

Version: 21 March 2024

## I. Introduction

This document summarises the basis under which Convatec Group Plc (Convatec) reports against Environmental, Social and Governance (ESG) metrics, including those for which it receives assurance.

ESG metrics covered in this report		Receives third-party assurance
<a href="#">Quality</a>	<ul style="list-style-type: none"> <li>Complaints per million (CPM)<sup>1</sup></li> </ul>	✓
<a href="#">Innovation</a>	<ul style="list-style-type: none"> <li>Vitality index<sup>1</sup></li> </ul>	
<a href="#">Diversity, Equity &amp; Inclusion (DE&amp;I) and Wellbeing</a>	<ul style="list-style-type: none"> <li>% females among Convatec Executive Leadership Team (CELT) and senior management (CELT+1)</li> </ul>	✓
	<ul style="list-style-type: none"> <li>Staff voluntary turnover %</li> </ul>	
<a href="#">Health &amp; safety</a>	<ul style="list-style-type: none"> <li>Operations Hazard observation rate</li> </ul>	✓
	<ul style="list-style-type: none"> <li>Operations lost time injury rate</li> </ul>	✓
<a href="#">Environment</a>	<ul style="list-style-type: none"> <li>Scope 1 emissions (tonnes CO<sub>2</sub>e)</li> </ul>	✓
	<ul style="list-style-type: none"> <li>Scope 1 energy consumption (MWh)</li> </ul>	✓
	<ul style="list-style-type: none"> <li>Scope 2 emissions – Market Based (tonnes CO<sub>2</sub>e)</li> </ul>	✓
	<ul style="list-style-type: none"> <li>Scope 2 emissions – Location Based (tonnes CO<sub>2</sub>e)</li> </ul>	✓
	<ul style="list-style-type: none"> <li>Scope 2 energy consumption (MWh)</li> </ul>	✓
	<ul style="list-style-type: none"> <li>Scope 3 emissions (tonnes CO<sub>2</sub>e)</li> </ul>	
	<ul style="list-style-type: none"> <li>Emission intensity (tonnes CO<sub>2</sub>e / \$million revenue)</li> </ul>	✓
	<ul style="list-style-type: none"> <li>Energy intensity (MWh / \$million revenue)</li> </ul>	✓
<a href="#">Other metrics</a>	<ul style="list-style-type: none"> <li>Definitions of unassured ESG metrics</li> </ul>	

1. New to Basis of Reporting, February 2024

For the metrics denoted as assured above, Deloitte LLP provide third-party limited assurance in accordance with the International Standard for Assurance Engagements 3000 (ISAE 3000) and Assurance Engagements on Greenhouse Gas Statements (ISAE 3410) issued by the International Auditing and Assurance Standards Board (IAASB).

A full copy of Deloitte's assurance statement for Convatec Group Plc may be found at <https://www.convatecgroup.com/sustainability/esg-reports-and-data/>

Where the basis of reporting is provided below for metrics that are not assured, the unassured status is noted.

Please direct any questions to [esg@convatec.com](mailto:esg@convatec.com)

## I. Quality

### Metric: Complaints per million (CPM)

**Reporting period:** Reporting calendar year: 1 January to 31 December

**Reporting boundaries:**

This metric includes Convatec branded products manufactured by Convatec subsidiaries in scope for the Convatec global quality management processes. Products manufactured by entities acquired/merged by Convatec are included when they have been integrated into the global quality management systems. Products associated with divested or terminated business activities are excluded.

**Calculation:** The average monthly CPM over the reporting period

- **Definitions and indicators:**

- **Monthly CPM:** the number of complaints for the current month divided by the average sales eaches for the previous 6 months, excluding the current month. This sum is then multiplied by one million (to convert to a CPM scale).

$$\text{Monthly complaints per million eaches sold (CPM)} = \frac{\text{Complaints per month}}{\text{Average sales eaches for 6 previous months excluding the current month}} \times 1,000,000$$

- **Complaint**
  - Any written, electronic, or oral communication that alleges deficiencies related to the identity, quality, durability, reliability, safety, effectiveness, or performance of a device after it is released for distribution (as per Complaint Definition 21 CFR 820.3(b)). The source of the complaint could be either reported by anyone internal or external to convatec. All complaints are registered in the global quality management system within TrackWise, a computer-based complaint application, upon notification, and assessed to establish whether it represents a valid complaint.
- **Eaches**
  - Eaches represent the total number of units sold, as Convatec products are generally sold in packs of multiple units e.g. 3 packs of 5 products per pack would be recorded as 15 eaches.
- **Calculation method:**
  - **Quality registrations:**
    - For the purposes of the processes outlined below, it is important to note that Convatec operate two ISO registrations and resulting quality management systems.
    - The Convatec global quality management system relates to Convatec branded products in the Advanced Wound Care, Ostomy Care and Continence Care categories.
    - Infusion Care products manufactured and sold by Unomedical in Denmark are managed by a separate quality management system

and ISO registration. Both ISO registrations are managed using TrackWise software. As a result, Complaints and eaches data are reviewed separately and consolidated to calculate the final metric.

○ **Input data sources:**

- Complaints for Non-Infusion Care – Data extracted from TrackWise (complaint handling system)
- Complaints for Infusion Care: As Convatec Infusion Care products are sold to third party manufacturers who integrate the Convatec product with other third-party components to generate a finished good to be utilised by the patient, complaints are reported and recorded to the third party manufacturer, and cascaded to Convatec & other component manufacturers. All complaints are received and processed in a separate instance of TrackWise as per the controlled complaints procedure in line with ISO13485. (See details below).
- Eaches non-Infusion Care – Data extracted from the management reporting systems by the Financial Planning & Analysis (FP&A) team
- Eaches Infusion Care – Data extracted from our ERP system (SAP) by the Infusion Care Quality team

• **Description of the complaint reception process**

Any written, electronic, or oral communication that alleges deficiencies related to the identity, quality, durability, reliability, safety, effectiveness, or performance of a device after it is released for distribution. As per Complaint Definition 21 CFR 820.3(b)), all complaints must be entered in the designated complaint handling system by the complaint handling team as per controlled complaint procedures in line with ISO 13485.

Complaints can be received in several different ways, including but not limited to:

- E-mail (e.g. [wwps.complaints@convatec.com](mailto:wwps.complaints@convatec.com))
- Response from different conferences/user forums/expert panels
- Input from Sales & Marketing based on customer remarks
- Notifications from the web (e.g., [www.infusion-set.com](http://www.infusion-set.com))
- Telephone

Complaints are entered in TrackWise as an individual record by a authorised and trained personnel following a standard operating procedure (in accordance with ISO13485). Each record has its own unique ID number automatically assigned. All available information will be entered into designated fields in TrackWise following the companies standard operating procedures and work instructions in accordance with ISO13485.

• **Complaints excluded from the published metric:**

Certain Complaints are excluded from the published metric. These exclusions are carried out in the Power BI system during the monthly reporting process and consist of:

- Complaint non-Infusion Care – removal of any complaints within the below groups:

- **Co-branded** – co-branded products pertain to a small manufacturing operation which is not within the Convatec global quality management system. Convatec is not responsible for complaint handling or vigilance reporting, as per the QMS-D Data Hub which specifies the inclusion/exclusion of products.
- **Closed cancelled** – these cases (records) have been cancelled for a particular reason in line with company's standard operating procedure and work instructions in accordance with ISO 13485, which will be traceable within the case itself.
- **Complaint Infusion Care** – Infusion care complaints are recorded in TrackWise, Convatec's computer-based software application to manage and document complaint information. The complaints are received via a Business to Business (B2B) transfer and are contained within an Infusion care module within TrackWise.

As Convatec Infusion Care products are sold to third party manufacturers who integrate the Convatec product with other third-party components to generate a finished good to be utilised by the patient, patient complaints for the finished product are reported to a distributor and/or medical device company and cascaded to all component manufacturers, including Convatec. Complaints received by Convatec are analysed to determine which manufacturer the product failure or assembly process issue is attributable to. Evaluation criteria is used to analyse the complaints received, informed by knowledge of the design of the product, environmental and/or clinical factors impacting the use of the product by a patient. Once the evaluation is concluded, those complaints that are not attributable to Convatec product are excluded.

- **Eaches non-Infusion Care** – removal of any eaches within the below groups:
  - **Non-product related entries** – such as postal and service fees, that are not actually physical products.
  - **Co-branded** – excluded to align with the exclusion process of the complaints data described above
- **Eaches Infusion Care** – the eaches data from the Convatec management reporting system is replaced by eaches data sourced from the ERP system (SAP) to align with the complaints metrics reported under the Infusion care ISO registration.
- **Calculation:**
  - Automatically carried out in Power BI system monthly
  - Complaints
    - Summed to the total complaints received within the month
  - Eaches
    - Step 1 - Monthly total of eaches summed from Hyperion

- Step 2 - Average taken of the previous 6 months excluding the current month. E.g. July eaches is the average of January to June (The average values of eaches sold will be lagged by one month to account for stock holding and align with the timing of the sales and complaints).

$$\text{Monthly complaints per million eaches sold (CPM)} = \frac{\text{Complaints per month}}{\text{Average sales eaches for 6 previous months excluding the current month}} \times 1,000,000$$

### Recalculation of prior years' data

Required if business structure changes to account for the impact of acquisitions, mergers, divestments, terminated businesses, such as described above in reporting boundaries.

### Recalculation of data in 2023

During 2022, Convatec completed the exit from hospital care and related industrial sales. Given that CPM is a ratio of complaints received to products sold for the scope defined above, a recalculation of the prior year's CPM data was required to effectively measure the impact of reducing complaints per million for the products that remained in the business, and in the scope of the global quality management system.

In alignment with the calculation method described above (page 2), the complaints and sales volumes of the critical care business were removed from prior year numbers to establish a baseline that could be compared to our performance in 2023. This impacted the overall CPM baseline used to calculate our CPM reduction metric, from 41 (as reported in our 2022 annual report) to 50.7. The reason for the CPM increase with the exclusion of the hospital care and related industrial sales numbers is that these products were a high volume / low complaint business, so once removed from the full calculation, the denominator decrease impacted the overall ratio to increase (as these products had a low ratio of complaints to overall volumes sold).

With this recalculation, we have been able to make a more relevant year-over-year comparison of CPM reduction (as these products were no longer part of the portfolio in 2023).

## II. Innovation

### Metric: Vitality index

**Purpose:** Vitality is a metric which uses revenue attributable to new products to show Convatec's ability to deliver innovative products which are valued by our customers, measured by customer uptake

**Reporting period:** Reporting calendar year: 1 January to 31 December

**Calculation:** Calculated as the annual revenue generated by new products divided by annual revenue, as defined below:

- **Annual revenue:** Total Convatec Group net revenues relating to products developed by Convatec and marketed under the Convatec brand, (Revenues

associated from third party branded products purchased for resale through our distribution businesses, HSG & Amcare are excluded as the innovation of these products are not under our control). Revenues are stated in USD and translated from local currencies (at average rates for the year - consistent with the Annual Report & Accounts)

- **Annual New product revenue:** Revenue from Convatec products launched within a country over the last 5 years (inclusive of reporting year), across all our operating countries. Definitions:
  - 'Products' are defined at the International Code Council, Stock Keeping Unit (ICC SKU) Level. Each code represents an individual Product Stock Keeping Unit
  - 'Country' defined as any country where Convatec products are sold.
- **Calculation method:**
  - Data collection and mapping
    - Annual Sales Data, per ICC SKU and Management Market is sourced from our Financial Planning & Analysis (FP&A) team and mapped to the specific country of sale, using an internal mapping of Management Market to Countries, also provided by our FP&A team.
    - Annual Sales are mapped to the product hierarchy determining the "Product Variation", "Product Type", "Product Range" and "Business Unit" for each SKU. The product hierarchy is used to exclude the non-Convatec branded products from both "New Product Revenues" & total revenue.
  - Data cleansing
    - The following SKU codes are removed for the purposes of calculating both new product revenue & total revenue:
      - SKU codes that do not have a corresponding hierarchy (e.g., discontinued Codes).
      - Virtual SKU codes which are used to account for net sales adjustments (discounts, rebates), which are not allocated to individual SKUs.
  - Calculation of new product revenue
    - Each SKU is assigned a launch year, representing when the product was first launched in the specific Country. This is determined as the first year for which we have revenues recorded for the SKU in our financial systems.
    - New Product Revenue is equal to the annual revenue from each SKU from the time it is launched (in each country if the reporting year is less than 5 years after the launch year. For example, if two SKUs are launched, one in Germany in 2020, and another in France in 2021; The German SKU would contribute to our New Product Revenue each year from 2020 to 2024, while the French SKU would contribute from 2021 to 2025.

**Reporting boundaries:**

- **Annual view:** Product launch years are determined by the year of launch and do not account for the month of launch. For example, separate product launches in January 2020 November 2020 will both have the same vitality period (i.e., their revenues will both be considered as “new product revenue”, from their respective launch dates in each year of the 2020-2024 reporting periods).
- **Acquisition approach:** We include revenue contribution of a acquired products based on the product launch date in each market (regardless of the acquisition date). To allow time for the data collation, we exclude all revenues for the first 12 months after each acquisition from the vitality calculation from both the numerator & the denominator to determine the actual launch dates of each product being acquired. These launch dates will be used to determine the appropriate periods which define “new product revenue”, using the same criteria as our existing products.
- **Lifecycle management projects:** Where projects have been undertaken to significantly improve an existing product offering from a customer’s perspective, we consider these as examples of innovation. In these cases, the vitality period is restarted from the year when the improvement is launched in a market.
  - For example, revenue from a product first launched in a country in 2015 is no longer considered “new product revenue” from 2020 onwards (as this is more than 5 years from launch). However, if in 2021, the product is upgraded in a way that improves the customer experience (e.g., design improvements that improve the product’s ease of use), revenue from this product will be considered “New” from 2021 until 2024.
    - The aforementioned projects are considered on a case-by-case basis and are approved for inclusion by the Portfolio Management Team (PMT) which is a subset of CELT.
    - Projects which are considered for inclusion are identified through our Change Control Review (CCR) process. The CCR process is used exclusively for changes to products which are already on the market & has a specified Standard Operating Procedure (SOP)
    - Within the CCR process we have 3 classifications of types of changes:
      - Type A: Design & Manufacturing changes Customer driven changes to form or fit. Function and intended use remain the same or is new. Impact to end user is probable, change is detectable by end-user.
      - Type B: Design & Manufacturing changes Business decision to change form or fit. Could be made to resolve operational issues, provide scalability or achieve efficiencies. Impact to end user is unlikely, change is not easily detectable by end user.
      - Type C: Manufacturing changes (no design impact) Change does not have a significant effect on any quality attribute, does not impact a product design.
    - Type A changes are the only changes which are brought to PMT for review with a subset of these changes being included in the vitality calculation on a case-by-case basis

- Only changes that do change the form or function of the product are included such as significant design improvements
- Examples of what would be excluded changed are packaging & labelling changes which do not impact form or function of the product itself

### III. DE&I and Wellbeing

#### Metric: Percentage of females among senior management and CELT roles combined

**Reporting period:** Calculated on employees on a point in time basis, as of 31 December of the calendar year.

**Calculation:** Calculated as total females in the CELT and senior management divided by total employees in the CELT and senior management.

**Reporting boundaries:** historically, and for the current year, this metric includes all employees including fixed term; permanent and temporary.

- Fixed term - employee covering a permanent basis on an approved position for a specific contract length
- Permanent – employee covering a permanent basis on an approved position
- Temporary – any worker covering a permanent position (including for individuals on leave) on a temporary basis regardless of the kind of contract (e.g., third party agency, contractors, etc). The logic to include temporary workers in this metric is that they are working as employees for sometimes years and thus counted as headcount.
- Female is defined as an employee's gender at birth and / or what is indicated on legal documents (e.g., passport). It is not defined by gender identity.
- Gender is entered by an employee or HR into Workday at the point of hire.
- For purposes of the annual report, 'senior management' includes direct reports of CELT members, excluding executive assistants and roles not considered senior leaders, equivalent to chief of staff/project manager roles. For any employees for which we are not able to obtain gender data, such as an employee who elected not to disclose their gender, the approach is to apply the same proportion of male vs. female in the total population known to the missing data which maintains the same organisational-level results. In a typical year, this is not more than 20-30 people across the company and less in senior management.
- Senior management population (CELT and CELT+1) can change from year to year to meet business requirements and other factors. In 2023, there were 11 CELT members (2022:11) and 68 CELT +1 (2022:81).

#### Metric: Staff voluntary turnover (metric not receiving third-party assurance)

**Reporting period and calculation:** calculated as total employees leaving for the year/average monthly headcount, measured on 31 December.

**Reporting boundaries:**

- Voluntary turnover includes retirement and excludes redundancies, involuntary terminations, apprentices, interns, working students, temporary workers, fixed term and contingent workers. Historically, this metric includes all employees including permanent and temporary.
- Temporary and fixed term workers are excluded from turnover since their exit is expected based on the contract end. Only regular permanent employees are counted in turnover.

Voluntary turnover represents a key metric to assess the wellbeing of the business and the engagement and retention of employees.

## Disclosures

The reporting period is based on occurrence data opposed to the date the incident was recorded, running from 1 Jan to 31 Dec of the calendar year. We are committed to providing clarity on data and providing historical comparisons wherever possible and context on notable changes in the organisation that may impact reporting.

## IV. Health and safety

### Metrics

- Operations hazard observation rate
- Operations lost time injury rate

**Reporting period:** Reporting calendar year - 1 January to 31 December

### Reporting boundaries

- The Group has a number of facilities, including offices, distribution centres and 9 manufacturing sites
- These metrics are only reported for Operations which comprises the 9 manufacturing sites
- This metric includes all employees including fixed term; permanent and temporary.
  - Permanent – employee covering a permanent basis on an approved position
  - Temporary – any employee covering a permanent position (including for individuals on leave) on a temporary basis regardless of the kind of contract (e.g., third party agency, contractors, etc).
  - Fixed term – employee covering a permanent basis on an approved position for a specific contract length

### Significant changes in 2023

Advanced Tissue Technology (ATT) Memphis, USA was acquired by Convatec in March 2022. The reporting data for ATT is included from 1 Jan 23 onwards.

### Incident reporting

All employee (as defined above) and contractor health and safety instances are recorded within the Accident, Incident & Hazard Observation reporting database (CR360).

All events reported are classified as either accidents, incidents, near miss events or hazard observations. Accident categories include lost time, recordable, restricted duty, occupational health and first aid injuries.

All teams input the incident details into the database and the classification is validated by the Global Environmental, Health and Safety (EHS) team during quarterly reviews.

### Hours data

- Hours worked by employees and contractors are entered into the CR360 database on a monthly basis. The hours entered are actual hours worked wherever possible. Where this is not possible, the following calculation is performed to estimate the data:
- Total Full Time Equivalent headcount multiplied by the average contracted hours worked in the month per individual.
- Example based on a headcount of 100 where the monthly hours worked on average by one person is 160 hours:  $100 \times 160 = 16,000$  hours worked during the month

### Calculation

- Both Health and Safety metrics are normalised based on 200,000 hours. The 200,000 hours worked figure used within the incidence rate formulae below represents the number of hours worked by 100 employees working 40 hours per week, 50 weeks per year. The rate per 200,000 hours worked is used to normalise the data, providing consistency year on year, enabling comparisons to be made across all locations using a recognised standard.
- Lost Time Injury Rate (LTIR) calculation
  - A lost time injury is a work-related injury sustained by an employee that results in an absence from work.
  - The lost time incurred is counted from the first full working day absent following the incident until the individual returns to work, capturing all full days absent, including weekends.
  - $\text{Lost Time Injury Rate (LTIR)} = (\text{Total Number of Lost Time Injuries} \times 200,000) / \text{Hours worked}$
- Hazard Observation Rate calculation
  - The Hazard Observation Rate calculation is used to determine the rate for hazard observation and near miss reporting
  - A hazard observation is the observation of an unsafe act or condition which could have led to an accident, incident or near miss.
  - A near miss is an event which had the potential to cause harm, but no harm was incurred.
  - By measuring and pro-actively managing hazards we aim to effectively prevent incidents from occurring. The rate is calculated per 200,000 hours worked and follows the same calculation methodology as the LTIR calculation.

- Hazard Observation Rate = (Total Number of Hazard Observations and Near Misses) x 200,000 / Hours worked

### Recalculation of prior years' data

Recalculation of prior years' data will be undertaken if a material change is identified, resulting in a change of greater than 2%. No recalculation was required for reporting years 2022 and 2023.

- For example, a material change could be due to several potential factors, including an acquisition or divestiture of a business or part thereof, the closure of a manufacturing site or a data reporting error from a previous year.

## V. Energy and emissions

### Metrics

To allow for ready comparison, the group reports both absolute and intensity metrics.

The absolute metrics are:

- Total GHG emissions (Market Based) (tCO<sub>2</sub>e)
- Total GHG emissions (Location Based) (tCO<sub>2</sub>e)
- Direct (Scope 1) GHG emissions (tCO<sub>2</sub>e)
- Indirect (Scope 2) (Location Based) GHG emissions (tCO<sub>2</sub>e)
- Indirect (Scope 2) (Market Based) GHG emissions (tCO<sub>2</sub>e)
- Indirect (Scope 3) GHG emissions (tCO<sub>2</sub>e) (not assured; see Appendix)
  - Categories, 1,2,3,4,5,6,7 & 12 included
- Total Scope 1 and Scope 2 Energy Consumption (MWh)

The intensity metrics are:

- Greenhouse gas emissions normalised by revenue (tCO<sub>2</sub>e/\$million revenue)
- Energy Intensity (MWh / \$million revenue)

### Reporting period

- Reporting calendar year - 1 January to 31 December
- The environmental data reporting year is consistent with the financial reporting year for all years prior to, and including, 2023.
- In Greenhouse Gas Protocol terms, the boundary we are using for our Scope 1, 2 and 3 reporting is 'Financial Control', i.e., we report 100% of the emissions from operations over which we have financial control.
- The base year for our GHG metrics and targets is 2021.

### Reporting boundaries

- Convatec use a financial control approach, as such where Convatec has the ability to direct its financial & operating policies, with a view to gaining economic benefits from its activities, then the emissions are included within the Scope 1 & 2 data.
- The environmental indicators cover Convatec's global operations with no exceptions. This includes 9 manufacturing sites and circa 124 other types of

buildings: Research and Development centres, warehouses, offices and retail centres.

## Exclusions

### Scope 1&2

We ensure that >95% of our Scope 1 & 2 emissions are included within our footprint, in compliance with our SBTi validated Science Based Target.

At our manufacturing site in Rhymney, South Wales, we have fugitive emissions arising from volatile organic compounds (VOCs). These emissions arise from the use of industrial denatured alcohol (IDA) in the chemical production processes associated with the manufacture of our Advanced Wound Care products.

To mitigate these emissions, a regenerative thermal oxidiser is used to combust any VOCs extracted from the process, using natural gas which is captured in the stationary Scope 1 emissions reporting described below. There is a rigorous data review process completed regularly to ensure site data is of sufficient quality, and the stack emission tests are undertaken across a 4-hour period to ensure appropriate hourly data coverage. The VOCs are calculated to breakdown into CO<sub>2</sub> or dimethyl ether, which is the simplest ether compound. This is considered to be a conservative approach as other VOCs that could be created from the processes have no GWP listed by the IPCC, whereas both CO<sub>2</sub> and dimethyl ether have a Global Warming Potential (GWP) of 1.

As such the total VOC (as Carbon) emissions are multiplied by a GWP of 1. Based on the site testing data, VOC emissions are estimated to be 6.63 tCO<sub>2</sub>e per year. As this is less than 0.05% of our total Scope 1 emissions, we have excluded these emissions. We will continue to monitor the emissions on an annual basis to ensure that we are in compliance with the inclusion of >95% of Scope 1&2 emissions within our footprint.

## Reporting framework

The group has developed and tailored its list of energy and GHG key performance indicators (KPIs) in line with its material issues, business reporting requirements, ESG indexes/surveys and the latest UK guidance, including:

- The Greenhouse Gas (GHG) Protocol<sup>1</sup> (WRI, WBCSD)
- Streamlined Energy and Carbon Reporting (SECR)
- Energy Savings Opportunity Scheme (ESOS)
- Task Force on Climate-related Financial Disclosure (TCFD)
- The group's KPI and core sustainability metrics

## Greenhouse gases

In accordance with the Kyoto protocol the group measures and reports emissions arising from the seven main greenhouse gases that contribute to climate change, namely carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) hydrofluorocarbons (HFCs), perfluorocarbons (PFCs), Sulphur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>). No exclusions of specific gases have been made based on materiality.

<sup>1</sup> <https://ghgprotocol.org/corporate-standard>

The effect of these emissions is reported as a single figure, carbon dioxide equivalent (CO<sub>2</sub>e), which represents their combined Global Warming Potential. Convatec uses AR5 GWPs as per the latest emission factors guidance from the UK's Department for Energy Security & Net-Zero (DESNZ).

### **Emission factors**

All Scope 1 emissions factors have been sourced from UK's Department for DESNZ publications, which was previously managed by the UK's Department for Environment, Food and Rural Affairs (DEFRA). Factors applied change on a calendar year basis, as per DESNZ published guidance. The latest emissions factors dataset at the time of calculation is always applied.

In accordance with the GHG Protocol's Scope 2 guidance, Electricity (location-based) is calculated using the average load factors for the specific country of usage factors, sourced from the International Energy Agency 2023. Electricity (market-based) is calculated using supplier-based emission factors. Where supplier specific emissions factors are not available, the Reliable Disclosure (RE-DISS) and Association of Issuing Bodies (AIB) European Residual mix factors are used for sites located in Europe. In the USA, Green-e 2023 residual mix factors are used. In the absence of residual mix factors, the location based (IEA) factor is used.

Emission Factor Update in 2023: A supplier specific emission factor was sourced from our Danish District Heating Supplier Vestforbraending, using the published 2022 emission factors on their website [vestfor.dk/om-os/data-beskyttelse](https://vestfor.dk/om-os/data-beskyttelse).

Where only spend data is available, spend-based emission factors from the US EPA Environmentally-Extended Input-Output (USEEIO) factors have been used. These have been used in Scope 3 – Purchased goods and services, capital goods and some of our warehouse and transportation. We do not currently deflate our spend to accommodate currency conversions based on the age of the emission factor data sets.

### **Renewable energy**

For purchased electricity to be considered as being generated by a renewable source under the market-based method (e.g. wind, solar, hydro), this electricity must be matched to the latest available renewable energy certificates. For example, in the UK, if the group purchased an electricity tariff that is 100% renewable, all electricity purchased within the REGO reporting period must be backed by REGOs. In other global markets, the equivalent certificate scheme is to be used. For example, GOs (guarantee of origin) in Denmark, iRECs in Mexico. The certificates provided by the suppliers will be issued to cover the accounting period, be from the same market that the electricity is sourced and retired upon receipt.

### **Data collection**

Data is collected at all manufacturing sites and a further 22 larger 'in scope' sites via our UL360 web-based environmental management system, which is completed monthly by delegates at each location. An additional 9 sites were added to the list of 'in scope' sites for 2023 reporting, to improve overall data accuracy.

For the remaining locations, estimates are made which account for 3% of total Scope 1 & 2 emissions in 2023 (2022: 2.6%) and 13% (2022:14%) of total floor area. Data is

verified by the group energy & environment manager, including centrally collected data such as business travel data extracted from the group's online expenses platform.

### Data hierarchy

The source of data varies but the following hierarchy is applied to Scope 1 stationary emissions and Scope 2 emissions depending on availability. For information on the data sources for other emission types please refer to the GHG methodology summary section below:

1. Supplier invoices
2. Energy meter readings (or tank level readings for Diesel in generators)
3. Building share fill – If consumption is known for an entire building, an estimate is calculated using Convatec floor area share divided by total floor area to generate a % split of a share of a building's energy usage.
4. Intensity fill – If no raw data is supplied, an intensity estimate is generated using the methodology highlighted below

### Energy conversion factors

There are examples of energy data being collected in varying S.I units at meter or invoice level.

We apply the following conversion factors when converting to our standard units for entry into the UL360 environmental database.

- 1 Cubic Foot (Ft<sup>3</sup>) X **0.02832** = 1 Cubic Meter (m<sup>3</sup>)
- 1 Decatherm = 10 Therms
- 1 Centum Cubic Foot (100 x Ft<sup>3</sup>) X 2.832 = 1 Cubic Meter (m<sup>3</sup>)

All fuel property conversion factors have been sourced from DESNZ publications, which was previously managed by the UK's Department for Environment, Food and Rural Affairs (DEFRA). Factors applied change on a calendar year basis, as per DESNZ published guidance.

- 1 Therm of natural gas X 2,776 = 1 kWh (m<sup>3</sup>) of natural gas
- 1 Cubic Meter (m<sup>3</sup>) of natural gas X 11 = 1 kWh of natural gas

### Diesel use in back-up generators

When calculating the energy generated by Diesel back-up generators, an assumed efficiency ratio of 30% fuel to energy is used to calculate the amount of energy generated due to losses in the process. The DESNZ factor is then applied to convert energy to carbon emissions.

### Intensity fill estimates

An intensity estimate is calculated for those 'out of scope' sites with no primary data collected. An average intensity figure is generated from the pool of actual data by dividing floor area by the energy used for each and then averaging across the pool of sites. This intensity factor is then multiplied by the total floor area of sites with no data and used for both electricity and natural gas as the primary energy sources used. These calculations are applied regionally with average regional emission

factors. For 2023, 2.5% (2022: 2.6%) of electricity and 4.6% (2022: 3.8%) of natural gas consumption was estimated. The methodology for estimating refrigerant leakage is in the fugitive emissions methodology section below. The percentage of fugitive emissions that are estimated are 13.9% (2022: 12.4%) which accounts for 0.5% (2022: 0.4%) of total Scope 1 emissions.

### Improvements to data

- Convatec uses 2021 as the base year for our carbon footprint. To accurately track progress towards our carbon reduction targets, we will adjust our base year emissions to account for significant changes, described below, if the changes drive an increase/decrease in emissions of greater than 5%.
- Structural changes: include acquisitions, divestures or mergers of businesses or facilities that existed during 2023.
- Methodology Changes: include updated emissions factors, improved data access, updated calculation methods or protocols.
- Other changes that would trigger a re-statement could be discovery of a significant error or several cumulative errors.
- Change in our organisational boundary or the addition of a new type of Scope 3 emission.

### Calculation

- **Total Scope 1 & 2 GHG emissions (Market based);** sum of 'Direct Scope 1 GHG emissions' + 'Indirect Scope 2 (market based) GHG emissions'
- **Total Scope 1 & 2 GHG emissions (Location based);** sum of 'Direct Scope 1 GHG emissions' + 'Indirect Scope 2 (location based) GHG emissions'
- **Direct (Scope 1) GHG emissions;** GHG emissions arising from fuels combusted for the purpose of energy generation owned by the company and fugitive gases. This includes use of diesel, natural gas, refrigerant leakages and fuel for leased company vehicles.
- **Indirect (Scope 2) GHG emissions;** GHG emissions arising from the generation of purchased electricity, steam, heat or cooling consumed by the company that is purchased or otherwise brought into our financial boundary. These emissions physically occur at the facility where the energy is generated.
- **Market based;** reflect supplier specific emissions from energy sources purposefully chosen.
- **Location based;** Reflect average emissions from energy sources. (e.g grid-average emission factor for electricity purchased in a given country)
- **Indirect (Scope 3) GHG emissions;** GHG emissions arising from all other sources because of our activities but occurring from sources not owned by us. (Not Assured).
- **Total Scope 1 & 2 Energy Consumption;** sum of 'Direct (Scope 1) Energy Consumption' + 'Indirect (Scope 2) Energy Consumption'
- **Direct (Scope 1) Energy Consumption;** Energy consumption arising from fuels combusted for the purpose of energy generation owned by the company. This includes use of diesel, natural gas and fuel for leased company vehicles.
- **Indirect (Scope 2) Energy Consumption;** Energy consumption from the generation of purchased electricity, steam, heat or cooling consumed by the company that is purchased or otherwise brought into our financial boundary.

## GHG methodology summary

- **Scope 1 fugitive emissions**
  - The amount of each refrigerant charge added to cooling systems within the company's operations during the reporting year (expressed in kg) is multiplied by the emission factor published by DESNZ or IPCC.
  - Leakage emissions are estimated for all non-manufacturing sites and two manufacturing sites that do not provide data in the UL360 software. Proxy values are applied using two methodologies.
  - The first methodology uses the HM Government SECR Guidance<sup>2</sup> regarding the estimation of refrigerant leakage based on the size and type of refrigeration unit. The annual leakage emissions are calculated from the equipment charge capacity, annual usage, annual leakage rate, and global warming potential of the refrigerant.
  - The second methodology uses average refrigerant tCO<sub>2</sub>e/SQFT based on the GDC non-manufacturing site calculated using the SECR guidance.
  - For manufacturing sites that do not provide refrigerant leakage data; a proxy value is applied using tCO<sub>2</sub>e/SQFT from the manufacturing sites with data, and a refrigerant emission factor is calculated from the available data from manufacturing sites.
- **Scope 1 mobile emissions**
  - Mileage data is collected either directly from company employees bi-annually in the form of odometer readings or from regional leasing providers. Average DESNZ emission factors are then applied for diesel, petrol and electric fuels to calculate carbon.
  - An annual variation factor is applied to the odometer readings provided depending on the period of time covered by the readings. This factor allows data to be extrapolated over a 1-year period.
  - Where mileage and fuel consumption were missing; proxies based on the average emissions per vehicle type within the existing data were used. Vehicle type was categorised by DESNZ market segment.
  - KWh of vehicles were calculated based on the km travelled and the SECR DESNZ factors. For vehicles without mileage data, proxies based on the average emissions per vehicle type within the existing data were used. Vehicle type was categorised by DESNZ market segment.
- **Scope 1 stationary emissions**
  - Emissions from the use of natural gas and diesel on company sites are calculated using consumption data and DESNZ mission factors.
- **Scope 2 indirect emissions**
  - Consumption of purchased electricity and heating is collected across different sites before applying the relevant emission factor. Location and market-based reporting methods are used to calculate emissions. Location-based emissions are calculated using DESNZ and IEA emission factors.
  - Market-based emissions are calculated using supplier specific emission factors which are obtained through the procurement of green energy. Where

<sup>2</sup> HM Government. 2019. Environmental Reporting Guidelines: Including streamlined energy and carbon reporting guidance

Renewable Electricity Certificates are not purchased, then residual mix emissions are applied instead and are calculated using emission factors from Re-DISS (Europe) and Green-e (U.S and Canada)

**Metric: Scope 3 emissions in the value chain (metric not receiving third-party assurance)**

The majority of Convatec's emissions occur within our value chain. We conducted a screening exercise during 2022 to determine which of the Scope 3 categories are most significant within our value chain. This screening assessment was updated in 2023 through the SBTi validation process, which identified some additional considerations regarding emissions in Downstream Transportation & Distribution and Processing of Sold Products. Through the screening process, the majority of Scope 3 categories have been included, with some exclusions shown in the sections below. There have also been some minor updates to the methodologies used for the transportation categories, with the use of Well-to-wheel emission factors to align to SBTi criteria.

Scope 3 Categories – screening results	
Category 1: Purchased goods and services	Included
Category 2: Capital goods	Included
Category 3: Fuel and energy related activities (not included in Scope 1 and 2)	Included
Category 4: Upstream transportation and distribution	Included
Category 5: Waste generated in operations	Included
Category 6: Business travel	Included
Category 7: Employee commuting	Included
Category 8: Upstream leased assets	Excluded
Category 9: Downstream transportation and distribution	Excluded
Category 10 (Processing of sold products)	Excluded
Category 11: Use of sold products	Excluded
Category 12: End of life treatment of sold products	Included
Category 13: (Downstream leased assets)	Excluded
Category 14: (Franchises)	Excluded
Category 15: (Investments)	Excluded

Category 1: Purchased goods and services	
Definition	'This category includes all upstream (i.e., cradle-to-gate) emissions from the production of products purchased or acquired by the reporting company in the reporting year. Products include both goods (tangible products) and services (intangible products)' – GHG Protocol
Scope	The reporting period is 1 January 2023 – 31 December 2023 Convatec reports emissions arising from activities for which we are responsible. Our reporting scope is against a financial control.
Units	CO <sub>2</sub> e tonnes

Method	<p>Emissions split into Raw Materials, Packaging, Sterilisation, External Manufacturing and Other Services (supporting production phase)</p> <p>Methodology combines primary supplier data and spend. Top vendors are engaged to collect company specific emission factors, or their submitted Carbon Disclosure Project (CDP) information is used (if available). Additional sources are used where appropriate, such as vendors onboarded to the EcoVadis platform or company annual reports.</p> <p>Due to the specificity of sterilisation activities the decision was made not to use the spend based approach as no appropriate emission factors were available. To calculate sterilisation emissions an estimation approach will be used based on the number of pallets sterilised per business unit and using the life cycle assessment (LCA) sterilisation data available from existing LCAs in each business unit and applied to products within the same business unit. Sterilisation emissions account for 8.7% of Category 1 emissions in 2023 (8.8% in 2022).</p> <p>Convatec sent a supplier engagement survey to their top suppliers at the end of 2023. The survey enabled the gathering of primary supplier specific data for Convatec's top suppliers. The data was processed in accordance with the GHG Protocol for calculation of supplier specific factors. The supplier specific emissions factors were calculated based on the supplier's relevant Scope 1, 2, and 3 emissions, and divided by their total revenue. The supplier specific factors calculated were interrogated for robustness against sector peers and spend-based EEIO factors to ensure that were appropriate for use. Those deemed robust were used to replace the spend-based EEIO factors in the calculations.</p>
Source	US EPA EEIO v2.0 spend factors are used when specific emission data cannot be obtained or when the spend associated with purchased goods and services is low. LCA emission factors sourced from existing Convatec LCAs.

Category 2: Capital goods	
Definition	'This category includes all upstream (i.e., cradle-to-gate) emissions from the production of capital goods purchased or acquired by the reporting company in the reporting year. Emissions from the use of capital goods by the reporting company are accounted for in either scope 1 (e.g., for fuel use) or scope 2 (e.g., for electricity use), rather than in scope 3' – GHG Protocol
Scope	The reporting period is 1 January 2023 – 31 December 2023 Convatec reports emissions arising from activities for which we are responsible. Our reporting scope is against a financial control.
Units	CO <sub>2</sub> e tonnes
Method	Supplier spend data is used to calculate the emissions from capital goods purchases.
Source	US EPA EEIO v2.0 spend factors are used when specific emission data cannot be obtained or when the spend associated with capital goods is low.

Category 3: Fuel and energy related activities (not incl. in Scope 1 or 2)	
Definition	<p>'This category includes emissions related to the production of fuels and energy purchased and consumed by the reporting company in the reporting year that are not included in scope 1 or scope 2.</p> <p>Sub-categories included:</p> <ul style="list-style-type: none"> <li>- Upstream emissions of purchased fuels</li> <li>- Upstream emissions of purchased electricity</li> <li>- Transmission and Distribution losses' – GHG Protocol</li> </ul>
Scope	The reporting period is 1 January 2023 – 31 December 2023 Convatec reports emissions arising from activities for which we are responsible. Our reporting scope is against a financial control.
Units	CO <sub>2</sub> e tonnes

Method	Sites report fuel and energy consumption monthly, based on invoices, meter readings and other sources (see 'Emission Factors'). Diesel and Natural gas are converted to kWh before an emission factor is applied.
Source	Most recent DESNZ emission factors for the reporting year.

Category 4: Upstream transportation and distribution	
Definition	<p>Transportation and distribution of products transported or stored, during the reporting year, between a company's tier 1 suppliers and its own operations in vehicles not owned or operated by the reporting company (including multi-modal shipping)</p> <p>Third-party transportation and distribution services purchased by the reporting company in the reporting year (either directly or through an intermediary), including inbound logistics, outbound logistics (e.g., of sold products), and third-party transportation and distribution between a company's own facilities.</p> <p>As per SBTi guidance, transportation and distribution emissions where Convatec have paid for the transportation and distribution are all included within the Upstream Transportation &amp; Distribution category.</p> <p>Emissions may arise from the following transportation and distribution activities throughout the value chain:</p> <ul style="list-style-type: none"> <li>- Air transport</li> <li>- Rail transport</li> <li>- Road transport</li> <li>- Marine transport</li> <li>- Storage of purchased products in warehouses, distribution centres, and retail facilities.</li> </ul>
Scope	<p>The reporting period is 1 January 2023 – 31 December 2023</p> <p>Convatec reports emissions arising from activities for which we are responsible. Our reporting scope is against a financial control.</p>
Units	CO <sub>2</sub> e tonnes
Method	<p>Emissions split into Transportation and Warehousing.</p> <p>Methodology combines primary activity data collected from main logistics' partners and spend data where primary data isn't available.</p> <p>The carbon calculation is split by per transport mode:</p> <ul style="list-style-type: none"> <li>- Emissions from air freight</li> <li>- Emissions from ocean transport</li> <li>- Emissions from road transport</li> <li>- Emissions from rail transport</li> <li>- Emissions from warehousing</li> </ul> <p>Various data sources are used to calculate logistics' emissions, in order of quality of data</p> <ol style="list-style-type: none"> <li>1. Data directly from transport providers in tonnes per kilometre (TKM)</li> <li>2. Supplier specific provided kWh or tCO<sub>2</sub>e data for transportation and warehousing</li> <li>3. Spend based data for transportation where TKM is not available.</li> <li>4. Spend based data for warehousing emissions</li> </ol>

	<p>If activity data provided by the supply chain partner is incomplete and covers only some months, then missing data is extrapolated to the full year.</p> <p>Well-to-wheel emission factors are applied for each relevant shipment type used.</p>
Source	Most recent DESNZ emission factors for the reporting year used for primary Tonnes per Kilometre (KM) and well-to-wheel data. US EPA EEIO v2.0 factors used for spend-based conversions.

Category 5: Waste generated in operations	
Definition	'This category includes emissions from third-party disposal and treatment of waste generated in the reporting company's owned or controlled operations in the reporting year. This category includes emissions from disposal of both solid waste and wastewater.' – GHG Protocol
Scope	The reporting period is 1 January 2023 – 31 December 2023 Convatec reports emissions arising from activities for which we are responsible. Our reporting scope is against a financial control.
Units	CO <sub>2</sub> e tonnes
Method	<p>Sites report monthly waste disposal and fates monthly on the global environment UL360 platform, using data from invoices.</p> <p><b>Offices:</b> Where data is missing for offices, a proxy is used based on the average waste produced per employee and the average FTE for Convatec offices. This proxy was calculated by taking the average waste per employee per week and applying a conversion factor for mixed municipal waste. Estimations using this method account for 7.3% of emissions from this category (8.8% in 2022).</p> <p><b>Other non-manufacturing sites:</b> Where data is missing for other non-manufacturing sites, the amount of waste is estimated using available data from our location in Sunderland, UK to create a kg/SQFT proxy per disposal route. This was then applied to each missing site. Emissions associated with each disposal route were then calculated using DESNZ emission factors per disposal route. Estimations using this method account for 0.6% of emissions from this category (0.2% in 2022).</p>
Source	Most recent DESNZ emission factors used for the reporting year.

Category 6: Business travel	
Definition	'This category includes emissions from the transportation of employees for business related activities in vehicles owned or operated by third parties, such as aircraft, trains, buses, and passenger cars.' – GHG Protocol
Scope	The reporting period is 1 January 2023 – 31 December 2023 Convatec reports emissions arising from activities for which we are responsible. Our reporting scope is against a financial control.
Units	CO <sub>2</sub> e tonnes
Method	Data is collected through the company expense system to quantify the total number of air miles, re-imbursed vehicle mileage and hotel stays made. Employees are required to use the company expense system, with no alternative methods of booking travel allowed. This data does not currently include taxi, train and bus travel. Well-to-wheel emission factors are applied for each transportation method.
Source	Most recent DESNZ emission factors used for the reporting year.

Category 7: Employee commuting	
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Definition	A reporting company's scope 3 emissions from employee commuting include the scope 1 (e.g., fuel) and scope 2 emissions (e.g., electricity) of employees and third-party transportation providers. – GHG Protocol
Scope	The reporting period is 1 January 2023 – 31 December 2023 Convatec reports emissions arising from activities for which we are responsible. Our reporting scope is against a financial control.
Units	CO <sub>2</sub> e tonnes
Method	Employee commuting to and from work is calculated using actual and estimated data, as presented below. Information is split between 'Operational Staff' and 'Non-Operational Staff'. Employees falling under 'Non-Operational' category are split between 50% working from the office and 50% from home.  Actual traveling data covers number of employees using company provided buses daily, where such transport mode option is available. In addition, information about travelled distance and type of bus used is captured too.  Estimated data is used to calculate commuting data associated with public transport use and cars. Publicly available sources, such as Statista, are used for average daily distance travelled in each country, % of commuters using each transport mode and average number of days/weeks worked in a year. Well-to-wheel emission factors are applied for each transportation method.
Source	Most recent DESNZ emission factors used for actual data in the reporting year.

Category 12: End-of-life treatment of sold products	
Definition	'This category includes emissions from the waste disposal and treatment of products sold by the reporting company (in the reporting year) at the end of their life. This category includes the total expected end-of-life emissions from all products sold in the reporting year.' – GHG Protocol.
Scope	The reporting period is 1 January 2023 – 31 December 2023 Convatec reports emissions arising from activities for which we are responsible. Our reporting scope is against a financial control.
Units	CO <sub>2</sub> e tonnes
Method	End of life treatment (EOL) of sold products has been calculated based on the EOL treatment data within the 4 LCAs Convatec has undertaken. The LCAs are for: Aquacel, Neria, Invisiclose and Glide.  The EOL emissions from products sold in each business area have had the EOL emissions from one LCA applied. The products have been applied as follows: Critical & Continence Care have had the Glide LCA emissions applied; Infusion Care devices have had Neria emissions applied; Ostomy have had the Ostomy emissions applied; and Advanced Wound Care have had the Aquacel emissions applied. All LCAs comply with ISO standards 14040 and 14044.  Within the Ostomy LCA, 72% of the EOL treatment emissions are associated with disposal of cleaning products to maintain the device over its lifespan. These emissions are considered to be out of scope, as they are beyond Convatec's control, and as such only the remaining 28% of the Ostomy LCA's EOL treatment emissions have been applied.
Source	Emission factors sourced from existing Convatec LCAs, which comply with ISO standards 14040 and 14044.

## Excluded Categories

Category 8: Upstream Leased Assets	
Definition	'This category includes emissions from the operation of assets that are leased by the

	reporting company in the reporting year and not already included in the reporting company's scope 1 or scope 2 inventories. This category is applicable only to companies that operate leased assets (i.e., lessees)' – GHG Protocol
Exclusion Criteria	Convatec have assessed their value chain and not identified any potential sources of emissions which constitute Upstream Leased Assets. Convatec's control approach includes emissions associated with any leased assets in Scope 1&2.

#### Category 9: Downstream Transportation & Distribution

Definition	'This category includes emissions that occur in the reporting year from transportation and distribution of sold products in vehicles and facilities not owned or controlled by the reporting company' – GHG Protocol
Exclusion Criteria	<p>As per SBTi guidance, transportation and distribution emissions where Convatec have paid for the transportation are all included within Upstream Transportation &amp; Distribution, whereas when Convatec does not pay for the transportation and distribution the emissions are attributed to Downstream Transportation &amp; Distribution. This occurs when Convatec sells products to an intermediary distributor that will then sell the product to the final consumer.</p> <p>Convatec does have emissions included within Downstream Transportation &amp; Distribution, and has estimated the emissions using the quantity of products which are sold to distributors and taking the average Upstream Transportation &amp; Distribution emissions per product as a proxy. The estimated emissions calculated Downstream Transportation &amp; Distribution to be immaterial to Convatec's total Scope 3 footprint, and as per the SBTi submission have been screened out as less than 5% of Convatec's total Scope 3. Convatec are aiming to engage with distributors to obtain better data related to Downstream Transportation &amp; Distribution.</p>

#### Category 10: Processing of Sold Products

Definition	'This category includes emissions from processing of sold intermediate products by third parties (e.g., manufacturers) subsequent to sale by the reporting company. Intermediate products are products that require further processing, transformation, or inclusion in another product before use, and therefore result in emissions from processing subsequent to sale by the reporting company and before use by the end consumer.' – GHG Protocol
Exclusion Criteria	Convatec have identified a small number of product lines which require processing by a third party prior to sale to the end user. The Processing of Sold Products emissions have been estimated as the same as the emissions from the production of the products. These emissions have been calculated as immaterial to total Scope 3 footprint, and as per the SBTi submission have been screened out as less than 5% of Convatec's total Scope 3. Convatec are aiming to engage with the processing facilities to obtain better data related to Processing of Sold Products.

#### Category 11: Use of Sold Products

Definition	'This category includes emissions from the use of goods and services sold by the reporting company in the reporting year. A reporting company's scope 3 emissions from use of sold products include the scope 1 and scope 2 emissions of end users. End users include both consumers and business customers that use final products.' – GHG Protocol
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Exclusion Criteria	Convatec have assessed their value chain and sold product portfolio and not identified any potential sources of direct emissions which constitute Use of Sold Products.
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#### Category 13: Downstream Leased Assets

Definition	'This category includes emissions from the operation of assets that are owned by the reporting company (acting as lessor) and leased to other entities in the reporting year that are not already included in scope 1 or scope 2. This category is applicable to lessors (i.e., companies that receive payments from lessees). Companies that operate leased assets (i.e., lessees) should refer to category 8 (Upstream leased assets).' – GHG Protocol
Exclusion Criteria	Convatec does not lease any assets, and as such have no emissions within Downstream Leased Assets.

#### Category 14: Franchises

Definition	'This category includes emissions from the operation of franchises not included in scope 1 or scope 2. A franchise is a business operating under a license to sell or distribute another company's goods or services within a certain location. This category is applicable to franchisors (i.e., companies that grant licenses to other entities to sell or distribute its goods or services in return for payments, such as royalties for the use of trademarks and other services). Franchisors should account for emissions that occur from the operation of franchises (i.e., the scope 1 and scope 2 emissions of franchisees) in this category.' – GHG Protocol
Exclusion Criteria	Convatec does not have any franchises, and as such have no emissions within Franchises.

#### Category 15: Investments

Definition	'This category includes scope 3 emissions associated with the reporting company's investments in the reporting year, not already included in scope 1 or scope 2. This category is applicable to investors (i.e., companies that make an investment with the objective of making a profit) and companies that provide financial services. This category also applies to investors that are not profit driven (e.g. multilateral development banks), and the same calculation methods should be used. Investments are categorized as a downstream scope 3 category because providing capital or financing is a service provided by the reporting company.' – GHG Protocol
Exclusion Criteria	Convatec have assessed its value chain and not identified any emissions which would constitute Investments.

## VI. Other ESG Metrics

Additional definitions for the ESG metrics outside the scope of our third-party assurance are provided here. The reference provided is the target number in the target table on page 46 and 47 of the 2023 Convatec annual report.

## Product Development

**3.** Expand use of Convatec Group's Green Design Guidelines digital tool (which assesses products in five environmentally related areas), with at least five new product launches assessed by Q4 2023 (end December 2023). **Completed as planned.**

**NEW:** Ensure we have complete and actionable carbon intensity data recorded in our digital product sustainability tool for all Convatec manufactured products raw materials by Q4 2024 (31 December 2024). Ensure data is incorporated into our new product design process for carbon foot-printing by Q4 2024 (by 31 December 2024), as we continue to expand the impact of the platform. Raw materials are defined as all materials or substances used in the primary production or manufacture of products directly manufactured by Convatec. The digital product sustainability tool is Convatec's materials carbon footprint database.

## Diversity, Equity and Inclusion and Wellbeing

**5** At least 25% of senior management are from ethnic minority/underrepresented groups by Q4 2027 (end of December 2027). Senior management roles include members of CELT and their direct reports, excluding executive assistants. Calculated on employees as at December 2027.

**5.2.** Reduce voluntary turnover to less than 10% by Q4 2023. Voluntary turnover includes retirement and excludes redundancies, terminations, apprentices, interns, working students, temporary workers, fixed-term and contingent workers. It is calculated as total employees leaving for the year/average monthly headcount.

**NEW:** Sustain voluntary turnover at 10% or less by Q4 2027. Voluntary turnover includes retirement and excludes redundancies, terminations, apprentices, interns, working students, temporary workers, fixed-term and contingent workers. It is calculated as total employees leaving for the year/average monthly headcount.

## Human rights

**6.1** Launch annual compulsory training programme on human rights for all employees by Q4 2023. Calculated on employees as at December 2023. **Completed as planned.**

**6.2** Strengthen our risk management practices focused on labour standards and modern slavery through our procurement and supply chain, including through the introduction of a new responsible supplier assessment platform by Q2 2023 (end of June 2023). **Completed as planned.**

**6.3. NEW:** Ensure that suppliers' sites covering 80% of spend across direct, external manufacturing and logistics (from all business units globally) are registered with our external risk assessment platform by end Q4 2025. 'Suppliers' include direct material and external manufacturers and exclude indirect service/materials providers. Participation is considered when a supplier is directly registered with the Sedex platform.

## Code of conduct

**7.1 UPDATED:** Ensure at least 95% of employees trained on an annual basis by Q4 2023 and in subsequent years. Training is conducted digitally and includes part-time and full-time employees, excluding contractors, agency workers and employees on long-term absence. Percentage is calculated as number of employees trained and

employed on 31 December divided by total number of employees as at 31 December. **Completed as planned.**

### Procurement and supply chain

**8.1** By 31 December 2023, ensure that 80% of Convatec's in-scope spend (from all business units and functions globally) is supported by suppliers who we have requested to participate in our EcoVadis platform. In-scope suppliers include direct material and external manufacturers and exclude indirect service/ materials providers. Participation is considered when a supplier is either: assessed by EcoVadis on all four themes covered in the platform, or when an invitation to participate has been extended and the supplier has declined to participate, and Convatec has a documented audit trail of the dialogue between parties. **Completed as planned.**

**8.2 NEW:** Ensure that suppliers covering 60% of our category 1 Scope 3 emissions have committed to set science-based targets by end Q4 2026 (end of December 2026). 54 of Convatec's key suppliers make up 60% of the total category 1, Scope 3 emissions in our baseline year (2021). The emissions of these suppliers are calculated using the hierarchy described in our basis of reporting document. Suppliers were asked to provide an update on their emissions reduction activities, including whether science-based targets have been set, or committed to be set with the science-based target initiative (SBTi). 17 suppliers have a validated SBT, or are committed to setting one and this has been verified by cross checking the SBTi website. The combined emissions from these 17 suppliers equate to 19.4% of our 2021 baseline category 1, Scope 3 emissions.

### Emission reduction

**9.1** Achieve net zero carbon (in line with our SBTi target) by 2045. This includes reducing all value chain carbon emissions (scope 1, 2 and 3) in line with SBTi 1.5°C targets by 2030, with defined five-year milestone targets aligned to SBTi. All value chain emissions will be reduced to zero by 2045 (end of December 2045).

**9.2** Reduce our combined scope 1 and 2 greenhouse gas emissions by 70% against a 2021 baseline, in line with our SBTs by 2030. (Calculated as tCO<sub>2</sub>e of total scope 1 and 2 emissions from 1 January 2030 to 31 December 2030)

**9.3** Reduce our scope 3 emissions by 52% per sold product against a 2021 baseline, in line with our SBTs, by 2030. (Calculated as tCO<sub>2</sub>e of total scope 3 emissions categories 1, 4 and 5 from 1 January 2030 to 31 December 2030) Sold products from all global business units.

### Science Based Target commitment

**10.1** Set quantitative targets for scope 3 GHG emissions, against a 2021 baseline, aligned with the Science Based Targets (SBT) criteria by Q4 2023. Set aligned SBTs for scope 3, utilising the SBTi (1.5°C) calculation tool, to predict expected verified SBTi's at the end of 2023. **Completed as planned.**

**10.2** Achieve validated SBTs for scope 1, 2 and 3 emissions by Q4 2023. Gain fully validated SBTi's, certified by the Science Based Target Initiative, covering scope 1, 2 and 3 emissions, using the 2021 baseline. **Completed as planned.**

### Community contributions

**11.1** Establish new NGO partnership(s) and funding commitments by Q4 2022 (end of December 2022). Partnerships are formalised via Letters of Agreement and may involve product or monetary donations, in-kind support, volunteering, or other means of cooperation. **Completed as planned.**

**11.2** Contribute at least \$2 million in cash and in-kind support to our community partners to improve lives by Q4 2025. Cash contributions are valued at face value; product donations are calculated at regional commercial value. Lives touched include immediate contact as well as number of individuals supported by trained healthcare professionals (HCP) during the reporting period, Q1 2023 to Q4 2025.

**11.3** Contribute responsibly to a range of healthcare professionals (HCP) and patient education programmes by Q4 2022 (end of December 2022). Set specific targets for 2023-25 on reach and impact. Contributions may include monetary and in-kind donations or other types of partnerships.

### Medical education

**12.1 NEW:** Reach more than 500,000 healthcare professionals with medical education programmes per year by 2027 (end of December 2027).

**12.2 NEW:** Expand healthcare professional education programmes through the development of a global medical education digital platform and review activity to enhance impact by end Q4 2024. Expansion may include unique number of HCPs touched, number of programmes, depth of programming, and geographic reach.

### Community impact

**13** By 2027 touch 1 million lives in our communities through medical education programming and support of strategic community partners. (end of December 2027).