

The Annual General Meeting of

Coloplast A/S  
CVR-nr. 69749917

was held on 1 December 2022 at the company's address at Høltedam 3, Humlebæk, Denmark.

Niels Kornerup, attorney-at-law, was appointed chairman of the meeting by the Board of Directors pursuant to article 10 of the articles of association.

The chairman of the meeting established, with the unanimous approval of the general meeting, that the general meeting had been duly convened and formed a quorum in relation to the agenda.

The chairman of the meeting informed that a total of 115 shareholders attended the general meeting. The chairman of the meeting noted that shares representing a nominal value of DKK 168,205,903 out of a total nominal value of DKK 212,311,436 (after deduction of treasury shares) were represented at the general meeting, equivalent to 79.23% of the share capital, and that 330,205,903 votes out of a total of 374,311,436 votes (after deduction of treasury shares) were represented at the general meeting, corresponding to 88.22% of the votes. The chairman of the meeting noted that the Board of Directors had received proxies etc. representing 329,025,105 votes, equivalent to 99.64% of the votes represented and 99.30% of the represented share capital.

The chairman of the meeting noted that pursuant to section 101(5) of the Danish Companies Act, a complete statement of the casting of votes should be provided for every resolution passed, specifying the number of shares voting in favour of and against each proposed resolution, notwithstanding a reasonably clear result of the individual votes. As the shareholders represented unanimously agreed to waive the statement, the chairman of the meeting proposed a procedure corresponding to that applied at previous general meetings of the company. It was therefore noted whether or not a proposal had been passed, and a written ballot was only taken in the event of doubt as to the passing of a proposal. The shareholders represented consented to waiving their right to a complete statement.

#### **1. Preparation, etc. of the annual report, company announcements and documents for internal use by the general meeting in English**

The Board of Directors proposed that the company's annual report and company announcements were prepared, submitted and published in English and that documents prepared for internal use by the general meeting in connection with or after the general meeting were prepared in English. The proposal implied that a new article 21 would be inserted in the company's articles of association as follows:

*"Language*

21.

*Company announcements, annual reports and documents prepared for internal use by the general meeting in connection with or after the general meeting shall be prepared in English. The Board of Directors can decide that said documents are also prepared in Danish."*

With consent from the general meeting, the chairman of the meeting stated that the proposal was adopted.

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In response to the chairman of the meeting's proposal, the general meeting approved that items 2-5 of the agenda would be considered together.

## **2. Report by the Board of Directors on the activities of the company during the past financial year**

Lars Rasmussen, Chairman of the Board of Directors, reported on the activities of the company during the past financial year. He referred to the written statement in the annual report and made an oral report in which he explained the financial highlights and selected other topics. The statement by the Board of Directors is available via webcast on the company's website [www.coloplast.com](http://www.coloplast.com).

## **3. Presentation and approval of the audited annual report**

Lars Rasmussen reviewed the financial statements for the financial year 2021/22 with the auditors' report and presented the management's review and the consolidated financial statements. The parent company financial statements showed a profit after tax of DKK 3,962 million (for the group, the result was DKK 4,706 million) and a balance sheet with total assets of DKK 27,844 million (for the group, the total assets were DKK 34,956 million), of which shareholders' equity amounted to DKK 6,344 million (for the group, shareholders' equity amounted to DKK 8,292 million).

## **4. Resolution on the distribution of profit in accordance with the approved annual report**

A proposal was made to pay an ordinary dividend of DKK 15 per share. In combination with the interim dividend of DKK 5 per share paid in connection with the presentation of the company's half-year results, this represented a pay-out ratio of 90% of the profit for the year for the group.

The allocation of the profit for the year of DKK 3,962 million was proposed with DKK 4,247 million being distributed as dividend and DKK -285 million being retained earnings.

## **5. Presentation and approval of the remuneration report**

Lars Rasmussen reviewed the remuneration report for the financial year 2021/22. A proposal was made for the approval of the remuneration report.

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The chairman of the meeting then noted that the annual report had been signed by the Board of Directors, the Executive Management and the auditors with an unqualified audit opinion.

The chairman of the meeting opened for debate.

The first speaker was Claus Berner Møller, ATP, who noted that 2022 had been a challenging year characterised by supply-chain disruptions and high inflation. Claus Berner Møller noted that companies such as Coloplast were particularly exposed to high inflation due to a lack of flexibility in pricing and lauded Coloplast's ability to limit the decrease of the EBIT-margin impact to two percentage points despite the challenging environment. Claus Berner Møller expressed ATP's satisfaction with the company's results.

Claus Berner Møller then urged the company to assess the risks pertaining to its cost management and to ensure that investments to secure future growth were carried out. Claus Berner Møller also commented on the integration of Atos Medical and asked which synergies the company expected of the acquisition and what the two companies could learn from each other?

Next, Claus Berner Møller stated that ATP was satisfied with the company's focus on ESG. Claus Berner Møller then referred to Coloplast's Scope 3 emissions which had increased and asked what the most significant challenges posed by the company's 2030 ambition to reduce its Scope 3 emissions were, and what steps Coloplast had undertaken to meet this ambition? Claus Berner Møller then commented on the company's focus on gender diversity and its target of having 40% women at its senior leadership level by 2030. Despite this target, the level of women at the senior leadership level had decreased from 24% to 21% in 2021/2022. Claus Berner Møller recognized that such fluctuations might occur on a year-by-year basis, but asked which steps Coloplast had undertaken to meet the 2030 target?

Lars Rasmussen thanked ATP for the positive remarks. Lars Rasmussen explained that Coloplast and Atos Medical were a good fit because of Atos Medical's chronic business model which resembled Coloplast's ostomy and continence businesses and that the businesses could benefit from a cultural fit. Furthermore, Lars Rasmussen mentioned that Atos Medical could benefit from Coloplast's presence in foreign markets, particularly in emerging markets where Atos Medical did not have a strong presence. Finally, Lars Rasmussen drew attention to Atos Medical's ability to sell its products directly to consumers and recent product launches.

With respect to Claus Berner Møller's question on Scope 3 emissions, Lars Rasmussen said that Coloplast wanted to promote sustainable production without compromising product safety or clinical performance and acknowledged that the company had a responsibility to reduce its emissions. Lars Rasmussen noted that a reduction of the company's Scope 3 emissions required collaboration across the company's supply chain which the company actively promoted. Approximately 68% of the company's Scope 3 emissions originated from raw materials and the company worked with its 50 largest emitting suppliers to reduce emissions. Furthermore, Coloplast had added more suppliers to its Supplier Sustainability Program. Lars Rasmussen explained that freight related emissions made up 15% of the company's Scope 3 emissions and that the company planned to increase the use of seaborne rather than airborne freight. Lars Rasmussen also added that a reduction of business travel was planned and that the company wished to increase its use of virtual meetings. Finally, Lars Rasmussen noted that the company's Scope 3 reduction target had been approved by the Science Based Targets Initiative which would help verify the company's emission reductions.

With regard to Claus Berner Møller's question on diversity targets, Lars Rasmussen explained that 45% of all managers in Coloplast were female but only 21% of its senior leadership were women. In the management level directly below the senior leadership level – the "director-level", however, women made up 40%. This created a sizeable recruitment pool for future executives at senior leadership level. Lars Rasmussen also pointed out other steps taken by the company to enhance inclusion and diversity, including the establishment of a global inclusion and diversity committee, preparation of diversity plans by senior management, diversity training as part of the company's talent development program and a revision of employment terms such as parental leave and senior employees' policies to increase employee diversity.

Bjarne Kongsted, Dansk Aktionærforening, thanked Lars Rasmussen for his report and expressed his satisfaction with the company's EBIT margin and its dividend policy. Bjarne Kongsted requested answers to the company's supply chain challenges in Denmark as well as abroad and asked to what extent lockdowns in China were expected to affect future results of the company.

Lars Rasmussen thanked Bjarne Kongsted for his remarks and noted that as part of the company's dividend policy, the company distributes its profit either as a dividend or via its share buy-back program. The share buy-back program enabled the company to use treasury shares in its employee share option program. Furthermore, Lars Rasmussen explained that the company was aware of developments in China. Consequently, the expected slowdown in Chinese market growth was reflected in the company's financial guidance, given the Chinese market was not expected to meet the same growth potential as in previous years.

Shareholder, Lars Henrik Nielsen, recommended that the general meeting rejected the remuneration report. Lars Henrik Nielsen expressed his dissatisfaction with the level of remuneration in Coloplast and recommended that the company capped its level of remuneration to DKK 7,000,000 in line with recent legislation capping corporate tax deductions for remuneration exceeding DKK 7,000,000. Lars Henrik Nielsen commented on income disparities in Denmark and noted that the life-long income of a person with vocational training equaled the annual remuneration of the company's CEO.

Lars Rasmussen thanked Lars Henrik Nielsen for his comments and explained that Coloplast, as a global, listed company, remunerated all its employees, including its executive management, on a level comparable to its peers. Lars Rasmussen noted Lars Henrik Nielsen's views on income disparities but stated that the Board of Directors could not offer the company's CEO subpar remuneration compared to the company's peers. Finally, Lars Rasmussen noted that setting aside political differences, commercial undertakings such as Coloplast generally operated in a relatively liberal environment.

For the purpose of these minutes, it was noted that Lars Henrik Nielsen voted against the remuneration report.

Shareholder, Bjørn Hansen, requested information on (a) the company's plans concerning the UK market following Brexit, including whether an opening of new production sites was contemplated and (b) the effective corporate tax rate of Coloplast. Finally, Bjørn Hansen noted the importance of the company's dividend policy.

Lars Rasmussen explained that (a) he agreed that the UK was an important market for Coloplast but stressed that deliveries to the UK had not been problematic following Brexit, rendering an establishment of a new production site unnecessary. Lars Rasmussen also stated that (b) the company's effective corporate tax rate fluctuated between 21% and 23% depending on events during a financial year. The company always strove to pay all taxes due in line with its tax policy and to ensure transparency. Finally, Lars Rasmussen noted that all taxes paid in the EU could be seen in the company's country-by-country tax report.

Shareholder, Flemming Als, commented on the company's production sites in Hungary, a country which had recently been subjected to the conditionality mechanism by the European Commission for failure to

remediate rule of law violations contrary to the Treaty of the European Union. Flemming Als asked what, if any, risks the company faced following the deteriorating relationship between the EU and Hungary?

Lars Rasmussen explained the background for the relocation of production sites which had been necessary due to an increase in production costs that exceeded corresponding revenue. Opportunities to exploit advantages of scale, including cheaper production and administration costs, had been assessed and Hungary had been chosen as the preferred candidate in the late 1990s. Developments in the relationship between the rest of the EU and Hungary were monitored by the company but Lars Rasmussen expressed his conviction that the majority of Hungarians remained firmly committed to EU membership. Lars Rasmussen finished by noting that Coloplast continued to be satisfied with its presence in Hungary.

Shareholder, Jens Frederik Demant, expressed his difference of opinion to Lars Henrik Nielsen's earlier remarks concerning executive management remuneration. Jens Frederik Demant noted that when the company delivered satisfactory financial results, the executive management should be remunerated accordingly and that he did not consider remuneration caps appropriate.

As no one else wished to take the floor, the chairman of the meeting established, with the consent of the general meeting,

that the shareholders had taken note of the report by the Board of Directors;

that the shareholders had approved the audited annual report;

that the shareholders had approved the proposal for the distribution of profit; and

that the shareholders had approved the remuneration report.

## **6. Approval of the Board of Directors' remuneration for the current financial year**

The Board of Directors proposed that the general meeting approved the following remuneration for the financial year 2022/23 to the Board of Directors which was unchanged compared to the financial year 2021/22:

- Members of the Board of Directors: DKK 450,000.
- Chairman of the Board of Directors: DKK 1,350,000 (equivalent to the base fee multiplied by 3).
- Deputy Chairman of the Board of Directors: DKK 787,500 (equivalent to the base fee multiplied by 1.75).

For the financial year 2022/23, the Board of Directors proposed the following fee to committee members for the additional duties associated with the committee work which was unchanged compared to the financial year 2021/22:

- A fee to each member of the Audit Committee of DKK 240,000 and a fee to the chairman of the Audit Committee of DKK 430,000.

- A fee to each member of the Remuneration and Nomination Committee of DKK 150,000 and a fee to the chairman of the Remuneration and Nomination Committee of DKK 250,000.

In addition, the members of the Board of Directors were entitled to be reimbursed for certain expenses etc. as described in the company's remuneration policy.

As no shareholders wished to take the floor, the chairman of the meeting established, with the consent of the general meeting, that the remuneration of the Board of Directors for the current financial year (2022/23) had been adopted.

## **7. Proposals by the Board of Directors**

### 7.1 Update of the authorisation in article 5(a) and article 5(b) of the articles of association

The Board of Directors proposed to extend the current authorisations to the Board of Directors to increase the share capital with and without pre-emptive rights for the shareholders, respectively, in articles 5(a) and 5(b) of the articles of association, given that the authorisations expired on 4 December 2023, and thus expectedly before next year's annual general meeting.

The proposal implied that the second section of both article 5(a) and article 5(b) of the articles of association would have the following wording:

*"The above authorisation conferred on the Board of Directors shall be valid up to and including 1 December 2027."*

Except as described above, there would be no changes to article 5(a) and article 5(b) of the articles of association.

As no shareholders wished to take the floor, the chairman of the meeting established, with the consent of the general meeting, that the proposal had been adopted.

### 7.2 Corporate language

The Board of Directors proposed that the company's corporate language was changed to English. The proposal implied that the following wording was added as the first sentence in article 21 of the articles of association:

*"The corporate language is English."*

Shareholder, Bjørn Hansen, noted that the use of American accounting terms in the company's financial statements could cause confusion for readers of the financial statements. Bjørn Hansen also stated that in addition to documentation drafted in English, the preparation of documentation drafted in German could be prudent due to the substantial number of German shareholders.

As no other shareholders wished to take the floor, the chairman of the meeting established, with the consent of the general meeting, that the proposal had been adopted.

#### **8. Election of members to the Board of Directors.**

The Board of Directors proposed re-election of the following Board members:

- Lars Rasmussen
- Niels Peter Louis-Hansen
- Annette Brøls
- Carsten Hellmann
- Jette Nygaard-Andersen
- Marianne Wiinholt

As no shareholders wished to take the floor, and as there were no other candidates for the Board of Directors, the chairman of the meeting established, with the consent of the general meeting, that the proposed candidates had all been re-elected to the Board of Directors.

#### **9. Election of auditors**

The Board of Directors proposed re-election of PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab as the company's auditor. The proposal was consistent with the Audit Committee's recommendation. It further appeared from the proposed resolution that the Audit Committee had not been influenced by any third party and had not been bound by any agreement with any third party under which the appointment of certain auditors or audit firms by the shareholders in general meeting would be restricted.

With reference to the notice convening the annual general meeting, the chairman of the meeting stated that a new auditor would be elected at next year's annual general meeting and that the Board of Directors expected to propose the election of EY Godkendt Revisionspartnerselskab as new auditor at the annual general meeting in 2023 based on a recommendation from the Audit Committee. To facilitate a smooth transition, EY Godkendt Revisionspartnerselskab would function as a shadow auditor up until the proposed election in 2023.

As no shareholders wished to take the floor, and as there were no other candidates, the chairman of the meeting established, with the consent of the general meeting, that PricewaterhouseCoopers Statsautoriseret Revisionspartnerselskab had been re-elected as the company's auditor.

#### **10. Authorisation for the chairman of the annual general meeting**

The Board of Directors proposed that the general meeting authorised the chairman of the general meeting, with full right of substitution, to apply for registration of the resolutions passed and to make any such amendments thereto that the Danish Business Authority or other authorities may require or recommend as a condition for registration or approval, as well as to make and apply for registration of linguistic and other non-substantive adjustments to the company's articles of association.

As no shareholders wished to take the floor, the chairman of the meeting established, with the consent of the general meeting, that the proposal had been adopted.

#### **11. Any other business**

No one wished to take the floor.

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The chairman of the meeting noted that there were no further items on the agenda and thanked the shareholders for the orderly conduct of the meeting.

The chairman of the meeting resigned his duties and gave the floor to Lars Rasmussen, who thanked the general meeting for a good debate and the chairman of the meeting for managing the meeting well.

Lars Rasmussen then declared the general meeting concluded.

General meeting adjourned.

Chairman of the meeting



Niels Kornerup