

ENVIRONMENTAL, HEALTH, SAFETY AND SUSTAINABILITY

Ascendis Health has developed an environmental health and safety statement which outlines our commitment to complying with all relevant environmental, health and safety legislation, both locally and internationally.

ENVIRONMENTAL PERFORMANCE

Ascendis Health has made a commitment to measure environmental performance on four dimensions:

- Consumption of energy
- Consumption of water
- CO² emissions from energy consumption and
- Waste

Healthy and Productive People

Over and above the moral responsibility of business to safeguard the health and wellbeing of employees, we believe there is also a strong business case to do so due to a clear and proven relationship between employee health and, engagement and productivity.

Our employees benefit from access to on-site exercise facilities and are invited to attend monthly "Beast Challenges" which take place offsite. This event is sponsored by Ascendis Health to support and improve employee's personal health journeys. Programmes and policies cover a range of health topics, including occupational safety and health, the provision of medical benefits, a smoke-free workplace, physical exercise and nutrition, and mental wellbeing.

Health promotion and communications are adapted to target all demographic groups within our workforce and an Employee Assistance Programme (EAP) is available to provide counselling and intervention for those suffering from issues such as stress and depression.

CARBON FOOTPRINT GOALS 2027

The environmental strategy shall have a strong focus on reducing CO² emissions from Ascendis Health Group including all subsidiary companies in South Africa. So much so, that the company announced a long-term target in 2017: Ascendis Health is committed to reducing its CO² emissions in all sectors by 10% within 10 years, with a baseline assessment that commenced in 2017 which monitors projected annual targets.

Due to the diversity and growth rate of our business we are committed to reducing emissions by 10% in absolute terms.

Renewable Power

We have identified renewable sources. By implementing energy efficiency programmes, including plans to implement solar panels at the Ascendis Pharma facility in Isando. Although this is a long term plan, reduction in energy savings will be significant. Ascendis Health moved into a new head office building in Bryanston in August 2017, setting targets and objectives to implement "green" lighting projects that are currently in discussion. The new building is equipped with solar panels on the roof, that give an expected return on investment within three years.

The organization has replaced old lights with new energy saving lights and will be implementing office lighting which automatically switches off if it's not in use. This project has already commenced within five of our subsidiary companies based on financial feasibility studies.

Climate in Focus

Now the company is ready to take the next step in its environmental strategy. Once we're using renewable energy at all of our manufacturing and warehouse facilities, we'll have then done as much as we can with direct carbon emissions.

We are therefore broadening the scope of our strategy and will work on reducing the CO² impact from so called indirect emissions – these are emissions from sources not controlled by us, such as the goods and services we purchase - from raw materials to business flights.

Ascendis Health will focus on specific types of indirect emission, as categorised by the internationally accepted Greenhouse Gas Protocol. We'll prioritise areas where we believe there are significant opportunities for us to reduce CO² emissions.

Working closely with our largest suppliers will be vital in finding out how they reduce emissions and if there's scope for improvement.

While indirect emissions are a relatively new area for Ascendis Health, the company is already working with key suppliers of raw materials to promote energy efficiency and the use of renewable energy. From recent analysis, Ascendis Health has also acquired a good understanding of two other types of indirect emission, those being, business flights and leased company cars. We are planning initiatives to reduce emissions from these sources.

For the other categories, the focus will initially be on getting solid data on which decisions about CO² reduction initiatives can be based. The rationale for the broader scope of the company's environmental strategy is that while we'll continue to challenge ourselves and improve in the areas of energy and water consumption, waste reduction and direct carbon emissions, we are ready to broaden the scope of our responsibility to include indirect CO² emissions. With overwhelming scientific evidence of the increased rate and impact of climate change, we simply must set ourselves ambitious targets in this area. External Carbon emission consultants will be used to accurately monitor and track our progression.

With all our focus on energy efficiency, we have concluded that the best way to measure our CO² performance is to measure CO² emissions within all sectors of this business and find ways to reduce them.

Energy and Water

In 2017, we began the process of monitoring water and energy consumption at most of our subsidiary companies, the goal is to reduce water consumption by 5% by 2022. In order to ensure that we achieve this goal, targets and objectives were set in 2017.

Water is a valuable resource and is used extensively in manufacturing processes, the cleaning of equipment and facilities, for employee hygiene and to ensure that the required environmental conditions are maintained within the facilities. Ascendis Health is committed to responsible water management and usage at all subsidiary companies as stated in the Environmental Policy. As a scarce resource, Ascendis Health recognises that initiatives aimed at conserving water will contribute to more sustainable water availability. The water supply risk is influenced by growing global water scarcity and in South Africa, is further exacerbated by increased urbanisation and the ageing municipal infrastructure. Municipal water is the primary source of water across the Group.

Biodiversity

As at year end, none of the Group's subsidiary companies are located in conservation areas or areas of biodiversity.

Waste

The Group uses specialised licensed waste management service providers to manage the transportation, treatment and disposal of waste in accordance with contracted terms and relevant legislation.

Waste Management plans have been developed which map the various waste streams as identified and to reuse nontoxic material and recycle at the source.

A printer program has been implemented to allow us to accurately track and manage printing. This ties in with our goal to reduce waste in every area.

Ascendis Health is committed to reducing total waste consumption at all sectors by 10% within 10 years, with a baseline assessment that commenced in 2017 and monitoring of projected annual targets.

