setting are essential for Coloplast.

Still, sales through the clinical setting account for a smaller share of sales, with more than 90% of sales derived from the community setting, i.e., after users have been discharged from a clinic. Staying close to the users after discharge is crucial in ensuring that they get appropriate support and establish a good routine that enables them to live a normal life.

For more than a decade, Coloplast has been investing in building stronger ties with end users and has embarked on a journey of becoming a consumer healthcare company. Through our Coloplast® Care programme, we provide personalised support for people living with chronic conditions across more than 30 markets. Coloplast also sells products directly to users in more than 10 markets, ensuring users have access to the most innovative products, coupled with a high level of service.

Coloplast is the global market leader in Chronic Care. The company has been outgrowing the chronic care market for multiple decades. Key to our market-leading position and robust growth are our differentiated technologies and extensive product range, our dedication to innovation, and our strong ties with both healthcare professionals and users. As the market leader, we remain committed to setting a high standard and developing the categories, and thus continuing our strong growth trajectory in Chronic Care.

Ostomy Care

Underlying conditions and users
A stoma is a surgically created opening in which part of the digestive or urinary system is redirected to the abdominal wall, allowing waste to be removed from the body through the abdomen. A stoma is created in the case of bowel or bladder dysfunction due to a disease, accident or congenital disorder. People with a stoma use an ostomy bag, which adheres to the peristomal skin and collects the output from the stoma. Supporting products are used in combination with the ostomy bag to secure the fit, as well as care for the peristomal skin.

A stoma surgery can be performed on the colon (colostomy), small intestine (ileostomy), or urinary bladder (urostomy). An estimated half of the procedures are colostomies, typically caused by cancer. Around a third are ileostomies, typically caused by inflammatory bowel diseases. The remaining procedures are urostomies, caused by bladder cancer.

An ostomy surgery can be permanent, resulting in a life-long usage of ostomy bags, or temporary, resulting in product usage for only a limited period. The majority of surgeries are permanent, however, over the past decade, medical advances have led to an increase in the incidence of temporary stomas.

Globally, between 2 and 3 million people live with a stoma, of which around three-quarters are in the developed markets. Each year, up to around 300,000 stoma surgeries are performed in the developed markets and China.

Products
The idea for the world's first adhesive ostomy bag was conceived by a nurse, Elise Sørensen, in the 1950s. Based on Elise's idea, Aage Louis-Hansen, a civil engineer and plastics manufacturer, and his wife Johanne Louis-Hansen, a trained nurse, created the first adhesive ostomy bag. This marked the foundation of Coloplast in 1957.

Ostomy bags consist of an adhesive base plate which is connected to a bag and can be either 1-piece (when the adhesive base plate is attached to the bag) or 2-piece (consisting of two separate parts in which the bag is replaced more often than the base plate). It is important for users to avoid leakage and skin irritation, so they can live a normal life. Therefore, the adhesive must ensure a good fit to the user's body, enabling a constant and secure seal that prevents leakage, and it must be also easy to remove without causing skin damage or irritation.

Since the creation of the first ostomy bag, Coloplast has continued to evolve the ostomy care offering through innovation centred around the idea of creating a personalised fit to match the needs of the individual user. Coloplast's ostomy care portfolio covers the full range, from bags and baseplates, to supporting products. Today, the portfolio consists of the brands Alterna®, Assura®, SenSura®, SenSura® Mio and the Brava® range of supporting products. Heylo™, the world's first digital leakage notification system in Ostomy Care, was added to the portfolio in 2024 and is currently available in the UK.

The SenSura Mio brand celebrated its 10-years anniversary in 2024. Over the last decade, the SenSura Mio brand has evolved to become the only brand on the market that provides a flat, convex and concave solution to users. The strength of the signature BodyFit Technology® of SenSura Mio continues to be relevant today and in 2024, the SenSura Mio portfolio was expanded with three new product launches.

***SenSura Mio** 1-piece black bag, an extension of SenSura Mio launched in 2024.*

Continence Care

Underlying conditions and users
Within Continence Care, Coloplast helps people that have bladder control issues and people that have lost the ability to control bowel movements.

Bladder control issues can be related to either urinary retention or urinary incontinence.

People suffering from urinary retention are unable to empty their bladder. To manage urinary retention, people can use an intermittent catheter, which is inserted through the urethra of the urinary tract and empties the bladder. One of the main groups of users of intermittent catheters are people with a spinal cord injury. Other user groups include people with multiple sclerosis, people with congenital spina bifida and men with benign prostatic hyperplasia.

Globally, around 6 million people live with urinary retention. Only 4 out of 10 are discharged with an intermittent catheter, and an estimated half of them will drop out in the first five years due to physical and mental barriers. Thus, a significant number of people with urinary retention are left with suboptimal treatment solutions which could compromise their bladder health and quality of life.

Urinary incontinence is an inability to hold urine which results in an uncontrolled or involuntary release. The condition disproportionality affects older people because the sphincter muscle and the pelvic muscles gradually weaken as people grow older. To manage urinary incontinence, people can use collecting devices for capturing and storing urine.

People that have lost the ability to control bowel movements suffer from bowel incontinence or constipation. An example of a typical user is a person with a spinal cord injury. To manage bowel movements, people can use transanal irrigation treatment.

Products
The Continence Care portfolio includes three main product categories. Intermittent Catheters is the largest category, accounting for around 70% of total Continence Care sales. Collecting Devices is the second largest product group, accounting for around 15% of sales, while around 10% of sales are derived from Bowel Care. The remaining 5% are derived from other continence care products.

With the launch of the first-of-its-kind, instantly ready-to-use hydrophilic coated catheter SpeediCath® in 1999, Coloplast transformed the standard of care for people in need of intermittent catheterisation and secured its market-leading position.

Coloplast's portfolio of intermittent catheters consists mostly of hydrophilic, ready-to-use catheters. The portfolio also includes uncoated catheters, the usage of which today is mostly limited to the US.

The portfolio consists of the brands SelfCath®, SpeediCath and the latest launch Luja™. The SpeediCath range of catheters consists of male and female products and covers standard, compact and flexible catheters, as well as set solutions. The latest launch, Luja, is also a hydrophilic intermittent catheter with a unique Micro-hole Zone Technology. The launch of the male Luja catheter was initiated in 2023 and completed in 2024, while the launch of the female Luja catheter was initiated in 2024.

Within Collecting Devices, Coloplast offers a wide range of urine bags and urisheaths for capturing and storing urine under the Conveen® brand.

In Bowel Care, Coloplast offers Peristeen® Plus, a high-volume transanal irrigation system, for controlled emptying of the bowels. In 2024, Coloplast launched the low-volume Peristeen Light irrigation device, to cater to the needs of more users.

***Luja™** female, a new catheter with a unique Micro-hole Zone Technology.*

Chronic Care strategy – *Sustaining growth leadership*

Coloplast's ambition for Chronic Care is to continue delivering strong growth above the market.

As the market leader, we are fully committed to leading and improving standards of care through differentiated technologies and a superior product offering, support and services for our users, and training and education for healthcare professionals.

It all starts with innovation, which is our first priority. We will continue to leverage our Coloplast® Care programme and our direct businesses and digital solutions, to provide support and services to users in the community setting. We will also continue to leverage our Coloplast® Professional online platform to provide training and tools to healthcare professionals and support them in developing their clinical expertise within intimate healthcare.

Ostomy Care

With our broad product offering covering bags, baseplates and supporting products, we aim to provide users with a personalised fit. We continue to evolve our portfolio and to bring differentiated technologies to the market, both through our Clinical Performance Programme and through product launches in existing categories. The digital leakage notification system Heylo™ was launched in the UK in 2024, and work to obtain reimbursement in the second launch market, Germany, is ongoing. In 2024, the SenSura® Mio brand was strengthened with three new product launches: SenSura Mio in black, SenSura Mio Convex Soft with Flex coupling, and an improved Click Coupling of the 2-piece SenSura Mio, all of which provide a broader choice to cater to different user needs.

One of Coloplast's biggest opportunities in Ostomy Care is the US, where we have a market share between 15-20%. The strategy is to win across the patient pathway in the US. With access to around 75% of the acute channel through the two biggest Group Purchasing Organisations, Vizient and Premier, we are well positioned to execute on this opportunity.

Another priority is building on our market-leading position in China, where we aim to grow above the market. Beyond the impact from COVID-19 and weakened consumer sentiment during Strive25, China is expected to constitute a significant share of our global Ostomy Care growth. We aim to drive value upgrade and expand the consumer business with China-specific digital solutions. To ensure broad coverage of the market, we will also continue to cater for different abilities to pay by offering products across price tiers.

In Emerging markets beyond China, we focus on several large core markets, where we aim to improve the standard of care and build our e-commerce business. Market access is key to establishing our categories in new markets and to improving funding in existing markets. The ambition for Emerging markets is to deliver consistent double-digit growth.

In Europe, we aim to sustain our leadership position and to continue growing above the market. We will achieve this by leveraging our innovation, as well as our services and direct businesses. We still see many pockets of growth in Europe. The UK, where our market share is below the European average, is the most prominent example.

Continence Care

The launch of Luja™, our new intermittent catheter with a Micro-hole Zone Technology, is the most important product launch in Continence Care in decades. The Micro-hole Zone Technology is designed to reduce the risk of urinary tract infections. The launch of Luja is supported by compelling clinical evidence which document the strength of the technology. We expect the Micro-hole Zone Technology to become the new standard in intermittent catheterisation over time.

A key opportunity in Continence Care is the US, where Coloplast has a market share of around 30%. The strategy in the US is to upgrade the market to hydrophilic, ready-to-use intermittent catheters. We do this through product innovation and partnership with healthcare professionals to enable better patient outcomes. We will also utilise our direct-to-consumer setup in the US with Comfort Medical to provide superior support and service for our users.

In Europe, we aim to sustain our leadership position and to continue growing above the market. To achieve this, we will leverage our innovation, services and direct businesses. We will also continue with market development initiatives, aimed at treatment penetration and compliance. We still see many pockets of growth in Europe, such as Germany where our market share is below the European average.

In Emerging markets, we focus on establishing our categories in new markets and improving funding in existing markets. Today, across most Emerging markets, the level of penetration of intermittent catheters, and especially hydrophilic catheters, is very low, due to a lack of clinical awareness and a lack of reimbursement. Market access work on improving clinical standards and securing reimbursement is key to driving growth. The ambition for Emerging markets is to deliver double-digit growth.

Ostomy care market

Market description
In 2023/24, the global market for ostomy care products was worth an estimated DKK 23-24 billion. The bags and plates category accounted for around 80% of the market, with the remaining around 20% in the supporting products category.

The market size is primarily impacted by the prevalence of colorectal and bladder cancer and inflammatory bowel diseases. Another significant driver is the availability of reimbursement for ostomy products across different geographies.

The ostomy market is a chronic market, with the majority of product usage happening in the community setting, i.e., after users have been discharged from a hospital.

Market growth
The annual market growth is estimated at 4-5%.

Volume growth in the market is driven by the ageing global population, increase in cancer screenings and improved access to healthcare in emerging markets. Another volume growth driver is compliance and usage rates across markets. On the other hand, the increase in the incidence of temporary stomas over the past decade has had a negative impact on volume growth.

Mix and price also impact market growth. As markets mature, there is an increased demand for more advanced product categories, as well as an increased usage of supporting products. Historically, healthcare reforms have led to negative price impact, but no significant healthcare reforms were implemented during 2023/24.

Market growth in 2023/24 continued to include impact from lower market growth in China, which remains below historical levels of double-digit. Market growth in China continues to be impacted by lower average value per patient, due to consumer sentiment. The long-term attractiveness of the Chinese market remains intact. An estimated one in three ostomates globally lives in China, making China one of the largest ostomy care markets by number of users.

Market shares
Coloplast is the global market leader in the ostomy care market, with a market share of 35-40%.

In addition to Coloplast, there are two larger global manufacturers in the ostomy market, as well as a few local manufacturers, especially in the UK and China.

Regional market shares

40-50%
Share of European markets

15-25%
Share of Other developed markets

45-55%
Share of Emerging markets

Supporting products market
The market for ostomy supporting products is estimated at DKK 4-5 billion, with an estimated annual segment growth of 6-8%.

Coloplast has a market leading position within this segment, with a market share of 35-40%.

23-24 bn
Market size globally in DKK

4-5%
Market growth annually

35%-40%
Market share globally

#1
Market position globally

- European markets
- Other developed markets
- Emerging markets

Source: Coloplast

Ostomy Care performance

Ostomy Care generated 7% organic sales growth for the 2023/24 financial year, with reported revenue in Danish kroner growing by 6% to DKK 9,545 million.

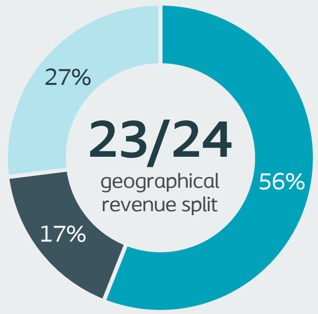
The SenSura® Mio portfolio was the main growth contributor, with good performance across the product range which includes convex, concave and flat products. The Brava® range of supporting products also made a solid contribution to growth. At the product level, SenSura Mio Convex was the main growth contributor driven by Europe, mostly the UK and Germany, and the US. The SenSura and Assura/Alterna® portfolios contributed to growth in Emerging markets, where they are actively promoted.

Growth in the Brava range of supporting products was broad-based with solid contributions from the US, Europe, especially the UK and Germany, as well as Emerging markets, most notably China.

From a geographical perspective, growth was broad-based across regions with good contributions from Emerging markets and Europe.

Contribution from the US improved in the second half of the year, after being held back by order phasing in the first half of the year. During the third quarter of 2023/24, Coloplast established a new distribution centre to serve its Chronic Care and Advanced Wound Care businesses (ex. Kerecis) in the US which resulted in short-term supply disruptions mostly impacting Chronic Care. The situation was largely resolved by the end of 2023/24.

China posted mid-single digit growth in the year, as expected, with continued impact from lower average value per patient which remains hindered by consumer sentiment. Coloplast maintains its strong leadership position in the ostomy care market in China.



9.5 bn

Reported revenue
in DKK for 2023/24

7%

Organic growth
at constant exchange rates

6%

Reported growth
in DKK

Reported revenue included a negative effect from FX rates.

- European markets
- Other developed markets
- Emerging markets

Continence care market

Market description
In 2023/24, the global market for continence care products was worth an estimated DKK 18-19 billion.

The intermittent catheters category accounted for around 75% of the continence care market, the collecting devices category accounted for around 20% of the market, and bowel care accounted for the remaining around 5% of the market.

The market size is primarily influenced by the number of people with bladder or bowel control issues, which are typically caused by spinal cord injuries, multiple sclerosis, benign prostatic hyperplasia and congenital spina bifida. Another driver is the availability of reimbursement for continence care products across markets.

The continence market is a chronic market, and the majority of product usage happens in the community setting, i.e., after users have been discharged from a clinical setting.

Market growth
The annual market growth is estimated at 5-6%.

Intermittent catheters account for the majority of growth in the segment, growing at a mid-single digit rate. Growth in the intermittent catheters segment is driven by increased treatment penetration of intermittent catheters as an alternative to permanent or indwelling catheters.

The underlying volume growth is driven by the incidence of conditions that require usage of intermittent catheters, like spinal cord injuries, and the ageing global population. Another volume growth driver is compliance to treatment and usage rates across developed markets. Increasing access to treatment in markets outside of Europe and the US is also an important market growth driver. Through market access work over the last decade, Coloplast has supported reimbursement opening or improvement in Japan, South Korea, Australia and Poland, resulting in market size expansion, and more importantly, improved standard of care for users in these countries.

Mix and price also have an impact on market growth. As markets mature, there is an increased demand for newer and more advanced products, leading to positive impact from mix. Historically, healthcare reforms have led to negative price impact, but no significant healthcare reforms were implemented during 2023/24.

The bowel care segment is the fastest growing segment in the continence care market with growth of around double-digit.

Growth in the collecting devices segment is low-single digit, and the segment is characterised by many suppliers, including low-priced providers.

Market shares
Coloplast is the global market leader in continence care, with a market share of 40-45%.

The continence care market is characterised by four larger global manufacturers including Coloplast. There are also several local and low-priced manufacturers.

Regional market shares

45-55%
Share of European markets

25-35%
Share of Other developed markets

40-50%
Share of Emerging markets

18-19 bn
Market size globally in DKK

5-6%
Market growth annually

40%-45%
Market share globally

#1
Market position globally

European markets
Other developed markets
Emerging markets

Source: Coloplast

Continence Care performance

Continence Care generated 8% organic sales growth for the 2023/24 financial year, with reported revenue in Danish kroner growing by 7% to DKK 8,540 million.

The SpeediCath® ready-to-use hydrophilic intermittent catheters were the main drivers of revenue growth. Sales growth in the SpeediCath portfolio was broad-based across standard, compact and flexible catheters, and driven by Europe, in particular France and the UK, as well as the US and Emerging markets. SpeediCath Navi, a hydrophilic catheter specifically designed for emerging markets and lower priced developed markets, also contributed nicely to growth.

Luja™ made a good contribution to growth, driven by the male catheter which is available in 13 markets. Luja for women*, launched in May 2024, also performed well. The female catheter is now available in five markets and is expected to launch across all Coloplast's key markets over the next six months.

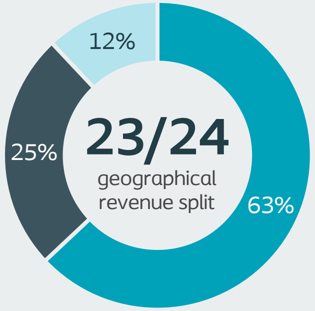
In Bowel Care, Peristeen® Plus made a solid contribution to growth, driven by Europe and the US. Peristeen Light*, a low-volume transanal irrigation device, has been launched in six markets with positive feedback.

Collecting Devices delivered a flat growth rate year-on-year.

From a geographical perspective, growth was broad-based. Growth in Europe was driven by France and the UK.

The US also made a good contribution to growth, despite the impact of the short-term supply disruptions which emerged in the third quarter of 2023/24 as a result of the establishment of the new distribution centre for the US market. The situation was largely resolved by the end of 2023/24.

Growth in Emerging markets was led by LATAM. Markets with recent reimbursement openings, such as Poland and Australia, continued to perform well and posted double-digit growth.



8.5 bn

Reported revenue in DKK for 2023/24

8%

Organic growth at constant exchange rates

7%

Reported growth in DKK

Reported revenue included a negative effect from FX rates.

- European markets
- Other developed markets
- Emerging markets

*Medical Devices for which CE-mark has been affixed. Product availability is subject to the regulatory process of individual countries and is not guaranteed. Currently not available in the US.

Voice and Respiratory Care description and strategy

The Voice and Respiratory Care business was added through the acquisition of Atos Medical, completed in January 2022. The business is expected to grow between 8-10% p.a., with an EBITDA margin in the mid-30s. Voice and Respiratory Care is comprised of two segments: laryngectomy, accounting for around two-thirds of sales, and tracheostomy, accounting for the remaining around one-third of sales.

Laryngectomy – description and strategy

There are around 50,000 new total laryngectomies performed per year. A total laryngectomy is a surgery in which the larynx (voice box) is removed. The procedure is non-elective and irreversible. With the removal, people lose the ability to produce voice and depend on a Voice Prosthesis (VP) to speak. The procedure also leads to a loss of the upper airways function. After the surgery, people breathe through a stoma in the throat and rely on Heat- and Moisture Exchangers (HMEs) for humidification and filtration of the air.

Laryngectomy is a chronic business. Users need to manage a chronic condition and use the products for an average of 8-10 years. After surgery, a VP is inserted by a healthcare professional. Patients apply the HMEs themselves daily, with an adhesive to keep the HMEs in place. The recommended change frequency is 3-4 VPs per year, 2-3 HMEs per day and 1-2 adhesives per day.

Our strategy in laryngectomy revolves around addressing the large unserved patient population in existing and new markets. We refer to this as a 'white space' opportunity. Coloplast is seeking to eliminate the white space by increasing treatment penetration and compliance in existing markets, while opening and developing new markets. The laryngectomy segment is expected to grow at a high-single to low double-digit rate.

To ensure better user experience and compliance with the recommended change frequency, a new product portfolio, Provox® Life, has been introduced in 16 markets, providing products for situational use. The direct-to-consumer model is also utilised to improve user compliance, and today, around 50% of the sales in laryngectomy are directly to consumers.

To increase penetration in existing markets, we strive to set the clinical standards and drive market access. We have a strong focus on developing clinical evidence, to document how Provox Life HMEs lead to improved clinical outcomes.

Outside of the existing markets, we are working on obtaining reimbursement in new markets, with recent successes in South Korea, Brazil, Japan and Poland. A key long-term opportunity is China, where around one-fifth of the new procedures globally take place. Today, there is minimal product usage in China as the treatment standard is not established. The first step towards building the market was to register the full product portfolio, which was finalised in 2023. In 2024, Coloplast continued the efforts to build the standard of care for laryngectomised patients in China, mostly focused on educating healthcare professionals in tier one cities.

Tracheostomy – description and strategy

A tracheostomy is a procedure in which an opening is created in the throat to facilitate breathing. A tracheostomy is an invasive, last-in-line treatment to aid patients in breathing. Patients undergoing a tracheostomy surgery suffer from a variety of underlying conditions, including head and neck cancer, lung infections or trauma.

Patients get a cannula inserted by a healthcare professional and may apply HMEs themselves. While HMEs are important for pulmonary health, HME use is less prevalent compared to people living with a laryngectomy.

Tracheostomy procedures can be reversable. The patient pool consists of a mix of temporary and chronic patients. There are around 1 million procedures performed per year and, on average, one in three patients uses tracheostomy products for more than six months. A small segment of the patients will be chronic, with product usage over multiple years.

Our strategy in tracheostomy focuses on establishing a chronic segment. Tracheostomy today is mostly a hospital business, and chronic patients living with a tracheostomy are mostly unserved. The tracheostomy segment is expected to grow at a mid- to high-single digit rate.

To address the chronic segment and support the best outcomes for tracheostomy patients, we are developing a tailored offering of products and services for both healthcare professionals and users. The focus is to develop a new go-to-market model with end-to-end support across the continuum of care, covering hospital, community and direct-to-consumer, with product offering and services adapted to the specific needs of tracheostomy users.

Provox Life
Home HME

Provox Life
Adhesive

Provox Vega
Voice prosthesis

Voice and respiratory care market

Laryngectomy market description
In 2023/24, the global laryngectomy market was worth an estimated DKK 1.5-2.0 billion.

A total laryngectomy is the preferred treatment for advanced laryngeal and hypopharyngeal cancer. The market size is primarily impacted by the prevalence of these two cancer types, driven by a growing ageing population, and impacted by smoking and alcohol consumption. Another significant driver is the availability of reimbursement for laryngectomy products across different geographies.

Laryngectomy is a chronic market, with most of the product usage happening in the community setting, i.e., after users have been discharged from a hospital.

Laryngectomy market growth
The annual market growth is estimated at 8-10%.

Market growth in laryngectomy is driven by underlying growth in the number of procedures, treatment penetration, and increase in compliance and product usage in existing markets.

The market penetration in the laryngectomy segment today is low, with a large unserved patient population in both existing and new markets. The low market penetration is due to a lack of clinical standards in existing markets, low treatment compliance, and a lack of reimbursement in emerging markets.

In existing markets, mostly Europe and the US, a large unserved patient population remains, despite the availability of solid reimbursement. In Northern Europe, which is the most developed region, treatment penetration is high and almost all patients with a total laryngectomy use products to manage their chronic condition. In Southern Europe and the US, despite existing reimbursement, it is estimated that only around 60% of patients use any products, and significantly less use the recommended number of products. Finally, outside of Europe and the US, both product coverage and usage are very limited.

Mix and price also drive market growth. In existing markets, users typically choose to upgrade to the more advanced Provox® Life product portfolio, which also represents a value upgrade compared to the older generation of products.

Laryngectomy market shares
Coloplast is the global market leader in laryngectomy with a market share of around 85%.

In addition to Coloplast, there are two competitors, with mostly local presence in the UK, US and Germany. Outside these markets, competition is limited.

Regional market shares

80%-90%
Share of European markets

80%-90%
Share of Other developed markets

95%-100%
Share of Emerging markets

Tracheostomy market
In 2023/24, the global tracheostomy market was worth an estimated DKK 4-6 billion. The annual market growth is estimated at 5-6%.

Coloplast has a global market share of around 10% in the tracheostomy market.

In addition to Coloplast, there are several manufacturers present in the segment, primarily serving the hospital channel.

1.5-2.0 bn
Market size* globally in DKK

8-10%
Market growth* annually

~85%
Market share* globally

#1
Market position* globally

- European markets
- Other developed markets
- Emerging markets

** Market data for Laryngectomy only*
Source: Coloplast

Voice and Respiratory Care performance

Voice and Respiratory Care generated 11% organic sales growth for the 2023/24 financial year, driven by double-digit growth in both Laryngectomy and Tracheostomy. Reported revenue in Danish kroner grew by 9% to DKK 2,110 million and includes 1%-point negative impact from product rationalisation, related to the divestment of MC Europe, a business that sold non-core products, in December 2023.

In Laryngectomy, growth in the 2023/24 financial year was driven by an increase in patients served in existing and new markets and an increase in patient value driven by the Provox® Life™ portfolio, Atos Medical's latest product line allowing for a personalised regime, which has been launched in 16 markets since September 2019.

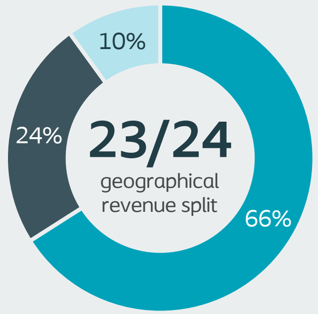
In Tracheostomy, growth was driven by solid demand and positive impact from forward integration in key European markets and the US.

From a geographical perspective, all regions contributed to growth, led by region Europe.

The US also delivered a good contribution to growth, while the fastest growing region was Emerging markets.

Markets with recent reimbursement openings, such as Poland, made a solid contribution to growth and grew double-digit.

During the year, we made solid progress on integrating Voice and Respiratory Care into Coloplast's infrastructure, with integration in the largest market, Germany, ongoing across functions. We remain on track to deliver estimated run-rate operational synergies of up to DKK 100 million.



2.1 bn

Reported revenue in DKK for 2023/24

11%

Organic growth at constant exchange rates

9%

Reported growth in DKK

Reported revenue included a negative effect from FX rates.

- European markets
- Other developed markets
- Emerging markets

Advanced Wound Care

Coloplast's advanced wound care business includes four segments: advanced dressings, skin care, Compeed® contract manufacturing and biologics, which was added through the acquisition of Kerecis (completed on 31 August 2023). Advanced dressings are the largest segment and account for around 50% of total Advanced Wound Care sales, while biologics is the second largest segment, accounting for around 25% of sales. Skin Care is around 15% of Advanced Wound Care, while the remaining 10% are derived from Compeed.

Advanced dressings – description and strategy
The advanced dressings wound care segment consists of products for exudate management. The dressings are used to treat mostly patients with chronic wounds such as diabetic foot ulcers, venous leg ulcers and pressure ulcers, as well as other wound types such as surgical and burn wounds.

A well-managed moist wound environment provides the best conditions for optimal wound healing. Most chronic wounds contain exudate in varying amounts. A good dressing removes excess exudate while maintaining a moist healing environment, protects the peri-wound skin, is easy for clinicians to change, and ensures that patients are not inconvenienced by liquid or odours.

Coloplast entered the wound care market in 1982, with the launch of Comfeel®, a hydrocolloid dressing and a derivative of the adhesive baseplates produced within ostomy care. Today, the portfolio consists of the brands Biatain® Silicone, an advanced foam dressing with a 3DFit Technology, Biatain® and Comfeel. Coloplast is also present in the gelling fibres segment with the Biatain® Fiber product range.

Our ambition in advanced dressings is to deliver growth above the market and improve profitability.

We will continue to focus on the fast-growing silicone category with our Biatain Silicone portfolio with 3DFit Technology, which is our point of differentiation, as well as the gelling fibres category, in which we are present since 2020/21 with Biatain Fiber.

The US market represents our biggest opportunity. Today, our position in the US is limited, but we aim to increase our footprint with the launch of Biatain Silicone Fit, a US-specific offering for pressure injury prevention and wound management, which was launched in January 2024 with positive market feedback.

In Europe, we aim for market-leading positions and we will continue to build on the momentum created with the 3DFit Technology and Biatain Fiber.

In China, we aim to scale our business by strengthening our commercial foundation and building a stronger position in the silicone market. In Emerging markets outside of China, we will selectively invest in key markets to drive growth.

***Biatain Silicone Fit**, a US-specific product offering launched in 2023/24*

Skin Care
In Skin Care, patients are treated for skin damage associated with moisture, incontinence and skin folds, as well as prevention of skin impairments.

Coloplast's skin care portfolio consist of disinfectant liquids or creams used to protect and treat the skin and clean wounds. For the treatment and prevention of skin fold problems such as fungal infections, damaged skin, or odour nuisance, Coloplast markets InterDry®. Skin care products are mostly sold in hospitals in the US and Canada.

Compeed contract manufacturing
The advanced wound care business includes contract manufacturing of Compeed®, a plaster for blisters and cold sores.

Biologics (Kerecis) – description and strategy
The biologics wound care segment consists of tissue-based products, used for treatment of difficult-to-heal wounds. The products are used to replace the function and form of the skin and thus support wound closure. The biologics products are typically used in combination with an advanced dressing to optimise wound healing, making the Kerecis and Coloplast portfolios a good fit.

Biologic dressings are used to treat various wound types: chronic wounds (diabetic foot ulcers, venous leg ulcers, pressure ulcers), acute wounds (surgical and trauma wounds) and burn wounds.

The biologics segment is US-centric, with good availability of reimbursement and a solid level of clinical acceptance in the US. The majority of the biologics products are based on either human tissue (allografts) or based on animal tissue from different species (xenografts). Most xenografts are derived from porcine or bovine skin, while Kerecis is the only company that markets products based on fish skin.

The fish-skin technology that Kerecis has developed is gently processed, clinically differentiated, sustainable and scalable. As there is no known viral disease transmission risk from cold water fish to humans, the fish skin is gently processed and the natural structure and components of the skin with proteins, elastin, glycans and lipid structures remain intact. This results in a product that is highly similar to human skin, which is a key enabler of improved wound healing and documented by a compelling body of clinical evidence.

The combination of gentle processing and an inexpensive raw material result in a highly cost-efficient manufacturing setup, with a gross margin of around 90%. Another benefit of the technology is simple logistics. The products can be stored at room temperature and have a long shelf life of three years. Finally, the technology is scalable, as the full product portfolio is made from the same processed fish skin with differences in the form factor, to address different wound types and clinical settings. Kerecis has developed a broad product portfolio, adapted to wound types and care settings, and with that also to different reimbursement categories.

Documenting the strength of the fish skin technology through clinical data is a key differentiator and an important growth enabler. Kerecis has around 50 clinical studies on the efficacy and benefits of its fish-skin grafts, and more studies in the pipeline.

The latest study, named Odinn, was published in October 2024. This is the largest Kerecis randomised controlled trial to date, with a sample size of 255 patients across 15 care centers in four countries. The study found that treatment with Kerecis' fish skin grafts was superior to Standard of Care (SoC) in proportion of wounds healed at 16 weeks and was associated with faster time to healing[1].

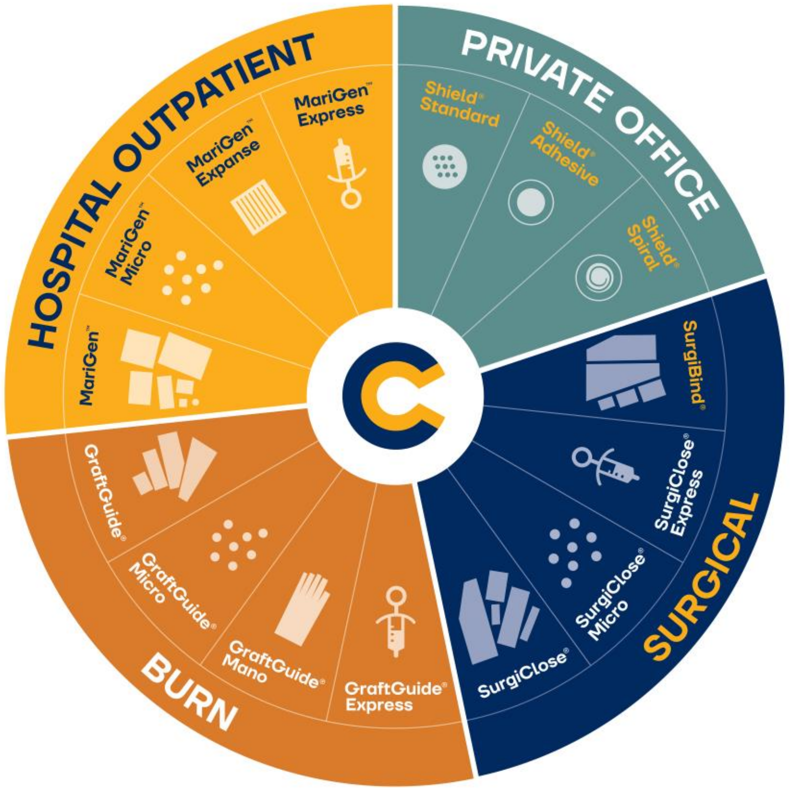
Kerecis is expected to continue its strong growth trajectory across wound types and care settings, growing at a 3-year CAGR of around 30% until 2025/26. At the same time, Kerecis has a strong profitability expansion potential, and we expect the business to reach around 20% EBIT margin in 2025/26 (excluding PPA amortisation).

The strategy is to continue the double-digit growth trajectory through penetration of existing accounts, expansion into new territories across the US, and expansion of the existing product portfolio.

From a geographical perspective, Kerecis is almost purely a US business today. The US will remain a key growth driver and focus market in the years to come.

For the medium and long-term, there is potential to apply the unique fish-skin technology to other indications. There are also opportunities to expand Kerecis' presence in markets outside of the US and leverage Coloplast's footprint in the advanced wound care market in Europe and Emerging markets.

Kerecis product portfolio



[1] For more information on the Odinn study, please see: Intact Fish Skin Graft to Treat Deep Diabetic Foot Ulcers | NEJM Evidence

Advanced wound care market

Advanced dressings

Market description
In 2023/24, the global market for advanced dressings was worth an estimated DKK 28-30 billion. Coloplast is focused on two attractive segments - Silicone Foams and Gelling Fibres - which account for around half of the market. The advanced dressings market is largely a hospital market, especially in the US and China. In Europe, wounds are to a greater extent treated in community.

Market growth
The annual market growth is estimated at 2-4%. The silicone foams market, where Coloplast markets its Biatain® Silicone products, is growing faster at 4-6% per year, while Gelling Fibres, where Coloplast markets Biatain® Fiber, is growing on par with the market.

The underlying market growth is driven by the aging global population, obesity and diabetes. The above-mentioned demographic drivers lead to an increase in the treatment of chronic wounds and to a growing number of preventive wound care treatments. Increased competition between manufacturers, pricing pressure due to lower public healthcare budgets, and a lower degree of perceived product differentiation all impact the market growth negatively.

Market shares
Coloplast has a global market share of 5-10% in advanced dressings, with a number five global position.

The market consists of many direct competitors, ranging from global manufacturers to small, local manufactures.

Regional market shares

5-10%
Share of European markets

0-5%
Share of Other developed markets

5-10%
Share of Emerging markets

Biologics

Market description
In 2023/24, the global market for biologics was worth an estimated DKK 16-18 billion. The majority of the market, more than 90%, is in the US, while the remaining less than 10% are mostly in Europe.

The underlying market growth is driven by the aging global population, obesity and diabetes. Market growth is also driven by increasing penetration of biologics for treatment of various wound types, including surgical, chronic and burn wounds.

The market is characterised by several competitors, with the top five players accounting for around three-quarters of the market.

Market growth
The annual market growth is estimated at 6-8%, driven by the US.

Market shares
Kerecis has a market share of 5-10%, with presence mostly in the US.

44-48 bn
Market size* globally in DKK

Advanced dressings / Biologics
2-4%/6-8%
Market growth* annually

Advanced dressings / Biologics
5-10%/5-10%
Market share* globally

#5
Market position* globally

European markets
Other developed markets
Emerging markets

** Market size for Advanced Dressings and Biologics*
Source: Coloplast

Advanced Wound Care performance

Advanced Wound Care generated 10% organic sales growth for the 2023/24 financial year. Reported revenue in Danish kroner grew by 40% to DKK 4,060 million and includes eleven months inorganic impact from the acquisition of Kerecis.

Advanced Wound Dressings in isolation delivered 8% organic growth for the 2023/24 financial year.

The Biatain® Silicone portfolio was the main contributor to growth. Biatain® Fiber continued to perform well and also made a solid contribution to growth. Biatain Silicone Fit, a new silicone dressing for pressure injury prevention and wound management, was launched in the US in January 2024 with positive customer feedback.

From a geographical perspective, growth was broad-based across regions. Europe, in particular Germany, China and the US were the main growth contributors.

Skin Care, which is mostly a US hospital business, made a solid contribution to growth for the year, benefiting from a lower baseline last year.

The Compeed contract manufacturing business delivered a flat growth rate year-on-year, impacted by a high baseline.

Kerecis
Revenue from Kerecis for the 2023/24 financial year amounted to DKK 1,026 million, with underlying growth of around 35% and continued market share gains, in line with expectations.

The in-patient channel and surgical wounds were the main growth contributors. From a geographical perspective, both sales and growth were derived from the US.

In 2023/24, around 60% of the sales came from surgical applications, around 30% from chronic wounds, and the remaining 10% from burn wounds.

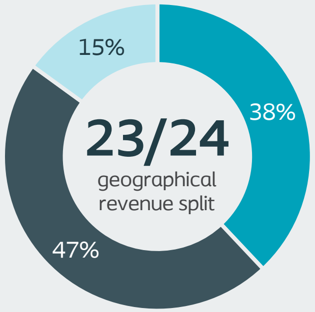
By care setting, around 70% of sales originated from the inpatient setting, around 20% from the outpatient setting, covered by Medicare, and the remaining 10% from the outpatient setting, covered by commercial plans.

Draft LCD for skin substitutes
In April 2024, seven Medicare Administrative Contractors issued a draft Local Coverage Determination (LCD) policy regarding skin substitute grafts/cellular and tissue-based products (CTP) for the treatment of diabetic foot ulcers and venous leg ulcers in the Medicare population. The draft policy contains a technical qualification and a clinical efficacy qualification that CTPs need to fulfil to be covered for payment.

Kerecis fulfils the technical qualification in the draft policy, but it is considered to not meet the clinical efficacy qualification and therefore Kerecis was not included on the list of covered products in this draft policy. An estimated 20% of Kerecis revenues could fall under the draft policy.

Kerecis provided feedback on the draft LCD policy, including clinical evidence from two randomised controlled trials which were not taken into consideration during the first assessment leading to the draft LCD policy. In addition to the clinical evidence, Kerecis also participated in all public hearings that were part of the consultation process. Furthermore, over 100 physicians submitted comments requesting coverage of Kerecis products. Coloplast strongly believes Kerecis' clinical data meets and exceeds the efficacy qualification of the draft LCD policy, and therefore Kerecis should remain on the list of covered products. Impact from the draft policy on sales in 2023/24 has been immaterial.

The potential implementation date of the policy has not been established, but we expect a final LCD policy to be published by the end of 2024.



4.1 bn

Reported revenue in DKK for 2023/24

10%

Organic growth at constant exchange rates

40%

Reported growth in DKK

Reported revenue included a negative effect from FX rates.

- European markets
- Other developed markets
- Emerging markets

Interventional Urology

Description
Coloplast is present in four segments of the Interventional Urology market: Men's Health, Women's Health, Endourology and Bladder Health & Surgery.

Coloplast entered Interventional Urology through the acquisitions of Mentor in 2006 and Mpathy Medical Devices in 2010 which helped us strengthen our continence care offering and expanded our presence in adjacent segments.

Within Men's Health, men are treated for erectile dysfunction. Around 25% of men aged 40-70 years old experience moderate to severe erectile dysfunction. Men's Health accounts for around 40% of Interventional Urology sales.

Within Women's Health, women are treated for pelvic organ prolapse and stress urinary incontinence. Around 50% of women 50-79 years old report experiencing pelvic organ prolapse symptoms. An estimated 32% of women suffer from stress or mixed urinary incontinence. Women's Health accounts for around 20% of Interventional Urology sales.

Men's Health and Women's Health are characterised by sales of implantable medical devices. The Men's Health business includes penile implants for men with severe impotence that cannot be treated with drugs. The key brand in the Men's Health business is Titan® Touch, an inflatable penile implant. In Women's Health, Coloplast markets vaginal slings, used to restore continence, and synthetic mesh products, used to treat a weak pelvic floor. Key brands within this segment are Altis® and Restorelle®.

In Endourology and Bladder Health & Surgery, patients are typically treated for kidney stones and other urological conditions, such as prostate disorders, urethral strictures and voiding dysfunctions. The two segments combined account for around 40% of Interventional Urology sales.

Within Endourology, Coloplast markets a wide range of disposable products for stone management. Coloplast has also launched its first laser equipment, Thulium Fiber Laser Drive, for surgical treatment of kidney stones via ureteroscopy. In Bladder Health & Surgery, Coloplast markets disposable devices for treatment of various urological conditions.

Strategy
Interventional Urology transforms life for patients suffering from urological conditions by advancing interventional treatment solutions. The business area represents an important growth opportunity for Coloplast – the base case for the business is to deliver high-single digit organic growth and sustain strong profitability.

On the product side, we have increased our investments into R&D to enhance our existing portfolio. An example of a product aimed at strengthening the core portfolio offering is Saffron™, a tissue fixation system in Women's Health launched in 2022.

We have also added new growth options through M&A and distribution agreements in high-growth adjacent segments. An example of this is the acquisition of an early-stage technology in the over-active bladder segment, Intibia, in 2020. Intibia is an implantable tibial nerve stimulation device. The product is currently in clinical trials and is expected to launch in 2025/26.

Furthermore, we see good organic opportunities in employing our existing portfolio across geographies.

In North America, where we mostly sell implantable devices, we will continue to invest and grow the implantable business. In addition, we aim to increase our presence in the US Endourology market. To do this, we have launched the product portfolio and we have invested into a specialised sales force.

In Europe, we focus on driving growth in Men's Health through patient education, and growth in Endourology through portfolio expansion.

Finally, we work on expanding our presence in Emerging markets in selected high-potential countries.

***Titan Touch**, an inflatable penile implant.*

Interventional urology market

Market description
In 2023/24, the global market for interventional urology products was worth an estimated DKK 18-20 billion.

Around half of the interventional urology market is within endourology, including around DKK 3 billion in the lasers segment, with the remaining half of the market split almost equally between Men's health, Women's health, and Bladder Health & Surgery.

The endourology and bladder health & surgery segments consist of single-use devices, while men's health and women's health consist of implantable devices.

Market growth
The annual market growth is estimated at 4-6%.

Growth in the interventional urology market is driven by the ageing population and lifestyle diseases, as well as advancements in treatment solutions leading to more cost-efficient surgical procedures. For implants, market growth drivers include a growing awareness of the treatment options available for men with severe impotence and women with urological disorders.

Market shares
Coloplast holds a market share of around 15% in the interventional urology and is the fourth largest manufacturer within this market.

The men's health and women's health segments are US-centric and are relatively concentrated, characterised by a limited number of larger manufacturers. Coloplast is the second largest manufacturer in both the men's and women's health segments.

The endourology and bladder health & surgery segments are more fragmented, with a larger number of global manufacturers present in these segments. Within endourology in Europe, which accounts for roughly a quarter of the total endourology market, Coloplast is the second largest manufacturer.

Regional market shares

15-20%
Share of European markets

15-20%
Share of Other developed markets

5-10%
Share of Emerging markets

Entry into adjacent markets
Our anticipated entry into the over-active bladder market with Intibia will significantly increase the addressable market. The market for third-line therapies for over-active bladder, into which Intibia will compete, is estimated at around USD 1 billion.

18-20 bn
Market size globally in DKK

4-6%
Market growth annually

Around 15%
Market share globally

#4
Market position globally

- European markets
- Other developed markets
- Emerging markets

Source: Coloplast

Interventional Urology performance

Interventional Urology generated 5% organic sales growth for the 2023/24 financial year, with reported revenue in Danish kroner growing by 4% to DKK 2,775 million.

The Men's Health business in the US was the main growth contributor, driven by the Titan® penile implants.

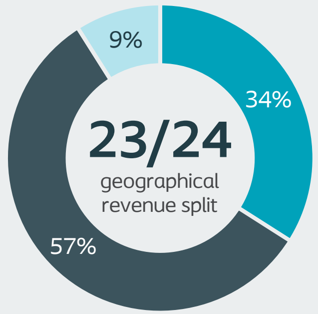
The Endourology business also made a solid contribution to growth, primarily driven by Europe and Thulium Fiber Laser Drive, Coloplast's laser equipment launched in 2022/23. The rollout of Thulium Fiber Laser Drive continued in the year, with positive customer feedback.

The Women's Health business was negatively impacted by competitive pressure and detracted from growth in the year.

The Bladder Health and Surgery business also detracted from growth, negatively impacted by backorders which emerged in the third quarter due to supply shortages experienced by an external supplier. The backorder situation in Bladder Health and Surgery stabilised in the forth quarter.

From a geographical perspective, the US was the main growth contributor. Europe also contributed to growth, driven by France.

2023/24 has been a challenging year for our performance in Interventional Urology, impacted by competitive pressure in Women's Health. Despite growth being below our ambition currently, we see a path to get back to high-single digit growth with the launch of Intibia in 2025/26.



2.8 bn

Reported revenue in DKK for 2023/24

5%

Organic growth at constant exchange rates

4%

Reported growth in DKK

Reported revenue included a negative effect from FX rates.

- European markets
- Other developed markets
- Emerging markets

Financials in line with guidance

Earnings

Revenue

Organic growth for the year was 8%. Reported revenue was up by 10% to DKK 27,030 million. Exchange rate developments decreased revenue by 1%, mainly related to the depreciation of the USD, a basket of Emerging markets currencies and JPY against the DKK. Revenue from acquisitions contributed 4% to reported revenue and includes an 11-months impact from the acquisition of Kerecis (October 2023-August 2024).

Revenue development was in line with Guidance of around 8% organic revenue growth and 10-11% reported revenue growth, as announced in the stock exchange announcement no. 04/2023. The geopolitical and macroeconomic environment is monitored continuously but it is not considered a current financial risk.

Gross profit

Gross profit was DKK 18,269 million, compared to DKK 16,328 million last year, corresponding to a gross margin of 68% compared to 67% last year. The gross margin was positively impacted by a favourable development in input costs, price increases, and country and product mix. The gross margin also included baseline benefit of around 40 basis points from the Italian pay-back reform provision which was accounted for during 2022/23. The inclusion of Kerecis had a positive impact on the gross margin of around 100 basis points, in line with expectations.

The above-mentioned positive drivers were partly offset by double-digit wage inflation in Hungary, where Coloplast manufactures around 70% of volumes, and ramp-up costs in Costa Rica. Currencies also had a negative impact on the gross margin, related mostly to the depreciation of the USD and a basket of Emerging markets currencies against the DKK.

Costs

Operating expenses amounted to DKK 10,983 million, a DKK 1,500 million increase (16%) from last year. Excluding impact from inorganic operating expenses from the Kerecis acquisition (11 months), operating expenses increased 7% or DKK 619 million from last year. Operating expenses developed as expected in the year, except for extraordinary costs related to the establishment of a new distribution centre in the US.

Income statement, DKK million	2023/24	Index
Revenue	**27,030**	**110**
Production costs	-8,761	107
Gross profit	**18,269**	**112**
Distribution costs	-8,825	117
Administrative expenses	-1,244	112
Research and development costs	-913	105
Other operating income	75	134
Other operating expenses	-76	224
Operating profit (EBIT) before special items	**7,286**	**106**
Special items	34	n/a
Operating profit (EBIT)	**7,320**	**108**
Financial income	175	92
Financial expenses	-1,100	117
Profit before tax	**6,395**	**106**
Tax on profit for the year	-1,343	108
Net profit for the year	**5,052**	**106**

Kerecis contributed with DKK 990 million to operating expenses in 2023/24, of which DKK 102 million were amortisation costs.

Distribution costs amounted to DKK 8,825 million, a DKK 1,307 million (17%) increase from DKK 7,518 million last year, impacted by the inclusion of Kerecis (incl. PPA amortisations) and an increased level of commercial activities. Distribution costs were also impacted by the extraordinary costs related to the establishment of the new distribution centre in the US of around DKK 60 million in the second half of the financial year. Distribution costs amounted to 33% of revenue compared to 31% last year.

Administrative expenses amounted to DKK 1,244 million, up DKK 129 million (12%) from DKK 1,115 million last year, primarily impacted by the inclusion of Kerecis. Administrative expenses accounted for 5% of revenue, on par with last year.

The R&D costs were DKK 913 million, compared to DKK 872 million last year, and were mostly impacted by the inclusion of Kerecis. R&D costs amounted to 3% of revenue, against 4% last year.

Other operating income and other operating expenses amounted to a net cost of DKK 1 million, against a net income of DKK 22 million last year.

Operating profit before interest, tax, depreciation and amortisation (EBITDA) and before special items

EBITDA before special items amounted to DKK 8,576 million, a DKK 662 million (8%) increase from DKK 7,914 million last year. The EBITDA margin before special items was 32%, on par with last year.

Operating profit (EBIT) before special items

EBIT before special items amounted to DKK 7,286 million, a DKK 441 million (6%) increase from DKK 6,845 million last year. The EBIT margin before special items was 27% compared to 28% last year. The EBIT margin was mostly impacted by the inclusion of Kerecis, which had a negative impact on the EBIT margin of around 100 basis points (incl. PPA amortisation), in line with expectations. The EBIT margin also included negative impact from the extraordinary costs related to the establishment of the US distribution centre, as well as negative impact from currencies of around 80 basis points, mostly related to the depreciation of the USD and a basket of Emerging markets currencies against the DKK.

Special items

During the 2023/24 financial year, Coloplast incurred special items income of DKK 34 million. An income of DKK 123 million was incurred, related to a reversal of the remaining earnout consideration in connection with the Kerecis transaction. The special items income was partly offset by integration costs related to the Atos Medical acquisition of DKK 89 million.

Operating profit (EBIT) after special items

EBIT after special items was DKK 7,320 million, a DKK 549 million (8%) increase from last year. The EBIT margin after special items was 27%.

Financial items and tax

Financial items were a net expense of DKK 925 million against a net expense of DKK 746 million last year.

The net expense was impacted by interest expenses of DKK 762 million compared to DKK 614 million last year, mostly related to the financing of the Atos Medical acquisition. Net losses on balance sheet items of DKK 218 million also contributed to the net expense, mostly driven by the devaluation of the ARS in December 2023, as well as the depreciation of the USD against the DKK. The financial expenses were only partly offset by financial income of DKK 175 million.

The tax rate was 21%, on par with last year. The tax rate continued to include positive impact from the transfer of Atos Medical's Intellectual Property. The tax expense was DKK 1,343 million compared to DKK 1,242 million last year.

Net profit

Net profit before special items was DKK 5,025 million, a DKK 184 million increase from DKK 4,841 million last year. Diluted earnings per share (EPS) before special items were DKK 22.34, or a 1% decrease from last year and include impact from the equity raise in August 2023. Net profit after special items was DKK 5,052 million and diluted EPS after special items were DKK 22.46.

Key figures (DKK)

7,286 m*

EBIT from

6,845 m last year

** Before special items*

2,766 m

cash flows from ***operating activities***

1,336 m

outflow from ***investing activities***

Cash flows and investments

Cash flows from operating activities
Cash flows from operating activities amounted to an inflow of DKK 2,766 million, against DKK 4,226 million last year. The development in cash flows from operating activities was impacted by higher income tax paid, due to the extraordinary tax payment related to the transfer of Atos Medical's Intellectual Property paid, with a net impact of DKK 2.5 billion. The payment will be offset by reduced tax payments the following years, starting in 2023/24.

The negative impact on cash flow from income tax paid was only partly offset by increase in operating profit.

Investments
Net investments amounted to DKK 1,336 million in the financial year 2023/24 or around 5% of revenue, compared with DKK 1,250 million last year, and include impact from investments in the new manufacturing site in Portugal. Total cash flow from investing activities in FY 2022/23 was a DKK 8,957 million outflow, due to the acquisition of Kerecis.

Free cash flow
As a result, the free cash flow was an inflow of DKK 1,430 million compared to an outflow of DKK 4,731 million last year. Adjusted for the extraordinary tax payment (DKK 2.5 billion) related to the transfer of Atos Medical's Intellectual Property, the free cash flow was an inflow of DKK 3.9 billion, or an increase of DKK 0.7 billion (23%) compared to last year (adjusted for the acquisition of Kerecis).

Capital resources
At 30 September 2024, Coloplast had net interest-bearing debt of DKK 21,841 million, against DKK 18,660 million at 30 September 2023. The increase was mostly driven by net interest-bearing debt raised to cover the extraordinary tax payment related to the transfer of Atos Medical's Intellectual Property.

The gearing ratio at the end of the period was 2.5x EBITDA (before special items). Coloplast is committed to deleveraging and bringing the gearing ratio down to below 2x EBITDA in 2024/25.

Statement of financial position and equity

Balance sheet
At 30 September 2024, total assets amounted to DKK 48,073 million, a decrease of DKK 86 million compared to 30 September 2023. Working capital was 25% of revenue, compared to 26% at 30 September 2023. Inventories increased by DKK 150 million to DKK 3,672 million. Trade receivables increased by DKK 360 million to DKK 4,675 million, impacted by timing and country sales mix, while trade payables increased by DKK 225 million to DKK 1,519 million.

The long-term working capital-to-sales ratio expectations are unchanged at around 24%.

Equity
Equity increased by DKK 643 million compared to 30 September 2023 to DKK 17,942 million. Total comprehensive income for the year of DKK 4,779 million, net effect of sale of treasury shares and loss of exercised options of DKK 500 million and share-based remuneration of DKK 84 million were offset by payment of dividends of DKK 4,720 million.

Treasury shares
At 30 September 2024, Coloplast's holding of treasury shares consisted of 2,864,545 B shares, which was 674,983 less than 30 September 2023. The decrease was due to exercise of share options.

Return on invested capital
ROIC after tax before special items was 15% against 17% as of 30 September 2023, impacted by the acquisition of Kerecis.

4,720 m
paid ***dividend*** in DKK

48,073 m
total assets in DKK

25%
working capital in % of revenue

15%*
return on invested capital, after tax

** Before special items*

Our sustainability agenda

With our Strive25 strategy, we have made an ambitious commitment to sustainability. This requires us to challenge our behaviours and reinvent how we do business. For us, it is about finding the right balance where we enable people with intimate healthcare needs to live fulfilling lives while we focus on minimising our environmental footprint. With Strive25, we focus on two key priorities: Improving our products and packaging and reducing our emissions.

Following the acquisition of Atos Medical, we have extended our reporting scope to this new business area. Kerecis is not yet included in any sustainability information or figures but will be included in our sustainability reporting from 2024/25.

Governance of sustainability

To drive change across the Group, our sustainability agenda is anchored with our top management. Coloplast's Executive Leadership Team is accountable for progress on our strategic sustainability ambitions, and the Global Sustainability Department is responsible for deployment of our sustainability strategy across all parts of the company. Looking ahead, new EU legislation and expectations from stakeholders such as payers and shareholders place an increased focus on strong sustainability governance. We are committed to maintaining and developing our strong organisational anchoring to meet these requirements and expectations.

Board of Directors

Approves Coloplast's overall sustainability direction and strategy. Is formally briefed on sustainability once per year and receives regular updates on the company's sustainability performance.

Remuneration and Nomination Committee

Oversees Coloplast's sustainability-related remuneration.

Executive Leadership Team

Functions as the Sustainability Steering Committee and convenes four times per year for progress updates and direction-setting on risks, opportunities and recommendations for further improvements within sustainability.

Audit Committee

Briefed on sustainability matters twice per year and is responsible for advising Coloplast's ESG reporting.

Global Sustainability Department

Responsible for implementing Coloplast's sustainability strategy across all parts of the business and identifying new improvement areas. This includes enabling sustainability in product development, improving own operations and value chain impacts as well as engaging with stakeholders to identify risks and opportunities.

Sustainability-related remuneration

To incentivise positive change, a performance target linked to climate-related criteria is included in the remuneration of Coloplast's Executive Leadership Team accounting for 10% of the total short-term target scheme.

Addressing material sustainability topics

Coloplast bases its sustainability reporting on an assessment of environmental, social and governance impacts as well as the interests of key stakeholder groups. In 2023/24, we completed a double materiality assessment to guide our sustainability reporting from 2024/25 onwards. The assessment builds upon our existing materiality overview and strategic priorities, follows the methodology outlined under the EU's Corporate Sustainability Reporting Directive (CSRD) and has been approved by the Coloplast Board of Directors.

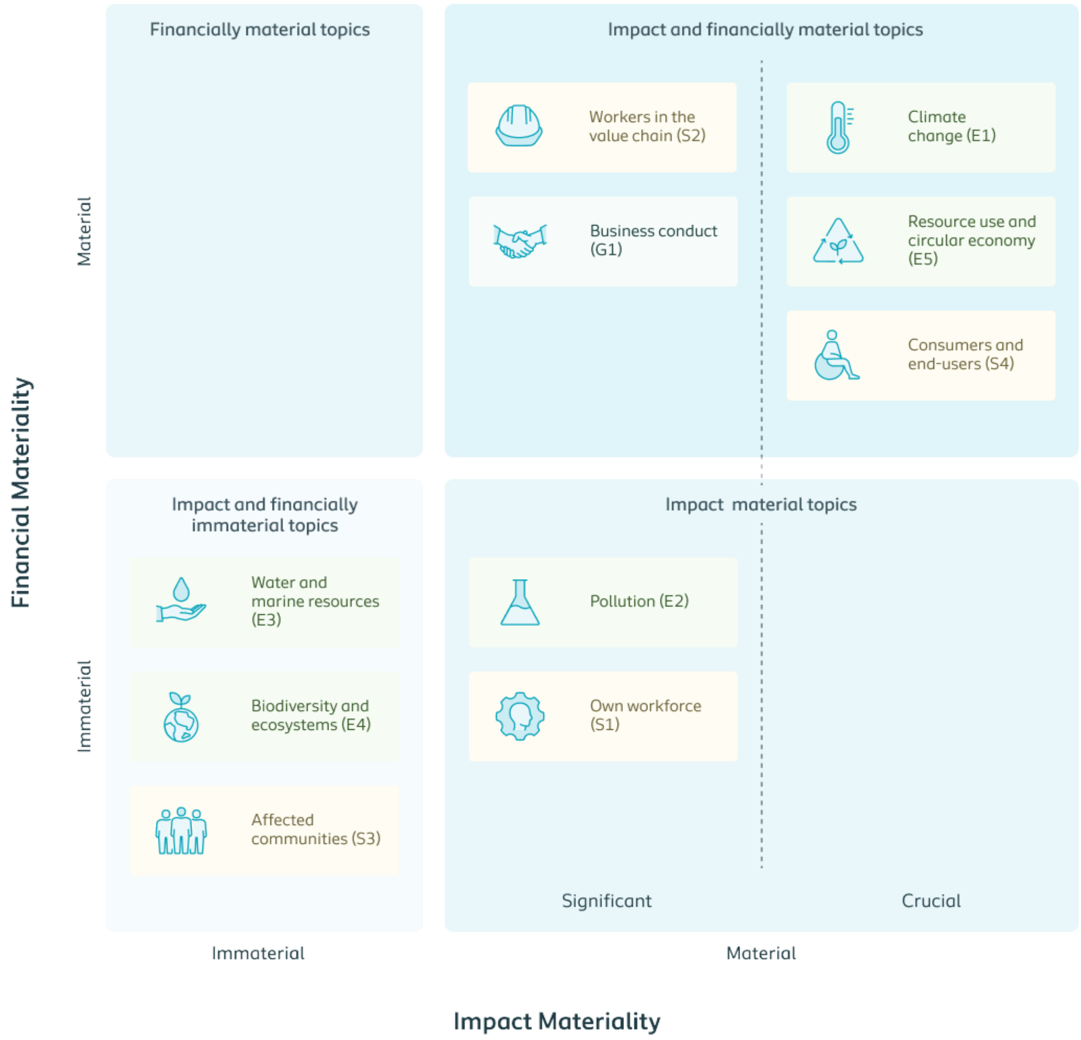
Of the 10 topic-specific European Sustainability Reporting Standards (ESRS), seven are considered material to Coloplast. Of these, five topics are material from both a financial and an impact perspective.

Our value chain

When assessing impacts within our value chain, we have based our scoping on high-volume activities and adjusted where needed to reflect relevant deviations. Upstream, we focus primarily on our suppliers while also making note of potential hotspots further along our supply chain. Downstream, our value chain extends to product end of life.

Listening and responding to our stakeholders

At Coloplast, we strive to set the global standard for listening and responding. We have engaged with several stakeholders to understand their priorities and expectations of us. These included employees, suppliers, patient advocacy groups, investors and insurers, thus covering both stakeholders impacted by our activities and users of our sustainability statements. In addition to those consulted as part of our double materiality assessment, Coloplast engages in ongoing dialogue with a range of stakeholders.



We have incorporated the UN's Sustainable Development Goals into our sustainability strategy and maintain ongoing dialogues with relevant organisations regarding healthcare progress and challenges in local communities. Through our public affairs work, Coloplast engages strategically with external stakeholders such as public officials, policymakers, and patient advocacy groups to address societal needs and enhance health outcomes.

Assessment methodology

Our assessment of impacts, risks and opportunities takes a balanced approach that recognises our environmental, social and governance impacts as a global medical device manufacturer while focusing on the most relevant impacts across our own operations and value chain. Our thresholds have been set to reflect this balanced approach and are aligned with CSRD requirements. Our financial impact assessment is aligned with Coloplast's existing enterprise risk methodology.

Addressing climate related financial risk

Coloplast is committed to reporting step-by-step in line with the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD). We have completed assessments of physical and transition risks for all sites in scope for our sustainability reporting and continue the work toward full disclosure in line with the TCFD recommendations. This work also supports our reporting under the CSRD and EU Taxonomy.

The medical device industry is not considered to have a high exposure to climate-related financial risks, and such risks are therefore not included in the risk management section of this report. Nonetheless, a preliminary risk assessment highlighted potential long-term exposures to physical and transition risks related to climate change within our supply chain and manufacturing.

Our preliminary assessment has identified transition risks such as increased demand for more sustainable products and packaging and increased legal and compliance requirements with focus on environmental, social and governance topics. Physical risks identified include extreme weather patterns and rising sea water levels affecting our supply chain.

ESG-related systems and standards

Coloplast adheres to a number of widely accepted standards, certifications and methodologies within relevant sustainability topics. The most relevant are outlined below.

ISO 14001

Coloplast's environmental management system is certified according to ISO 14001. Coloplast operates 11 production sites and has secured certification for nine production sites and the global headquarters in Denmark. We have plans in place to achieve certification for the production site in Sweden connected to Voice and Respiratory Care. The existing ISO 14001 certifications correspond to an 88% coverage of Coloplast employees at production sites, distribution centres and global headquarters. Our sales subsidiary in Sweden is also ISO 14001 certified.

ISO 45001
Coloplast's health and safety management system is certified according to ISO 45001, covering nine production sites, two major distribution centres and the corporate headquarters in Denmark. We have plans in place to achieve certification for our production site in Sweden. Our current ISO 45001 certifications correspond to a 94% coverage of our employees at production sites, distribution centres and headquarters.

ISO 13485
Coloplast's quality management systems are certified according to ISO 13485 at all sites involved in design or manufacturing activities. Selected distribution centres and sales subsidiaries are also certified according to this standard. In total, 27 Coloplast sites are ISO 13485 certified. Further, all sites involved in design and manufacturing activities are included in the EU Medical Device Regulation (MDR) Quality System certificate and the Medical Device Single Audit Programme (MDSAP) certificate. MDSAP includes national requirement from Australia, Brazil, Canada, Japan and the US.

ISO 27001
Coloplast follows the ISO 27001 to drive improvement and validate performance of our information security management system through audits and risk management. All sites within the ISO 27001 certification scope are internally audited on an annual basis in addition to external audits as required under the certification. The certificate covers most strategic sales markets and high-volume manufacturing sites.

ISO 14155
Clinical investigations conducted by Coloplast follows ISO 14155 standard to ensure good clinical practice for design, conduct, recording and reporting as well as to protect the rights, safety and well-being of human subjects. All clinical investigations are in scope for internal and external audits as required.

Reporting standards

The disclosures in this Annual Report comply with the requirements of the EU's Non-Financial Reporting Directive and the Danish Financial Statements Act, sections 99a , 99b and 107d.

Our reporting in compliance with section 99a of the Danish Financial Statements Act can be found on the following pages:

- Business model: Pages 14-16
- General ESG risk assessment: Pages 38-39
- Risks, policies and activities regarding environment and climate change: Pages 41-49
- Risks, policies and activities regarding employee conditions: Pages 53-54
- Risks, policies and activities regarding human rights: Pages 49 and 51-52
- Risks, policies and activities regarding anti-corruption: Pages 51-52
- ESG performance data and accounting policies: Pages 119-126

Coloplast's reporting in compliance with section 99b of the Danish Financial Statements Act can be found on the following pages:

- Gender target for the Board of Directors: Page 55
- Policies, activities and performance for improving the gender balance at other management levels: Page 55

Our reporting in compliance with section 107d of the Danish Financial Statements Act can be found on the following pages:

- Targets, policies, activities and performance for diversity and inclusion: Pages 54-55

ESG disclosure

Coloplast is dedicated to transparency regarding our sustainability performance. A summary of key metrics and sustainability performance updates is included in our interim financial reports in addition to our annual sustainability reporting. Stakeholder expectations toward ESG disclosure are increasing. In response, Coloplast tracks the landscape of ESG ratings and continuously evaluate their relevance to key stakeholders. We currently participate in a handful of widely renowned ESG ratings.

ESG ratings

Corporate Knights
Coloplast was included on the Global 100 list in 2024. We ranked as no. 1 within Medical Equipment Manufacturing for the third year in a row and as no. 78 overall.

MSCI
Coloplast received an AA rating in 2024 – placing Coloplast within the top 43% among Healthcare Equipment & Supplies companies.

Sustainalytics
Coloplast was last scored by Sustainalytics 2023 and received a score of 15.1 – indicating a low risk and ranking Coloplast in the top 6th percentile within the Healthcare industry.

CDP
Coloplast received a B score in 2023, which is above the Medical Equipment & Supplies sector average.

EcoVadis
In 2024, Coloplast received its first EcoVadis rating with a score placing Coloplast among the top 14% of all rated companies, triggering a silver medal.

Strive25 priority: Improving products and packaging

It is material to Coloplast to improve the environmental performance of our products and packaging as we recognise this work is key to reducing the company's overall environmental footprint. Given the regulatory restrictions in our industry and our priority to never compromise on user safety, delivering more environmentally sustainable products to the market takes time. We see more immediate potential in making our primary, secondary and tertiary packaging more recyclable and increasing the share of renewable packaging materials. In 2023/24, we also started projects to further reduce packaging volumes and optimise our packaging across the product portfolio. Focusing on packaging aligns with market trends, where we see increasing focus on more sustainable packaging from regulators and payers.

Improving our packaging

Continuously improved reporting

We launched a dedicated internal reporting and assessment tool to better track packaging volumes and material composition in 2022/23. This year, we expanded the tool with a carbon footprint functionality enabling a complete overview of CO2e emissions from all packaging in our portfolio. Looking ahead, we believe this functionality will allow us to better prioritise improvements to our packaging.

As part of the ongoing improvements to our internal reporting and assessment tools, we focus on expanding them to the newest additions to the Coloplast Group, Voice and Respiratory Care and Kerecis, as well as continuously improving the underlaying data foundation. In addition to enabling us to drive our strategic ambitions, these tools also support our preparations for implementation of the EU's Corporate Sustainability Reporting Directive's (CSRD) disclosure requirements on resource flows and circularity.

Secondary and tertiary packaging

Today, all retail boxes (secondary packaging) and shipping boxes (tertiary packaging) used for our products are made of renewable materials and are recyclable. Many of our retail and shipper box suppliers use responsibly sourced raw materials, and the majority of our shipping boxes are made from Forest Stewardship Council© certified materials. This ensures the packaging material we use to ship our products comes from controlled sources and contributes to more sustainable forestry.

Primary packaging

The primary packaging of our products is often closely linked to the products' clinical performance providing key functionalities such as usability or keeping the product sterile. Delivering more sustainable packaging with equal performance and manufacturability is challenging. It requires dedicated development efforts and, in some cases, more comprehensive changes to the way we design products, their packaging and the manufacturing equipment they are produced on.

The year before last, we initiated several projects aiming at making the primary packaging for some of our products more recyclable. These projects aim to develop packaging technology to enhance our future product pipeline and improve the packaging of existing products beyond the Strive25 strategy period. We are also making progress on several projects initiated during the Strive25 strategy period aimed at incorporating more renewable raw materials into our packaging. These initiatives span across the business areas of Continence Care, Ostomy Care and Advanced Wound Care. These initiatives will contribute positively toward our target on renewable materials in our packaging within the Strive25 strategy period.

We acknowledge more is needed to accelerate progress towards our packaging targets. Therefore, we are addressing how to further mature and scale necessary new environmentally and financially viable technologies for delivering on existing and future projects.

Strive25 ambitions

90%

of packaging recyclable by 2025

80%

of packaging consisting of renewable materials by 2025

75%

of production waste recycled by 2025

Improving our products

At Coloplast, we know making informed decisions early in the product development process can significantly reduce the environmental footprint of our products. That is why we have integrated eco-design principles into our innovation processes to enhance internal knowledge and awareness of potential environmental impacts, thereby enabling better and more impactful decision making. We continuously evaluate our progress and update tools and processes to steer innovation towards more sustainable choices.

Applying eco-design principles
We apply six eco-design principles based on life cycle thinking and take into account several perspectives on more sustainable design: Avoiding hazardous substances, choosing more sustainable materials, reducing size and weight, considering recyclability, reducing the overall carbon footprint of the product and its packaging and, lastly, reducing waste from manufacturing and improving waste recyclability.

In 2023/24, we achieved two milestones:

- Our sustainability assessment framework and tools have been further developed and deployed in technology projects and early-stage product development projects
- Our existing sustainability assessment tools have been updated to improve the data foundation and usability based on feedback from project teams

The further deployment of the sustainability assessment framework and tools is supported by training and awareness raising among employees involved in the product development process.

Driving change through sustainability assessments
Assessing the sustainability impacts of technologies, products and solutions at different stages of maturity allows us to guide our innovation processes towards more sustainable choices. Insights from individual projects are gathered and elevated to strategic decisions at the portfolio level to create momentum across multiple project and help us identify gaps and opportunities for developing new, more sustainable solutions in collaboration with suppliers.

In 2023/24, we conducted an open ideation campaign within our largest R&D department. This resulted in more than 80 innovative ideas, not only generating a rich pool of concepts for future projects and advancements but also fostering creativity and collaboration among team members. By encouraging open participation, we tapped into diverse perspectives and expertise, contributing to a robust and dynamic sustainable innovation pipeline.

We continuously develop and improve our tools. In 2023/24, we enhanced our reporting tool to include the carbon footprint of our products. This significant enhancement offers a detailed and comprehensive overview of the majority of our product portfolio, enabling us to better understand and manage our environmental impact.

Making our product portfolio more sustainable not only helps us achieve our overall sustainability ambition and secure a competitive advantage – it also helps us balance the well-being of people and the planet.

Documenting our environmental impact
When developing sustainability-related claims and conducting lifecycle assessments (LCAs), Coloplast seeks compliance with relevant ISO standards as well as relevant legislation on green claims. For LCAs, our compliance with relevant standards is certified and can be subjected to internal and external audits as required.

Partnering for impact

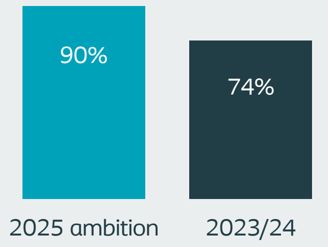
At Coloplast, we believe partnerships are key to addressing the climate challenge. We are committed to working closely with suppliers, business partners, researchers and others across the value chain to develop and scale new technologies and infrastructure for a more sustainable medical device industry. We continuously investigate potential partnerships which can help not only to drive the sustainability performance of our own products and company but across the industry as a whole.

Our position on plastic

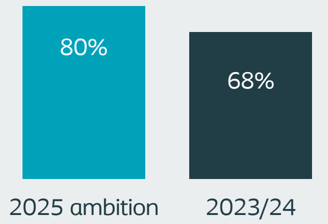
Coloplast always puts user safety first. To maintain high quality and hygiene standards, most of our products are single-use products mainly made from plastic as this is the best and safest option for our users. Yet, plastic waste is a worldwide challenge and as a manufacturer of medical products made primarily of plastic, Coloplast has a responsibility to contribute to solving the problems with plastic consumption and waste. We work towards ambitious environmental targets and implement more sustainable practices in our operations. Examples include applying eco-design principles when developing new products, recycling the majority of our production waste and partnering with peers to advance recycling technologies and circular production. Our position on plastic can be found in full on our website.

Key figures

SHARE OF RECYCLABLE PACKAGING[1)]



SHARE OF PACKAGING CONTAINING RENEWABLE MATERIALS[1)]



[1)] *Packaging ambitions covering products currently on the market. Figures do not include Voice and Respiratory Care.*

Phasing out hazardous substances

Our proactive position on hazardous substances

All Coloplast products are and must be biocompatible and safe for the intended purposes. That is why we have launched a position paper on hazardous substances, which includes the Coloplast Substance Requirement List (CSRL) and serves as a guiding document for our internal work to phase out hazardous substances.

We include the Coloplast Substance Requirement List in the design process for new products, thereby ensuring that any requirements related to hazardous substances are met up-front during the design and material selection phases.

During 2023/24, we made progress on several projects to remove REACH[1)] candidate-listed substances from our products. As a result, UV328 stabiliser has now been fully phased out from the SpeediCath intermittent catheter range, and the removal of di-ethyl hexyl phthalate (DEHP) from our catheters has also been completed this year.

[1)] Regulation (EC) No 1907/2006 of the European Parliament and of the Council of 18 December 2006 concerning the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH)

These products are biocompatible and safe for the intended purposes with exposure to the relevant substances at very low and acceptable levels. However, in accordance with our position on hazardous substances, we have decided to proactively remove or replace them.

Our structured monitoring process detects changes in regulation, science and technology early on, and the Substance Substitution Group meets regularly to make a plan to either remove or substitute hazardous substances accordingly. In 2023/24, we started the process to include Voice and Respiratory Care into our monitoring process. As an outcome, initiatives have been launched to review options for removal or replacement of relevant substances.

This work exemplifies how our position on hazardous substances enables us to identify opportunities and risks early on and proactively substitute substances before being required by regulation.

Our working environment

During 2023/24, we continued our focus on substances as they pertain to the working environment. Our chemical database, which offers a complete and structured overview of substances used in production processes, has been expanded to an additional production site. The database thereby covers nine of our production sites and all but one of our R&D facilities globally. The information contained in this database will form the basis for future ambitions and initiatives related to substances in our working environment, most notably at our production sites. For example, we are developing a tool to support decision making around substances within our production to further improve occupational health and safety.

Environmental pollution

As part of our preparation for the Corporate Sustainability Reporting Directive (CSRD), Coloplast's recently completed double materiality assessment concluded that microplastics constitute a material topic within our own operations due to the risk of environmental pollution. We are currently strengthening our organisational setup to address this topic going forward.

Coloplast's position on hazardous substances

Coloplast is mindful when selecting materials and substances used in our products. We commit to and ensure that:

- Coloplast products are biocompatible and safe for the intended purposes
- We follow and comply with international and local regulations and standards including REACH, the California proposition 65 list, EU MDR, FDA, EN ISO 10993-1:2020 and more
- We monitor and track changes in regulations to identify and mitigate risks early on. The risks are reported to management on a quarterly basis, including escalation to Coloplast's Substance Substitution Group, which convenes biannually

Read our full position paper on hazardous substances on our website.

Sustainable waste and water management

As part of our efforts to reduce Coloplast's environmental footprint and improve circularity, production waste has been identified as a material risk. We continue to deliver on our ambitious target of recycling 75% of our production waste by 2025. Our production waste consists mainly of multiple types of plastic, often multilayer and difficult to separate. Our progress is therefore based on a dual focus on deepening our knowledge base of waste types and volumes across production sites and identifying new and emerging technologies for higher-value recycling of our production waste across geographies.

Reducing production waste

As a result of Coloplast's continued growth, our total waste volume continues to increase. Nonetheless, we aim to continuously reduce the amount of production waste generated per product. Among other things, the eco-design principles applied to all new product developments target production waste and supports waste reduction for new products.

Production waste recycling

In 2022/23, Coloplast reached its 2025 target for production waste recycling ahead of time. During 2023/24, we maintained a high production waste recycling rate of 77% across all sites. In Hungary, the vast majority of our production waste is recycled by a local recycling manufacturer into rubber-based composite flooring and building insulation, while in China various production waste fractions are separated and recycled into industrial and consumer products.

In 2023/24, our production site in Costa Rica made significant progress within production waste recycling, reaching a recycling rate above its local target. This progress is driven by internal awareness training on the importance of waste sorting and strengthened collaboration with local waste management vendors.

Sustainable waste management

Coloplast remains dedicated to not only recycling more production waste but also exploring higher-value activities such as reducing, reusing and repurposing. Our long-term ambition is to identify and develop ways for more of our production waste to re-enter our operations through commercial or non-commercial material streams.

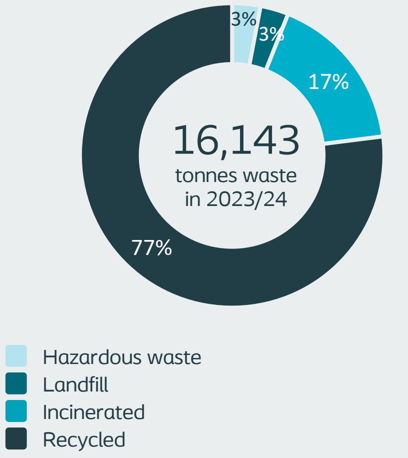
To enhance the value of our production waste recycling efforts, it is important to understand the composition of the waste generated at our factories. In 2023/24, a comprehensive waste mapping pilot was caried out at our site in Tatabánya, Hungary. This pilot identified an opportunity to separate clean material fractions from our production waste to enable higher-value reuse and recycling of these fractions. In 2024/25, learnings from the pilot will be implemented at our site in Nyírbátor, Hungary, and a similar waste mapping exercise will be performed at our site in Costa Rica.

Water management

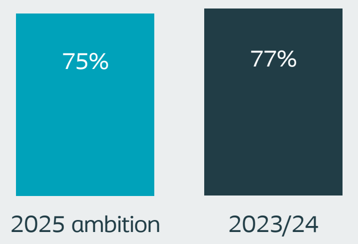
Due to the nature of our operations, Coloplast's water use for production purposes is limited. Water is mainly used for sanitation and gardening. None of our major facilities are located in areas of high water stress and we have found no detectable negative effects from water discharge resulting from Coloplast's operations.

Overall, our water consumption in 2023/24 saw an increase of 7% compared to 2022/23. The develop is mainly due to increases in production, leading to higher water consumption for cleaning of machinery and ordinary sanitation.

Key figures



PRODUCTION WASTE RECYCLING RATE



Case study

Increasing production waste recycling at our site in Cartago

In 2022/23 we reached our Strive25 target of recycling 75% of our production waste ahead of time. However, as our production volumes increase and we expand to new sites, it is necessary to keep exploring new opportunities for production waste recycling to maintain our high rate. Our production site in Cartago, Costa Rica, demonstrates our commitment to this work. The site currently generates around 10% of Coloplast's global production waste volume, and the share is expected to increase in the coming years. It is therefore key for the Cartago site to continuously improve its waste recycling rate. Despite numerous challenges, the site increased the local waste recycling rate substantially in the past years.

The road to local production waste recycling

In January 2021, Coloplast started its production in Cartago, Costa Rica. At that time, 12% of the local production waste was recycled, negatively impacting our global recycling rate.

Initially, the local target was to increase the production waste recycling rate from 12% to 45% by the end of 2023/24. However, Costa Rican standards for recycling differ from Coloplast's as waste incineration for heat generation is generally considered recycling in Costa Rica. We therefore had to challenge and transform the mindset of local waste management vendors to achieve our production waste recycling goal.

Coloplast first teamed up with a local waste management vendor capable of handling waste streams such as cardboard, paper and clean plastic materials. However, as much of Coloplast's production waste consists of different kinds of plastic which cannot easily be separated for individual recycling, Coloplast teamed up with a second vendor capable of using our local production waste as a composite material in concrete blocks used for construction.

The new partnership had a positive impact on the local production waste recycling rate, which came close to reaching the local target of 45% recycling. However, the new vendor was challenged by limited capacity, which made it necessary for the team at the Cartago site to identify a third recycling vendor which saw the potential of investing in new recycling technologies to help Coloplast manage its production waste. With this new approach, the vendor is able to recycle our production waste into materials for new purposes such as plastic containers and shoes.

Transforming colleagues' recycling mindset

Parallel to the dialogue with vendors, the team also addressed the recycling mindset among colleagues at the site through dedicated training and engagement efforts as well as strong commitment shown by local leadership. The combination of a strong local recycling mindset and ongoing dialogue with numerous recycling partners enabled the Cartago site to reach a local waste recycling rate of 63% by the end of 2023/24, making a significant positive contribution to our global result of 77% this year.

Getting to where we are today has not been easy, but strong dedication from everyone at the site has made it possible to achieve, and even exceed, our local target.

Now we're looking ahead and have already started exploring new possibilities for further accelerating our production waste recycling with the aim of further contributing to our global production waste recycling performance.

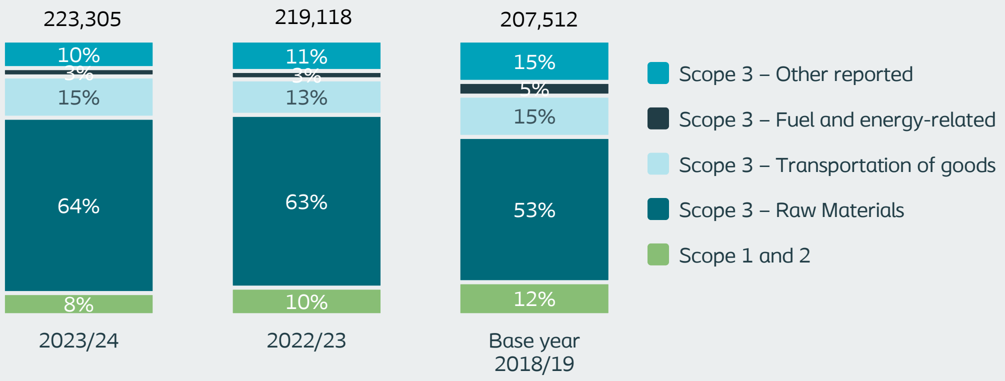
Luis Viquez Brenes | Head of Facility & EHS, Coloplast Cartago

Strive25 priority: Reducing emissions

Coloplast is committed to balancing the well-being of people with the planet. Every time we reduce our emissions, we drive down the environmental footprint of our business – and thereby of every single one of our products. This reduces the risk of unmitigated climate change impacts, which could potentially disrupt our operations and supply chain. Reducing emissions in our own operations and our value chain is also a means to future-proof our compliance and drive our competitive advantage.

To ensure that we reduce our emissions at the scale and speed needed, Coloplast's emission reduction targets in scope 1, 2 and 3 as well as our renewable electricity target have been validated by the Science Based Targets initiative (SBTi) since 2021/22. SBTi is an independent organisation defining and promoting best practices in science-based target setting using a standardised and transparent methodology. To effectively track our progress on reducing emissions, accurate data and methodologies are essential. Over the past year, we have enhanced our data collection and methodologies across all scopes, establishing a reliable benchmark for monitoring our environmental performance and achieving our targets. These changes are described in detail in our accounting policies.

COLOPLAST'S TOTAL SCOPE 1, 2 AND 3 EMISSIONS - TONNES CO2E



Decarbonising our operations and value chain

The decarbonisation of Coloplast's own operations continues to be a key priority with focus on the three workstreams of phasing out the use of natural gas, increasing our renewable energy consumption and increasing the share of electric company cars.

Reducing our scope 3 emissions remains a key component of our decarbonisation efforts. We continue the development and implementation of our transition plan, involving short and long-term decarbonisation activities and progress tracking. This plan is based on thorough mapping of value chain activities, including emissions and climate risks. Our current strategic focus is on raw materials, transportation and business travel. In 2023/24 we continued to leverage our supplier sustainability programme as an enabler to achieve our targets.

Strive25 ambitions

100%

reduction of scope 1 and 2 emissions by 2030[1)] (SBTi validated target)

100%

renewable energy by 2025

100%

electric company cars by 2030

50%

reduction of scope 3 emissions per product by 2030[1)] (SBTi validated target)

10%

reduction of air travel by 2025 and then freeze[1)]

5%

limit on goods transported by air

1) From the base year 2018/19

Reducing scope 1 and 2 emissions

Addressing the emissions that occur within our own operations is key to upholding our commitment to climate action and reducing our overall footprint. It also enables us to gain learnings which may be applied across our value chain. In 2023/24, scope 1 and 2 emissions made up 8% of our total, reported emissions, and we saw a reduction in scope 1 and 2 emissions of 27% compared to the base year 2018/19. Within our existing business, the reduction was mainly driven by energy efficiency improvements, continued phase-out of natural gas and the continued transition of our company car fleet to electric vehicles.

Transition to renewable energy

The transition to renewable energy within our own operations remains at the top of our sustainability agenda and we continue to make progress toward our target of running on 100% renewable energy at our own sites by 2025.

Our approach is to phase out the use of natural gas – primarily through electrification but also by other means such as utilisation of geothermal or district heating run on renewables where viable. Our progress is slightly slower than anticipated at sites with clean room technology and at sites with cold climate, where the most sustainable and financially viable options have taken longer to identify and implement than expected.

Procuring 100% of our electricity from renewable sources is a necessary step towards reducing our emissions. Electricity accounts for more than 80% of our energy consumption and we expect this share to grow as we continue to phase out fossils partly through electrification. Today, 83% of our energy consumption is from renewable sources, up from 78% in 2022/23. Wherever our electricity is not already from renewable sources, Coloplast purchases renewable energy certificates (RECs) to cover our consumption. We are in the process of replacing RECs with Power Purchase Agreements (PPAs) to ensure additionality in the regions where we produce through the construction of new renewable power generation capacity at our direct request.

Improving energy efficiency

It is Coloplast's ambition to continuously reduce our energy consumption per product. Combined with the use of renewable energy, this is an effective way to reduce climate impacts from our production as we grow to help even more users. This year, our energy efficiency improved slightly to 0.12 kWh per product compared to 0.13 kWh per product last year.

Electric company cars

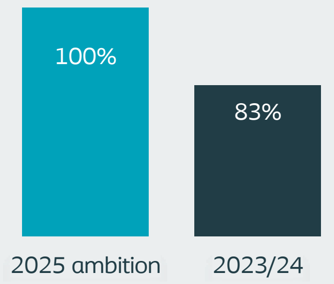
Coloplast operated a car fleet of around 2,500 cars in 2023/24 which is a slight increase from last year. Despite this increase, total emissions from company cars was reduced by 13% compared to 2022/23. This year, the share of electric company cars in our fleet increased to 11% with improvements being driven mainly by our sales subsidiaries in the UK, Spain and Germany. Our progress continues to be challenged by slower development of charging networks than anticipated. We also acknowledge the behavioural change needed to reach our target and have initiated activities to address these. The activities include better data collection and clearer guidance to sales subsidiaries regarding requirements and recommendations for the transition to electric company cars.

Key figures

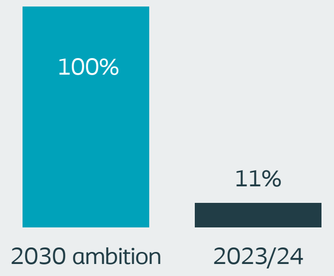
27%

reduction of scope 1 and 2 emissions since base year 2018/19

SHARE OF RENEWABLE ENERGY



SHARE OF ELECTRIC COMPANY CARS



Case study

Transitioning to renewable energy across our sites

With Strive25, we have set a clear ambition to reduce our emissions. While continuing to source all our electricity from renewable sources, we are dedicated to continuing our efforts of transitioning to renewable energy across our sites globally.

We are constantly looking for the most appropriate and efficient local solutions and are making the necessary investments to drive down the environmental footprint of our operations and thereby of every single one of our products – products that make a difference to millions of people managing their intimate healthcare conditions around the world.

Anders Lonning-Skovgaard | CFO and Executive Vice President at Coloplast

Lower emissions with district heating at our sites in Denmark

In 2023/24, Coloplast's two sites in Denmark switched from using natural gas for heating to relying on district heating primarily from renewable sources. This shift led to a reduction of 866 tonnes CO2e per year from 2023/24 onwards, amounting to an approximate annual 85% emission reduction for the two sites and an annual 7% reduction of Coloplast's total scope 1 emissions.

The shift to district heating was enabled through agreements with the local municipalities and utility companies and not only reduces Coloplast's emissions but also helps to drive the development of the local distribution network to facilitate wider usage of more sustainable heating in the aera.

Reduced reliance on natural gas with electric heat pumps

During 2023/24, two additional electric heat pumps were installed at Coloplast's production site in Nyírbátor, Hungary, to replace existing natural gas boilers. Combined with the improvements achieved with the installation of the first two heat pumps at the site in 2021/22, we have now reduced natural gas consumption at the site by 67% since 2020/21. Altogether, the four electric heat pumps are expected to lead to an annual saving of 3,385 tonnes CO2e.

Geothermal energy as energy-efficient alternative to fossils

To further phase out the use of natural gas, we initiated a geothermal energy project at our production site in Nyírbátor, Hungary, in 2023/24. The technology offers an energy-efficient alternative to fossil energy sources.

During the year, we completed the preparatory work for installing a geothermal energy system in Nyírbátor. The drilling was initiated in September 2024. The new geothermal energy system and supplementary new heat pumps are expected to be fully operational by the end of 2024/25, and upon completion the project is estimated to lead to an annual saving of 1,141 tonnes CO2e.

We are also expanding the use of geothermal energy to sites where other renewable energy sources are not viable. For our site in Minneapolis, USA, the preparations for installation of two geothermal wells will begin in 2024/25. The capacity made available through this project prevents the need for additional natural gas consumption as we construct a new clean room at the site in 2024/25. It will also eventually serve to significantly reduce existing natural gas consumption. Lastly, the project is expected to offer important learnings for future phasing out of natural gas across Coloplast sites.

Looking ahead

Coloplast is dedicated to continuing our efforts of transitioning to renewable energy across our sites globally. Several initiatives have been initiated and are expected to positively impact our scope 1 and 2 emissions from next year onwards.

Through a power purchase agreement (PPA) in Denmark, 100% of our electricity consumption in Denmark is now covered by locally generated, renewable energy. This year we have also pursued further feasible options for PPAs in other markets, and this work will continue in 2024/25.

In 2024/25, electric heat pumps will be in place at our production site in Sarlat, France, to replace the existing gas boilers. This will not only lead to a transition to renewable energy but is also expected to result in significant energy consumption savings.

At our production site in Tatabánya, Hungary, heat pumps will be installed in early 2024/25 to completely eliminate the need for natural gas boilers in favour of 100% renewable energy.

Scope 3 – reducing product footprint

In 2023/24, Coloplast's absolute scope 3 emissions increased at a faster rate than our production volume. Consequently, our per-product reduction of scope 3 emissions landed at 3% for 2023/24 compared to the base year 2018/19. We are not satisfied with this performance, which is lower than previous years. The result is primarily due to increased emissions from raw materials and transportation, partly offset by reduced emissions from business travel. Driving down our per-product scope 3 emissions, even as we grow, is a key priority for Coloplast both within the Strive25 strategy period and beyond. Looking ahead, we will continue our focus on emission-efficient transportation and strengthen our work to mature and scale necessary new raw materials and technologies with a dual focus on environmental and financial viability.

Transparent reporting

Access to accurate and reliable data is key to understanding and addressing Coloplast's climate impact. We continuously work to improve data quality for scope 3 emissions by gradually moving from spend-based or activity-based calculations to supplier-specific emissions data whenever possible. We also have strict control procedures in place for our emissions accounting, enabling us to restate historical figures based on improved data, refined calculations or updated methodology. We will continue to develop our climate reporting in line with the GHG Protocol and to comply with the EU's Corporate Sustainability Reporting Directive (CSRD).

Decarbonising our value chain

Raw materials

Raw materials are a major source of value chain emissions for Coloplast. In 2023/24, raw materials accounted for 70% of our reported scope 3 emissions (64% of total reported emissions) compared to 69% of reported scope 3 emissions (63% of total reported emissions) the year before. We continue to engage with our top-emitting suppliers to find and scale lower-carbon materials and address the carbon footprint of new products and technologies in our innovation processes. In 2023/24, we also built the foundation for incorporating supplier-specific data in our climate accounting.

Transportation of goods

Given our growth rates, transportation needs – and therefore emissions from transportation of goods – are expected to increase going forward. In 2023/24, upstream and downstream transportation of goods accounted for 16% of Coloplast's reported scope 3 emissions (15% of total reported emissions) compared to 15% (13% of total reported emissions) in 2022/23. A contributor to the increase this year is a changed logistics flow in Europe following the opening of a new distribution centre in the Czech Republic. The increase is partly offset by improved utilisation of space across road, rail and sea freight.

Coloplast has set a continuous ambition to limit the use of air freight to 5% of total goods transported. In 2023/24, 2% of goods were transported by air. Our users are dependent on receiving a stable and adequate supply of products. In case of extraordinary events in the supply chain, Coloplast will priorities user needs and, if needed, send products by air to ensure they reach users on time.

Reducing business travel

Even as Coloplast is growing, we aim to reduce emissions from company air travel by 10% compared to 2018/19 levels and then freeze. To this end, we are limiting the number of business trips while promoting travel choices with lower emissions. We also offer digital meeting resources, enable remote working and make emission information for different travel options available when booking business travel. Coloplast is gradually settling into new business travel practices after the pandemic. In 2023/24, emissions from air travel were reduced by 50% compared to the base year 2018/2019, building further on our 40% reduction in 2022/23.

Engaging with our suppliers

Coloplast's supplier sustainability programme functions as a lever for achieving our Strive25 ambitions and ensuring value chain compliance. During 2023/24, we primarily focused on improving data quality, encouraging target setting among our top-emitting suppliers and integrating our climate action requirements into our supplier contracts.

Supplier auditing

Coloplast is committed to ethical and compliant conduct in our supply chain and respects internationally recognised human rights, including labour rights. Our supplier audit programme focuses on high-risk countries. All raw material suppliers in high-risk countries are evaluated as part of the approval process and reassessed every third year thereafter. Audits are carried out by an external partner in accordance with local regulations and Coloplast's Supplier Code of Conduct. If an issue is found, Coloplast and the supplier must agree on a corrective action plan. Subsequent outcomes depend on the severity of the findings and the supplier's response to the corrective action plan. Coloplast conducted seven audits of tier 1 and 2 suppliers in China, India, Mexico and North Macedonia during 2023/24 and put in place corrective action plans where needed. Our Supplier Code of Conduct can be found in full on our website.

Our ongoing commitments to responsible operations

Supporting the needs of the people around us is part of our balanced approach to sustainability. Our Strive25 sustainability strategy includes targets on product quality, employee health and safety, business ethics and compliance, and people, culture and leadership.

Product quality

Quality standards

Delivering safe and reliable products is essential to Coloplast. Our unified quality management system establishes processes for managing quality and risks in product development, production and distribution as well as extensive post-market surveillance. All complaints and adverse events are individually handled to identify the root cause and generate input for mitigation and future product development. Our products and quality management system meet strict regulatory standards and compliance is verified on-site through external audits by independent auditors and notified bodies. All Coloplast sites involved in design, production, packaging and central distribution are certified according to one or more of the following standards and regulations: ISO13485, MDSAP, EU MDD and EU MDR. In 2023/24, Coloplast had 132 full-day audits on quality and system conformity.

Medical Device Regulation (MDR)

During the last eight years, Coloplast has made significant investments in an MDR programme aimed at updating the quality management system and obtaining relevant MDR certification across business areas. The MDR programme was formally closed in 2023/24 as MDR-compliant products now account for the vast majority of Coloplast's revenue. A limited level of activity remains, mostly focused on our Voice and Respiratory Care business, to ensure MDR-compliance for the full Coloplast product portfolio. Within Voice and Respiratory Care, we saw good momentum during the year with many products being in the last stage of the MDR certification process.

Product recalls

If customer feedback or internal controls reveal quality defects with potential safety risks in delivered products, Coloplast initiates a voluntary product recall. Coloplast had one voluntary product recall in 2023/24:

Ureteral Dilator: Voluntary recall of 38 lots (a total of 8467 products) across 35 countries related to a potential sterility issue.

Animal testing

All animal testing done by Coloplast is performed by Good Laboratory Practice certified laboratories, and Coloplast does not use transgenic animals in testing. This year, Coloplast used 2,882 animals for testing compared to 1,774 in 2022/23. The increase is primarily due to the inclusion of Voice and Respiratory Care into our reporting on animal testing this year. Of the animals used in animal testing for Coloplast products this year, 90% were rodents. Our full Animal Testing policy is available on our website.

Strive25 ambitions

100%

white-collar employees trained in Code of Conduct

2.0 ppm

Lost Time Injury frequency by 2025

40%

representation of female senior leaders (Vice President and above) by 2030

75%

share of diverse teams

Engagement score

above industry benchmark

Business ethics and compliance

Business ethics and compliance (BE&C) at Coloplast is headed by the Group Chief Compliance Officer reporting to the Senior Vice President & Group General Counsel. The Group Chief Compliance Officer reports to the Executive Leadership Team twice per year on priorities and risks and quarterly to Coloplast's Audit Committee on compliance priorities, risks and relevant changes in the legislation and compliance landscape. The BE&C team is comprised of regional compliance officers and specialised staff supporting key markets.

Tax and compliance is anchored within our Group Finance function. Coloplast's Board of Directors approves the company's tax policy annually while our tax compliance and risks are raised annually with Coloplast's Audit Committee.

In addition to the principles outlined below, Coloplast complies with all applicable global sanctions.

Coloplast BEST

The Coloplast Code of Conduct, BEST, along with 10 new and revised global compliance policies, outlines our commitment to conducting business responsibly and acting with integrity. It aims, among other things, to mitigate material risks related to the interaction between our employees and third parties, which may lead to breaches of Coloplast BEST. These risks are considered low.

Regular training in Coloplast BEST is mandatory for all employees, and all white-collar employees must complete an e-learning module within 21 days of hire and on an annual basis thereafter. In 2023/24, the Coloplast BEST completion rate was 99%. Additional regional and department-specific in-person training is conducted based on individual needs. Employees are expected to live up to all applicable legal requirements and industry codes to which Coloplast is signatory.

Transparency reporting

Coloplast has controls in place to track transfers of value (for example consulting payments) to healthcare professionals. Coloplast tracks and reports transfers of value to healthcare professionals in accordance with local and regional legal requirements.

Distributor handling

Coloplast has dedicated resources tasked with conducting risk assessments and due diligence of its distributors and to create action plans for improvements where needed. We have implemented a system to manage integrity and compliance risks related to our Tier 1 distributors. Through this process, Coloplast engages in active dialogue with its distributors about the compliance situation in their markets and the expectations set forth in Coloplast's Global Distributor Code of Conduct. This is supported by ongoing risk monitoring, auditing and training of our distributors. Coloplast's Distributor Code of Conduct can be found in full on our website.

Business ethics risk assessment

Coloplast performs ongoing business ethics risk assessments to maintain a good understanding of where specific attention is needed. Based on these assessments, Coloplast updates its compliance programme as required. Coloplast continuously monitors regulatory developments to proactively adjust our operational models in line with regulations and Coloplast values. One example of this is in China, where new legislation requires Coloplast to continuously monitor and amend its ways of operating to comply with local requirements.

Ethics Hotline

Coloplast encourages an open, transparent and honest culture where employees are free to raise questions and concerns without fear of retaliation and

Coloplast BEST – our code of conduct

Coloplast BEST, supported by 10 global compliance policies, guides our employees in ethical conduct. It covers topics such as:

- Sustainable and ethical business
- Standing against corruption
- Safeguarding data
- Interaction with healthcare professionals
- Working with third parties

Coloplast BEST aims to instil a compliance mindset where employees:

- Find guidance in law, industry code, Coloplast BEST and internal policies
- Apply an overall principle of integrity towards Coloplast's mission and values
- Seek advice by contacting their manager or compliance officer

Adherence to Coloplast BEST is expected of all Coloplast employees. Third parties working on our behalf are also expected to follow Coloplast BEST, our internal compliance policies and additional Codes of Conduct applying to third parties. Coloplast BEST can be found in full on our website.

where respect for human rights is a fundamental value. The most material risk regarding human rights is the risk that our employees do not feel free to raise questions and concerns, although this risk is considered low. Our global Ethics Hotline enables employees and other stakeholders to report in good faith any suspected breaches of Coloplast BEST or other concerns. Coloplast's Ethics Hotline is managed by an independent third party. The reported cases are managed in accordance with our Ethics Hotline Management Policy, which includes day-to-day oversight by Coloplast's Ethics Hotline Committee and quarterly reporting to Coloplast's Audit Committee. In 2023/24, Coloplast received a total of 86 cases, of which 49 were within the scope of the Ethics Hotline. This includes cases submitted directly to management or local or regional compliance officers subsequently included in the investigation process. 57% of the cases (in scope) closed during 2023/24 were substantiated and addressed with remediation and sanctions. In some instances, this has led to termination of contract or employment of involved parties. Coloplast is committed to maintaining the Ethics Hotline and underlying process going forward.

Data privacy

Coloplast collects and handles personal data as part of its online activities targeted towards users. Our users trust us with very sensitive information, and it is a priority for us to treat this data with the utmost respect and confidentiality. Many countries have legislation in place requiring companies to handle personal data safely and securely. Coloplast handles and protects all personal data in accordance with national law and with the same approach across all Group companies, as Coloplast has enacted a Global Personal Data Policy and a Global Data Privacy Program as well as Binding Corporate Rules (BCR) approved by competent data protection authorities. Internal and third-party audits are conducted to ensure secure and reliable data handling.

Coloplast has a Group Data Protection Officer and several privacy managers fully dedicated to focusing on data privacy supported by local resources in our headquarters as well as in our subsidiaries. The Group Data Protection Officer reports regularly to Coloplast management. In addition, the efforts and status on data privacy is reported annually to Coloplast's Audit Committee. Our Information Security Policy and Data Ethics Policy can be found on our website.

Ethical marketing and collaboration

Healthcare professionals and the people who use our products and services count on us to provide clear and accurate information. Our products are classified as medical devices and thus subject to strict regulation regarding promotion. We follow all applicable laws and regulations, always ensuring that our communication is factual and evidence-based, giving objective, accurate and complete information. Collaboration and scientific exchange with healthcare professionals is key in developing innovative technologies and solutions, improving our products and raising awareness about our offerings. We are committed to giving healthcare professionals the most up-to-date clinical data and training to ensure that they can use our products safely and effectively for the benefit of their patients. We do not engage in medical diagnosis or advise on course of medical treatment but unequivocally refer to a healthcare professional and/or Intended use of the products.

Responsible advocacy

Coloplast engages in advocacy both as a company and in partnership with external stakeholders. Building alliances with key external stakeholders, including industry associations and patient advocacy groups, plays an important role in improving health outcomes. Respecting local cultures, regulations and customs is important to Coloplast, and we want to contribute to the local communities in which we operate, either through donations or by involving local non-governmental organisations.

Responsible tax management

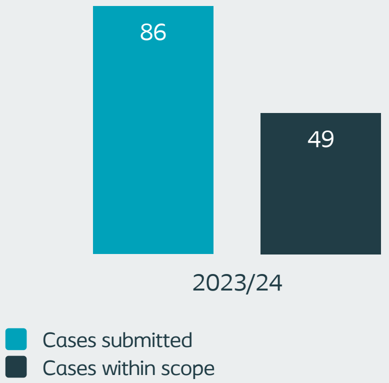
Respecting local tax regulation is important to Coloplast's reputation and brand. Coloplast pays taxes where business activities generate value in accordance with internationally accepted standards.

Coloplast's Tax Policy is available on our website along with our transparent reporting on global corporate income tax allocated on a country-by-country level.

Coloplast's country-by-country reporting includes information beyond what is required by the EU directive by including all countries both within and also outside the EU.

Key figures

CASES SUBMITTED TO THE ETHICS HOTLINE[1)]



[1)] *Cases not within scope of the Ethics Hotline are redirected to People & Culture for investigation*

Employee health and safety

At Coloplast, we are committed to fostering a safe and healthy working environment for our employees and we have identified health and safety as a material risk across our sites. Although the risk of injury is low, the long-term health outcomes for employees who get injured while at work can sometimes be severe.

As a responsible employer, we must do everything in our power to ensure that employees can return safely home after their workday. In 2023/24, we strengthened the organisational setup around health and safety to improve reporting and employee engagement. Our aim is to foster a continued strong safety culture in all teams. We have also made progress towards preparing our health and safety reporting for compliance with the Corporate Sustainability Reporting Directive (CSRD).

Reducing work-related injuries

We continue our efforts to reduce occupational injuries across all Coloplast sites and employee groups. This year, we reduced the lost-time injury frequency to 2.1 ppm, which accounts for a total of 60 incidents in 2023/24 compared to 70 last year. The most common injuries across employee groups are injuries caused by slips, trips and falls, object handling and traffic accidents. The rate of lost-time injuries has gradually decreased during 2023/24 and we continue to build on this momentum to reach our 2025 ambition of 2.0 ppm.

To foster an active and positive safety mindset across our company, we recognise that our leaders must act as role models. We engage both managers and employees on the topic of health and safety by championing four key safety behaviours:

- You see it, you own it
- Think twice
- Dare to care
- Stay focused

Our engagement work also focuses on raising awareness of near-miss accidents and taking care of colleagues by voicing concerns and safety observations. Our production sites and larger distribution centres have defined proactive KPIs and local action plans. In recognition of UN International Day for Health & Safety at Work 2024, Coloplast launched a global safety campaign focused on engaging in team conversations about how to stay safe together. In 2024/25 we will focus on further raising the awareness level and safety mindset amongst sales teams, where injuries often happen outside our own premises.

Mental well-being

Our employees' mental well-being is key to their engagement, performance and retention. At Coloplast, we track mental well-being among our employees and teams through regular, global engagement surveys supplemented by various local initiatives. Managers are made aware in the event of low mental well-being in their teams and action plans are put in place at team level to identify and address needs.

Improving ergonomics

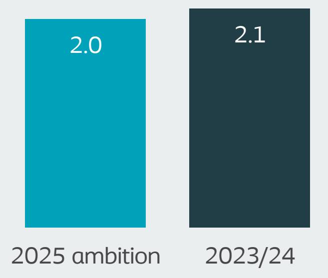
Wherever manual labour is required, Coloplast emphasises an ergonomically correct workplace setup. We work to reduce repetitive work and reduce the strain from unavoidable repetitive work by rotating work stations.

Offering healthy choices

Coloplast performs workplace assessments globally and provides employees with tools and options to make healthier choices in their work and private lives. During 2023/24, our sites launched several new initiatives to improve employees' health and well-being. These include awareness raising and information sharing related to cancer prevention and early detection for all employees at Coloplast's global PDC in Hungary and a month of activities focusing on mental, physical, nutritional and financial wellness targeting all employees across our sites in the US.

Key figures

LTI FREQUENCY (IN PPM)[1]



[1] *Parts per million (ppm): number of injuries resulting in absence from work of one day or more per one million working hours*

People and culture

At the end of 2023/24, the Coloplast Group had a headcount of 16,247[1)] employees working towards the shared purpose of making life easier for people with intimate healthcare needs. Our diverse employee population operates in 41 countries and represents 102 nationalities.

During the year, we integrated Voice and Respiratory Care into several HR processes, and we will begin planning the integration of Kerecis next year.

Talent for now and the future

Our people agenda prioritises leadership development, talent management and the creation of diverse, equitable and inclusive work environments. The search for great talent remains competitive globally. To attract increasingly diverse and qualified talent, we continue our focus on employer branding, including telling our unique, purpose-driven story to attract talent globally.

Coloplast believes in developing and retaining great people. With a high internal fill rate of 82% for Vice President (VP) level and above, we keep knowledge and expertise within our organisation as people advance their careers with us.

1) The figure excludes Kerecis. The total headcount for the Coloplast Group was 16,875 per 30 September 2024.

We recognise that flexible work is important not only for attracting and retaining skilled employees but also for work/life balance. Where it makes sense for the role and the business, we offer employees flexibility in their everyday planning while also considering business needs.

Engagement and retention

We are dedicated to creating a working environment that fosters performance, well-being and a sense of purpose. Our annual engagement survey helps us monitor how we uphold this commitment. Last year, we had our highest-ever response rate for this survey at 92%. We also maintained our above-industry engagement score. Engagement scores are shared widely internally and leaders are supported in engaging in meaningful conversations with their teams. The high engagement and structured team conversations drive healthy retention. The average length of employment is 6.4 years. During 2023/24, our global turnover was 13.9% with voluntary turnover down to 9.1% this year from 10.1% in 2022/23. This is significantly better than industry benchmarks.

Balancing performance and development

At Coloplast, we are a people business: A place where people contribute to the success of the company, and the company supports the success of the individual. This is why our people performance approach is first and foremost an investment in our people and the way we enable our colleagues to excel in and be engaged by their jobs.

In 2023/24, we continued to focus on supporting leaders and employees in having regular conversations about performance, development and career opportunities. To ensure continuous growth, development and performance, we continue to strengthen our efforts by providing leaders and employees with simple, easy-to-apply tools for shared ownership for development. To date, we have trained more than 8,200 colleagues in this approach. Nearly 5,000 employees have completed additional training in goal setting, feedback and coaching.

Diversity, equity, and inclusion

Coloplast believes in cultivating a workplace where employees can tap into their unique skills and experiences to reach their potential. Our belief is that we

Key figures

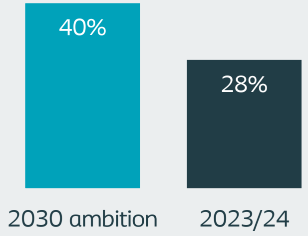
9.1%

voluntary employee turnover in 2023/24

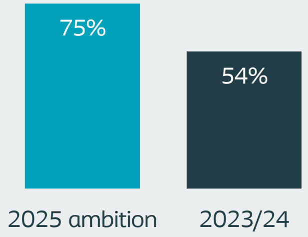
8.1 out of 10

employee engagement score (Peakon)

SHARE OF FEMALE SENIOR LEADERS



SHARE OF DIVERSE TEAMS



are stronger together due to our differences. We continue to ramp up our efforts within diversity, equity and inclusion (DE&I) to comply with legislation while also holding ourselves accountable internally.

We have increased our focus on DE&I within key people processes such as global rewards, talent management, succession planning and leadership, we work hard to examine our everyday practices and culture while also empowering our local offices to act according to internal and external circumstances across the DE&I agenda. We believe positive change can and must happen at all levels of the company and are committed to listening to employees' voices. We support several local Employee Resource Groups to bridge our colleagues' lived experiences with meaningful initiatives. We also participate in external DE&I-related networks, boards, campaigns and events to keep up with trends and continually raise the bar internally.

Coloplast does not tolerate discrimination or harassment based on gender identity, age, race, ethnicity, nationality, sexual orientation, religious belief, social or economic background, physical or mental ability, or any other social identity. We include the topics of inclusion, diversity and anti-harassment in our annual, mandatory ethics training Coloplast BEST.

Our Inclusion & Diversity, Anti-Harassment and Anti-Discrimination, and Anti-Retaliation policies outline our clear stance and are available on our website.

Diversity in teams

We track and drive team diversity across three objective parameters: Gender, age (generation), and nationality. We strive for a healthy balance across all three areas from the individual team to company level. In 2023/24, our team diversity rose slightly to 56% from 54% in 2022/23.

Gender representation in management

The proportion of female managers globally remained unchanged from last year at 47%, while the proportion of senior leadership globally (VP, Senior VP and Executive Leadership Team) increased to 28% in 2023/24 from 26% in 2022/23. We are committed to balanced gender representation at all levels and have embedded diversity, equity and inclusion in talent management processes. This means introducing global standards and bias mitigation in people processes as well as succession planning to ensure a qualified and diverse pipeline.

Gender pay gap

Coloplast is committed to fostering a diverse, inclusive and equitable workplace. We are committed to equal pay for equal work and are guided by global governance to let skills and experience determine compensation. This year, we conducted an internal audit at senior levels and found no significant gender pay gap.

Gender distribution and diversity in upper management (Coloplast A/S only)

Under the Danish Financial Statements Act, Coloplast is obliged to report on the gender distribution of the upper management of its parent company, Coloplast A/S. In 2023/24, the Coloplast A/S Board of Directors had an equal gender distribution. The Board consisted of six members of which 50% are female. Upper management consisted of 32 members and achieved 31% representation of the underrepresented gender (female) in 2023/24. Coloplast A/S met its 2025 target of 30% female representation in upper management in 2022/23 and now works toward 40% in 2030. The development this year is due to a larger organisational change impacting upper management. Despite our efforts to compose upper management in line with our target, the most qualified candidates selected for these roles were predominantly from the overrepresented gender. As such, Coloplast A/S did not meet its 2030 target of 40% for gender diversity in upper management in 2023/24. Coloplast A/S adheres to a Diversity, Equity and Inclusion Policy outlining our commitment to DE&I at the upper management level of our parent company. Coloplast always take a global view to developing our executive talent pipeline. Therefore, our dedicated efforts to growing the female talent pipeline, including at the parent company level, is visible in our strategic, global progress on this area. To continue to deliver on our gender distribution targets for Coloplast A/S in 2023/24, we continued to ensure clear visibility to the gender diversity of talent pools advancing towards VP, Senior VP and Executive Leadership Team. We plan development deliberately for these groups in order to deliver on our commitments.

	Share of the underrepresented gender		Targets for the share of the underrepresented gender	
	2022/23	2023/24	By 2025	By 2030
Board of Directors	50% (3/6)	50% (3/6)	-[1]	-[1]
Upper management	33% (11/33)	31% (10/32)	30%	40%

[1] Exempt of setting additional targets

The information in this table refers only to Coloplast A/S in compliance with the Danish Financial Statements Act §99b. Upper management in this table is defined as employees of Coloplast A/S in roles limited to executive leadership and their direct reports with managerial responsibility.

Download the Diversity, Equity & Inclusion Policy

www.coloplast.com/corporate-governance

EU Taxonomy

The EU Taxonomy Regulation is a classification system within EU identifying environmentally sustainable economic activities. Coloplast is required to report on eligibility and alignment within the EU Taxonomy.

We have screened our activities against the six environmental objectives: Climate change mitigation, Climate change adaption, Water, Pollution, Circular economy, and Biodiversity.

Accounting policies

Assessing EU Taxonomy eligibility
During 2023/24, we have assessed Coloplast's economic activities within turnover, OPEX and CAPEX to identify EU Taxonomy-eligibility and EU Taxonomy-alignment. The current EU Taxonomy regulation does not include Coloplast's core economic activities.

As part of the assessment, we have completed an initial screening of all activities as outlined by the EU Taxonomy Compass and Annexes I and II of the Climate Delegated Act followed by a more detailed evaluation of potentially relevant activities. There have not been any significant changes to the accounting policies during the reporting period.

Turnover
Coloplast has no EU Taxonomy-relevant economic activities within turnover.

OPEX
We have identified no material EU Taxonomy-eligible OPEX activities.

CAPEX
Our assessment has identified the following EU Taxonomy-eligible CAPEX activities based on a screening of economic activities:

- Activity 4.16 (Climate change mitigation): Primarily installation of electric heat pumps at our production sites at Tatabanya, Hungary
- Activity 6.5 (Climate change mitigation): Leasing of company cars across the Coloplast Group
- Activity 7.6 (Climate change mitigation): Renewable energy initiatives across sites, mainly installation of district heating at our two sites in Denmark, and preliminary work and studies related to a geothermal energy project at Nyírbátor, Hungary

Assessing EU Taxonomy alignment
EU Taxonomy-alignment must be based on a robust climate risk and vulnerability assessment to qualify for Do No Significant Harm. This assessment must identify which physical climate risks may affect the performance of the economic activity during its expected lifetime, assess the materiality of such risks and evaluate the adaptation solutions that can reduce these risks.

Coloplast has completed a risk assessment of physical and transition risks for all sites in scope for our sustainability reporting. However, we have not completed detailed climate risk assessments specifically covering our EU Taxonomy-eligible activities and can therefore not demonstrate EU Taxonomy-alignment for these activities for 2023/24.

Double counting: For calculation of the denominator of the turnover, OPEX and CAPEX KPIs, figures have been extracted directly from Coloplast's enterprise resource planning (ERP) system. It is thereby ensured that registrations are only counted once. For the allocation of the numerator, we have first identified the relevant figures and then allocated it to the primary related economic activity in the Climate Delegated Act. In this way, it is ensured that no registration is considered more than once.

Minimum safeguards

According to the EU Taxonomy Regulation, minimum safeguards are a requirement for alignment. The minimum safeguards cover the four core topics of human rights, including labour rights, bribery/corruption, taxation and fair competition.

Irrespective of Coloplast's current ability to demonstrate EU Taxonomy alignment, we are committed to operating responsibly. Coloplast has been a signatory to the UN Global Compact since 2002. We respect the internationally recognised human rights, including labour rights, as defined in the Universal Declaration of Human Rights and operate in compliance with the ten guiding principles of the UN Global Compact. We have policies and procedures in place addressing the four core topics, including codes of conduct applicable to suppliers and other key business partners.

Turnover

	2023/24			Substantial contribution criteria						Do not significantly harm (DNSH criteria)									
Economic activities	Code	Turnover (DKKm)	Proportion of turnover (%)	Climate change miti-gation	Climate change adapta-tion	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adapta-tion	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) turnover, 2022/23 (%)	Category enabling activity	Category transi-tional activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
None																			
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**-**	**0%**														**0%**		
Of which, enabling		-	0%														0%		
Of which, transitional		-	0%														0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
None																			
Turnover of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**-**	**0%**														**0%**		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		**-**	**0%**														**0%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Turnover of Taxonomy-non-eligible activities		**27,030**	**100%**																
TOTAL		**27,030**	**100%**																

Definitions and KPIs, *turnover:* Total turnover is in accordance with the turnover reported in the Annual Report 2023/24, page 72. The turnover KPI is defined as Taxonomy- eligible turnover (numerator) divided by total turnover (denominator). Non- eligible turnover is defined as total turnover minus Taxonomy-eligible and Taxonomy-aligned turnover. Our identified economic activities do not require disaggregation of KPIs.

Capex

		2023/24		Substantial contribution criteria						Do not significantly harm (DNSH criteria)									
Economic activities	Code	Capex (DKKm)	Proportion of capex (%)	Climate change miti-gation	Climate change adapta-tion	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adapta-tion	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) capex, 2022/23 (%)	Category enabling activity	Category transi-tional activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
None																			
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**-**	**0%**														**0%**		
Of which, enabling		-	0%														0%		
Of which, transitional		-	0%														0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
Installation and operation of electric heat pumps	CCM 4.6	11	1%	Y	Y	N	N	N	N								0%		
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	190	11%	Y	Y	N	N	N	N								3%		
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	6	0%	Y	Y	N	N	N	N								0%		
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		**207**	**12%**														**3%**		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		**207**	**12%**														**3%**		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Capex of Taxonomy-non-eligible activities		**1,557**	**88%**																
TOTAL		**1,764**	**100%**																

Definitions and KPIs, *CAPEX:* Total CAPEX consists of additions to fixed assets (including right-of-use assets) and intangible assets in accordance with the additions in the Annual Report 2023/24, in note 11 on page 89, note 12 on page 94 and note 13 on page 96. Additions resulting from business combinations are also included. Goodwill is not included in CAPEX because it is not defined as an intangible asset in accordance with IAS 38. The CAPEX KPI is defined as Taxonomy-eligible CAPEX (numerator) divided by total CAPEX (denominator). Non-eligible CAPEX is defined as total CAPEX minus Taxonomy-eligible and Taxonomy- aligned CAPEX.. Our identified economic activities do not require disaggregation of KPIs.

Opex

		2023/24		Substantial contribution criteria						Do not significantly harm (DNSH criteria)									
Economic activities	Code	Opex (DKKm)	Proportion of opex (%)	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Climate change mitigation	Climate change adaptation	Water	Pollution	Circular economy	Biodiversity	Minimum safeguards	Proportion of Taxonomy aligned (A.1.) or eligible (A.2.) opex, 2022/23 (%)	Category enabling activity	Category transitional activity
A. TAXONOMY-ELIGIBLE ACTIVITIES																			
A.1 Environmentally sustainable activities (Taxonomy-aligned)																			
None																			
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		-	0%														0%		
Of which, enabling		-	0%														0%		
Of which, transitional		-	0%														0%		
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)																			
None																			
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities) (A.2)		-	0%														0%		
A. Turnover of Taxonomy-eligible activities (A.1+A.2)		-	0%														0%		
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES																			
Opex of Taxonomy-non-eligible activities		1,684	100%																
TOTAL		1,684	100%																

Definitions and KPIs, *OPEX:* Total OPEX consists of direct non-capitalised costs that relate to research and development, building renovation, short-term lease, maintenance and repair and any other direct expenditures relating to the day-to-day servicing of property, plant and equipment. The OPEX KPI is defined as Taxonomy-eligible OPEX (numerator) divided by total OPEX (denominator). Non-eligible OPEX is defined as total OPEX minus Taxonomy-eligible and Taxonomy-aligned OPEX. Our identified economic activities do not require disaggregation of KPIs.

The current risk landscape

Risk reporting process and governance

The risk reporting process is part of the Group's risk management and covers Coloplast's business areas as well as global functions. It is overseen by Group Finance and the CFO, who are also responsible for securing appropriate insurance coverage for insurable risks and for assessing and facilitating the prioritisation of our principal risks.

The management of the business areas and global functions is responsible for identifying, assessing, managing, and reporting on top risks specific to their area of responsibility. The most significant risks to our business over a five-year time-horizon are reported quarterly to the Group's Risk Management.

The risk reporting process and supporting interviews form the basis of the risk update that is presented by the CFO to the Executive Leadership Team and the Board of Directors at the quarterly board meetings.

The Executive Leadership Team is responsible for defining Coloplast's overall risk profile, and for setting standards for risk taking and for aligning it with the overall strategies and policies. They are also responsible for launching and approving risk treatment plans and activities to address the most significant risks.

The Board of Directors perform risk oversight, monitors the overall risk landscape and reviews, the conclusions and recommendations submitted by the Executive Leadership Team.

The effectiveness of the risk reporting process is regularly monitored by the CFO together with the Board of Directors, and the overall process is followed by the Audit Committee on an ongoing basis. Our aim is to have a culture that manages risks well and not just a strong process.

Our principal risks

In our risk reporting process, we have identified a range of principal risks, believed to be material and have the potential to significantly threaten and adversely impact the Group's business model, strategy, and future performance.

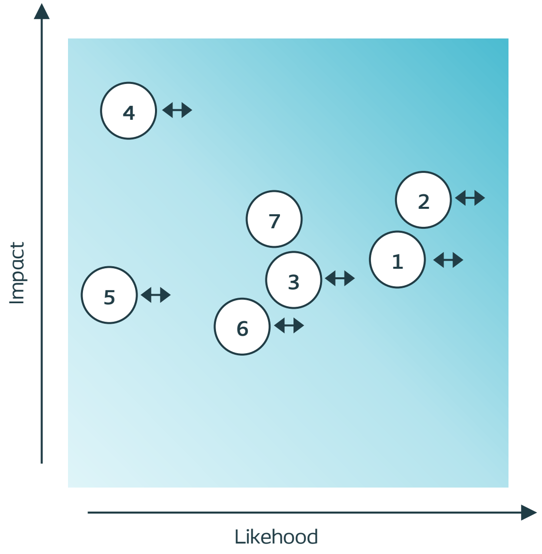
Those principal risks are presented in random order in the following table, along with examples of responses taken to treat them. Each risk is linked to one or more of the themes of Coloplast's strategy Strive25.

The illustration provides an aggregated overview of our principal risks and summarises our assessment of the risk exposure for each risk, taking into consideration the risk treatment plans put in place (residual risk). If material change has occurred to the assessment of a risk compared to last year, or a new is added this is indicated in the illustration.

Other long-term risks

Climate-related risks identified for the company have a longer time-horizon than other risks (more than five years) and is therefore not material for Coloplast's current risk landscape.

Please refer to the Sustainability performance section for updates on climate-related risks.



1 Pricing and reimbursement
2 Information security
3 Legal and compliance
4 Production and business continuity
5 Product innovation and development
6 Product quality and safety
7 Economic and political environment New!

↑ Increased
↔ Unchanged
↓ Decreased

Principal risks

Risk title	Description	Risk example	Risk responses
1. Pricing and reimbursement	A large part of Coloplast's products is sold in markets that are subsidised and eligible for reimbursement from health-care authorities. As a result, prices are influenced by the economic and political developments in national and regional markets, budgetary constraints of governments, healthcare reforms, bargaining power of wholesalers and distributors, as well as the ability to convince buyers of the economic value of its products based on clinical evidence, costs, and patient outcomes.	• Lower reimbursements and increasing price pressure due to healthcare and price reforms. • Lack of or inadequate clinical evidence to support reimbursement levels. • Claw back or other repayment schemes introduced by health care authorities retroactively. • Kerecis is not getting the LCD reimbursement coverage.	• Monitor markets and sales developments, economic and political developments, and changes to public sector guidelines and reimbursement schemes. • Interact with healthcare authorities, patient & industry associations, to prevent, postpone or minimise impact. • Financial risk management, including hedging activities in accordance with Coloplast's financial mandate.
2. Information security	Coloplast operates in a dynamic information risk environment with regulatory and legislative data compliance obligations. Business operations depend on a wide range of information technology systems, operational technology systems, people, and suppliers. The company processes highly confidential information and legally protected personal health information through multiple channels and sell digitally connected devices like Heylo. Coloplast follows the ISO 27001 to drive improvement and validate performance of the Information Security Management System (ISMS) through audits and risk management. While AI is mentioned as a risk example, we also recognise its use as a security enabler.	• National cybersecurity and data privacy laws challenge information technology cost efficiency and scalability strategy. • AI and social engineering methods used by cybercriminals to bypass security monitoring system. • Cybercrime like phishing and CEO Fraud. • Indirect and direct business disruptions triggered by suppliers.	• A global ISMS covering most cybersecurity compliance requirements and actively monitor the compliance landscape. • Reoccurring user training and awareness campaigns focusing on real-world cybercrime tactics for all employees. • Threat detection and response capabilities; exercise incident response and disaster recovery plans. • Improved third-party security due diligence process. • One IT infrastructure to support the business.
3. Legal and compliance	Coloplast operates in a heavily regulated industry that is subject to various laws, regulations, and industry standards across geographies and business areas. As the regulatory landscape continues to evolve, it becomes even more important to monitor and mitigate risks related to business ethics, legal and regulatory compliance. The different legal environments can also be unpredictable and politically motivated, and as a market leader, we could face legal risks at any given time. We strive to act responsible and to comply with laws and regulations. But mistakes may happen when people are involved, why action is taken should a situation arise.	• Violations of anti-corruption laws and non-compliance with Coloplast's own and the industry's codes of conduct could damage Coloplast's reputation and involve a risk of monetary fines, sanctions, or inability to continue to manufacture products. • Lawsuits filed by competitors or customers or investigations by authorities into certain business practices could have a negative reputational and financial impact. • Other risks related to legal and regulatory compliance, antitrust, trade regulations, protection of IP and patents, distributor and supply chain due diligence, and contractual obligations.	• Training of employees in code of conduct as formulated in our Business Ethical Standards and in our IT policies. • Ensure that suppliers are aware of our ethical standards and work with us to maintain and develop compliance practices. • Independent and confidential Ethics Hotline for reporting of unethical situations, violations, and misconduct. • Procedure for how to conduct investigations and reporting of all cases to the Audit Committee in anonymised form. • Inhouse lawyers and compliance functions in relevant business areas and geographies to monitor regulatory changes and to attend to compliance matters as they may arise.

Risk title	Description	Risk example	Risk responses
4. Production and business continuity	Coloplast operates facilities all over the world, the most recent addition being production facilities in Iceland following the acquisition of Kerecis. Most production takes place at centralised facilities and in some cases, Coloplast purchases raw materials, components used in production and finished products from sole source suppliers for reasons of availability, quality assurance and cost effectiveness.	• Disruption at a manufacturing or distribution facility due to natural disasters or other emergencies (e.g. pandemics and fires) may compromise the availability of products for our users. • Disruption of the supply chain due to shortfalls in delivery, quality issues, force majeure situations, change in market conditions, strikes, political instability or other events beyond our control, resulting in price increases, inability to source critical materials, components, and finished products, and loss in revenue.	• Emergency response- and contingency plans, kept critical processes and workflows physically separated, and had relevant facilities certified to the 'highly protected risk' industry standard. • Contingency plans for high-risk suppliers, including built up inventories, collaboration to mitigate physical risks at their facilities, dual source for critical raw materials and components, and qualification of substitute materials where applicable.
5. Product innovation and development	It is essential that Coloplast maintains a competitive and innovative product pipeline that meets the needs of the users. To achieve this, Coloplast relies on its ability to interact with end users and healthcare professionals, to protect intellectual property against infringement from competitors and to understand the surgical and medical trends that may impact or limit sales.	• Medical and technological innovations disrupting core business. • Lack of innovation resulting in a commoditisation trend, allowing the entry of low-cost competitors, increasing price pressures, diminishing clinical differentiation of products on the market, and a loss of market share. • Infringement of intellectual property rights may reduce competitive advantages and negatively impact sales.	• Invest in new innovative growth initiatives for the purpose of developing superior and clinically differentiated products, such as our clinical performance programme. • Patent to prevent competitors from copying our products or from producing technical equivalent alternatives. • Monitor surgical and medical developments and disruptive technologies that may impact the various business areas.
6. Product quality and safety	Coloplast is committed to ensuring the quality of its products and the safety of its users, including organising the security of personal data. All Coloplast products must comply with the medical device directives and legislation imposed by local healthcare authorities across different geographies, such as the US Food and Drug Administration (FDA) and the new EU Medical Device Regulation (MDR). And the company have done significant investments to comply with MDR, also for acquired entities.	• Loss of licences to sell or manufacture due to non-compliance with new laws and regulations on medical devices. • Defects and omissions and critical product quality and safety issues in product design and manufacturing that could disrupt operations, sales, lead to recalls, bodily injury, and liability claims. • Non-compliance with data protection legislation or personal data leaks, leading to monetary fines and reputational damage.	• Invest in development and improvement of control processes, quality procedures, and supporting information technologies, from the design phase to post-market surveillance. • Monitor legislation and market standards to ensure that any amendments and changes are incorporated into procedures. • Certification of our Quality Management Systems to national and international standards and carrying out audits.
7. Economic and political environment New	The current global macroeconomic trends like high inflation, disrupted supply chains, weakening consumer sentiment, tightening monetary policies, and geopolitical drivers of risk like the war in Ukraine, are challenging the operating environment, and have resulted in an increased level of challenges on the short- to medium-term. In the long-term direct and indirect implications could negatively impact sales and operations. This risk is always present, putting pressure on our growth momentum. In the short- to medium-term primarily in Russia, Ukraine, Belarus, and Iran due to sanctions. In Argentina and Brazil due to economic instability and inflation.	• Economic and political instability, and emerging geopolitical areas of concern negatively affecting our costs, and result in disruptions of operations, commercial activities, and supply chain, and impact our ability to conduct business globally. • Political factors affecting information security risk landscape, e.g. by an increasing number of legislations mandating localisation of data and limiting cross-border transfer of data.	• Monitor macroeconomic and geopolitical developments, changes in governmental policies, political processes and environments that may affect operations, commercial activities, and supply chain in the short-, medium- and long-term. • Secure compliance with various sanctions programmes. • Establish a political risk management program to address risk scenarios with long-term exposures in our strategic planning.

Corporate governance at Coloplast

Governance structure

Coloplast has a two-tier management structure comprised of a Board of Directors and an Executive Leadership Team. There are no overlapping members. The Board of Directors determines the Group's objectives, strategies and overall action plans. On behalf of the shareholders, the Board of Directors supervises the company's organisation, day-to-day management and results.

The Board of Directors also sets guidelines for the Executive Leadership Team's execution of the day-to-day management of the company and for assigning tasks among the individual members of the Executive Leadership Team.

The Board of Directors and the Executive Leadership Team further assess the company's business processes, the definition and implementation of the company's purpose, the organisation, stakeholder relations, strategy, risks, business objectives and controls.

A set of rules of procedure governs the work of Coloplast's Board of Directors. These rules are reviewed annually by the Board of Directors and updated as necessary. The rules set out the guidelines for the activities of the Board of Directors.

Six members of the Board of Directors are elected at the general meeting and three members of the Board of Directors are elected by the employees.

Five out of six shareholder-elected members are considered independent which is in accordance with the Danish corporate governance recommendations.

Seven board meetings were held in the 2023/24 financial year.

OVERVIEW OF BOARD MEMBERS

Board member	Audit Comm.	Rem. & Nomin. Comm.	Independent	Nationality	Gender	Board tenure	Election period	Board meetings attended
Lars Rasmussen, Chairman[1]	●	●	Yes	Danish	Male	6 years	1 year	● ● ● ● ● ● ●
Niels Peter Louis-Hansen, Deputy Chairman[1]		●	No	Danish	Male	56 years	1 year	● ● ● ● ● ● ●
Marianne Wiinholt[1]	●		Yes	Norwegian	Female	4 years	1 year	● ● ● ● ● ● ●
Annette Brüls[1]		●	Yes	Belgian	Female	3 years	1 year	● ● ● ● ● ● ○
Jette Nygaard-Andersen[1]		●	Yes	Danish	Female	9 years	1 year	● ● ● ● ● ● ●
Carsten Hellmann[1]	●		Yes	Danish	Male	7 years	1 year	● ● ● ● ● ● ●
Thomas Barfod[2]			No	Danish	Male	18 years	4 years	● ● ● ● ● ● ●
Roland V. Pedersen[2]			No	Danish	Male	6 years	4 years	● ● ● ● ● ● ●
Nikolaj Kyhe Gundersen[2]			No	Danish	Male	6 years	4 years	● ● ● ● ● ● ●

[1] Shareholder-elected board member.
[2] Employee-elected board member.

AUDIT COMMITTEE

Committee member	Meetings attended
Marianne Wiinholt, Chairman	● ● ● ●
Lars Rasmussen	● ● ● ●
Carsten Hellmann	● ● ● ●

REMUNERATION AND NOMINATION COMMITTEE

Committee member	Meetings attended
Lars Rasmussen, Chairman	● ● ● ●
Niels Peter Louis-Hansen	● ● ● ●
Jette Nygaard-Andersen	○ ● ● ●
Annette Brüls	● ● ● ●

Committee structure

The Board of Directors has established two committees: an Audit Committee and a Remuneration and Nomination Committee.

Four Audit Committee meetings were held in the 2023/24 financial year.

Four Remuneration and Nomination Committee meetings were held in the 2023/24 financial year.

Assessment of the work performed by the Board of Directors

Every year, the Board of Directors conducts a self-assessment. Based on the result of this assessment, the organisation and efficiency of the Board of Directors' work are discussed at a Board meeting.

In 2024, the annual self-assessment of the Board of Directors was performed partly with external assistance. The self-assessment consisted of 74 questions in which board members as well as the Executive Leadership Team responded anonymously.

The self-assessment shows that there is an open and transparent dialogue between the Board of Directors and the Executive Leadership Team, and the board committees serve as good vehicles for framing the discussions in the Board of Directors and ensure that key risks are addressed.

Furthermore, the self-assessment shows that the composition of the Board of Directors, including relevant competencies, matches what the Board of Directors considers necessary to best perform its tasks, such as finance, digital transformation, customer experience, commercialisation, sustainability, industry knowledge incl. the US market, general management, innovation, legal affairs and acquisitions. However, as part of the upcoming strategy process the Board of Directors will discuss which competencies are needed to deliver on the next strategy.

During the past year, the Board of Directors has spent time monitoring and discussing the progress made on Coloplast's Strive25 strategy as well as the performance and integration of Kerecis hf.. Furthermore, the Board of Directors has spent a significant amount of time discussing and addressing challenges caused by current world events.

Gender representation on Board of Directors

Coloplast maintains equal gender representation among the six shareholder-elected members of its Board of Directors in compliance with the Danish Companies Act, section 139c and the Danish Financial Statements Act, section 99b.

Activities and responsibilities of the ***Audit Committee***

The Audit Committee is, among others, responsible for the oversight of:

- The financial reporting and associated processes, including the statutory audit of the financial statements.
- The company's internal control systems and risk management systems, including insurance matters
- Review of the Group's IT security and the auditors' annual IT audit
- The independence of the auditors, including the provision of non-audit services to the Group
- The procedure of selecting and making recommendation to the Board of Directors in respect of the appointment of auditors.
- Activities reported through the Coloplast Ethics Hotline.

In the 2023/24 financial year, the main activities have been:

- Overseeing the Atos and Kerecis integration.
- Implementation of Corporate Sustainability Reporting Directive (CSRD).
- Re-financing of maturing 2-year bond.
- Onboarding of new statutory auditor.

Activities and responsibilities of the ***Remuneration and Nomination Committee***

The Remuneration and Nomination Committee is, among others, responsible for the oversight of:

- The competence profile and composition of the Board of Directors.
- Nomination of members to the Board of Directors and the Board committees.
- The leadership pipelines.
- The remuneration policy for the members of the Board of Directors and the Executive Management and other tasks on an ad hoc basis as specifically determined by the Board of Directors.

In the 2023/24 financial year, the main activities have been:

- Reviewing governing bodies and plan for succession.
- Conducting the annual board self-assessment.
- Evaluation of remuneration structure for the Executive Management.

Remuneration of the Board of Directors and the Executive Management

At the Coloplast Annual General Meeting held on 7 December 2023, the shareholders adopted an updated Remuneration Policy for Coloplast, which had been prepared by the Board of Directors. The Remuneration Policy is available on the company's website.

Coloplast has also prepared a Remuneration Report detailing, among other things, the remuneration to the Board of Directors and the Executive Management which complies with Section 139(b) of the Danish Companies Act. The Remuneration Report 2022/23 was presented and adopted at the Annual General Meeting held on 7 December 2023.

Recommendations on Corporate governance

Coloplast is reporting on the recommendations on corporate governance issued by the Committee on Corporate Governance applying to financial years starting 1 January 2021 or thereafter. Reporting on these recommendations is also required by Supplement A – Nasdaq Copenhagen to Nasdaq's Nordic Main Market Rulebook for Issuers of Shares. The Board of Directors reviews the recommendations in force on a regular basis and at least once a year.

The recommendations consist of 40 individual recommendations. Coloplast complies fully with all recommendation.

Coloplast's position on each of the recommendations as well as a description of the internal control and risk management system relating to financial reporting can be found in the Corporate Governance Report which is prepared pursuant to Section 107(b) of the Danish Financial Statements Act.

Data ethics policy

The Board of Directors has adopted a Data Ethics Policy in accordance Section 99(d) of the Danish Financial Statements Act which applies to all Coloplast group companies. In working with data, Coloplast ensures that appropriate measures are in place to safeguard ethical data processing, and Coloplast has implemented extensive security measures to ensure secure data storage.

Coloplast adheres to a high standard of data ethics and solely uses and processes data for legitimate purposes that serves shared benefit for all interested parties. Data processing in Coloplast must never lead to any form of discrimination or biased decisions, decision-making or results. Regardless of how Coloplast collects data, Coloplast always respects applicable data privacy laws. When sharing data, Coloplast imposes high standards on the recipients to ensure appropriate data security.

Coloplast never sells data.

To further strengthen adherence with global privacy laws, Coloplast has implemented corporate binding rules.

Download the Remuneration Report

www.coloplast.com/remuneration-report

Download the Corporate Governance Report

www.coloplast.com/corporate-governance

Meet our Board of Directors

Lars Rasmussen
Chairman of the Board, independent

Born 1959. Lars Rasmussen has extensive executive management and board experience from international listed companies in the med-tech and pharma industry. He possesses in-depth knowledge within the commercialisation of innovation, B2B and B2C sales models and efficiency improvements.

Other board and management positions:
- H. Lundbeck A/S: Chairman of the Board, Chairman of the Remuneration and Nomination Committee and member of the Audit Committee
- Gyldendal A/S: Board member
- WS Audiology A/S, Chairman of the Board
- Danish Committee of Corporate Governance: Chairman
- Danish Life Science Council: Chairman
- University of Copenhagen: Board member
- Mabtech AB: Chairman of the Board

Joined the Board of Directors in 2018.

Niels Peter Louis-Hansen
Deputy Chairman of the Board, non-independent

Born 1947. Through decades of board work, Niels Peter Louis-Hansen has gained in-depth knowledge of the industries in which Coloplast operates, its dynamics and key players as well as deep insight into strategy development. Furthermore, Niels Peter Louis-Hansen is a key contributor to preserving the Coloplast-culture.

Other board and management positions:
- Aage og Johanne Louis-Hansens Fond: Chairman of the Board
- Aage og Johanne Louis-Hansen A/S: Chairman of the Board
- Coloplast Holding ApS: Chairman of the Board
- NPLH Holding ApS: CEO
- N. P. Louis-Hansen ApS: CEO
- NPLH Property Investments ApS: CEO
- NPLH Anpartsinvest ApS: CEO

Joined the Board of Directors in 1968.

Annette Brüls
Board member, independent

Born 1971. Annette Brüls has considerable executive management experience within global medical device businesses. Annette Brüls has in-depth knowledge and understanding of product development and commercialisation within the med-tech industry and in particular in chronic disease management, including digital services and value-based healthcare models.

Other board and management positions:
- Corporate Vice President, EMEACLA Edwards Lifesciences

Joined the Board of Directors in 2021.

Carsten Hellmann
Board member, independent

Born 1964. Carsten Hellmann has considerable executive management experience as CEO in pharma and healthcare and extensive experience in product development and international commercialisation within highly regulated industries as well as M&A activities, including post integration.

Other board and management positions:
- Chanelle Pharma, Chairman of the Board
- Copenhagen Capacity: Board member
- The Danish Chamber of Commerce: Board member

Joined the Board of Directors in 2017.

Jette Nygaard-Andersen
Board member, independent

Born 1968. Jette Nygaard-Andersen has considerable executive management and board experience within global med-tech, media and entertainment, and digital growth businesses. She has extensive experience within business and marketing strategies, digital transformation, optimisation of customer experience and engagement, working with digital growth start-ups globally and M&A activities, including post integration.

Joined the Board of Directors in 2015.

Marianne Wiinholt
Board member, independent

Born 1965. Marianne Wiinholt has considerable executive management experience and extensive experience within finance and accounting. Furthermore, Marianne Wiinholt has considerable knowledge and experience in leading, driving and delivering a sustainability agenda on a global scale.

Other board and management positions:
- WS Audiology A/S: CFO
- Widex A/S: Chairman of the Board
- Norsk Hydro ASA: Board member and Chairman of the Audit Committee

Joined the Board of Directors in 2020.

Thomas Barfod
Employee-elected board member

Born 1970. Title: Team Manager.

Joined the Board of Directors in 2006.

Roland V. Pedersen
Employee-elected board member

Born 1962. Title: Lead Negotiator.

Joined the Board of Directors in 2018.

Nikolaj Kyhe Gundersen
Employee-elected board member

Born 1969. Title: Skilled Precision Engineer.

Joined the Board of Directors in 2018.

See the full CVs of the Board of Directors on our website
www.coloplast.com/about-coloplast/management1/

Meet our Executive Leadership Team*

Kristian Villumsen
President & CEO

With Coloplast since 2008.

Educational background:
MA Political Science, Aarhus University
MA in Public Policy, Harvard University Kennedy School of Government.

Other board positions:
Demant A/S: Board member and member of the Audit Committee.

Anders Lonning-Skovgaard
Executive Vice President, CFO

With Coloplast since 2006.

Educational background:
MSc Finance and Accounting, Aarhus University.

Dorthe Rønnau
Executive Vice President, People and Culture

With Coloplast since 2022.

Educational background:
MSc in industrial engineering, University of Copenhagen
MSc Psychology in Organisations (MPO), Roskilde University
Graduate diploma in Business Administration.

Allan Rasmussen
Executive Vice President, Global Operations

With Coloplast since 1992.

Educational background:
BSc (Mech. Eng.), Technical University of Denmark
E*MBA, Scandinavian International Management Institute.

Other board positions:
Ferrosan Medical Devices A/S: Board member.

Nicolai Buhl Andersen
Executive Vice President, Chronic Care

With Coloplast since 2005.

Educational background:
MA in Economics and Business, Copenhagen Business School and Sophia University, Japan.

Caroline Vagner Rosenstand
Executive Vice President, Voice & Respiratory Care

With Coloplast since 2015.

Educational background:
B.Sc. International Business, Copenhagen Business School
M.Sc. Applied Economics & Finance, Copenhagen Business School.

Other board positions:
Embla Medical hf.:
Board member and member of the Audit Committee.

Thomas Johns Jr
Executive Vice President, Interventional Urology

With Coloplast since 2015.

Educational background:
BA in History, Princeton University
MBA, Northwestern University-JL Kellogg School of Management.

* Executive Leadership Team as per 5 November 2024.

Ownership and shareholdings

The company had 56,417 shareholders at the end of the financial year, which was 2,882 less than last year. Institutional investors based outside Denmark held 39% of Coloplast's shares on 30 September 2024, on par with last year. Registered shareholders represented 98% of the entire share capital.

Pursuant to the company's articles of association, shares must be registered in the name of the holder to carry voting rights. Two shareholders have reported to the company, pursuant to section 55 of the Danish Companies Act and section 38 of the Danish Capital Markets Act, that at the date of this annual report they held 5% or more of the share capital or voting rights.

Shareholders with ownership or voting rights of more than 5%	Residence	Ownership share	Voting rights
Niels Peter Louis-Hansen (controls)[1]	Vedbæk	31.4%	55.0%
Benedicte Find	Humlebæk	3.6%	5.3%

[1] Coloplast Holding ApS holds 29.49% of the share capital and 51.36% of the voting rights in Coloplast A/S. Coloplast Holding ApS is owned by NPLH Holding ApS with 62.58% of the share capital and 71.13% of the voting rights and the remaining shares is held by Aage og Johanne Louis-Hansen A/S. Niels Peter Louis-Hansen controls 100% of the share capital and voting rights in NPLH Holding ApS and Aage og Johanne Louis-Hansen Fond controls 100% of the shares capital and voting rights in Aage og Johanne Louis-Hansen A/S. In addition Niels Peter Louis-Hansen holds shares in Coloplast A/S personally and through his wholly owned company N.P. Louis Hansen ApS. This bringing the aggregate ownership to the numbers stated in the table above.

Ownership structure of Coloplast A/S	A shares '000 units	B shares '000 units	Ownership share	Voting rights
Holders of A shares and their families	18,000	83,598	45%	68%
Danish institutions		15,484	7%	4%
Foreign institutions		89,849	39%	23%
Coloplast A/S[2]		2,865	1%	0%
Other shareholders		11,910	5%	3%
Non-registered shareholders		6,494	3%	0%
Total	**18,000**	**210,200**	**100%**	**98%**

[2] The 2,864,545 shares held by Coloplast on 30 September 2024, equivalent to 1% of the share capital, are treasury shares without voting rights.

Shares held by management	A shares '000 units	B shares '000 units	Number of insiders
Board of Directors, non-independent directors	1,094	3,300	5
Board of Directors, independent directors		6	4
Executive Management		104	5
Coloplast Holding ApS[3]	14,791	52,512	-
Total	**15,885**	**55,922**	**14**

[3] Coloplast Holding ApS holds 29.49% of the share capital and 51.36% of the voting rights in Coloplast A/S. Coloplast Holding ApS is owned by NPLH Holding ApS with 62.58% of the share capital and 71.13% of the voting rights and the remaining shares is held by Aage og Johanne Louis-Hansen A/S. Niels Peter Louis-Hansen, Deputy Chairman of the board (not considered an independent board member) controls 100% of the share capital and voting rights in NPLH Holding ApS and Aage og Johanne Louis-Hansen Fond controls 100% of the shares capital and voting rights in Aage og Johanne Louis-Hansen A/S. In addition Niels Peter Louis-Hansen holds shares in Coloplast A/S personally and through his wholly owned company N.P. Louis Hansen ApS. This bringing the aggregate ownership to the numbers stated in the table above.

Share classes and authorisations

Coloplast's share capital is DKK 228.2 million divided into DKK 18 million A shares and DKK 210.2 million B shares. Each A and B share has a nominal value of DKK 1.

Each A share entitles the holders to ten votes and each B share entitles the holders to one vote. The A shares are non-negotiable instruments. The B shares are negotiable instruments and were listed on the Copenhagen Stock Exchange (Nasdaq Copenhagen) in 1983. Any change of ownership or pledging of A shares requires the consent of the Board of Directors, whereas B shares are freely negotiable.

The Board of Directors may increase the company's share capital by a nominal value of up to DKK 15 million in one or more issues of B shares either with or without pre-emption rights for existing shareholders. The authorisation is valid until and including 1 December 2027. By decision of 29 August 2023, the Board of Directors has partly exercised the authority to increase the share capital by issuance of B shares with nominally DKK 12.2 million. The remaining amount of the authorisation is thus nominally DKK 2.8 million. Moreover, the Board of Directors has been authorised to acquire treasury shares of up to 10% of the company's share capital provided that the company's total holding of treasury shares does not exceed 10% of the company's share capital at any time. The highest and lowest amount to be paid for the shares by the company is the price applicable at the time of purchase +/- 10%. This authorisation is valid until and including 6 December 2028.

At general meetings, matters are decided by a simple majority of votes. Resolutions to amend the company's articles of association require that not less than half of the share capital is represented and that the resolution is adopted by not less than two-thirds of the votes cast as well as of the voting share capital represented at the general meeting. The resolution lapses if the above-mentioned share capital is not represented, or if a resolution is not adopted by two-thirds of the votes cast. If a resolution is adopted by two-thirds of the votes cast but without at least half of the share capital being represented, the Board of Directors must convene a new extraordinary general meeting within two weeks.

If, at this meeting, the resolution is adopted by not less than two-thirds of the votes cast and of the voting share capital represented, it will be passed irrespective of the amount of the share capital represented at the meeting.

In the event of a change of control in the company resulting from a change of ownership, issued share options will be subject to accelerated vesting. No other important agreements are in place that would be affected in the event of a change of control of the company resulting from a takeover, and no special agreements have been made between the company, its management or employees if their positions are discontinued due to a change of ownership. There are no special provisions governing the election of members to Coloplast's Board of Directors.

Meet the Management event 2024
Coloplast hosted an investor event at the headquarters in Humlebæk, Denmark, on 6 June 2024 with around 80 in-person participants and around 150 participants online. All material from the day is available on our website under the dedicated investor relations section.

Open and transparent communication

Coloplast has established a policy for communicating information to investors and shareholders, under which the Executive Leadership Team and the Investor Relations team are in charge of communications pursuant to guidelines agreed with the Board of Directors. The communication of information complies with the rules laid down by Nasdaq, comprising:

- Full-year and interim financial statements and the annual report.
- Replies to enquiries from analysts, investors and shareholders.
- Site visits by investors and analysts.
- Presentations to Danish and foreign investors.
- Capital markets days and Meet the Management events for analysts and investors.
- Conference calls in connection with the release of financial statements.

Dedicated investor relations section on Coloplast's corporate website.

Consolidated financial statements

Statement of comprehensive income

1 October – 30 September

DKK million	Note	2023/24	2022/23
Income statement			
Revenue	4	27,030	24,500
Production costs	5, 11, 12, 13	-8,761	-8,172
Gross profit		**18,269**	**16,328**
Distribution costs	5, 11, 12, 13	-8,825	-7,518
Administrative expenses	5, 11, 12, 13	-1,244	-1,115
Research and development costs	5, 11, 12, 13	-913	-872
Other operating income		75	56
Other operating expenses		-76	-34
Operating profit (EBIT) before special items		**7,286**	**6,845**
Special items	6	34	-74
Operating profit (EBIT)		**7,320**	**6,771**
Financial income	7	175	191
Financial expenses	7	-1,100	-937
Profit before tax		**6,395**	**6,025**
Tax on profit for the year	8	-1,343	-1,242
Net profit for the year		**5,052**	**4,783**

DKK			
Earnings per share (EPS)	9	22.46	22.21
Earnings per share (EPS), diluted	9	22.46	22.20

DKK million	Note	2023/24	2022/23
Statement of comprehensive income			
Net profit for the year		5,052	4,783
Other comprehensive income:			
Remeasurements of defined benefit plans	18	6	-9
Tax on remeasurements of defined benefit plans		-1	5
Items that will not be reclassified to the income statement		**5**	**-4**
Value adjustment of hedging		-45	145
Recycle through the income statement		-75	-114
Tax effect of hedging		26	-23
Currency adjustment of opening balances and other value adjustments relating to subsidiaries		-293	-723
Tax effect of currency adjustment, assets in foreign currency		109	11
Items that may be reclassified to the income statement		**-278**	**-704**
Total other comprehensive income		**-273**	**-708**
Total comprehensive income		**4,779**	**4,075**

Statement of cash flows

1 October – 30 September

DKK million	Note	2023/24	2022/23
Cash flow statement			
Operating profit		7,320	6,771
Amortisation	11	451	334
Depreciation	12, 13	839	735
Adjustment for other non-cash operating items	24	-92	-220
Changes in working capital	24	-1,032	-893
Interest received, etc.		82	40
Interest paid, etc.		-844	-809
Income tax paid		-3,958	-1,732
Cash flows from operating activities		**2,766**	**4,226**
Investments in intangible assets	11	-180	-221
Investments in land and buildings	12	-7	-7
Investments in plant and machinery and other fixtures and fittings, tools and equipment	12	-87	-96
Investments in property, plant and equipment under construction	12	-1,072	-917
Property, plant and equipment sold		15	8
Investment in other investments		-13	-17
Company divestment		8	-
Acquisition of subsidiaries	32	-	-7,923
Net sales/purchase of marketable securities		-	216
Cash flows from investing activities		**-1,336**	**-8,957**
Free cash flow		**1,430**	**-4,731**

DKK million	Note	2023/24	2022/23
Increase in share capital		-	9,100
Dividend to shareholders		-4,720	-4,247
Sale of treasury shares and loss on exercised options		500	34
Financing from shareholders		**-4,220**	**4,887**
Repayment of lease liabilities	24	-268	-244
Settlement of issued bonds	24	-4,848	-
Financing through debt funding	24	5,000	-
Drawdown on credit facilities	24	2,818	622
Cash flows from financing activities		**-1,518**	**5,265**
Net cash flows		**-88**	**534**
Cash and cash equivalents at 1 October		**911**	**414**
Foreign exchange value adjustments		-31	-37
Cash and cash equivalents, disposed operations		-4	-
Net cash flows		-88	534
Cash and cash equivalents at 30 September	25	**788**	**911**

Assets

At 30 September

DKK million	Note	2024	2023
Intangible assets	11	30,332	31,255
Property, plant and equipment	12	5,649	5,131
Right-of-use assets	13	922	848
Other equity investments		74	65
Deferred tax asset	14	624	884
Other receivables	16	28	39
Non-current assets		**37,629**	**38,222**
Inventories	15	3,672	3,522
Trade receivables	16	4,675	4,315
Income tax		509	532
Other receivables		366	273
Prepayments		434	384
Cash and cash equivalents		788	911
Current assets		**10,444**	**9,937**
Assets		**48,073**	**48,159**

Equity and liabilities

At 30 September

DKK million	Note	2024	2023
Share capital		228	228
Currency translation reserve		-1,837	-1,579
Reserve for hedging		329	423
Proposed ordinary dividend for the year		3,831	3,595
Retained earnings		15,391	14,632
Equity	9, 10	**17,942**	**17,299**
Provisions for pensions and similar liabilities	18	126	124
Deferred tax liability	14	2,481	2,122
Other provisions	19	21	71
Bonds	20	11,557	11,558
Other credit institutions	20	5,000	-
Other payables		1	4
Lease liability		734	664
Prepayments		7	6
Non-current liabilities		**19,927**	**14,549**
Provisions for pensions and similar liabilities	18	7	7
Other provisions	19	48	186
Bonds	20	-	4,847
Other credit institutions	20	5,085	2,268
Trade payables		1,519	1,294
Income tax		866	4,229
Other payables		2,425	3,249
Lease liability		253	230
Prepayments	26	1	1
Current liabilities		**10,204**	**16,311**
Equity and liabilities		**48,073**	**48,159**

Statement of changes in equity, current year

At 30 September

DKK million	Share capital: A shares	Share capital: B shares	Reserves: Currency translation	Reserves: Hedging	Proposed dividend	Retained earnings	Total
2023/24							
Equity at 1 October	**18**	**210**	**-1,579**	**423**	**3,595**	**14,632**	**17,299**
Net profit for the year	-	-	-	-	4,956	96	**5,052**
Other comprehensive income	-	-	-258	-94	-	79	**-273**
Total comprehensive income	**-**	**-**	**-258**	**-94**	**4,956**	**175**	**4,779**
Sale of treasury shares and loss on exercised options	-	-	-	-	-	500	**500**
Share-based payment	-	-	-	-	-	67	**67**
Tax on share-based payment, etc.	-	-	-	-	-	17	**17**
Interim dividend paid out in respect of 2023/24	-	-	-	-	-1,125	-	**-1,125**
Dividend paid out in respect of 2022/23	-	-	-	-	-3,595	-	**-3,595**
Transactions with shareholders	**-**	**-**	**-**	**-**	**-4,720**	**584**	**-4,136**
Equity at 30 September	**18**	**210**	**-1,837**	**329**	**3,831**	**15,391**	**17,942**

Statement of changes in equity, last year

At 30 September

	Share capital		Reserves				
DKK million	A shares	B shares	Currency translation	Hedging	Proposed dividend	Retained earnings	Total
2022/23							
Equity at 1 October	18	198	-910	415	3,185	5,386	8,292
Net profit for the year	-	-	-	-	4,657	126	**4,783**
Other comprehensive income	-	-	-669	8	-	-47	**-708**
Total comprehensive income	**-**	**-**	**-669**	**8**	**4,657**	**79**	**4,075**
Increase in share capital	-	12	-	-	-	9,088	**9,100**
Sale of treasury shares and loss on exercised options	-	-	-	-	-	34	**34**
Share-based payment	-	-	-	-	-	58	**58**
Tax on share-based payment, etc.	-	-	-	-	-	-13	**-13**
Interim dividend paid out in respect of 2022/23	-	-	-	-	-1,062	-	**-1,062**
Dividend paid out in respect of 2021/22	-	-	-	-	-3,185	-	**-3,185**
Transactions with shareholders	**-**	**12**	**-**	**-**	**-4,247**	**9,167**	**4,932**
Equity at 30 September	18	210	-1,579	423	3,595	14,632	17,299

Costs related to the capital increase amounts to DKK 111 million, which is offset against retained earnings.

List of notes

Note 1
Basis of preparation

The consolidated financial statements for 2023/2024 have been prepared in accordance with the IFRS Accounting Standards as adopted by the EU and additional disclosure requirements pursuant to the Danish Financial Statements Act for Class D companies.

General information
The financial statements have been prepared on the basis of the historical cost principle, modified in that certain financial assets and liabilities are measured at fair value. Subsequent to initial recognition, the assets and liabilities are measured as described below in respect of each individual item or in the relevant note.

Significant estimates and judgements
In connection with application of the accounting policies described, it may be necessary for Management to make estimates and judgements in respect of the accounting items. Further, Management make judgements on the reported amounts of assets, liabilities, net sales, expenses and related disclosures. The estimates and assumptions applied are based on historical experience and other factors that Management considers reasonable under the circumstances, but which are inherently uncertain and unpredictable. Such assumptions may be incomplete or inaccurate, and unexpected events or circumstances may arise. In addition, the company is subject to risks and uncertainties that may cause actual outcomes to deviate from these estimates.

For the financial year 2023/24 estimates in relation to ‘Provision for litigation about transvaginal surgical mesh products’ are no longer relevant. Coloplast consider the cases closed and the Management no longer make estimates and judgements in respect of the accounting item.

It may be necessary to change previous estimates as a result of changes to the assumptions on which the estimates were based or due to new information or subsequent events.

A further description of the principal accounting estimates and judgements is provided in the relevant notes.

Management has made significant accounting estimates and judgements in respect of the following areas:

Area	Estimate / judgement	Note	Risk of impact and degree of estimation
Goodwill and other intangible assets	Estimate and judgement	11	●●○
Acquisitions of businesses	Estimate and judgement	11, 32	●●●
Inventories	Estimate	15	●○○
Deferred tax assets and uncertain tax positions	Estimate and judgement	14	●●○
Other provisions	Estimate	19	●○○

Macroeconomic uncertainty
Management has considered the ongoing impacts on income and expenses from the inflationary pressure and higher interest rates. Changes in prices and direct costs are based on past experience and management’s expectation of future changes in the markets where the Group operates. Management has from the financial year 2023/24 added potential financial impact of the economic and political environment as a principal risk that is monitored and reported on.

Climate-related risks
Coloplast is exposed to risks associated with climate change. In preparing the consolidated financial statements for 2023/24, management has considered the impact of climate change. While sustainability is an embedded part of doing business, management does not consider sustainability targets or climate change to have a significant impact on the accounting estimates and judgements consistent with the assessment that climate change is not expected to have significant impact on the Group’s future cash flows, the carrying amount of non-current assets, or going concern assessment.

Note 2
Changes in accounting policies

Effective from the 2023/24 financial year, the Coloplast Group has implemented all new, updated or amended IFRS Accounting Standards and interpretations (IFRSs) as issued by the IASB and IFRSs adopted by the EU that are effective for the 2023/24 financial year.

Coloplast has implemented the amendments to IAS 1 Presentation of Financial Statements and Practice Statement 2, IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, and IAS 12 Income Taxes. The amendments did not have a material impact on recognition or measurement.

The implementation of new, updated or amended IFRS Accounting Standards and interpretations (IFRSs and IFRICs) did not, in all material respects, affect the financial statements.

New financial reporting standards to be adopted
New and amended standards are implemented when taking effect. The amended standard relevant to Coloplast is IAS 1 Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and IFRS 16 Leases.

In April 2024, the IASB issued IFRS 18, which replaces IAS 1. IFRS 18 introduces amongst other new requirements for presentation within the statement of loss and disclosures of management-defined performance measures. The standard is not yet adopted by the EU. The implications of the new requirements is currently being evaluated.

Reporting standards or interpretations which are not adopted by the EU have not been applied in this annual report.

Note 3
General accounting policies

This section provides a summary of significant accounting policies, and other general accounting policies. A detailed description of the accounting policies applied and the estimates made relative to each individual item is provided in relevant notes, such that all information about a specific accounting item can be found there.

Foreign currency
The financial statement items of individual Group entities are measured in the currency used in the primary economic environment in which the entity operates (functional currency). The consolidated financial statements are presented in Danish kroner (DKK), which is the functional and presentation currency of the parent company. Other currencies are considered foreign currencies.

Translation of foreign currencies
Transactions denominated in foreign currencies are translated into an entity's functional currency at the exchange rate prevailing at the transaction date.

Monetary items denominated in foreign currencies are translated at the exchange rate prevailing at the balance sheet date. Exchange adjustments arising as the difference between exchange rates at the balance sheet date and exchange rates at the transaction date of monetary items are recognised in the income statement as financial income or expenses.

On translation of entities with a functional currency other than DKK, balance sheet items are translated at the exchange rates at the balance sheet date and income statement items are translated at the exchange rates at the transaction date. The resulting exchange adjustments are taken directly to other comprehensive income.

Note 3 | continued

The Argentinian economy has been considered a hyperinflation economy effective from 1 July 2018. Accordingly, the Group's Argentinian subsidiary is recognised in accordance with IAS 29. The subsidiary's financial statements were inflation adjusted at a retail price index increase of 237% (133% in 2022/23 - source: Bloomberg) prior to recognition in the consolidated financial statements. The adjustment of the beginning of period equity is recognised in currency translation in equity. The income statement and the balance sheet of the inflation-adjusted financial statements are included in the consolidated financial statements at the exchange rate applying at the balance sheet date standing at 0.69.

Consolidation, business combinations and associates
The consolidated financial statements comprise the financial statements of Coloplast A/S (the parent company) and enterprises (subsidiaries) controlled by the parent company. The parent company is considered to exercise control when it has power over the relevant activities of the enterprise, is exposed or has rights to a variable return from the investment and has the ability to affect those returns through its power.

The consolidated financial statements are prepared by aggregating the financial statements of the parent company and the individual subsidiaries, all of which are prepared in accordance with the Group's accounting policies. Intra-group transactions, balances, dividends and unrealised gains and losses on transactions between Group companies are eliminated.

Enterprises, which are not subsidiaries but in which the Group holds at least 20% of the voting rights or otherwise exercise a significant influence, are regarded as associates. The Group's proportionate share of unrealised gains and losses on transactions between the Coloplast Group and associates is eliminated.

Enterprises recently acquired or divested are included in the consolidation in the period in which the Coloplast Group has control of the enterprise. Comparative figures are not restated to reflect acquisitions.

Acquisitions are accounted for using the acquisition method, according to which the assets and liabilities and contingent liabilities of enterprises acquired are measured at fair value at the date of acquisition.

Goodwill on the acquisition of subsidiaries or associates is calculated as the difference between the fair value of the consideration and the fair value of the Group companies' proportionate share of identifiable assets less liabilities and contingent liabilities at the date of acquisition.

The consideration for an enterprise consists of the fair value of the agreed consideration for the acquired enterprise. If part of the consideration is contingent on future events, such part is recognised at its fair value at the date of acquisition. Costs directly attributable to business combinations are recognised directly in the income statement as special items when incurred.

In cases where the fair value of acquired identifiable assets, liabilities or contingent liabilities subsequently turns out to differ from the values calculated at the date of acquisition, the calculation, including goodwill and contingent consideration are adjusted until up to 12 months after the date of acquisition. Subsequently, goodwill is not adjusted.

Goodwill arising in connection with the acquisition of subsidiaries is recognised in the balance sheet under intangible assets in the consolidated financial statements and tested annually for impairment.

Marketable securities
Marketable securities are part of a portfolio which is managed and measured on a fair value basis as per transaction date. Adjustments to fair value is recognised through profit or loss as financial items.

Bonds forming part of repo transactions, i.e. the sale of bonds that are bought back at a later date remain classified as financial assets in the balance sheet, while amounts received from repo transactions are recognised as repo debt. Returns on such bonds are recognised under financials.

Cash flow statement
The consolidated cash flow statement, which is presented according to the indirect method, shows the Group's cash flow from operating, investing and financing activities as well as the Group's cash and cash equivalents at the beginning and end of the year. Cash and cash equivalents comprise cash. Marketable securities include bonds with maturities of more than three months and are recognised under investing activities.

Note 3 | continued

Reporting under the ESEF Regulation
The Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) has introduced a single electronic reporting format for the annual financial reports of issuers with securities listed on the EU regulated markets.

The ESEF Regulation sets out the following main requirements: (1) Issuers shall draw up and disclose their annual financial reports using the XHTML format; and (2) issuers that draw-up their primary consolidated financial statements in accordance with IFRS as endorsed by the EU shall tag those consolidated financial statements using inline eXtensible Business Reporting Language (iXBRL) and with effect from the 2022/23 annual report block-tag the notes to the consolidated financial statements.

The combination of the XHTML format with the iXBRL tags makes the annual financial reports both human-readable and machine-readable, thus enhancing accessibility, analysis and comparability of the information included in the annual financial reports.

iXBRL tags shall comply with the ESEF taxonomy, which is included in the ESEF Regulation and developed based on the IFRS taxonomy published by the IFRS Foundation.

As part of the tagging process financial statement line items are marked up to elements in the ESEF taxonomy. If a financial statement line item is not defined in the ESEF taxonomy, an extension to the taxonomy is created. Extensions have to be anchored to elements in the ESEF taxonomy, except for extensions which are subtotals.

The annual report submitted to the Danish Financial Supervisory Authority (The Officially Appointed Mechanisms) consists of the XHTML document together with some technical files all included in a ZIP file named Coloplast-2024-09-30-en.ZIP.

Note 4
Revenue and segment information

Accounting policies

Revenue
Revenue comprises income from the sale of goods after deduction of any price reductions, quantity discounts or cash discounts. Sales transactions are recognised in the income statement at the point in time when control of the goods is transferred to the customer, and when the consideration is assessed to be collectible. Revenues from sales transactions are measured at the transaction price to which Coloplast expects to be entitled.

Within all segments, revenues are typically recognised when the customer takes possession of the goods. Exceptions to this comprise Interventional Urology revenues, as revenues from certain surgical products are generated from consignment sales as well as the contract manufacturing business. Certain surgical products within Interventional Urology are always available at our partner hospitals to ensure that all sizes and fits are always available. Revenues from consignment sales are recognised as the goods are used (i.e. in surgery). Revenues from contract manufacturing business is recognised when the products are available for delivery when this coincides with the transfer of control of the products.

Coloplast generates most of its sales through distributors that operate under various conditions and who for that reason require varying sales agreements. Coloplast's distributor agreements contain volume and product-specific rebates, which require data management and monitoring of sales to individual distributors at the product level. In addition, the sales agreements contain various right-of-product-return requirements.

Payment terms for trade receivables from customers depend on creditworthiness, customary business practices and contract negotiations. Payment terms for some customers include a period of credit which commences when the products are shipped while other customers are requested to pay in advance or provide appropriate collateral for the payment. Prepayments from customers are recognised as revenue in the following period upon satisfying the performance obligations.

Variable considerations include volume and product-specific rebates which, for some markets, are accumulated and paid annually or quarterly. Accruals for variable considerations are constrained by uncertainty of future events, such as the expected volume of sales, and require significant estimate.

Note 4 | continued

Accounting policies, continued

Revenue is measured at the fair value of the agreed consideration. All discounts granted are recognised in revenue. An estimate of expected returns is also recognised in revenue.

Coloplast applies the practical expedient in IFRS 15, para 63 associated with the determination of whether a significant financing component exists for transactions where payment is expected in less than 12 months from the delivery of goods (transfer of control).

The operating segments are defined on the basis of the monthly reporting to the Executive Leadership Team, which is considered the chief operating decision maker, and the management structure. Reporting to Management is based on five operating segments: Chronic Care, Voice and Respiratory Care, Interventional Urology, Advanced Wound Dressings and Biologics. Management does not receive reporting on assets and liabilities by operating segments. Accordingly, the operating segments are not measured in this respect, nor do we allocate resources on this background.

Segmentation of the income statement

The segment Chronic Care covers the sale of ostomy care products and continence care products. The segment Interventional Urology covers the sale of urological products, including disposable products. The segment Advanced Wound Dressings covers the sale of wound and skin care products and the segment Voice and Respiratory Care covers the sale of laryngectomy and tracheostomy products. Biologics represents a new segment covering the sale of tissue-based products. The segmentation reflects the structure of reporting to the Executive Leadership Team. The shared/non-allocated functions comprises support functions (production units and staff functions) and eliminations, as these functions do not generate revenue. While the costs of R&D for Interventional Urology, Voice and Respiratory Care and Biologics are included in the segment operating profit/loss for the respective segments, R&D activities for Chronic Care and Advanced Wound Dressings are shared functions which are included in shared/non-allocated. The shared/non-allocated functions also include PPA amortisation expenditures related to Voice and Respiratory Care and Biologics. Financial items and income tax are not allocated to the reportable segments.

Geographic information

Coloplast A/S' registered office is situated in Denmark. No single customer accounted for more than 10% of the Group's revenue in 2023/24 and 2022/23.

DKK million	2023/24	2022/23
Specification of revenue representing over 10% of the Group's revenue by customer location including Denmark.		
US	6,371	5,143
UK	3,685	3,433
France	2,735	2,634
Denmark	401	335
Other	13,838	12,955
Total	**27,030**	**24,500**
Specification of non-current assets[1] by location of the subsidiary		
Denmark	22,368	22,013
Iceland	8,600	9,636
Hungary	1,823	1,741
Other	4,112	3,844
Total	**36,903**	**37,234**

[1] Non-current assets by location consist of intangible assets, property plant and equipment and right-of-use assets.

Note 4 | continued

DKK million	Chronic Care	Voice and Respiratory Care	Interventional Urology	Advanced Wound Dressings	Biologics	Total
2023/24						
Segment revenue:						
Ostomy Care	9,545	-	-	-	-	9,545
Continence Care	8,540	-	-	-	-	8,540
Voice and Respiratory Care	-	2,110	-	-	-	2,110
Interventional Urology	-	-	2,775	-	-	2,775
Advanced Wound Care	-	-	-	3,034	1,026	4,060
External revenue as per the comprehensive income	**18,085**	**2,110**	**2,775**	**3,034**	**1,026**	**27,030**
Costs allocated to segment	-7,644	-1,374	-1,799	-1,881	-925	-13,623
Segment operating profit/loss	**10,441**	**736**	**976**	**1,153**	**101**	**13,407**
Shared/non-allocated						-6,121
Special items not included in segment operating profit/loss (see note 6 to the financial statements)						34
Operating profit before tax (EBIT) as per the Statement of comprehensive income						**7,320**
Net financials						-925
Tax on profit/loss for the year						-1,343
Profit/loss for the year as per the Statement of comprehensive income						**5,052**

DKK million	Chronic Care	Voice and Respiratory Care	Interventional Urology	Advanced Wound Dressings	Biologics[1)]	Total
2022/23						
Segment revenue:						
Ostomy Care	9,024	-	-	-	-	9,024
Continence Care	7,958	-	-	-	-	7,958
Voice and Respiratory Care	-	1,939	-	-	-	1,939
Interventional Urology	-	-	2,674	-	-	2,674
Advanced Wound Care	-	-	-	2,830	75	2,905
External revenue as per the comprehensive income	**16,982**	**1,939**	**2,674**	**2,830**	**75**	**24,500**
Costs allocated to segment	-7,173	-820	-1,727	-1,761	-66	-12,000
Segment operating profit/loss	**9,809**	**666**	**947**	**1,069**	**9**	**12,500**
Shared/non-allocated						-5,655
Special items not included in segment operating profit/loss (see note 6 to the financial statements)						-74
Operating profit before tax (EBIT) as per the Statement of comprehensive income						**6,771**
Net financials						-746
Tax on profit/loss for the year						-1,242
Profit/loss for the year as per the Statement of comprehensive income						**4,783**

[1)] Only one month impact in 2022/23.

Management reviews each operating segment separately, applying their market contributions to earnings and allocating resources on that basis. The market contribution is defined as external revenue less the sum of direct and indirect production costs, distribution, sales and marketing costs and administrative expenses. Costs are allocated directly to segments. Certain immaterial indirect costs are allocated systematically to the shared/non-allocated and the reporting segments.

Note 5
Staff costs

DKK million	2023/24	2022/23
Specification of staff costs recognised in the financial year		
Salaries, wages and directors' remuneration[1]	7,476	6,271
Pension costs - defined contribution plans (note 18)	472	410
Pension costs - defined benefit plans (note 18)	13	12
Other social security costs	800	755
Total	**8,761**	**7,448**
Staff costs allocated to functions		
Production costs	1,935	1,657
Distribution costs	5,403	4,605
Administrative expenses	853	675
Research and development costs	570	509
Special items	-	2
Total	**8,761**	**7,448**
Average number of employees, FTEs[2]	16,202	15,069
Number of employees at 30 September, FTEs[2]	16,639	15,764
Number of employees at 30 September, headcount[2]	16,875	15,977

[1] Including share based payment. See note 17 to the consolidated financial statements.
[2] The FTE definition has been reassessed and the comparison figures has been adjusted.

See note 28 to the consolidated financial statements for information on the Executive Management's and the Board of Directors' remuneration.

Note 6
Special items

Accounting policies

Special items comprise material amounts of a non-recurring nature, such as costs relating to acquisitions, divestment, closure or restructuring, provisions for lawsuits, etc. These items are presented separately to facilitate the comparability of the income statement and to provide a better picture of the operating results.

In the financial year 2023/24 special items contains expenses related to integration costs for the Atos Medical acquisition and reversal of the remaining provision for earnout consideration related to the Kerecis acquisition.

Last year special items contained DKK 200 million further and final provision related to the MDL lawsuits in the US alleging injury from the use of transvaginal surgical mesh products. Furthermore, special items contained an income of DKK 244 million related to Atos Medical US billing compliance.

DKK million	2023/24	2022/23
Provisions for litigation about transvaginal surgical mesh products	-	-200
Adjustment provision related to acquisition	-	244
Reversal of remaining provision for earnout consideration related to Kerecis	123	-
Expenses related to business combinations	-89	-118
Total	**34**	**-74**

Note 7
Financial income and expenses

Accounting policies

Financial income and expenses include interest, financing costs of leases, realised and unrealised foreign exchange adjustments, gains on net monetary items in hyperinflationary economies, fair value adjustment of forward contracts transferred from other comprehensive income, fair value adjustments of cash settled share options, fees, market value adjustments of securities and dividend received on shares recognised under securities.

See note 23 to the consolidated financial statements for more information about accounting policy for items transferred from hedging reserve.

DKK million	2023/24	2022/23
Financial income		
Interest income	80	36
Fair value adjustments of forward contracts transferred from other comprehensive income	-	40
Fair value adjustments of cash-based share options	-	1
Interest hedges	75	75
Hyperinflationary adjustment of net monetary position	18	36
Other financial income	2	3
Total	**175**	**191**

DKK million	2023/24	2022/23
Financial expenses		
Interest expenses[1]	326	169
Interest expenses, lease liabilities	33	24
Interest expenses, bonds[1]	436	445
Net exchange adjustments	218	218
Other financial expenses and fees	87	81
Total	**1,100**	**937**

[1] Total interest expenses are measured at amortised costs for financial assets and liability.

Note 8
Tax on profit for the year

Accounting policies

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit or loss.

Interest expenses and income related to current taxes are included in financial items.

DKK million	2023/24	2022/23
Specification of tax on profit for the year		
Current tax on profit for the year	675	4,612
Change in deferred tax on profit for the year	676	-3,343
Tax on profit from ordinary activities for the year	**1,351**	**1,269**
Adjustment of tax relating to prior years	-8	-19
Change due to change in tax rate	-	-8
Tax on profit for the year	**1,343**	**1,242**
Tax on equity and other comprehensive income entries, income (-) / expense (+)	**-151**	**20**
Reconciliation of the effective tax rate		
Danish tax rate	22.0%	22.0%
Effect of change of tax rates	0.0%	-0.1%
Deviation in foreign subsidiaries' tax percentage	0.3%	-1.5%
Non-taxable income and non-deductible expenses	-1.5%	-0.3%
Research and development incentives	-0.8%	-0.2%
Other taxes and other adjustments, net	1.0%	0.7%
Effective tax rate	21.0%	20.6%

The Coloplast Group is not expected to be materially impacted by the OECD/EU Pillar Two Model Rules and their local implementation. Most countries where the Group has operations impose taxation in excess of 15%. However, there are a limited number of jurisdictions where the transitional save harbour relief does not apply and the Pillar two effective rate is close to 15%. As such, these rules are not expected to materially impact the Group's effective tax rate.

Note 9
Earnings per share (EPS)

Accounting policies

Earnings per share (EPS) reflects the ratio between profit for the year and the year's weighted average of issued, ordinary shares, excluding ordinary shares purchased by the Group and held as treasury shares. Earnings per share, diluted, is calculated as the net profit for the year divided by the average number of outstanding shares adjusted for the dilutive effect of outstanding share options in the money.

	2023/24	2022/23
Net profit for the year, DKK million	5,052	4,783
Weighted average number of outstanding shares, millions of units	224.9	215.4
Dilutive effect of outstanding share options, millions of units	-	0.1
Average number of unrestricted shares including dilutive effect of outstanding share options, millions of units	224.9	215.5
Earnings per share, DKK	22.46	22.21
Earnings per share, diluted, DKK	22.46	22.20

Note 9 | continued

	2023/24		2022/23	
Outstanding shares ('000):	**A shares**	**B shares**	**A shares**	**B shares**
Outstanding shares at 1 October	**18,000**	**206,660**	**18,000**	**194,307**
Issue of new shares	-	-	-	12,200
Sale of treasury shares	-	675	-	153
Acquisition of treasury shares	-	-	-	-
Outstanding shares at 30 September	**18,000**	**207,335**	**18,000**	**206,660**
Holding of treasury shares at 30 September	-	2,865	-	3,540
Total shares issued at 30 September	**18,000**	**210,200**	**18,000**	**210,200**

Both share classes have a face value of DKK 1 per share. Class A shares carry 10 votes each, while class B shares carry 1 vote each. The class A shares are non-negotiable instruments. Any change of ownership or pledging of class A shares requires the consent of the Board of Directors. B shares are negotiable instruments, and no restrictions apply to their negotiability. No special dividend rights attach to either share class. The Group does not hold A shares.

Note 10
Dividend per share

DKK	2023/24	2022/23
Interim dividend per share	5.00	5.00
Proposed dividend per share	17.00	16.00
Total dividend per share	**22.00**	**21.00**
Total dividend for the year, DKK million	4,956	4,657
Payout ratio	98%	97%

The Board of Directors recommends that the shareholders attending the general meeting approve an additional dividend of DKK 17.00 per share. An interim dividend of DKK 5.00 per share was distributed in the financial year, bringing the total dividend per share for the year to DKK 22.00. The increase in dividend per share, compared to last financial year, amounts to 5%. The payout ratio after special items for the year is 98%.

Note 11
Intangible assets

Accounting policies

Intangible assets with a finite life are measured at cost less accumulated amortisation and impairment losses. Subsequent milestone payments related to acquired patents, trademarks and know-how payable on achievement of a contingent event will be capitalised when the contingent event is achieved. Amortisation is made on a straight-line basis over the expected useful lives of the assets, which are:

Software	3 – 5 years
Acquired patents, customer list, trademarks and know-how etc.	5 – 20 years

Goodwill and other intangible assets with indefinite lives are tested for impairment annually or whenever there is an indication of impairment, while the carrying amount of intangible assets with finite lives measured at cost or amortised cost are assessed if there is an indication of impairment. If a write-down is required, the carrying amount is written down to the higher of fair value less costs to sell. For the purpose of assessing impairment, assets are grouped in the smallest group of assets that generates identifiable cash inflows (cash-generating units). The cash-generating units are defined as the smallest identifiable group of assets that generates cash inflows and which are largely independent of cash flows from other assets or groups of assets.

For other intangible assets, the amortisation period is determined on the basis of Management's best estimate of the expected economic lives of the assets. The expected economic lives are assessed at least annually, and the amortisation period is determined based on the latest assessment. For purposes of calculating amortisation, the residual value of the assets is nil, unless a third party has committed to purchasing the asset after its use or there is an active market for the asset. With the exception of goodwill and some specific trademarks, all intangible assets have a finite life.

All in-house research and development costs are recognised in the income statement as incurred. Management believes that mandatory regulatory approvals of products, completing the development of new products involves a high degree of uncertainty, for which reason the technical feasibility criteria are not considered to have been met.

Gains or losses on the disposal of intangible assets are stated as the difference between the selling price less costs to sell and the carrying amount at the date of disposal and are included in the income statement under other operating income or other operating expenses, respectively.

Key accounting estimates and judgements

Goodwill and other intangible assets: The measurement of intangible assets, including goodwill and acquired patents, trademarks and know-how etc., could be materially affected by significant changes in estimates and assumptions underlying the calculation of recoverable amount. The carrying amount of these intangible assets was DKK 29,736 million as at 30 September 2024 (30 September 2023: DKK 30,718. million).

In the financial year 2022/23 Coloplast acquired Kerecis. In 2023/24, Coloplast has changed the purchase price allocation of Kerecis Group. For more information about the changes, see note 32 to the consolidated financial statements.

Note 11 | continued

DKK million	Acquired patents, trademarks and know-how etc.	Goodwill	Software	Prepay-ments and intangible assets in progress	Total intangible assets
2023/24					
Cost at 1 October	**12,911**	**19,974**	**783**	**225**	**33,893**
Exchange adjustment	-123	-133	2	-	**-254**
Adjustment to acquisitions previous years[1)]	-	-466	-	-	**-466**
Transfers	-	-	129	-129	**-**
Additions during the year	-	-	37	143	**180**
Cost at 30 September	**12,788**	**19,375**	**951**	**239**	**33,353**
Amortisation at 1 October	**2,167**	**-**	**471**	**-**	**2,638**
Exchange adjustment	-70	-	2	-	**-68**
Amortisation for the year	330	-	121	-	**451**
Amortisation at 30 September	**2,427**	**-**	**594**	**-**	**3,021**
Carrying amount at 30 September	10,361	19,375	357	239	30,332

[1)] See note 32 to the consolidated financial statements.

DKK million	Acquired patents, trademarks and know-how etc.	Goodwill	Software	Prepay-ments and intangible assets in progress	Total intangible assets
2022/23					
Cost at 1 October	**10,100**	**14,298**	**662**	**168**	**25,228**
Exchange adjustment	-345	-458	1	-	**-802**
Adjustment to acquisitions previous years	-	-50	-	-	**-50**
Additions from acquisitions	3,159	6,184	-	-	**9,343**
Transfers	-	-	102	-102	**-**
Additions during the year	2	-	58	161	**221**
Disposals during the year	-5	-	-40	-2	**-47**
Cost at 30 September	**12,911**	**19,974**	**783**	**225**	**33,893**
Amortisation at 1 October	**2,038**	**-**	**423**	**-**	**2,461**
Exchange adjustment	-116	-	-1	-	**-117**
Amortisation for the year	245	-	89	-	**334**
Amortisation reversed on disposals during the year	-	-	-40	-	**-40**
Amortisation at 30 September	**2,167**	**-**	**471**	**-**	**2,638**
Carrying amount at 30 September	10,744	19,974	312	225	31,255

Note 11 | continued

Goodwill

Goodwill mainly relates to the acquisitions of Kerecis in 2023, Atos Medical in 2022, Lilial in 2018, Comfort Medical in 2016, Mpathy in 2010 and Mentor's urology and continence business in 2006. Goodwill from the acquired businesses has been allocated to the individual cash-generating units. The allocation was made to the operating segment Chronic Care, Interventional Urology, Voice and Respiratory Care and Biologics.

Pursuant to IAS 36, a goodwill impairment test is performed when there is an indication of impairment, but at least once a year. In the impairment test, the carrying amount is compared with the recoverable amount (value in use) of each cash-generating units, calculated as the discounted expected future cash flows. No impairment related to goodwill was identified in 2023/24 or 2022/23.

Future cash flows are determined using forecasts based on anticipated sales growth, earnings and strategy plans, etc. These forecasts are based on specific assumptions for each cash-generating unit during the forecast period with respect to sales, results of operations, working capital, capital investments and assumptions for cost of capital, inflation and the level of interest rates. Growth rates for Chronic Care and Interventional Urology during the terminal period correspond to the expected long-term rate of inflation. Growth rate for Voice and Respiratory Care is slightly higher, due to the expectation of higher growth within the business area after the forecast period. For Biologics, the growth rate during the terminal period is based on the rate used in the Management approved business case.

For Chronic Care, Interventional Urology and Voice and Respiratory Care, the discount rate is based on the median WACC used by the external analysts' covering Coloplast. For Biologics, the discount rate is based on the WACC used in the Management approved business case.

	2023/24				2022/23			
	Chronic Care	Interventional Urology	Voice and Respiratory Care	Biologics	Chronic Care	Interventional Urology	Voice and Respiratory Care	Biologics
Carrying amount, DKK million								
Trademarks[1)]	50	-	3,138	1,425	50	-	3,081	1,501
Goodwill	1,706	352	11,727	5,590	1,726	373	11,511	6,364
Key parameters applied								
Revenue growth in terminal period	2.0%	2.0%	3.5%	2.0%	2.2%	2.2%	3.5%	2.0%
Tax percentage	23.0%	27.0%	23.0%	21.2%	23.0%	27.0%	23.0%	21.2%
Discount rate, before tax	8.6%	13.3%	8.1%	11.6%	8.4%	13.1%	7.7%	13.8%
Discount rate, after tax	7.0%	10.0%	7.0%	9.0%	6.9%	9.9%	6.9%	11.9%

1) Carrying amount includes only those trademarks with indefinite useful lives.

Note 11 | continued

Special assumptions applied in impairment tests performed in Chronic Care
Chronic Care consists of the Ostomy Care and the Continence Care businesses. The Ostomy Care business involves the production and sale of ostomy pouches and accessories. The Continence Care business involves the production and sales of disposable catheters and various types of products designed for people suffering from urinary or faecal incontinence.

The impairment test performed for Chronic Care was based on forecasts for the 2024/25 financial year. Assumptions for Coloplast's long-term strategy were applied for the financial years 2025/26 to 2027/28. Revenue growth rates of 6-8% were assumed for the budget period, which are supported by the organic growth rates in recent financial years. On the other hand, it was assumed that the gross margin will decrease slightly until the terminal period due to anticipated price pressures and healthcare reforms.

The Group's general tax rate was applied in the impairment test for Chronic Care because these products are sold in all of the Group's markets. Working capital invested has been projected using the same growth rate as that for revenue.

Special assumptions applied in impairment tests performed in Interventional Urology
The interventional urology business consists of the production and sale of products used in surgical procedures in urology and gynaecology, including prostate catheters, stents, vaginal slings used to restore continence, mesh products used to treat weak pelvic floor and penile implants for men experiencing severe impotence.

The impairment test performed for Interventional Urology was based on forecasts for the 2024/25 financial year. Assumptions for the long-term strategy of the urology business were applied for the financial years 2025/26 to 2027/28. Revenue growth rates of 4-5% were assumed for the budget period, which are supported by the Interventional Urology organic growth rates in recent financial years. On the other hand, it was assumed that the gross margin will decrease slightly until the terminal period due to general anticipated price pressures and healthcare reforms.

The tax rate applied in the impairment test for Interventional Urology was higher than the rate applied for the Group because sales and production mostly take place in the US, which imposes a corporate tax rate higher than the Group average. Working capital invested has been projected using the same growth rate as that for revenue.

Special assumptions applied on Voice and Respiratory Care
The voice and respiratory care business consists of production and sales of laryngectomy and tracheostomy products, used to treat removal of all or part of the larynex.

The impairment test performed for Voice and Respiratory Care was based on forecasts for the 2024/25 financial year. Assumptions for the long-term strategy of the voice and respiratory care business were applied for the financial years 2025/26 to 2027/28. Revenue growth rates of 8-9% were assumed for the budget period, which are supported by the organic growth rates in recent financial years. On the other hand, it was assumed that the gross margin will decrease slightly until the terminal period due to anticipated price pressures and healthcare reforms. It was also assumed that the Group's focus on cost management and regular efficiency improvements will ensure that overhead costs will increase at a rate lower than revenue, which will produce an annual margin improvement.

The Group's general tax rate was applied in the impairment test for Voice and Respiratory Care because these products are sold in most of the Group's markets. Working capital invested has been projected using the same growth rate as that for revenue.

The fair value in use estimated in the impairment test exceeds the carrying value by DKK 2.6 billion. The calculated value is sensitive to possible lower growth in the terminal period or higher WACC. If (a) the growth in the terminal period decreases by around 0.7%, or (b) WACC after tax increases by around 0.6% points it will lead to an impairment.

Special assumptions applied on Biologics
The biologics business consists of production and sales of fish-skin technology for wound care treatment.

The impairment test performed for Biologics was based on forecasts for the 2024/25 financial year. Assumptions from the Management approved business case were applied for the financial years 2025/26 to 2039/2040.

Note 11 | continued

Revenue growth rates of 2-42% were assumed for the budget period, which are supported by the organic growth rates in recent financial years. On the other hand, it was assumed that the gross margin will decrease slightly until the terminal period. It was also assumed that the Group's focus on cost management and regular efficiency improvements will ensure that overhead costs will increase at a rate lower than revenue, which will produce an annual EBIT margin improvement. An average tax rate of 21.2% was applied in the impairment test for Biologics, which is a blended tax rate of the markets where these products are sold. Working capital invested has been projected using the same growth rate as that for revenue.

Acquired patents, trademarks and know-how etc.

Acquired patents and trademarks are primarily associated with the acquisition of Kerecis in 2023, Atos Medical in 2022 and Nine Continents Medical in 2020. In connection with the acquisitions, intangible assets were identified, and the cost was allocated to net assets at fair value at the date of acquisition, calculated on the basis of factors such as expected sales and revenue trends. Each component is amortised over its estimated useful life using the straight line method.

Patented and unpatented technologies
On acquiring Kerecis in August 2023, Coloplast acquired several patented technologies and unpatented technologies. Unpatented technologies include inventions not patentable or protectable, know-how, confidential information and copyrights on computer software and the like. Most relate to know-how regarding various technologies. Allocation of the individual components into small intangible assets is not considered material or relevant.

On acquiring Atos Medical in January 2022, Coloplast acquired a number of patented and unpatented technologies. Unpatented technologies include inventions not patentable or protectable, know-how, confidential information and copyrights on computer software and the like. Most relate to know-how regarding various technologies. Allocation of the individual components into small intangible assets is not considered material or relevant.

On acquiring Nine Continents Medical in November 2020, Coloplast acquired a number of patented and unpatented technologies. Unpatented technologies include inventions not patentable or protectable, know-how, confidential information and copyrights on computer software and the like. Most relate to know-how regarding various technologies. Allocation of the individual components into small intangible assets is not considered material or relevant.

Trademarks
In addition to patented and unpatented technologies, Coloplast acquired the Kerecis trademark through the acquisition of Kerecis, and the Atos Medical and TRACOE trademarks through the acquisition of Atos Medical.

Management has assessed that the value of trademarks with indefinite useful life, which consist primarily of Kerecis, Atos Medical and TRACOE, can be maintained for an indefinite period, as these are well-established trademarks in their markets, having existed for many years. The industry is characterised as being very stable with consistent consumer demand and a predictable competitive environment, and is expected to be profitable for the foreseeable future. Control of the trademarks is legally established and enforceable indefinitely. In management's opinion, the risk of the useful life of these brands becoming finite is minimal because of their individual market positions and because current and planned marketing initiatives are expected to sustain their useful life.

Customer lists/loyalties
Coloplast also acquired a substantial number of customer relationships on acquiring Kerecis and Atos Medical. Customer relationships include lists of and access to Kerecis' and Atos Medical's existing customers, both users, hospitals, distributors and private offices.

Note 11 | continued

Material acquired patents, trademarks and know-how etc.

DKK million	Asset	Remaining amortisation period	2024	2023
Kerecis	Trademarks	indefinite	1,425	1,501
Kerecis	Technologies and customer relationships	9-19 years	1,559	1,741
Atos Medical and TRACOE	Trademarks	indefinite	3,138	3,081
Atos Medical and TRACOE	Technologies and customer relationships	7-17 years	2,921	3,075
Nine Continents	Technologies	n/a	1,218	1,218
Carrying value at 30 September			**10,261**	**10,616**

	2023/24	2022/23
Amortisations on intangible assets break down as follows		
Production costs	38	25
Distribution costs	386	291
Administrative expenses	20	13
Research and development costs	7	5
Total	**451**	**334**

Note 12
Property, plant and equipment

Accounting policies

Property, plant and equipment is measured at cost less accumulated depreciation and impairment losses. Cost comprises the cost of acquisition and expenses directly attributable to an acquisition until the asset is ready for use. In case of assets manufactured by the company, cost comprises materials, components, sub-supplier services, direct labour and costs directly attributable to the manufactured asset. In addition, borrowing costs are recognised as part of cost.

Depreciation is provided on a straight-line basis over the expected useful lives of the assets. The expected useful lives are:

Land	not depreciated
Buildings	15 – 25 years
Building installations	5 – 10 years
Plant and machinery	5 – 15 years
Other fixtures and fittings, tools and equipment	3 – 7 years

DKK million	2023/24	2022/23
Depreciations on property, plant and equipment break down as follows		
Production costs	431	364
Distribution costs	45	41
Administrative expenses	38	32
Research and development costs	38	37
Total	**552**	**474**

Note 12 | continued

DKK million	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Prepayments and assets under construction	Total property, plant and equipment
2023/24					
Cost at 1 October	**3,477**	**5,418**	**1,357**	**1,241**	**11,493**
Exchange and other adjustments	-55	-45	1	-9	**-108**
Transfers	246	585	176	-1,007	**-**
Additions during the year	7	20	67	1,072	**1,166**
Disposals during the year	-45	-135	-22	-	**-202**
Cost at 30 September	**3,630**	**5,843**	**1,579**	**1,297**	**12,349**
Depreciation at 1 October	**1,727**	**3,649**	**986**	**-**	**6,362**
Exchange and other adjustments	-22	-22	-7	-	**-51**
Depreciations for the year	148	254	150	-	**552**
Depreciations reversed on disposals during the year	-35	-111	-17	-	**-163**
Depreciation at 30 September	**1,818**	**3,770**	**1,112**	**-**	**6,700**
Carrying amount at 30 September	1,812	2,073	467	1,297	5,649

DKK million	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment	Prepayments and assets under construction	Total property, plant and equipment
2022/23					
Cost at 1 October	**3,167**	**5,126**	**1,319**	**1,015**	**10,627**
Exchange and other adjustments	67	23	-11	33	**112**
Additions from acquisitions	-	19	-	-	**19**
Transfers	241	359	124	-724	**-**
Additions during the year	7	18	78	917	**1,020**
Disposals during the year	-5	-127	-153	-	**-285**
Cost at 30 September	**3,477**	**5,418**	**1,357**	**1,241**	**11,493**
Depreciation at 1 October	**1,596**	**3,547**	**1,010**	**-**	**6,153**
Exchange and other adjustments	2	13	-6	-	**9**
Depreciations for the year	132	214	128	-	**474**
Depreciations reversed on disposals during the year	-3	-125	-146	-	**-274**
Depreciation at 30 September	**1,727**	**3,649**	**986**	**-**	**6,362**
Carrying amount at 30 September	1,750	1,769	371	1,241	5,131

The Group has signed agreements with contractors for the supply of buildings, technical plant and machinery for DKK 576 million at 30 September 2024 (DKK 144 million at 30 September 2023). The Group has no security upon properties at 30 September 2024 (DKK 25 million at 30 September 2023).

Note 13
Right-of-use assets

Accounting policies

At the commencement date, when a leased asset is made available for use, a right-of-use asset and a corresponding lease liability is recognised on the balance sheet.

Right-of-use assets are initially measured at cost, which comprises the initial amount of the lease liability, any lease payments made prior to the commencement date and any initial direct costs. Subsequently, the right-of-use asset is measured at cost less depreciation and impairment losses and adjusted for the remeasurement of the lease liability. The right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term or the useful life of the right-of-use asset.

Options to extend the initial leasing period are only included in the initial measurement if it is reasonably certain that the option will be utilised.

Lease liabilities are initially measured at the present value of future lease payments. The lease payments are discounted using the implicit rate of the lease contract or, if not readily determinable, the incremental borrowing rate of Coloplast for loans with similar term and security. As a practical expedient, the discount rates are determined on basis of a portfolio of leases with similar characteristics, e.g. a portfolio of leased cars in a specific country. The lease liabilities are subsequently reduced by the portion of lease payments which is regarded as repayment of those lease liabilities. Lease liabilities are remeasured in the event of a lease modification or a reassessment of the lease term which in turn may also impact the carrying value of the right-of-use assets. The lease term is reassessed when a significant event or change, which is within the control of Coloplast, affects the prior assessment.

Short-term leases and leases of low-value assets are exempted from the above accounting model. Consequently, lease payments associated with such lease contracts are recognised as an operating expense on either a straight-line basis over the lease term or another systematic basis which is more representative of the pattern of the benefit of the leased assets.

The majority of the Group's right-of-use assets comprise office space, warehouses, cars and IT equipment. Leasing arrangements are preferred for certain types of assets as it stabilises cash flows and reduces capital invested in non-current assets.

In certain situations, the leasing contracts include a right for Coloplast to extend the leasing period but this is only reflected in the cost of the right-of-use assets, and the corresponding lease liability, if it is reasonably certain that the option will be utilised.

Variable lease payments, which are not included in the measurement of the lease liability, are expensed directly in profit or loss. These payments are mainly related to consumption-based charges, e.g. extra mileage in leased cars.

The Group enters into new lease contracts continually, e.g. to replace an old right-of-use asset which is returned to lessor. The new contracts are usually entered prior to commencing the leasing period when a right-of-use assets is available for use. Consequently, the Group may have committed to lease contracts, which are insignificant from an individual perspective, at the balance sheet date which are not yet recognised on the balance sheet date.

The extent of residual value guarantees for right-of-use assets is limited and expected payments are included in the initial amount of the lease liability.

Note 13 | continued

DKK million	Land and buildings	Other fixtures and fittings, tools and equipment	Total right-of-use assets
2023/24			
Carrying amount at 1 October	**666**	**182**	**848**
Exchange and other adjustments	-1	-1	**-2**
Additions during the year	228	190	**418**
Disposals during the year	-106	-134	**-240**
Depreciations for the year	-161	-126	**-287**
Depreciations reversed on disposals during the year	70	115	**185**
Carrying amount at 30 September	696	226	922

DKK million	Land and buildings	Other fixtures and fittings, tools and equipment	Total right-of-use assets
2022/23			
Carrying amount at 1 October	**508**	**169**	**677**
Exchange and other adjustments	-10	-3	**-13**
Additions from acquisitions	11	-	**11**
Additions during the year	316	136	**452**
Disposals during the year	-63	-115	**-178**
Depreciations for the year	-150	-111	**-261**
Depreciations reversed on disposals during the year	54	106	**160**
Carrying amount at 30 September	666	182	848

DKK million	2023/24	2022/23
Depreciations on right-of-use assets break down as follows		
Production costs	37	27
Distribution costs	209	199
Administrative expenses	39	33
Research and development costs	2	2
Total	287	261
Other lease expenses recorded in the income statement		
Lease payments related to short-term leases	22	14
Lease payments related to low-value assets	28	27
Variable lease payments	13	26
Total	63	67
Total cash outflow for leases		
Payments related to right-of-use assets	289	247
Payments related to other lease contracts	61	60
Total	350	307

DKK million	2024	2023
Maturity analysis of lease liabilities (undiscounted)		
In less than one year	266	237
Current lease liability (undiscounted)	**266**	**237**
Within 1 to 5 years	579	509
After more than 5 years	252	211
Non-current lease liability (undiscounted)	**831**	**720**
Total lease liability (undiscounted)	1,097	957

Note 14
Deferred tax

Accounting policies

Full provision is made for deferred tax on the basis of all temporary differences in accordance with the balance sheet liability method. Temporary differences arise between the tax base of assets and liabilities and their carrying amounts which are offset over time. Deferred tax relating to differences between initial recognition of assets or liabilities is not recognised if at the transaction date neither the accounting profit nor the taxable income is affected unless such differences occurred in a business combination.

Uncertain tax positions generally relate to transfer pricing disputes and are recognised under payable tax and measured according to current tax rules and at the tax rates assumed in the year in which the assets or liability are expected to be realised.

Deferred tax assets are recognised to the extent that it is probable that future positive taxable income will be generated, against which the temporary differences and tax losses can be offset. Deferred tax assets are measured at expected net realisable values. The value of future tax deductions in relation to share option programmes is recognised as deferred tax, until they are exercised by the employees. Any estimated excess tax deduction compared to the costs realised in the income statement is charged to equity.

Coloplast is applying the temporary relief from accounting for deferred taxes arising from the implementation of the Pillar Two rules issued by the OECD.

No provision is made for deferred tax regarding undistributed earnings in subsidiaries, as Coloplast controls the release of the obligation.

Key accounting estimates and judgements

The recognition of deferred tax assets and uncertain tax positions requires an assessment by management. Deferred tax assets, including the tax base of tax loss carry-forwards, are recognised if management estimates that the tax assets can be utilised within a foreseeable future by offsetting against future positive taxable income. The assessment is made annually on the basis of budgets and business plans for the following years, including any scheduled business measures. As the Group conducts business globally, transfer pricing disputes may arise with tax authorities in respect of settlement prices etc. Management applies a probability-weighted assessment to determine obligations in connection with transfer pricing disputes.

The Group has applied the mandatory exception to recognising and disclosing information about deferred tax assets and liabilities arising from Pillar Two income taxes as provided in the amendments to IAS 12 issued by IASB in May 2023. Furthermore, the Group has reviewed its corporate structure in various jurisdictions in light of the introduction of Pillar Two Model Rules including introduced Safe Harbour Rules. The Group has identified that its effective tax rate is well above 15% in most of the jurisdictions it operates in, however the group has identified some jurisdictions where the group expects to be subject to top-up tax. The main jurisdictions impacted by a top-up tax are in Switzerland and Argentina and is due to the local corporate tax rate being lower than 15% and hyperinflation, respectively. As such, these rules are not expected to result in either materially increased tax payments or a change to the Group's effective tax rate.

The Group's tax losses amount to DKK 1.139 million (DKK 188 million at 30 September 2023). Of these tax losses, the Group has recognised a tax asset of DKK 240 million at 30 September 2024 (DKK 27 million at 30 September 2023). Tax value of not recognised tax losses amount to DKK 9 million (DKK 16 million at 30. September 2023). Tax losses expiring after more than five years amount to DKK 155 million at 30 September 2024 (DKK 188 million at 30 September 2023). Tax losses of DKK 926 million at 30 September 2024 (DKK 0 at 30 September 2023) can be carried forward infinitely.

The tax value of the Group's tax credits amounts to DKK 203 million at 30 September 2024 (DKK 158 million at 30 September 2023). This amount includes a recognised tax asset of DKK 54 million at 30 September 2024 (DKK 32 million at 30 September 2023). Tax credits of DKK 26 million expires after five years.

Note 14 | continued

DKK million	2023/24	2022/23
Deferred tax at 1 October, net	**-1,238**	**-3,893**
Exchange adjustments	27	-
Additions or adjustments from acquisitions	-	-660
Adjustment due to change in tax rate	-	8
Prior-year adjustments	26	24
Changes in deferred tax – charged to income statement	-676	3,343
Change in deferred tax - charged to equity	4	-60
Deferred tax at 30 September, net	**-1,857**	**-1,238**

DKK million	2024	2023
Recognised in the balance sheet as follows		
Deferred tax assets	624	884
Deferred tax liabilities	-2,481	-2,122
Deferred tax at 30 September, net	**-1,857**	**-1,238**
Deferred tax relates to the following items		
Intangible assets	-2,723	-2,193
Property, plant and equipment, and right-of-use assets	-311	-218
Indirect production costs	-14	-13
Unrealised gain from intra-group sale of goods	469	501
Trade receivables	-74	-42
Provisions	140	341
Share options	14	8
Tax losses carried forward and tax credits	294	59
IFRS 16 liabilities	219	167
Effect from hedge of cash flow and interest rates	84	91
Other	45	61
Deferred tax at 30 September, net	**-1,857**	**-1,238**

Note 15
Inventories

Accounting policies

Inventories are measured at the lower of cost and net realisable value. Cost is determined using the FIFO principle. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and indirect production overheads. Production overheads comprise indirect material and labour costs, maintenance and depreciation of the machinery and production buildings used in the manufacturing process as well as costs of production administration and management. Net realisable value is the expected selling price less cost of completion and costs to sell.

Key accounting estimates and judgements

Capitalised production overheads have been calculated using a standard cost method, which is reviewed regularly to ensure the relevant assumptions concerning capacity utilisation, lead times and other relevant factors in the calculation of actual costs of sales. Changes to the calculation method for production overheads, including levels of capacity utilisation, lead times, etc. could affect the gross margin and the overall valuation of inventories.

DKK million	2024	2023
Raw materials and consumables	808	796
Work in progress	797	755
Manufactured goods	2,067	1,971
Inventories at 30 September	**3,672**	**3,522**

DKK million	2023/24	2022/23
Write-downs at 1 October	**55**	**49**
Write-downs realised during the year	-20	-15
Write-downs reversed during the year	-18	-16
Additional write-downs made during the year	37	37
Write-downs at 30 September	**54**	**55**

Production overheads was included in the carrying amount of inventories with DKK 911 million at 30 September 2024 (DKK 880 million at 30 September 2023).

Production costs include directly attributable production costs of DKK 5,634 million related to goods sold (2022/23: DKK 5,039 million).

Note 16
Trade receivables and other receivables

Accounting policies

Receivables consist mainly of trade receivables. On initial recognition, receivables are measured at fair value and subsequently at amortised cost. Receivables are written down on the basis of an individual assessment and the simplified approach in accordance with IFRS 9 where loss allowances are based on lifetime expected credit losses.

DKK million	2024	2023
Ageing of trade receivables		
Not due	3,552	3,066
Due up to 30 days	474	379
Due between 30 and 90 days	246	285
Due more than 90 days	566	695
Trade receivables at 30 September, gross	**4,838**	**4,425**
Loss allowance at 30 September	-163	-110
Trade receivables at 30 September, net	**4,675**	**4,315**
Loss allowance at 1 October	**-110**	**-108**
Exchange adjustment	5	2
Adjustment to acquisitions previous years	-31	-
Allowances used during the year (realised losses)	22	3
Additional allowances recognised during the year	-49	-7
Loss allowance at 30 September	**-163**	**-110**

Given the profile of our customers, including large wholesalers and government-backed agencies, the risk of loss allowance is assessed to be limited, consequently the loss allowance in percent of due amounts is low.

Other receivables, non-current

The portion of other receivables, which are falling due after more than one year after the balance sheet date, is recognised in the balance sheet as non-current assets and amounts to DKK 28 million (DKK 39 million at 30 September 2023).

Note 17
Share options

Accounting policies

Share options are granted to the executive management and senior management. For equity-settled schemes, the fair value of options is determined at the grant date. The option value is subsequently recognised over the vesting period as staff costs. For cash-settled schemes, the fair value of options granted during the period is recognised as staff costs, whereas the fair value adjustment of granted options from previous periods is recognised under financial items. The purchase and selling prices of treasury shares on exercise of share options are deducted from or added to equity, as the case may be.

Share options are granted to members of the executive management and other senior management for the purpose of motivating and retaining a qualified management group and in order to align the interests of management with those of the shareholders. Options are awarded as unconditional allocations at the date of grant, but vest over a three-year period. The value of options at the date of grant equalled an average of three months' salary for each recipient, with the exception of the executive management.

The carrying amount of the cash settled share option programmes was DKK 2 million at 30 September 2024 (DKK 1 million at 30 September 2023), while the fair value of all option programmes at grant date amounted to DKK 291 million at 30 September 2024 (DKK 156 million at 30 September 2023).

DKK million	2023/24	2022/23
Share options have affected the profit or loss for the year as follows		
Staff costs, accounting value of cash and equity-settled programmes	70	58
Financial costs, fair value adjustment of cash-settled programmes	-	-1
Cost of share options recognised in profit or loss	**70**	**57**

The fair value of the options was calculated using the Black-Scholes formula at the date of the grant, in which the interest rate applied was the yield on Danish government securities. Volatility in the share is calculated as monthly movements (period-end to period-end) over five years. Options are assumed to be exercised on average one year into the exercise period.

	2023	2022
The following assumptions were applied in determining the fair value of share options granted during the financial year		
Black-Scholes value, DKK	121.41	128.65
Share price, DKK	773.22	814.50
Exercise price, DKK	811.88	855.23
Expected dividend per share, DKK	1.50%	1.50%
Expected duration, years	4.00	4.00
Volatility	22.12%	21.97%
Risk-free interest	2.21%	2.34%
Fair value at grant date, million DKK	76.45	68.60

	2023/24			2022/23		
	No. of options	Average exercise price	Average share price[1]	No. of options	Average exercise price	Average share price[1]
Outstanding share options at 1 October	2,129,562	871		2,231,521	892	
Options awarded	629,716	812		536,131	881	
Options awarded, repricing	-	-		439,639	916	
Options forfeited, repricing	-	-		-715,971	1,076	
Options forfeited	-36,992	862		-28,287	958	
Options exercised	-680,298	740	891	-333,471	557	862
Outstanding share options at 30 September	**2,041,988**	**888**		**2,129,562**	**871**	

[1] At the date of exercise.

Note 17 | continued

Year of issue	No. of options issued	Share options lapsed	Options exercised	Not exercised at 30 September 2024[1]	Exercise price[2][3]	Exercise period
Specification of outstanding share options						
2019	403,750	-14,980	-325,167	**63,603**	843	31/12/22 - 31/12/24
2019 US	88,846	-	-26,659	**62,187**	870	31/12/22 - 31/12/24
2020	535,152	-334,159	-	**200,993**	958	31/12/23 - 31/12/25
2020, repriced	241,296	-9,315	-29,840	**202,141**	906	31/12/23 - 31/12/25
2020 US	109,900	-91,396	-	**18,504**	981	31/12/23 - 31/12/25
2020 US, repriced	65,197	-	-3,816	**61,381**	920	31/12/23 - 31/12/25
2021	441,494	-287,303	-	**154,191**	1,191	31/12/24 - 31/12/26
2021, repriced	103,554	-4,066	-	**99,488**	918	31/12/24 - 31/12/26
2021 US	95,846	-78,266	-	**17,580**	1,213	31/12/24 - 31/12/26
2021 US, repriced	29,592	-	-	**29,592**	915	31/12/24 - 31/12/26
2022	424,561	-16,644	-	**407,917**	841	31/12/25 - 31/12/27
2022 US	108,646	-885	-	**107,761**	855	31/12/25 - 31/12/27
2023 [4]	514,397	-12,123	-	**502,274**	807	31/12/26 - 31/12/28
2023 US	115,319	-943	-	**114,376**	812	31/12/26 - 31/12/28
Total	3,277,550	-850,080	-385,482	2,041,988		

[1] Exercisable options as per 30 September 2024 was 608,809.
[2] Average exercise price for options exercisable at the balance sheet date was DKK 916,49.
[3] The exercise prices are adjusted for payment of dividend. In 2023/24, the adjustment of the exercise price was DKK 9.63.
[4] Of which 141,526 was granted to key management.

Coloplast's holding of treasury shares fully covers the option programmes, so the options exercised under the programme will not influence the Group's cash position by forcing it to buy up shares in the market. See note 9 to the financial statements for an overview of treasury shares held by Coloplast at the balance sheet date.

Note 18

Provisions for pensions and similar obligations

Accounting policies

In defined contribution plans, the Group makes regular payments of fixed contributions to independent pension funds and insurance companies. The Group is under no obligation to pay additional contributions. Costs for defined contribution plans are recognised in the income statement as Coloplast assumes an obligation to make the payment.

In defined benefit plans, the Group is under an obligation to pay a defined benefit on retirement. The actuarially calculated present value less the fair value of any plan assets is recognised in the balance sheet under provision for pension and similar obligations or in plan assets in the balance sheet. The total service costs of the year plus calculated interest based on actuarial estimates and financial assumptions at the beginning of the year are recognised in the income statement. The difference between the forecast development in plan assets and liabilities and the realised values at the end of the year is called actuarial gains or losses and is recognised in other comprehensive income. In connection with a change in benefits regarding the employees' employment with the Group to date, there will be a change in the actuarial calculation of the net present value, which is taken directly to the profit or loss.

Defined contribution plans

The Group offers pension plans to certain groups of employees in Denmark and abroad. Most of the pension plans are defined contribution plans. The Group funds the plans through regular payments of premiums to independent insurance companies responsible for the pension obligations towards the beneficiaries. Once the pension contributions for defined contribution plans have been made, the Group has no further obligation towards current or former employees. Contributions to defined contribution plans are recognised in the income statement when paid. In 2023/24, DKK 427 million (2022/23: DKK 410 million) was recognised.

Defined benefit plans

For certain groups of employees in foreign subsidiaries, the Group has signed agreements to pay defined benefits, including pension payments.

Note 18 | continued

Share of gross defined benefit obligations by country	2024	2023
France	22%	21%
Germany	11%	11%
UK	66%	67%
Italy	1%	1%
Total	**100%**	**100%**

These pension liabilities are not or are only partly covered by insurance (in the UK). Defined benefit liabilities are recognised in the balance sheet and in the income statement as indicated below. Coloplast funds the plans in the UK.

The pension plans are based on the individual employee's salary and years of service with the company, and benefits are paid as a lifelong pension. The active plans are not exclusive to any particular employee group.

Special funding requirements apply in the UK, while this is not the case for the other countries. In the UK, employee interests are handled by a Trustee Board. Accounts are prepared every three years and funding of any deficit is determined. Coloplast have an unconditional right to any surplus in the scheme at the end of the life of the scheme when all the liabilities have been run off. Any deficit in the Scheme is recovered by additional contributions from the employer over a fixed period of time. The plans have no requirements for risk diversification on equities or for matching strategies The plans have a duration of an average of 11 years, and all plans generally mature after more than 10 years.

The Group expects to pay DKK 7 million to the defined benefit plans in 2024/25 (2023/24: DKK 7 million).

DKK million	2023/24	2022/23
Defined contribution plans	472	410
Defined benefit plans	13	12
Cost of pension plans recognised in profit or loss	**485**	**422**
Pension costs concerning current financial year	8	8
Net interest expenses	5	4
Cost of defined benefit plans recognised in profit or loss	**13**	**12**
Actuarial gains/losses on pension obligations	-10	27
Actuarial gains/losses on plan assets	16	-36
Actuarial gains/losses on defined benefit plans recognised in other comprehensive income	**6**	**-9**
Plan assets at 1 October	**225**	**249**
Exchange adjustments	8	4
Actual rate of interest	12	12
Actuarial gains/losses on plan assets	16	-36
Paid by the Coloplast Group	7	12
Benefit paid out	-14	-16
Plan assets at 30 September	**254**	**225**

DKK million	2024	2023
Specification of plan assets		
Shares, listed	31	35
Bonds, listed	112	82
Investments funds, listed	109	107
Cash and similar assets	2	1
Plan assets at 30 September	**254**	**225**

Note 18 | continued

DKK million	2023/24	2022/23
Specification of present value of defined benefit obligation		
Present value of defined benefit liability at 1 October	**356**	**370**
Exchange adjustments	10	5
Current service costs	8	8
Calculated interest on liability	17	16
Actuarial gains/losses, financial assumptions	10	-28
Actuarial gains/losses, demographic assumptions	5	-
Actuarial gains/losses, experience	-5	1
Benefit paid out	-14	-16
Present value of defined benefit liability at 30 September	**387**	**356**
Fair value of plan assets at 30 September	-254	-225
Net liability of defined benefit plans at 30 September	**133**	**131**
Net liability of defined benefit plans at 1 October	**131**	**121**
Expenditure for the year	13	12
Actuarial gains/losses on pension obligation	10	-27
Exchange adjustment	1	1
Actuarial gains/losses on plan assets	-15	36
Payments received	-7	-12
Net liability of defined benefit plans at 30 September	**133**	**131**
Actuarial assumptions applied at the balance sheet date (expressed as an average)		
Discount rate	3.6%	4.3%
Future rate of salary increases	2.0%	1.9%
Inflation	2.2%	2.3%

The below sensibility analysis shows the change in one of the actuarial assumptions, while other assumptions are kept constant. In practice, a change in one of the assumptions will in many instances be matched by a change in the other assumptions.

	2023/24		2022/23	
	+1%-point	-1%-point	+1%-point	-1%-point
Percentage increase/decrease in the gross liability resulting from a change in a single actuarial assumption				
Discount rate	-13%	15%	-12%	14%
Future rate of salary increases	3%	-2%	3%	-2%
Inflation	8%	-8%	8%	-7%

Note 19
Other provisions

Accounting policies

Provisions are recognised when the Group has a legal or constructive obligation arising from a past event, and it is probable that an outflow of the Group's financial resources will be required to settle the obligation. Provisions are measured as Management's best estimate of the amount with which the liability is expected to be settled. The Group recognises a provision for the replacement of products covered by warranties at the balance sheet date.

Key accounting estimates and judgements

Provisions for legal obligations consist of provisions for pending litigation. Management makes assessments of provisions and contingent liabilities, including the probable outcome of pending and possible future litigation, which is inherently subject to uncertain future events. Based on information available, Management believes that adequate provisions have been made for pending litigation, but there can be no assurance that the scope of these matters will not be extended, nor that material lawsuits, claims, legal proceedings or investigations will not arise in the future.

	2023/24			2022/23		
DKK million	**Legal claims**	**Other**	**Total**	**Legal claims**	**Other**	**Total**
Provisions at 1 October	**116**	**141**	**257**	**197**	**408**	**605**
Exchange adjustment	-	1	**1**	-	-15	**-15**
Provisions used during the year	-97	-	**-97**	-281	-	**-281**
Unused provisions reversed during the year	-6	-92	**-98**	-8	-291	**-299**
Additional provisions	3	3	**6**	208	39	**247**
Provisions at 30 September	**16**	**53**	**69**	**116**	**141**	**257**
Expected maturities						
Non-current liabilities	12	9	**21**	17	54	**71**
Current liabilities	4	44	**48**	99	87	**186**
Provisions at 30 September	**16**	**53**	**69**	**116**	**141**	**257**
Provisions charged to profit or loss during the year	-3	-89	**-92**	200	-252	**-52**

Legal claims
The amounts are gross amounts relating to certain legal claims.

Coloplast is occasionally part in various legal proceedings with third parties. None of these proceedings are expected to have a material effect on the financial position or future earnings.

Other
Other liabilities relate to provisions for expenses associated with restructuring, guarantees and other non-legal claims.

Note 20
Credit institutions

Accounting policies

Borrowings from credit institutions are recognised at fair value less expenses incurred and subsequently at amortised cost.

DKK million	2024	2023	Maturity
Term loan	5,000	-	Matures in 2027
Other borrowings from credit institutions	5,085	2,268	Less than one year
Borrowings from credit institutions at 30 September	**10,085**	**2,268**	
Bonds	11,557	16,405	Matures in 2027 and 2030
Lease liability	987	894	See note 13 'Right-of-use assets'
Other payables	-	4	More than one year
Bank balances	-788	-911	Available for withdrawal
Net interest-bearing debt at 30 September	**21,841**	**18,660**	

Other borrowings from credit institutions

Other borrowings from credit institutions mainly comprise drawdowns on revolving credit facilities which are committed for three years on the balance sheet date in addition to minor bank overdrafts on authorised short-term facilities. The borrowings from credit institutions are presented as current liabilities due to its nature as instruments for liquidity management.

Bonds

Coloplast raised in 2021/22 EUR 2.2 billion in debt financing through the issuance of senior unsecured notes in an aggregate principal amount of EUR 2.2 billion under the Coloplast Euro Medium Term Note programme. The Notes are unconditionally and irrevocably guaranteed by Coloplast. COLOCB1 EUR 650 million expired in 2023/24. COLOCB2 EUR 850 million carries a fixed coupon until maturity in 2027, and COLOCB3 EUR 700 million a fixed coupon until maturity in 2030. COLOCB2 and COLOCB3 can be redeemed at a market price fixed on the redemption date in relation to named EUR bonds with similar maturity.

A pre-hedge was made with Interest swaps on the two fixed rate bonds COLOCB2 and COLOCB3. The swaps were closed down upon issue of the bonds. The objective was to lock in interest rates to the level prevailing when entering into the swaps. The gain of DKK 521 million has been recognised in the cash flow hedge reserve and transferred to financial items as an offset to the fixed interest coupons during the lifetime of the bonds.

Short name	Currency	Nom. amount, million	Less than one year, million	Within 1 to 5 years, million	More than 5 years, million	Coupon, %
COLOCB2	EUR	850	19	888	-	2.25
COLOCB3	EUR	700	19	77	719	2.75

Refinancing of bond with committed term loan

The COLOCB1 EUR 650 million bond was at maturity refinanced with a committed term loan DKK 5 billion carrying floating 3-month CIBOR interest rate. The term loan is granted by a club of four banks with a 3-year commitment incl. two one-year extension options, and can be repaid in whole or partly during the lifetime.

The Coloplast Euro Medium Term Note programme was not extended at expiry.

Note 21
Financial instruments by category

Accounting policies

Financial instruments are measured at either amortised cost or fair value. Those financial instruments, which are measured at fair value, can be categorised according to the fair value measurement hierarchy below:

Level 1: Observable prices in active markets for identical instruments.

Level 2: Valuation models primarily based on observable prices or traded prices of comparable instruments.

Level 3: Valuation models primarily based on non-observable prices.

The fair value of forward exchange contracts and other derivative financial instruments are considered a level 2 fair value measurement as the fair value is determined directly based on the published exchange rates and quoted forward exchange rates at balance sheet dates. The fair value of derivative financial instruments is calculated on the basis of current market data.

DKK million	Amortised cost	Fair value through profit or loss (level 1)	Hedging in-struments at fair value through OCI (level 2)	Contingent consideration at fair value through profit or loss (level 3)	Total
2024					
Trade receivables	4,675	-	-	-	**4,675**
Other receivables	355	-	39	-	**394**
Cash and cash equivalents	788	-	-	-	**788**
Financial assets	**5,818**	**-**	**39**	**-**	**5,857**
Other credit institutions	10,085	-	-	-	**10,085**
Bonds[1]	11,557	-	-	-	**11,557**
Trade payables	1,519	-	-	-	**1,519**
Other payables	2,353	-	73	-	**2,426**
Lease liability	987	-	-	-	**987**
Financial liabilities	**26,501**	**-**	**73**	**-**	**26,574**
2023					
Trade receivables	4,315	-	-	-	**4,315**
Other receivables	259	-	53	-	**312**
Cash and cash equivalents	911	-	-	-	**911**
Financial assets	**5,485**	**-**	**53**	**-**	**5,538**
Other credit institutions	2,268				**2,268**
Bonds[1]	16,405	-	-	-	**16,405**
Trade payables	1,294	-	-	-	**1,294**
Other payables	2,518	-	69	666	**3,253**
Lease liability	894	-	-	-	**894**
Financial liabilities	**23,379**	**-**	**69**	**666**	**24,114**

[1] The fair value of the bonds amounts to DKK 11,392 million (DKK 15,656 million 30 September 2023) calculated based on market prices (level 1).

Note 22
Financial risks

Risk management policy
Financial risks are managed centrally and, accordingly, all derivative instruments are managed and controlled by the parent company. The framework is determined by the financial policy approved annually by the Board of Directors. The financial policy comprises policies for foreign exchange, funding, liquidity and financial counterparts. The core principle is for financial risk to be managed with a view to reducing significant risk.

Foreign exchange risk
A number of the Group's financial instruments is exposed foreign exchange risks as a natural consequence of its global activities. The Board of Directors determines the level of risk as a percentage of EBITDA. Foreign exchange risk is calculated by applying the principles of a cash-flow-at-risk model. The foreign exchange risk related to financial instruments is concentrated in receivables, payables and cash positions denominated in foreign currencies. In addition to this, the fair value of the Group's hedging instruments is significantly exposed to changes in foreign exchange rates. On the other hand, there is only a low foreign exchange risk attached to the Group's issue of bond as these are denominated in EUR.

While EUR is a key currency for the Group, the foreign exchange risk is regarded as low due to fixed exchange rate policy of the central bank of Denmark.

As at 30 September 2024, an average of 61% of the following twelve months of expected net cash flows were hedged (30 September 2023: 59% of the following twelve months of cash flows).

The table below shows how a theoretical change of +/- 2% in all currencies against Danish kroner will impact the financial instruments recognised at the balance sheet date. The impact on profit or loss comes mainly from receivables denominated in foreign currencies. The impact on other comprehensive income relates to the fair value of hedging instruments. The hedged exposure is included in the sensitivity analysis and, therefore, the effect is reduced.

	2023/24					2022/23				
DKK million	USD	GBP	HUF	EUR	Other	USD	GBP	HUF	EUR	Other
Impact from a 2% increase in currencies										
Profit or loss	18	-6	11	-243	35	10	-1	16	-332	106
Other comprehensive income	-32	-32	8	-9	-22	-18	-25	12	-8	-20
Total comprehensive income	**-14**	**-38**	**19**	**-252**	**13**	**-8**	**-26**	**28**	**-340**	**86**
Impact from a 2% decrease in currencies										
Profit or loss	-18	6	-11	243	-35	-10	1	-16	332	-106
Other comprehensive income	32	32	-8	9	22	18	25	-12	8	20
Total comprehensive income	**14**	**38**	**-19**	**252**	**-13**	**8**	**26**	**-28**	**340**	**-86**

The increase and decrease resulting from a 2% change are the same as all hedging instruments are forward contracts.

Interest rate risk
55% of the Group's net interest-bearing debt is carrying fixed interest rate for 3-6 years, and 45% is at floating interest rate. The duration as per balance sheet date was 2.3 years. An interest rate increase of 1% on the floating part of the outstanding debt as per 30 September 2024 would impact the Interest charges with an increase of DKK 101 million.

Liquidity risk
The exposure to liquidity risks is considered to be low. In addition to cash available for withdrawal and marketable securities, the Group's cash reserves comprise a mix of committed and uncommitted credit facilities to ensure an adequate level of funding for the Group's activities, even in periods of operational uncertainty.

Note 22 | continued

DKK million	2024	2023
Cash and cash equivalents	788	911
Liquid assets recorded on the balance sheet at 30 September	**788**	**911**
Committed credit facilities, unutilised (3 years term)	1,301	3,577
Uncommitted credit facilities, unutilised (short-term)	3,337	3,259
Financial reserves at 30 September	**5,426**	**7,747**

The Board of Directors generally intends to distribute excess cash to the shareholders by way of dividends and share buybacks. It is expected that dividends will be paid twice a year: after the Annual General Meeting and after the release of the half-year interim report. However, share buybacks and distribution of dividend will always be made with due consideration for the Group's liquidity requirements and plans.

The capital management objective of the Group is to raise new debt only for acquisition purposes or for other special purposes. The Group assesses the capital on the basis of the solvency ratio, which is calculated in accordance with the guidelines issued by the Danish Society of Financial Analysts.

Credit risk

The Group's credit risk relates to the possibility that the counterparties of its financial assets are not able to meet their obligations as they fall due. The carrying amount of the financial assets represents the maximum credit risk exposure. The Group's policy for managing credit risks involves an ongoing credit assessment of major customers and other key business partners.

The credit risk exposure relates to (i) receivables, (ii) bank deposits as well as (iii) derivative financial instruments (forward exchange contracts) with a positive fair value at the balance sheet date.

The credit risk related to trade receivables and other receivables is diversified over a large number of customers and other counterparties. For this reason, the credit risk is regarded as insignificant. See note 16 to the financial statement.

The credit risk related to bank deposits is, pursuant to the Group's counterparty policy, managed and mitigated by making money market deposits only with selected financial institutions holding a satisfactory credit rating. In addition, the maximum deposit limits have been defined for each financial counterparty.
The credit risk related to marketable securities is considered to be limited as investment is only made in selected liquid bonds with a high credit rating.

The credit risk related to derivative financial instruments is aligned with the credit risk for bank deposits as derivative contracts are only entered with selected financial institutions with a satisfactory credit rating.

Note 23
Derivative financial instruments

Accounting policies

At the initiation of derivative contracts, it is assessed whether they qualify for hedge accounting and the derivatives are classified as either cash flow hedges or fair value hedges. Cash flow hedges relates to highly probable forecasted transactions at a future point in time. Fair value hedges relate to changes in the fair value of assets or liabilities recognised on the balance sheet.

Upon initial recognition, the fair values of derivative financial instruments are recognised as an asset or a liability on the balance sheet date. These are presented together with other receivables or other payables, respectively. The fair values of derivative financial instruments are subsequently remeasured at fair value at each reporting date.

The subsequent value adjustments of cash flow hedges are recognised through other comprehensive income as a cash flow hedge reserve when the hedging relationship continues to meet the effectiveness requirement. The reserve is recognised in the income statement upon realisation of the hedged transactions. Interest hedge of bonds with fixed rate is recognised in the other comprehensive income as reserve for hedging, until the hedged interests will be recognised in the income statement. If a derivative financial instrument used to hedge expected future transactions expires, is sold or no longer qualifies for hedge accounting, any accumulated reserve remains in equity until the hedged transaction is concluded. If a transaction is no longer expected to be concluded, any reserve accumulated under equity is transferred to the income statement.

The subsequent value adjustments of fair value hedges are recognised through profit or loss along with any adjustments of the value of the hedged asset that concern the hedged risk.

Pursuant to the Group's foreign exchange policy, forward exchange contracts are used for the purpose of neutralising and delaying the effect of exchange rate fluctuations in profit or loss and thereby enhance the predictability of the financial results.

The foreign exchange risk is calculated by applying the principles of a cash-flow-at-risk model, with the Board of Directors determining the level of risk as a percentage of operating profit (EBITDA). The risk is managed and mitigated through cash flow hedges and, in some cases, through fair value hedges. Sources of hedging ineffectiveness comprise mainly those that arise from assumptions on expected 12-month rolling cash flows not being realised.

The Group hedges key currencies e.g. USD, GBP, JPY and HUF, and selectively hedges emerging markets currencies taking the cost of hedging into consideration.

The Group does not hedge forecasted cash flows denominated in EUR as the foreign exchange risk is regarded as low due to the fixed exchange rate policy of the central bank of Denmark.

Note 23 | continued

Specification of derivative financial instruments held at the balance sheet date.

DKK million	Contract amount at year-end[1)2)]	Fair value of contract at year-end[3)]	Average exchange rate per the hedging contracts	Expiry period of the contracts
2024				
USD	1,768	29	672.07	Oct 24 - Sep 25
GBP	1,752	-53	858.66	Oct 24 - Sep 25
JPY	232	-6	4.64	Oct 24 - Sep 25
HUF	-445	-	1.85	Oct 24 - Sep 25
Other currencies	974	-4	n/a	Oct 24 - Sep 25
Forward exchange contracts at 30 September, cash flow hedges	**4,281**	**-34**		
Power purchase agreement	57	-6		Sep 33
Power purchase agreement at 30 September, cash flow hedges	**57**	**-6**		
HUF	279	1	1.86	Nov 24 - Aug 25
Forward exchange contracts at 30 September, fair value hedges	**279**	**1**		
Deferred gain on settled interest swaps:				
EUR	2,982	68		May 27
EUR	5,592	276		May 30
Interest swaps at 30 September, to hedge future interest payments	**8,574**	**344**		

DKK million	Contract amount at year-end[1)2)]	Fair value of contract at year-end[3)]	Average exchange rate per the hedging contracts	Expiry period of the contracts
2023				
USD	967	-24	681.34	Oct 23 - Aug 24
GBP	1,360	-21	839.56	Oct 23 - Sep 24
JPY	178	12	5.16	Oct 23 - Sep 24
HUF	-454	22	1.76	Oct 23 - Sep 24
Other currencies	978	2	n/a	Oct 23 - Sep 24
Forward exchange contracts at 30 September, cash flow hedges	**3,029**	**-9**		
Power purchase agreement	63	14		Sep 33
Power purchase agreement at 30 September, cash flow hedges	**63**	**14**		
HUF	277	-7	1.85	Oct 23 - Jan 24
Forward exchange contracts at 30 September, fair value hedges	**277**	**-7**		
Deferred gain on settled interest swaps:				
EUR	2,983	94		May 27
EUR	5,593	325		May 30
Interest swaps at 30 September, to hedge future interest payments	**8,576**	**419**		

1) Amount is translated to DKK millions using the exchange rates per the hedging contracts. Positive amounts indicate a forecasted sale of the currency in question; negative amounts indicate a forecasted purchase of currency in question.
2) The fair value of contracts are offset per currency. The amounts is not necessarily the net positions as legal offsetting can be applied.
3) Positive amounts indicate that the net fair value of the hedging contracts is an asset. Negative amounts indicate that the net fair value of the hedging contracts is a liability.

Note 24

Specifications of cash flow from operating and financing activities

DKK million	2023/24	2022/23
Net gain/loss on divestment of non-current assets	23	3
Change in other provisions	-182	-281
Other non-cash operating items	67	58
Adjustment for other non-cash operating items	**-92**	**-220**
Inventories	-290	-474
Trade receivables	-506	-392
Other receivables, including amounts held in escrow	-155	11
Trade and other payables etc.	-81	-38
Changes in working capital	**-1,032**	**-893**

	2023/24				2022/23			
DKK million	Lease liability	Bonds	Credit facilities	Total	Lease liability	Bonds	Credit facilities	Total
Balance at 1 October	**894**	**16,405**	**2,268**	**19,567**	**705**	**16,359**	**1,644**	**18,708**
Addition from acquisitions	-	-	-	-	11	-	-	11
Additions during the year	418	-	5,000	5,418	452	-	-	452
Settlement of issued bonds	-	-4,848	-	-4,848	-	-	-	-
Cash flow	-268	-	2,818	2,550	-244	-	622	378
Exchange and other adjustments	-57	-	-1	-58	-30	46	2	18
Balance at 30 September	**987**	**11,557**	**10,085**	**22,629**	**894**	**16,405**	**2,268**	**19,567**

Note 25
Cash and cash equivalents

DKK million	2024	2023
Bank deposits, short term	788	911
Cash and cash equivalents at 30 September	**788**	**911**

Note 26
Public grants

The Group has received DKK 5 million in public grants for research and development purposes (2022/23: DKK 3 million) and DKK 2 million in public grants for investments (2022/23: DKK 1 million). An income of DKK 2 million relating to investment grants has been recognised under production costs in the income statement (2022/23: DKK 2 million).

Note 27
Contingent liabilities and guarantees

As part of the normal course of business, Coloplast is involved in pending litigations, claims and investigations. Provisions for probable losses have been made for those matters Management has assessed as needed, but there are uncertainties associated with these estimates.

Coloplast does not expect any pending litigations, claims and investigations to materially influence the Group's future earnings, cash flows or financial position, neither individually nor in aggregate, in addition to the amounts recognised as provisions.

Coloplast A/S, and Danish subsidiaries and Coloplast Finance BV are part of a Danish joint taxation scheme with NPLH Holding ApS, according to which the Company partly has a joint and several liability and partly a secondary liability with respect to corporate income taxes, corporate withholding taxes, etc.

Note 28

Remuneration of the Board of Directors and Executive Management

The current policy for the remuneration of the Board of Directors and Executive Management was adopted in 2023 and sets out the general guidelines for the remuneration of the Group's management. The guidelines for the remuneration of the Board of Directors and Executive Management are available on the Group website. Executive Management is defined as members registered with the Danish Business Authority.

In addition to the disclosures provided in this note, more details on the remuneration of Executive Management and Directors are provided in the separate Remuneration report for the Coloplast Group, which is not a part of the audited consolidated financial statements. The report is also available on the Group website.

Fees to Board members in respect of the current financial year
Fees to Board members amounts to DKK 6.9 million (2022/23: DKK 6.9 million) of the total staff costs (see note 5 to the financial statements) and are specified as follows:

DKK million	2023/24	2022/23
Ordinary board member fee	5.3	5.3
Audit Committee	0.9	0.9
Nomination and Remuneration Committee	0.7	0.7
Fee to members of the Board of Directors	**6.9**	**6.9**

In addition, the accounting cost of not-yet-vested share options held by the Chairman amount to DKK 0.0 million in 2023/2024 (2022/23: DKK 0.1 million) of the total staff costs (see note 5 to the financial statements). The accounting cost is calculated in line with IFRS 2 and relates to share options awarded to him during his term as CEO.

Remuneration of members of the Executive Management in respect of the current financial year
Remuneration of members of Executive Management make up DKK 63.5 million (2022/23: DKK 66.9 million) of the total staff costs (see note 5 to the financial statements) and are specified as follows:

DKK million	2023/24	2022/23
Base salaries	35.6	34.4
Pension	5.1	5.0
Other benefits	1.4	1.7
Cash bonus	4.9	9.9
Remuneration of Executive Management, excluding value of share options and contingent salary items	**47.0**	**51.0**
Share options	16.5	15.9
Remuneration of Executive Management	**63.5**	**66.9**

The value of share options, which is calculated as the fair value of share options at the grant date using the Black-Scholes Formula in line with IFRS 2, comprise the annual accounting cost of share options awarded in the current and in prior years in accordance with the accounting policies applied. Consequently, it does not represent the fair value of share options awarded or exercised in the current financial year.

If a member of Executive Management is given notice of termination by the company and such termination is not due to breach on the part of the member of Executive Management, such member is entitled to compensation corresponding to a maximum of two years' salary and pension contribution.

Share options are granted to members of Executive Management and senior management. See note 17 to the financial statements for further information regarding share-based payments as well as the separate Remuneration Report for the Coloplast Group, which is not part of the audited financial statements. The report is available on the Group website.

Note 29
Related party transactions

Related parties to the Coloplast Group include members of the Board of Directors and the Executive Management and main shareholders of Coloplast A/S. There were no major transactions with related parties except from dividend payments. Information about the remuneration of the Management is set out in note 28 to the financial statements.

Note 30
Fees to auditors appointed by the Annual General Meeting

DKK million	2023/24	2022/23
Statutory audit	13	13
Assurance engagements other than audit	1	1
Tax advisory	1	3
Other services	1	2
Total fees	**16**	**19**

Fee for non-audit services provided to the Group by EY Godkendt Revisionspartnerselskab, Denmark, amounted to DKK 2 million (2022/23: DKK 4 million to PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab), relating to compliance services and other assurance assessments and opinions.

Certain of the Group's subsidiaries are not subject to an audit by EY.

Note 31
Events occurring after the balance sheet date

No events have occurred after the balance sheet date which are deemed to have a material impact on the financial results or equity at 30 September 2024 or require additional disclosers.

Note 32
Acquisitions

On 31 August 2023 Coloplast acquired all shares and voting rights of Kerecis hf. and its subsidiaries. At the end of 2022/23, the initial accounting for goodwill, intellectual property rights, other intangible assets and deferred tax assets and liabilities remained provisional and has been updated and finalised during 2023/24 to reflect new information obtained about facts and circumstances that existed on 31 August 2023. The finalised purchase price allocation has resulted in a decrease to goodwill of DKK 466 million from DKK 6,184 million, primarily relating to contingent considerations. The contingent consideration based on the performance of Kerecis in 2023/24 was assessed at a very high level in the provisional purchase price allocation. During 2023/24, the assumptions were reassessed, and a reduction of the consideration was recognised at a value of DKK 523 million. The reduction was offset by a corresponding amount to goodwill. The remaining change to goodwill relates to changes in net working capital and has increased goodwill with DKK 57 million. Currencies have negatively impacted the value of goodwill since acquisition date with DKK 128 million. The changes have been implemented without restating the purchase price allocation in the Annual Report 2022/23.

During the last quarter of 2023/24 the remaining consideration relating to a potential earn-out payment to the previous shareholders of Kerecis has been reassessed and consequently derecognised. The impact of DKK 123 million is recognised under special items in the statement of comprehensive income.

For further information regarding the acquisition and the provisional purchase price allocation please refer to the note 32 in the Annual Report for 2022/23.

Note 33
Company overview

Company	Country	Ownership
Parent company		
Coloplast A/S	Denmark	
Sales subsidiaries		
Coloplast de Argentina SA	Argentina	100%
Coloplast Pty Ltd	Australia	100%
Coloplast Ges.m.b.H.	Austria	100%
Coloplast Belgium NV/SA	Belgium	100%
Coloplast do Brasil Ltda.	Brazil	100%
Coloplast Canada Corporation	Canada	100%
Coloplast (China) Medical Devices Ltd.	China	100%
Coloplast (Hong Kong) Ltd.	China	100%
Coloplast S.A.S	Columbia	100%
Coloplast Czech s.r.o.	Czech Republic	100%
Coloplast Danmark A/S	Denmark	100%
Coloplast Oy	Finland	100%
Laboratoires Coloplast S.A.S.	France	100%
Lilial S.A.S.	France	100%
Coloplast GmbH	Germany	100%
Coloplast (India) Private Limited	India	100%
Coloplast Israel Ltd.	Israel	100%
Coloplast S.p.A.	Italy	100%
Coloplast K.K.	Japan	100%
Coloplast Korea Limited	Korea	100%
Coloplast B.V.	Netherlands	100%

Company	Country	Ownership
Sales subsidiaries		
Coloplast Limited	New Zealand	100%
Coloplast Norge AS	Norway	100%
Coloplast Sp. zo.o.	Poland	100%
Coloplast II Portugal, Unipessoal Lda	Portugal	100%
Coloplast LLC	Russia	100%
Coloplast Slovakia s.r.o.	Slovakia	100%
Coloplast Productos Médicos S.A	Spain	100%
Coloplast AB	Sweden	100%
Coloplast AG	Switzerland	100%
Coloplast Taiwan Co., Ltd.	Taiwan	100%
Coloplast Turkey Medikal Gereçler San. ve Tic. A.Ş.	Turkey	100%
Charter Healthcare Limited	UK	100%
Coloplast Limited	UK	100%
Porges UK Limited	UK	100%
Affordable Medical LLC	USA	100%
Coloplast Corp.	USA	100%
Comfort Medical, LLC	USA	100%
Rocky Mountain Medical, LLC	USA	100%
Zi-Med Supply Co., Inc.	USA	100%
Sales subsidiaries - Kerecis group		
Kerecis GmbH	Germany	100%
Kerecis hf.	Iceland	100%
Kerecis AG	Switzerland	100%
Kerecis LLC	USA	100%

Note 33 | continued

Company	Country	Ownership
Sales subsidiaries - Atos group		
Atos Medical Pty Ltd	Australia	100%
Atos Medical Austria GmbH	Austria	100%
Atos Medical BVBA	Belgium	100%
Atos (Beijing) Medical Technology CO. Ltd	China	100%
Atos Medical ApS	Denmark	100%
Atos Medical SAS	France	100%
Atos Medical GmbH	Germany	100%
Atos Medical Srl	Italy	100%
Atos Medical BV	Netherlands	100%
Atos Medical AS	Norway	100%
Atos Medical S.L.	Spain	100%
Atos Medical UK Ltd.	UK	100%
Kapitex Healthcare Ltd	UK	100%
Atos Medical Inc.	USA	100%
Manufacturing subsidiaries		
Coloplast (China) Ltd.	China	100%
Coloplast Volume Manufacturing Costa Rica S.A.	Costa Rica	100%
Coloplast Manufacturing France S.A.S.	France	100%
Coloplast Distribution GmbH	Germany	100%
TRACOE Medical GmbH	Germany	100%
Coloplast Hungary Kft.	Hungary	100%
Viruxal ehf	Iceland	100%
Coloplast Manufacturing Portugal, Unipessoal LDA	Portugal	100%
Atos Medical AB	Sweden	100%

Company	Country	Ownership
Manufacturing subsidiaries		
Coloplast Medical Limited	UK	100%
Coloplast Manufacturing US, LLC	USA	100%
Coloplast representative offices and branches		
Dubai	Singapore	
Hungary	South Africa	
Saudi Arabia	Ukraine	
Other		
Coloplast Ejendomme A/S	Denmark	100%
Mercure Medical (société à responsabilité limité)	France	100%
iSKiA GmbH & Co KG	Germany	100%
iSKiA Verwaltungs-GmbH	Germany	100%
Kerecis Services ehf	Iceland	100%
Coloplast Finance B.V.	Netherlands	100%
Coloplast Business Centre Sp. zo.o.	Poland	100%
Atos Medical Holding	Sweden	100%
XTR Holding Ltd.	UK	100%
Francis Medical	USA	13%
Starling Medical, Inc	USA	2%
Atos group representative offices and branches		
Bahrain	Hungary	
Czech Republic	Portugal	
Finland	Switzerland	

Note 34
Definitions of key ratios

EBIT
Earnings before interest and tax

EBITDA
Earnings before interest, tax, depreciation and amortisation

Capital invested
Assets less cash, less marketable securities plus accumulated goodwill amortised before 1 October 2002 less non-interest bearing debt including provisions

Gearing ratio
Net interest bearing debt (NIBD) relative to EBITDA before special items

EBIT margin, %
EBIT as a percentage of revenues

Return on average invested capital (ROIC), %
EBIT as a percentage of invested capital (average)

Return on equity, %
Profit for the year attributable to Coloplast as a percentage of equity before minority interests (average)

Equity ratio, %
Equity at year-end as a percentage of total assets at year-end

Net asset value per share, DKK
Equity excluding minority interests per outstanding share

Market price/net asset value per share
Market price per share relative to net asset value per share

PE, price/earnings ratio
Market price per share relative to earnings per share (EPS)

Payout ratio, %
Dividend declared as a percentage of profit for the year attributable to Coloplast

Earnings per share (EPS)
Profit for the year attributable to Coloplast per outstanding share (average of four quarters)

Free cash flow per share
Free cash flow per outstanding share (average of four quarters)

Consolidated sustainability performance tables

Basis of preparation
General accounting policies

Scope
Unless otherwise stated, the data and reporting included in the performance tables cover the entire Coloplast organisation, i.e., production sites, distribution centres, administration, sales and representative offices. Kerecis data is not included in the non-financial reporting for 2023/24 but will be included from 2024/25 onwards.

For water, waste and energy, the reporting scope covers Coloplast's headquarters, production sites and global distribution centres. Coloplast has eleven production sites (Mørdrup, Tatabanya 1, Tatabanya 2, Nyírbátor, Zhuhai, Mankato, Minneapolis, Sarlat, Cartago, Hörby and Nieder-Olm), the corporate headquarters (Humlebæk) and three global distribution centres (Hamburg, Atlanta and Tatabanya).

Accounting policies and changes
The accounting policies have been consistently applied in the preparation of consolidated data for the years presented. In 2023/24, we reassessed and enhanced Coloplast's greenhouse gas accounting methodology and data, leveraging the improved quality of emissions data in accordance with the GHG Protocol.

The emissions baseline for Voice and Respiratory Care has been recalculated, impacting the Group as a whole. This recalculation is grounded in procured activity data adhering to Coloplast's established protocols. We have transitioned from a revenue-based estimation approach to one centred on activity data, aligning with contemporary practices.

Key changes include:

- Restatement of historic emissions data with exact figures rather than rounded figures.
- Baseline recalculation due to methodological changes and improved data quality.
- Correction of error in reported air travel emissions from 2022/23.
- Accounting methodology for raw material emissions updated and applied across previous years – subsequent updates have been made to corresponding contract manufactured emissions.

Environmental data
Waste

(Part of EY's limited assurance report 2023/24)

Accounting policies

Waste is based on invoiced, weighed and/or estimated amounts from the production sites, major distribution centres and corporate headquarters and is reported based on the waste generation registered. Waste splits pertaining to disposal methods are reported based on data registered. Waste per product is calculated based on data registered and number of Coloplast products registered in our master data.

Key accounting estimates and judgements

Waste volumes can vary significantly between months as collections are typically done on an ad hoc basis when containers are full. Consequently, invoices are issued irregularly and may be delayed by several months, which requires the use of estimates.

Tonnes	2023/24	2022/23	2021/22	2020/21	2019/20
Hazardous waste	587	603	522	512	608
Landfill	479	426	460	418	1,028
Incineration	2,812	2,898	3,348	5,295	7,219
Recycled	12,265	11,483	10,862	8,453	6,242
Total	**16,143**	**15,410**	**15,192**	**14,678**	**15,097**

Grams	2023/24	2022/23	2021/22	2020/21	2019/20
Waste generated per product	11.3	11.6	11.4	11.5	11.8

Water

(Part of EY's limited assurance report 2023/24)

Accounting policies

Total water use includes invoiced and/or metered amounts from production sites, major distribution centres, corporate headquarters, and the office of Coloplast's Swedish sales subsidiary and is based on registered consumption.

m3	2023/24	2022/23	2021/22	2020/21	2019/20
Total water use	281,198	261,925	259,439	266,521	248,709

Energy

(Part of EY's limited assurance report 2023/24)

Accounting policies

Data on energy consumption at production sites, major distribution centres, corporate headquarters and the office of Coloplast's Swedish sales subsidiary is obtained from meter readings, invoiced consumption from our utility providers or estimates. Energy per product is calculated as total energy consumption in kWh per number of Coloplast products registered in our master data. Renewable energy as share of total is based on Coloplast's purchased electricity certificates. For district heating, the renewable energy share is based on supplier data. The amount is disclosed as a percentage of total energy.

MWh	2023/24	2022/23	2021/22	2020/21	2019/20
Natural gas	28,146	37,440	45,473	55,767	52,836
Coal or fuel distilled from crude oil	70	100	10	105	5
Electricity	138,401	130,335	117,739	111,832	109,499
District heating and cooling	4,778	-	-	-	-
Total energy use	**171,395**	**167,875**	**163,222**	**167,704**	**162,340**

Percent	2023/24	2022/23	2021/22	2020/21	2019/20
Renewable energy as share of total	83	78	72	67	67

kWh	2023/24	2022/23	2021/22	2020/21	2019/20
Energy use per product	0.12	0.13	0.12	0.13	0.13

GHG emissions

(Part of EY's limited assurance report 2023/24)

Accounting policies

Scope 1 emissions cover direct GHG emissions from sources that are directly controlled by Coloplast. This covers all Coloplast production sites (Mørdrup, Tatabanya 1 and 2, Nyírbátor, Zhuhai, Mankato, West River Road, Sarlat, Cartago, Hörby and Nieder-Olm), the Coloplast headquarters and three major distribution centres (Germany, Hungary and the US). Leased company cars cover emissions from all leased company cars submitted by local subsidiaries. Emissions are calculated using average CO2 emission factors multiplied by the average distance travelled per car. To accommodate actual driving patterns, a correction factor is used. Consumption of fossil fuel volumes and refrigerant leakages are multiplied by emission factors from the UK Department for Environment, Food and Rural Affairs (DEFRA) and the IPCC.

Scope 2 emissions include the purchase of electricity and heating for production sites, offices and distribution centres under the control of Coloplast. Emissions are calculated using both the market-based approach (including the purchase of Renewable Energy Certificates (RECs)) and the location-based approach. Location-based emissions from electricity and district heating consumption are based on International Energy Agency (IEA) country-specific GHG emission factors and district heating suppliers respectively. For market-based emissions, Coloplast purchases certificates covering all emissions from electricity. For marked-based emissions from district heating, the supplier specific emission factor is applied. Per-product and per-revenue emissions are measured as total emissions (scope 1 and 2) in tonnes CO2e divided by the total number of Coloplast products or revenue in million DKK, respectively.

Scope 3: GHG emissions reported are aligned with the Greenhouse Gas Protocol Accounting and Reporting Standard and include categories considered material to Coloplast. Quantification is subject to inherent uncertainty because of incomplete scientific knowledge used to determine emissions factors and the values needed to combine emissions of different gases. As data quality for remaining scope 3 categories improves, we plan to expand the assurance of our reporting.

C1 Purchased goods and services:

- Raw materials: Covers all incoming raw materials registered in Coloplast's primary ERP production data management system and spend data registered in Atos Medical's ERP system. Material volumes are multiplied by Life Cycle Assessment (LCA) emission factors derived from Ecoinvent. The remaining raw materials based on spend are then extrapolated based on the CO2e per spend to ensure completeness of data. Does not include indirect purchased goods and services.
- Contract manufacturing: Covers GHG emissions from outsourced production, e.g. finished goods produced by external suppliers under the Coloplast brand. Emissions from outsourced production are calculated using Coloplast's average CO2e scope 1 & 2, and emissions resulting from raw materials used.

C4 Transportation of goods:

- Upstream transportation: Based on supplier-provided data covering all transportation between Coloplast sites, sterilisation sites and distributors in Emerging markets. Main suppliers included in the calculation account for approximately 98% of upstream transportation spending in 2023/24. Therefore, no extrapolation based on emission factors was necessary.

C6 Business travels:

- Based on air travel data from supplier-specific flights and Coloplast's global travel agents. Data from global travel agents accounted for 70% of total business air travel costs in 2023/24. The remaining data relating to air travel costs were extrapolated based on the average amount of CO2e per spend to ensure the completeness of the data.

C8 Leased assets (upstream):

- Energy consumption in sales offices, subsidiaries and local/regional warehouses where Coloplast has limited to no control: Covers all sales offices, subsidiaries and regional warehouses, which are primarily leased. Emissions are based on average emissions per FTEs per average square meter and are calculated using a conversion factor from the UN Environment Programme Global Status Report for Buildings.

GHG emissions | continued

(Part of EY's limited assurance report 2023/24)

Tonnes CO2e[1)]	2023/24	2022/23	2021/22	Base year 2018/19[2)]
Scope 1: Direct emissions				
Natural gas	5,066	7,638	9,331	10,824
VOCs and HFC gasses	857	324	331	508
Coal or fuel distilled from crude oil	19	25	3	2
Leased company cars[3)]	11,572	13,296	10,698	12,497
Total	**17,514**	**21,282**	**20,363**	**23,830**

Tonnes CO2e[1)]	2023/24	2022/23	2021/22	Base year 2018/19[2)]
Scope 2: Indirect emissions				
Market-based	83	-	-	173
Location-based	31,427	32,170	29,896	33,780
Total (market-based)[3)]	**83**	**-**	**-**	**173**
Total scope 1 and 2	**17,597**	**21,282**	**20,363**	**24,003**

	2023/24	2022/23	2021/22	Base year 2018/19[2)]
Scope 1 and 2 emission intensity[4)]				
Scope 1 and 2 emission intensity per product, grams CO2e	12	15	16	20
Scope 1 and 2 emission intensity per revenue, tonnes CO2e/DKK million	0.7	0.9	0.9	1.3

Tonnes CO2e[1)5)]	2023/24	2022/23	2021/22	Base year 2018/19
Scope 3: Other relevant indirect emissions				
Purchased goods and services: Raw materials	143,145	137,296	127,116	110,991
Purchased goods and services: Contract manufacturing	8,900	8,436	7,692	9,117
Purchased goods and services, total	**152,045**	**145,732**	**134,808**	**120,108**
Transportation of goods: Upstream transportation	**25,601**	**21,626**	**17,602**	**21,542**
Business travel	**6,841**	**8,270**	**5,640**	**13,743**
Leased assets (upstream)	**4,515**	**4,231**	**4,815**	**5,074**
Total scope 3: Other relevant indirect emissions	**189,002**	**179,858**	**162,865**	**160,467**

1) Figures have been restated with exact figures instead of rounded to nearest hundred.

2) Base year emissions for scope 1 and 2 have been recalculated due to improved data quality. This resulted in an increase in total scope 1 and 2 emissions (market-based) of 503 tCO2e in 2018/19 (+2%) and a decrease of 490 tCO2e in 2018/19 (-1%) in scope 1 and 2 (location-based).

3) RECs purchased to cover 100% of electricity used in our own operations.

4) The recalculation of base year emissions for scope 1 and 2 has resulted in changes in our scope 1 and 2 emissions intensity. This has led to an increase in intensity per product from 19 grams CO2e to 20 grams CO2e in 2018/19 and an increase from 15 grams CO2e to 16 grams CO2e in 2021/22. This has also led to an increase in intensity per revenue from 1,2 tCO2e/DKK million to 1,3 tCO2e/DKK million in 2018/19.

5) In 2023/24, we have revised and enhanced key greenhouse gas accounting methodologies and improved data quality in accordance with the GHG Protocol. This resulted in an increase in total scope 3 emissions of 16.567 tCO2e in 2018/19 (+12%), 17.865 tCO2e in 2021/22 (+12%) and 21.748 tCO2e in 2022/23 (14%).

GHG emissions | continued

(Not part of EY's limited assurance report 2023/24)

Accounting policies

Scope 3: GHG emissions reported have been identified as material for Coloplast.

Purchased goods and services: Sterilisation includes emissions from external sterilisation of Coloplast products, and the calculation is based on energy consumption at selected, representative sterilisation facilities. Emissions from transportation of Coloplast products to/from sterilisation facilities are included in upstream transportation of goods.

Fuel and energy-related activities (not included in scope 1 or 2) include (1) upstream emissions from natural gas consumption, (2) upstream fuel emissions from electricity consumed, (3) trade-adjusted emissions from transmission and distribution of electricity, and (4) upstream emissions of fuels used in Coloplast leased car fleet. Emission factors from Department for Environment, Food and Rural Affairs (DEFRA) are used.

Transportation of goods: Downstream transportation emissions reported by selected carriers are extrapolated to the reporting periods using carrier-specific quantities.

Waste generated in operations: Emissions from waste management are based on actual waste amounts reported to be sent to recycling, incineration or landfill, and emission factors from DEFRA.

Tonnes CO2e[1]	2023/24	2022/23	2021/22	Base year 2018/19[2]
Scope 3: Other relevant indirect emissions				
Purchased goods and services: Sterilisation	2,361	2,543	2,481	1,721
Fuel and energy-related activities	6,253	6,854	6,364	10,463
Transportation of goods: Downstream transportation	7,422	7,847	6,786	10,005
Waste generated in operations	670	734	684	854
Total Scope 3: Other relevant indirect emissions	**16,706**	**17,977**	**16,314**	**23,043**
Total scope 3	**205,708**	**197,836**	**179,179**	**183,509**
Total scope 1, 2 and 3	**223,305**	**219,118**	**199,542**	**207,512**

[1] Figures have been restated with exact figures instead of rounded to nearest hundred.

[2] In 2023/24, we have revised and enhanced key greenhouse gas accounting methodologies and improved data quality in accordance with the GHG Protocol. This resulted in an increase in total emissions of 443 tCO2e in 2018/19 (+2%).

Employees

(Not part of EY's limited assurance report 2023/24)

Accounting policies

Employee headcount includes all active full-time and part-time contracts. European markets include: UK, Germany, France, the Nordics, Benelux, Austria, Switzerland, Italy, Spain, Denmark and Hungary. Other developed markets include: The US, Canada, Japan and Australia. Emerging markets include countries not listed in the other categories for all remaining markets in Americas, Asia, Africa, Europe and Oceania plus production in China.

Female employees total, female managers and female senior leaders all include both active employees and employees on leave of absence. Managers include all positions at or above Team Leader level. Senior leaders include the Executive Leadership Team, Senior Vice Presidents and Vice President positions.

Employee turnover indicates the share of employees who have left Coloplast within the last year out of an average employee headcount. The employee engagement score is based on a 0-10 scale, where 10 indicates the highest engagement level.

Number	2023/24	2022/23	2021/22	2020/21	2019/20
Employee headcount					
Blue-collar	6,511	6,194	5,736	5,324	5,488
White-collar	9,736	9,169	7,951	7,501	7,080
Total	**16,247**	**15,363**	**13,687**	**12,825**	**12,568**
Regions					
European markets	9,996	9,647	8,502	8,056	8,173
Other developed markets	4,313	1,846	1,520	1,501	1,351
Emerging markets	1,938	3,870	3,665	3,268	3,044
Total	**16,247**	**15,363**	**13,687**	**12,825**	**12,568**

Percentage	2023/24	2022/23	2021/22	2020/21	2019/20
Gender diversity					
Female employees total	62	62	63	63	64
Female managers	47	47	45	46	43
Female senior leaders	28	26	21	24	24
Employee turnover					
Voluntary turnover	9.1	10.1	10.6	10.1	8.3
Total turnover	13.9	15.0	14.3	13.3	13.1

	2023/24	2022/23	2021/22	2020/21	2019/20
Employee engagement					
Response rate, %	92	91	90	90	88
Engagement score, index[1]	8.1	8.1	8.2	8.2	7.9

Employee data does not include Kerecis employees. Kerecis employed 628 headcounts per 30 September 2024.

[1] The current Peakon True Benchmark® for our industry is 7.8. Due to the introduction of a new engagement survey in 2021/22, engagement scores reported before 2021/22 are not comparable with later scores.

Employees | continued

(Part of EY's limited assurance report 2023/24)

Accounting policies

Work-related lost time injury (LTI) frequency is calculated as the number of injuries per one million working hours.

A work-related lost time injury is defined as an incident resulting in the injured person not being able to work at the next scheduled shift/workday, and where the incident has led to a minimum of one full workday of absence. The first day of absence does not include the day on which the incident occurred.

At production and distribution sites, LTI-f includes all employees with a Coloplast contact and externally hired employees without a Coloplast contract and the workhours are actual reported workhours. This is also valid for our site in Minneapolis and sales offices in the US and Canada. Workhours for other offices and sales subsidiaries include employees with a Coloplast contract and the workhours are calculated as number of active full-time employee multiplied with 130 workhours per month.

LTI frequency	2023/24	2022/23	2021/22	2020/21	2019/20
Occupational injuries and accidents (all employees)	2.1	2.6	2.5	2.2	2.5

Anti-corruption

(Part of EY's limited assurance report 2023/24)

Accounting policies

White-collar employees trained in Code of Conduct indicates the percentage of active white-collar employees who have completed an e-learning module and a test in our Code of Conduct at the end of the accounting year. Numbers are based on registrations in Coloplast's learning management system. All white-collar employees employed at the date of the campaign launch (excluding long-term leave such as maternity leave, long sick leave etc. and excluding personnel not employed by Coloplast such as contractors or consultants) are included in the reporting. Cases submitted to the Ethics Hotline include all cases reported either directly via the Ethics Hotline system, audits or through line management. The scope of relevant cases for the Ethics Hotline includes violations of all topics covered by Coloplast's Code of Conduct, Coloplast BEST. Business Ethics & Compliance cases reported via the Ethics Hotline are investigated via Coloplast's standard global compliance investigations process. Substantiated cases are defined as closed cases in which the investigation has validated the raised concern(s) and further corrective measures are then taken. Not all cases are substantiated.

Percent	2023/24	2022/23	2021/22	2020/21	2019/20
White-collar employees trained in Code of Conduct	99	99	100	99	98

	2023/24	2022/23	2021/22	2020/21	2019/20
Cases submitted to the Ethics Hotline, no.	86	75	70	61	78
Of which within scope, no.	49	42	48	32	63
Substantiation rate for cases closed, %	57	58	-	-	-

Statements

Statements by the Board and the Executive Management

The Board of Directors and the Executive Management have today considered and approved the Annual Report of Coloplast A/S for the financial year 1 October 2023 – 30 September 2024.

The consolidated financial statements have been prepared in accordance with the IFRS as adopted by the EU and further requirements set out in the Danish Financial Statements Act.

The parent company financial statements have been prepared in accordance with the Danish Financial Statements Act. In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the Group's and the parent company's assets, liabilities and financial position at 30 September 2024 and of the results of the Group's and the parent company's operations and the cash flows for the Group for the financial year 1 October 2023 – 30 September 2024.

In our opinion, the Management's report includes a fair account of the development and performance of the Group and the parent company, the results for the year and of the financial position of the Group and the parent company, together with a description of the principal risks and uncertainties that the Group and the parent company face.

In our opinion, the Annual Report for the financial year 1 October 2023 to 30 September 2024 with the file name Coloplast-2024-09-30-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

In our opinion, the Consolidated Sustainability Performance Tables represent a reasonable, fair and balanced representation of the Group's environmental, social and governance (ESG) performance and are prepared in accordance with the stated accounting policies.

We recommend the Annual Report for adoption at the Annual General Meeting.

Humlebæk, 5 November 2024

Executive Management

Kristian Villumsen
President, CEO

Anders Lonning-Skovgaard
Executive Vice President, CFO

Board of Directors

Lars Rasmussen
Chairman

Niels Peter Louis-Hansen
Deputy Chairman

Carsten Hellmann

Annette Brüls

Jette Nygaard-Andersen

Marianne Wiinholt

Thomas Barfod
Elected by the employees

Roland V. Pedersen
Elected by the employees

Nikolaj Kyhe Gundersen
Elected by the employees

Independent Auditor's Reports

To the shareholders of Coloplast A/S

Report on the audit of the Consolidated Financial Statements and Parent Company Financial Statements

Our opinion

We have audited the Consolidated financial statements and the Parent Company financial statements of Coloplast A/S for the financial year 1 October 2023 – 30 September 2024, which comprise statement of comprehensive income, statement of cash flows, balance sheet, statement of changes in equity and notes, including material accounting policy information for the Group and income statement, balance sheet, statement of changes in equity and notes, including key accounting policy information for the Parent Company. The Consolidated financial statements are prepared in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act, and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated financial statements give a true and fair view of the financial position of the Group at 30 September 2024 and of the results of the Group's operations and cash flows for the financial year 1 October 2023 – 30 September 2024 in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act.

Further, in our opinion the Parent Company financial statements give a true and fair view of the financial position of the Parent Company at 30 September 2024 and of the results of the Parent Company's operations for the financial year 1 October 2023 – 30 September 2024 in accordance with the Danish Financial Statements Act.

Our opinion is consistent with our long-form audit report to the Audit Committee and the Board of Directors.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Consolidated financial statements and the Parent Company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

To the best of our knowledge, we have not provided any prohibited non-audit services as described in article 5(1) of Regulation (EU) no. 537/2014.

Appointment of auditor

We were initially appointed as auditor of Coloplast A/S at the general meeting held on 7 December 2023 for the financial year 2023/24.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements for the financial year 1 October 2023 – 30 September 2024. These matters were addressed during our audit of the financial statements as a whole and in forming our opinion thereon. We do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled our responsibilities described in the "Auditor's responsibilities for the audit of the financial statements" section, including in relation to the key audit matters below. Accordingly, our audit included the design and performance of procedures to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the financial statements.

Revenue recognition

Recognition of the Group's revenue is complex due the nature of sales agreements entered into with due considerations of territorial healthcare systems, legislation, increased competition, growth strategies and requirements relating to various tenders. A significant part of Coloplast's sales is carried out through distributors who operate under diverse circumstances impacting the format of sales agreements.

Furthermore, agreements with distributors include rebates and discounts which fall under certain commercial and government-mandated contacts and reimbursement agreements. These arrangements result in deductions from gross sales in arriving at net sales and give rise to obligations for the Group to provide rebates, discounts and allowances which, for amounts unsettled at year end, are recognised as a provision.

We have focused on these sales arrangements because they are complex and require significant estimation by Management in establishing an appropriate provision for the unsettled amounts. This includes estimation of sales volumes subject to the rebates, including estimation of applicable rebate rates. We refer to notes 3 and 4 in the Consolidated financial statements.

How we addressed the matter in our audit

- We have discussed revenue recognition principles with Management, including sales agreements and the related deductions from gross sales in arriving at net sales (gross-to-net adjustments).
- We have performed risk assessment procedures and obtained an understanding of the IT systems, business processes and relevant controls for revenue recognition, including sales agreement and gross-to-net provisions.
- We have assessed the design and on a sample basis tested the operating effectiveness of selected controls impacting revenue recognition.
- We have evaluated the appropriateness of methods for revenue recognition.
- We have on a sample basis performed substantive testing of revenue recognition accruals and tested assumptions applied for accruals for volume and product-dependent discounts including test of data applied for the monitoring of sales at product level to the individual distributors.
- We have on a sample basis performed analysis of historical gross-to-net provisions and data for actual rebates and subsequent payments to evaluate accuracy of the estimate and indications of any potential management bias.
- We have performed sensitivity analysis and assessed Management's disclosures.

Acquisition accounting

Coloplast acquired on 31 August 2023, Kerecis, an innovative, fast-growing company in the biologics wound care segment, for up to DKK 8.9 billion, of which DKK 8.2 billion is an upfront cash payment and an earnout potential of maximum DKK 680 million.

The fair value of acquired assets, including goodwill, patents, trademarks, licenses and know-how, receivables and inventories, is associated with estimates.

During financial year 1 October 2023 – 30 September 2024, the company completed the purchase price allocation and revisited contingent considerations related to the earn-out.

We focused on this area because the final purchase price allocation requires significant estimation by Management in determining the fair value of identified assets and liabilities, which are sensitive to significant changes in those applied assumptions.

We refer to notes 3 and 32 in the Consolidated financial statements.

How we addressed the matter in our audit

- We have discussed purchase price allocation principles with Management, including key methods and assumptions applied.
- We have inspected reports from Management's external expert on the final purchase price allocation, including evidence of closing accounts agreed between Coloplast and the selling party.
- We have performed risk assessment procedures and obtained an understanding of Management's process and methodology for determining fair values applied in the final purchase price allocation and tested significant assumptions, including the expected useful life of customer relationships, revenue growth, profitability, royalty rate and discount rate applied.
- We have involved our in-house valuation experts while evaluating the appropriateness of the valuation techniques used in the final purchase price allocation as well as in evaluating the applied financial assumptions.
- We have performed detailed testing of adjustments to the assets and liabilities recognised in the final purchase price allocation, including tested judgements and assumptions made by Management in relation to the fair value of the contingent consideration related to earn-out.

Impairment testing of non-current assets

The Group has recognized significant intangible assets, including goodwill and acquired patents, trademarks and knowhow, etc. in connection with the historical acquisitions of Kerecis, Atos Medical Group and Nine Continents Medical.

The carrying amount of these intangible assets was DKK 29,736 million as at 30 September 2024.

The carrying values could be materially affected by significant changes in estimates and assumptions underlying the calculation of the recoverable values of each of the underlying operating segments; Chronic Care, Interventional Urology, Voice and Respiratory Care and Biologics.

We focused on this area, as the amounts involved are material and there is a high level of subjectivity exercised by Management in estimating future cash flows, discount rate, revenue growth in terminal period and tax rate.

We refer to note 11 in the Consolidated Financial Statements.

How we addressed the matter in our audit

- As part of our risk assessment procedures we have discussed the potential indications of impairment with Management, including an update on the performance of the different operating segments.

- As part of our risk assessment procedures, we have obtained an understanding of the business processes and relevant controls related to the assessment of the recoverable amount, including key assumptions applied such as assumptions for long-term strategy, discount rate, revenue growth in terminal period and tax rate.

- We have involved our in-house valuation experts while evaluating the appropriateness of the models used in the impairment tests as well as in evaluating the applied financial assumptions.

- We have substantively tested Management's impairment models and performed reconciliation of the cash flow projections applied when determining the recoverable amounts to Management approved budget and management approved financial assumptions. Furthermore, we have tested other key assumptions applied by management, including discount rate, taxes rates, growth rate in terminal period etc. Our procedures have also included test of mathematical accuracy of the models applied, including internal consistency and application of assumptions.

- We have performed sensitivity analysis and assessed Management's disclosures.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements, or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required by relevant law and regulations.

Based on our procedures, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of relevant law and regulations. We did not identify any material misstatement of the Management's review.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and additional requirements of the Danish Financial Statements Act and for the preparation of Parent Company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act.

Moreover, Management is responsible for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated financial statements and the Parent Company financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Report on compliance with the ESEF Regulation

As part of our audit of the Consolidated Financial Statements and Parent Company Financial Statements of Coloplast A/S, we performed procedures to express an opinion on whether the annual report of Coloplast A/S for the financial year 1 October 2023 – 30 September 2024 with the file name Coloplast-2024-09-30-en.zip is prepared, in all material respects, in compliance with the Commission Delegated Regulation (EU) 2019/815 on the European Single Electronic Format (ESEF Regulation) which includes requirements related to the preparation of the annual report in XHTML format and iXBRL tagging of the Consolidated Financial Statements including notes.
Management is responsible for preparing an annual report that complies with the ESEF Regulation. This responsibility includes:

- The preparing of the annual report in XHTML format;

- The selection and application of appropriate iXBRL tags, including extensions to the ESEF taxonomy and the anchoring thereof to elements in the taxonomy, for all financial information required to be tagged using judgement where necessary;

- Ensuring consistency between iXBRL tagged data and the Consolidated Financial Statements presented in human readable format; and

- For such internal control as Management determines necessary to enable the preparation of an annual report that is compliant with the ESEF Regulation.

Our responsibility is to obtain reasonable assurance on whether the annual report is prepared, in all material respects, in compliance with the ESEF Regulation based on the evidence we have obtained, and to issue a report that includes our opinion. The nature, timing and extent of procedures selected depend on the auditor's judgement, including the assessment of the risks of material departures from the requirements set out in the ESEF Regulation, whether due to fraud or error. The procedures include:

- Testing whether the annual report is prepared in XHTML format;

- Obtaining an understanding of the company's iXBRL tagging process and of internal control over the tagging process;

- Evaluating the completeness of the iXBRL tagging of the Consolidated Financial Statements including notes;

- Evaluating the appropriateness of the company's use of iXBRL elements selected from the ESEF taxonomy and the creation of extension elements where no suitable element in the ESEF taxonomy has been identified;

- Evaluating the use of anchoring of extension elements to elements in the ESEF taxonomy; and

- Reconciling the iXBRL tagged data with the audited Consolidated Financial Statements.

In our opinion, the annual report of Coloplast A/S for the financial year 1 October 2023 – 30 September 2024 with the file name Coloplast-2024-09-30-en.zip is prepared, in all material respects, in compliance with the ESEF Regulation.

Copenhagen, 5 November 2024

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Henrik Kronborg Iversen State Authorised Public Accountant mne24687	Christian Schwenn Johansen State Authorised Public Accountant mne33234

Independent auditor's Assurance report

To the shareholders of Coloplast A/S

Independent auditor's Assurance Report on selected consolidated Sustainability Performance tables for 2023/24

As agreed, we have performed an examination with a limited assurance, as defined by the International Standards on Assurance Engagements, on Coloplast A/S selected consolidated Sustainability Performance tables on pages 119-126 in the Annual Report of Coloplast A/S for the period 1 October 2023 - 30 September 2024.

Specifically, we conclude with limited assurance over the following KPI's referred to as "selected consolidated Sustainability Performance table":

- KPI's in the table on Waste on page 120
- KPI's in the table on Water on page 121
- KPI's in the table on Energy on page 121
- KPI's in the tables on GHG emissions on page 122-123
- LTI frequency in the table on Employees on page 126
- KPI's in the table on Anti-corruption on page 126

In preparing the selected consolidated Sustainability Performance tables, Coloplast A/S applied the accounting policies described on pages 119-126. The selected consolidated Sustainability Performance tables need to be read and understood together with the accounting policies, which Management is solely responsible for selecting and applying. The absence of an established practice on which to derive, evaluate, and measure the selected consolidated Sustainability Performance tables allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining sustainability information included in the 2023/24 Annual Report, and accordingly, we do not express an opinion on this information.

Management's responsibilities

Coloplast A/S' Management is responsible for selecting the accounting policies, and for presenting the selected consolidated Sustainability Performance tables in accordance with the accounting policies, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the selected consolidated Sustainability Performance tables such that it is free from material misstatement, whether due to fraud or error.

Auditor's responsibilities

Our responsibility is to express a conclusion based on our examinations on the presentation of the selected consolidated Sustainability Performance tables in accordance with the scope defined above.

We conducted our examinations in accordance with ISAE 3000 Assurance Engagements Other than Audits or Reviews of Historical Financial Information and additional requirements under Danish audit regulation to obtain limited assurance for the purposes of our conclusion.

EY Godkendt Revisionspartnerselskab applies International Standard on Quality Management 1, ISQM1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour as well as ethical requirements applicable in Denmark.

Description of procedures performed

In obtaining limited assurance over the selected consolidated Sustainability Performance tables, our objective was to perform such procedures as to obtain information and explanations which we consider necessary in order to provide us with sufficient appropriate evidence to express a conclusion with limited assurance.

The procedures performed in connection with our examination are less than those performed in connection with a reasonable assurance engagement. Consequently, the degree of assurance for our conclusion is substantially less than the assurance which would be obtained had we performed a reasonable assurance engagement.

As part of our examinations, we performed the below procedures:

- Interviewed those in charge of selected consolidated Sustainability Performance tables to develop an understanding of the process for the preparation of the selected consolidated Sustainability Performance tables and for carrying out internal control procedures.
- Performed analytical review of the data and trends to identify areas of the selected consolidated Sustainability Performance tables with a significant risk of misleading or unbalanced information or material misstatements and obtained an understanding of any explanations provided for significant variances.
- Based on inquiries we evaluated the appropriateness of the accounting policies used, their consistent application and related disclosures in the selected consolidated Sustainability Performance tables. This includes the reasonableness of estimates made by management.
- Designed and performed further procedures responsive to those risks and obtained evidence that is sufficient and appropriate to provide a basis for our conclusion.
- In connection with our procedures, we read the other sustainability information in the selected consolidated Sustainability Performance tables of Coloplast A/S and, in doing so, considered whether the other sustainability information is materially inconsistent with the selected consolidated Sustainability Performance tables, or our knowledge obtained in the review or otherwise appear to be materially misstated.

In our opinion, the examinations performed provide a sufficient basis for our conclusion.

Conclusion

Based on our examinations and the evidence obtained, nothing has come to our attention that causes us to believe that the selected consolidated Sustainability Performance tables in Coloplast A/S Annual Report for the period from 1 October 2023 - 30 September 2024 have not been prepared, in all material respects, in accordance with accounting policies described on pages 119-126.

Copenhagen, 5 November 2024

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Christian Schwenn Johansen
State Authorised Public Accountant
Mne33234

Monica Mai Bak Larsen
Partner, Climate Change and Sustainability Services

Parent company financial statements Coloplast A/S

Income statement

1 October - 30 September

DKK million	Note	2023/24	2022/23
Revenue	3	16,032	15,410
Production costs	4	-9,479	-9,228
Gross profit		**6,553**	**6,182**
Distribution costs	4	-1,736	-1,721
Administrative expenses	4, 5	-135	-311
Research and development costs	4	-948	-888
Other operating income		17	13
Other operating expenses		-42	-114
Operating profit (EBIT)		**3,709**	**3,161**
Profit/loss after tax on investments in subsidiaries	10	688	301
Financial income	6	293	1,230
Financial expenses	6	-1,305	-1,132
Profit before tax		**3,385**	**3,560**
Tax on profit for the year	7	-698	-708
Net profit for the year	2	**2,687**	**2,852**

Balance sheet

At 30 September

DKK million	Note	2024	2023
Assets			
Intangible assets	8	18,240	19,286
Property, plant and equipment	9	809	732
Financial assets	10	13,677	26,488
Non-current assets		**32,726**	**46,506**
Inventories	11	1,283	1,190
Trade receivables		495	491
Receivables from Group companies		3,262	3,218
Income tax		146	220
Other receivables		169	182
Prepayments		158	158
Receivables		**4,230**	**4,269**
Cash and cash equivalents		234	457
Current assets		**5,747**	**5,916**
Assets		**38,473**	**52,422**

DKK million	Note	2024	2023
Equity and liabilities			
Share capital		228	228
Reserve for hedging		328	423
Proposed ordinary dividend for the year		3,831	3,595
Retained earnings		7,396	9,209
Equity		**11,783**	**13,455**
Provisions for pensions and similar liabilities	12	2	2
Provision for deferred tax	13	1,338	937
Other credit institutions	14	5,000	-
Payable to Group companies		11,556	16,405
Non-current liabilities		**17,896**	**17,344**
Other provisions	12	-	94
Other credit institutions	14	5,235	2,418
Trade payables		437	289
Payable to Group companies		2,668	17,593
Income tax		102	-
Other payables		352	1,229
Current liabilities		**8,794**	**21,623**
Liabilities		**26,690**	**38,967**
Equity and liabilities		**38,473**	**52,422**
Contingent items and other financial liabilities	15		

Statement of changes in equity

At 30 September

DKK million	Share capital: A shares	Share capital: B shares	Hedging reserve	Proposed dividend	Retained earnings	Total
2023/24						
Equity at 1 October	**18**	**210**	**423**	**3,595**	**9,209**	**13,455**
Net profit for the year	-	-	-	4,956	-2,269	**2,687**
Value adjustment of hedging	-	-	-45	-	-	**-45**
Transferred to financial items	-	-	-75	-	-	**-75**
Tax effect of hedging	-	-	25	-	-	**25**
Currency adjustment of opening balances and other adjustments relating to subsidiaries	-	-	-	-	-224	**-224**
Transactions with shareholders						
Acquisition of treasury shares	-	-	-	-	-	**-**
Increase in share capital	-	-	-	-	-	**-**
Sale of treasury shares and loss on exercised options	-	-	-	-	523	**523**
Share-based payment	-	-	-	-	40	**40**
Tax on equity entries	-	-	-	-	117	**117**
Interim dividend paid out in respect of 2023/24	-	-	-	-1,125	-	**-1,125**
Dividend paid out in respect of 2022/23	-	-	-	-3,595	-	**-3,595**
Equity at 30 September	**18**	**210**	**328**	**3,831**	**7,396**	**11,783**

	Share capital: A shares	Share capital: B shares	Hedging reserve	Proposed dividend	Retained earnings	Total
2022/23						
Equity at 1 October	**18**	**198**	**415**	**3,185**	**2,528**	**6,344**
Net profit for the year	-	-	-	4,657	-1,805	**2,852**
Value adjustment of hedging	-	-	145	-	-	**145**
Transferred to financial items	-	-	-114	-	-	**-114**
Tax effect of hedging	-	-	-23	-	-	**-23**
Currency adjustment of opening balances and other adjustments relating to subsidiaries	-	-	-	-	-725	**-725**
Transactions with shareholders						
Increase in share capital	-	12	-	-	9,088	**9,100**
Sale of treasury shares and loss on exercised options	-	-	-	-	73	**73**
Share-based payment	-	-	-	-	37	**37**
Tax on equity entries	-	-	-	-	13	**13**
Interim dividend paid out in respect of 2022/23	-	-	-	-1,062	-	**-1,062**
Dividend paid out in respect of 2021/22	-	-	-	-3,185	-	**-3,185**
Equity at 30 September	**18**	**210**	**423**	**3,595**	**9,209**	**13,455**

Note 1
Accounting policies

Basis of preparation
The parent company's financial statements are presented in accordance with the Danish Financial Statements Act for companies in reporting class D.

The accounting policies of the parent company are the same as those of the Group, but with the addition of the policies described below. The Group's accounting policies are set out in note 1, 2 and 3 to the consolidated financial statements. Other than as set out hereinabove, there have been no changes to the accounting policies relative to last year.

Accounting for prior period material misstatements
During 2024, a material misstatement related to understated amortisation of trademarks for the financial year 2022/23 has been corrected by restatement of the balance sheet comparatives and opening equity figures in the financial statements for the year 2023/24.

The restatement impacted the comparatives and opening equity as follows:

- Shareholder's equity at September 30, 2023 decreased by DKK 342 million
- Production expenses for the year ended September 30, 2023 increased by DKK 438 million
- Operating profit and profit before tax for the year ended September 30, 2023 decreased by DKK 438 million
- Provision for deferred tax at September 30, 2023 decreased by DKK 96 million
- Tax for the year ended September 30, 2023 decreased by DKK 96 million
- Intangible assets and total assets at September 30, 2023 decreased by DKK 438 million, while total liabilities at September 30, 2023 decreased by DKK 438 million .

General information
No separate cash flow statement has been prepared for the parent company as per the exemption clause of section 86(4) of the Danish Financial Statements Act. The consolidated cash flow statement is set out on page 73.

Intangible assets
Goodwill is measured at cost less accumulated amortisation and impairment. Amortisation is calculated using the straight-line method over the expected useful life, estimated at 10 years. This estimate was made on the basis of Management's experience with the individual business areas as well as estimated useful lives of the other assets acquired in the transaction.

Amortisation for IP rights, trademarks and other intangible assets is made on a straight-line basis over expected useful life of the assets, between 10 and 20 years.

Property, plant and equipment
Leases, under which substantially all risk and rewards or ownership of an asset are transferred, are classified as finance leases. Other leases are classified as operating leases. No finance leases have been recognised in the parent company's financial statements.

Financial assets
In the parent company's financial statements, investments in subsidiaries and associates are recognised according to the equity method. The share of the results of subsidiaries less unrealised intra-group gains is recognised in the parent company's income statement. Net revaluation of investments in subsidiaries and associates exceeding the dividend declared by such companies is recognised in equity as reserve for net revaluation according to the equity method.

Financial instruments
The accounting policies and other information about derivative financial instruments are set out in note 23 to the consolidated financial statements.

Tax
Coloplast A/S and Danish subsidiaries are part of a Danish joint taxation scheme with NPLH Holding ApS, according to which the Company partly has a joint and several liability and partly a secondary liability with respect to corporate income taxes, corporate withholding taxes, etc. The jointly taxed Danish subsidiaries are covered by the Danish on-account tax scheme. Current tax for jointly taxed companies is recognised in each individual company. The parent company has applied the exception to recognise and disclose information about deferred tax in the OECD/EU Pillar Two Model Rules and their local implementation.

Note 2
Profit distribution

DKK million	2023/24	2022/23
Profit distribution		
Retained earnings	-2,269	-1,805
Dividend paid during the year	1,125	1,062
Proposed dividend for the year	3,831	3,595
Total	**2,687**	**2,852**

Note 3
Revenue

DKK million	2023/24	2022/23
Business areas		
Intimate healthcare	16,032	15,410
Total	**16,032**	**15,410**
Geographical markets		
Europe	10,185	9,538
Americas	3,851	3,962
Rest of the world	1,996	1,910
Total	**16,032**	**15,410**

Note 4
Staff costs

DKK million	2023/24	2022/23
Specification of staff costs recognised in the financial year		
Salaries, wages and directors' remuneration	1,250	1,163
Pensions	110	103
Other social security costs	11	10
Total	**1,371**	**1,276**
Average number of employees, FTEs[1]	1,451	1,422

[1] The FTE definition has been reassessed and the comparison figures has been adjusted.

See note 28 to the consolidated financial statements for information on the remuneration for the Board of Directors and Executive Management.

Note 5
Fees to auditors appointed by the Annual General Meeting

DKK million	2023/24	2022/23
Statutory audit	6	6
Assurance engagements other than audit	1	1
Tax advisory	-	3
Other services	1	2
Total fees	**8**	**12**

Fee for non-audit services provided to the Parent Company by EY Godkendt Revisionspartnerselskab, Denmark, amounted to DKK 2 million (2022/23: DKK 4 million to PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab), relating to compliance services and other assurance assessments and opinions.

Note 6
Financial income and expenses

DKK million	2023/24	2022/23
Financial income		
Interest income, etc.	10	51
Interest income from Group companies	208	403
Interest hedges	75	75
Net exchange adjustments	-	661
Fair value adjustments, forward contracts	-	40
Total	**293**	**1,230**
Financial expenses		
Interest expenses, etc.	368	211
Interest expenses from Group companies	685	921
Fair value adjustments, forward contracts	252	-
Total	**1,305**	**1,132**

Note 7
Tax on profit for the year

DKK million	2023/24	2022/23
Current tax on profit for the year	237	15
Change in deferred tax on profit for the year	458	705
Adjustment of tax relating to prior years	3	-12
Tax on profit for the year	**698**	**708**
Tax on equity entries, income	**142**	**-10**

Note 8
Intangible assets

DKK million	Acquired patents, trademarks and know-how etc.	Goodwill	Software	Prepay-ments and intangible assets in progress	Total 2023/24	Total 2022/23
Cost at 1 October	**20,883**	**1,546**	**700**	**224**	**23,353**	**5,033**
Transfers	-	-	127	-127	-	-
Additions and improvements during the year	-	-	37	142	**179**	**18,357**
Disposals during the year	-	-	-	-	-	-37
Cost at 30 September	**20,883**	**1,546**	**864**	**239**	**23,532**	**23,353**
Amortisation at 1 October	**2,439**	**1,217**	**411**	-	**4,067**	**2,912**
Amortisation for the year	-	-	-	-	-	**1,192**
Amortisation reversed on disposals during the year	1,018	96	111	-	**1,225**	**-37**
Amortisation at 30 September	**3,457**	**1,313**	**522**	-	**5,292**	**4,067**
Carrying amount at 30 September	17,426	233	342	239	18,240	19,286

Note 9
Property, plant and equipment

DKK million	Plant and machinery	Other fix-tures and fittings, tools and equipment	Prepay-ments and assets under con-struction	Total 2023/24	Total 2022/23
Cost at 1 October	**618**	**931**	**273**	**1,822**	**1,828**
Transfers	24	131	-155	-	-
Additions during the year	6	55	159	**220**	**205**
Disposals during the year	-7	-2	-	**-9**	**-211**
Cost at 30 September	**641**	**1,115**	**277**	**2,033**	**1,822**
Depreciations at 1 October	**377**	**713**	-	**1,090**	**1,139**
Depreciations for the year	32	102	-	**134**	**122**
Depreciations reversed on disposals during the year	-	-	-	-	**-171**
Depreciations at 30 September	**409**	**815**	-	**1,224**	**1,090**
Carrying amount at 30 September	232	300	277	809	732

Note 10
Financial assets

DKK million	Investments in Group companies	Receivables from Group companies	Other securities and investments	Total 2023/24	Total 2022/23
Cost at 1 October	**24,858**	**6,213**	**58**	**31,129**	**20,693**
Capital investments	-504	122	12	**-370**	**10,301**
Divestments	4	-5,477	-	**-5,473**	**-15**
Exchange adjustments	22	-24	-	**-2**	**150**
Cost at 30 September	**24,380**	**834**	**70**	**25,284**	**31,129**
Value adjustments at 1 October	**-4,648**	**-**	**7**	**-4,641**	**-1,315**
Profit after tax	688	-	-	**688**	**301**
Dividend received	-7,516	-	-	**-7,516**	**-3,013**
Exchange adjustments	-362	-	-3	**-365**	**-610**
Other adjustments	227	-	-	**227**	**-4**
Value adjustments at 30 September	**-11,611**	**-**	**4**	**-11,607**	**-4,641**
Carrying amount at 30 September	**12,769**	**834**	**74**	**13,677**	**26,488**

See note 33 in the consolidated financial statements for an overview of subsidiaries.

Note 11
Inventories

DKK million	2024	2023
Raw materials and consumables	92	66
Work in progress	292	267
Manufactured goods	899	857
Inventories at 30 September	**1,283**	**1,190**

The company has not provided inventories as security for debt obligations.

Note 12
Provisions

			Total	
DKK million	Legal claims	Pension	2023/24	2022/23
Provisions at 1 October	**94**	**2**	**96**	**171**
Exchange adjustments	-	-	**-**	**-12**
Provisions used during the year	-94	-	**-94**	**-263**
Additional provisions	-	-	**-**	**200**
Provisions at 30 September	**-**	**2**	**2**	**96**
Expected maturities				
Non-current liabilities	-	2	**2**	**2**
Current liabilities	-	-	**-**	**94**
Provisions at 30 September	**-**	**2**	**2**	**96**

Note 13
Deferred tax

DKK million	2023/24	2022/23
Deferred tax at 1 October, net	**937**	**200**
Prior-year adjustments	-55	20
Other changes in deferred tax – charged to income statement	458	665
Change in deferred tax - charged to equity	-2	52
Deferred tax at 30 September, net	**1,338**	**937**

DKK million	2024	2023
Calculation of deferred tax is based on the following items		
Intangible assets	1,577	1,039
Property, plant and equipment	77	33
Production overhead	14	12
Provisions	-20	-43
Tax loss carry forward	-204	-
Hedges	-84	-91
Other	-22	-13
Deferred tax at 30 September, net	**1,338**	**937**

Note 14
Credit institutions

DKK million	2024	2023
Falling due in		
Less than one year	5,235	2,418
Within 1 to 5 years	5,000	-
Total	**10,235**	**2,418**

Note 15
Contingent items and other financial liabilities

	2024			2023		
DKK million	Rent	Other operating leases	Total	Rent	Other operating leases	Total
Falling due in						
Less than one year	55	11	**66**	53	25	**78**
Within 1 to 5 years	-	5	**5**	-	8	**8**
After more than 5 years	-	-	**-**	-	-	**-**
Other financial liabilities at 30 September	**55**	**16**	**71**	**53**	**33**	**86**

The parent company had provided guarantees for loans raised by Group companies amounting to DKK 644 million at 30 September 2024 (DKK 648 million at 30 September 2023).

The parent company has issued a letter of subordination to the benefit of other creditors of some subsidiaries.

The parent company is involved in minor lawsuits, which, other than as described in note 19 to the consolidated financial statements, are not expected to influence the parent company's future earnings.

Coloplast A/S and Danish subsidiaries are part of a Danish joint taxation scheme with NPLH Holding ApS, according to which the Company partly has a joint and several liability and partly a secondary liability with respect to corporate income taxes, corporate withholding taxes, etc.

Shareholder information

Announcements 2023/24

2023	
10/2023	Full-year 2023/24 Financial Guidance
11/2023	Full-year Financial Results 2022/23
12/2023	Annual Report 2022/23 and Remuneration Report 2022/23
13/2023	Notice of Annual General Meeting
14/2023	Decisions at the Annual General Meeting 2023
15/2023	Articles of Association
16/2023	Change of auditor
2024	
01/2024	Interim Financial Report, Q1 2023/24
02/2024	Interim Financial Report, H1 2023/24
03/2024	Interim Financial Report, 9M 2023/24
04/2024	Financial Calendar 2024/25

Financial calendar 2024/25

2024	
7 October	Silent period until 5 November 2024
23 October	Deadline for submission of agenda points for the Annual General Meeting
5 November	Financial Statements for the full year 2023/24 and Annual Report 2023/24
5 December	Annual General Meeting 2024
10 December	Dividends for 2023/24 at the disposal of shareholders
23 December	Silent period until 4 February 2025
2025	
4 February	Interim Financial Statements for Q1 2024/25
7 April	Silent period until 6 May 2025
6 May	Interim Financial Statements for H1 2024/25
4 July	Silent period until 19 August 2025
19 August	Interim Financial Statements for 9M 2024/25
6 October	Silent period until 4 November 2025
22 October	Deadline for submission of agenda points for the Annual General Meeting
4 November	Financial Statements for the full year 2024/25 and Annual Report 2024/25
4 December	Annual General Meeting 2025
9 December	Dividends for 2024/25 at the disposal of shareholders

Banks and stockbroking companies following Coloplast

ABG Sundal Collier
AlphaValue
Barclays
Berenberg
Bernstein
BofA Securities
Carnegie
CFRA
Citi
Danske Bank
DNB
Equita
Goldman Sachs
Handelsbanken
HSBC
Jefferies
J.P. Morgan
Jyske Bank
Kepler Cheuvreux
Morgan Stanley
Morningstar Inc.
Nordea
Nykredit
ODDO BHF
RBC
Redburn
SEB
Sydbank

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The Coloplast story begins back in 1954. Elise Sørensen is a nurse. Her sister Thora has just had an ostomy operation and is afraid to go out in public, fearing that her stoma might leak. Listening to her sister's problems, Elise conceives the idea of the world's first adhesive ostomy bag.

Based on Elise's idea, Aage Louis-Hansen, a civil engineer and plastics manufacturer, and his wife Johanne Louis-Hansen, a trained nurse, created the ostomy bag. A bag that does not leak, giving Thora – and thousands of people like her – the chance to live the life they want.

A simple solution that makes a difference.

Today, our business includes Ostomy Care, Continence Care, Advanced Wound Care, Interventional Urology, and Voice and Respiratory Care. We operate globally and employ more than 16,500 employees.

Ostomy Care | Continence Care | Advanced Wound Care | Interventional Urology | Voice and Respiratory Care

Coloplast

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