

# **SUSTAINABILITY REPORT**

2022

Embrace Corporate Social Responsibility
with Ergonomic IT Solutions for Enhanced Efficiency and Productivity

# **Contour Design Europe**

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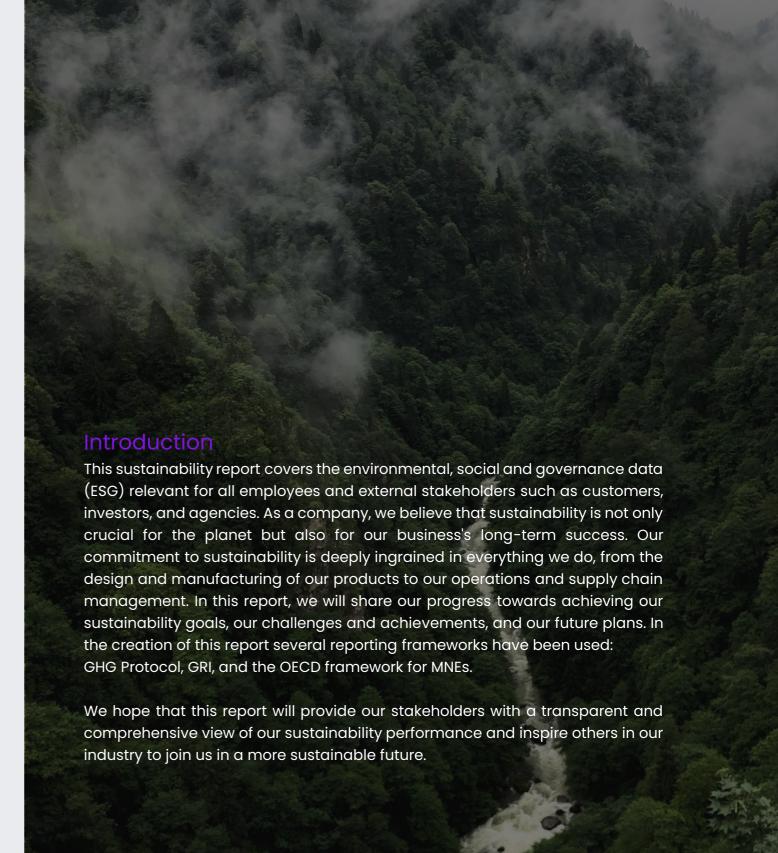
# Contour Design inc.

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# Reporting boundaries

**Period:** This report covers the fiscal year: January 1st, 2022, to December 31st, 2022. **Boundaries:** Data and entities included in this report are based on financial and spend data owned and controlled by Contour Design. Some environmental emission data is combined for different processes and materials as accurately as possible. It has not been possible to conduct full supply chain audits due to Covid-19 and restructuring of Contour head-quarters location. The data is collected at all sites owned by contour and reported by the validation of the Footprint Firm.

# **Executive Sustainability statement**

At Contour Design, we believe in the power of prevention for physical planetary damage, affecting work satisfaction, ergonomics, and how we contribute to the sustainability agenda in the world. Our exceptional product line brings direct social and physical benefits for our customers while we manage the sustainability risks in our value-chain and minimizing any negative impacts throughout our operations.

We, at Contour design, are dedicated to making a valuable contribution to the pressing sustainability agenda and will focus our efforts on all scopes from Head Quarter facility management to the way our products are designed and sourced. We strive to be on the frontline of the industry being proactive in addressing trends and topics from the customers to the investors and go beyond minimal compliance. With this mission in mind, we set a high ambition of conducting our business responsibly, both internally and externally.

# For Contour design sustainability is all about:

- Developing high quality products with an extremely long lifetime to provide our customers with the right working equipment for as long as possible.
- Minimizing the environmental impact of our products through life cycle theory and decarbonization scenarios in both product design and operations. We will do so by focusing on the high impact categories in our scope three e.g., by changing to recycled materials with lower carbon footprints.
- Ensuring the biodiversity of the planet by collaborating and educating our key partners and suppliers in the sustainable production and sourcing practices such as EHS and EMS systems.

We are following international standards to ensure the that we are implementing our sustainability efforts in the right way for example by developing supplier and company policies following the UN Guiding principles and OECD guidelines.

# We do all of this by:

- Adopting a sustainability policy commitment, vetted by external experts and executive management.
- Maintaining the right due diligence and audit processes, aligned with the UNGP/OECD guidelines.
- Supply access to remedy though whistleblower systems.

During 2022 Contour Design has taken a big leap towards a more structured approach to our sustainability work. We have developed and implemented a management system covering all three areas of sustainability: human rights (including labor rights), environment and economy. Our work has been aligned with internationally agreed principles and vetted by experts.

With kind regards,





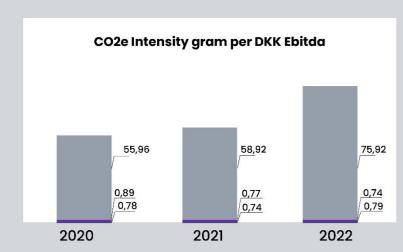
**CEO** Kenneth Nielsen

**CFO**Marianne Iversen

# **Sustainability Metrics**



# **Climate action**



The Absolute CO2e emissions across Scope 1-3 increased with 24% in 2022 driven by an increased amount of purchased goods such as Sourcing Materials, Production, and shipping. Likewise, our product output have also increased with 34% in 2022. Which indicates a lower carbon footprint per product with approximately 10%. The Scope 3 remain the largest share of our baseline covering almost 98% of Contour Designs total emissions.

GRI: 305-1a, 305-2a, 305-3a, 305-4a

#### **Climate Action Management**

#### Scope 1&3

Activity-based calculations using international emission factors.

#### Scope 3

Combination of spend-based and activity-based calculations.

# **Strategy & targets**

Science Based Target approved (2022) for Scope 1 and 2, by SBTi. Targets for Scope 3 to be defined in 2022 and approved by BoD.

#### **Initiatives**

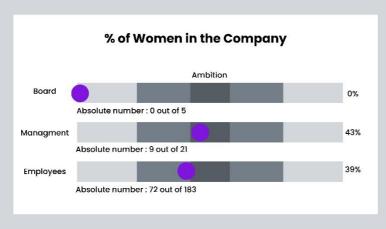
SBTi Scope 1 and 2 approved by BoD. Initiatives for Scope 3 reduction being implemented, mainly for product development and production.

# **TCFD**

TCFD alligned analysis not undertakern in year 1: climate related risks and opportunities deemed low.



# **Gender equality**



There has been a decrease in the number of Women in the management and in the total numbers of employees. Contour will in 2023 create a Gender Equality Policy and follow the latest guidelines from UNGP and IBHR to insure unbiased non-discriminating hiring processes.

# GRI: 405-1(i)

# **Gender Equality Managment**

#### Tracking

Tracking in place on gender across the organization.

#### **Strategy & targets**

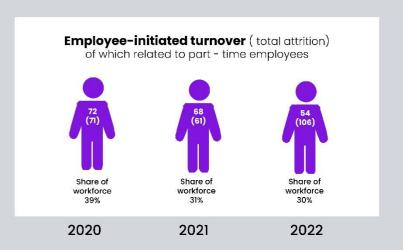
Targets to be defined during 2023.

#### **Initiatives**

Initiatives defined, start implementing during 2022.



# **Employee turnover**



At Contour Design we have a high amount of parttime employees attributed to our factory in China where temporary workers are used in seasonal work. This means that workflow fluctuates annually, larger shares of workers resign and seek positions in other production firms. This workflow fluctuation is very common in this region in China.

SASB: Adapted from HC-DY-330a.1

#### **Employee Turnover Management**

#### Tracking

Tracking will be implemented during 2023.

# Strategy & targets

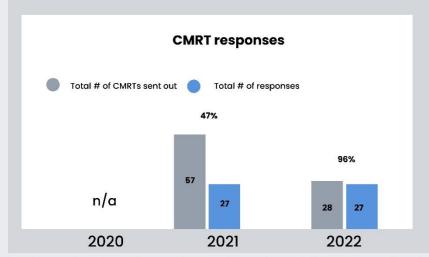
Targets to be defined during 2023.

#### **Initiatives**

Initiatives defined to promote and ensure a good working environment.



# **Materials sourcing**



We have developed a SOP for Conflict minerals in 2022 used by the differentTlandT2sinoursupplychain.TheConflictMineralsReporting Templates (CMRT) are handled by the Chinese entity Contour Design (Guangzhou CDG).

SASB: TC-HW-440a.1

#### **Recycled materials**

During 2021 we developed our CO2e baseline on Scope 1, 2 and 3, to enable transparent disclosure of our emissions to stakeholders, and identify CO2e reduction opportunities. Emissions from Scope 3, in particular from materials use in production, was identified as the main source of emissions in Contour. Based on this data, we have initiated a process of replacing virgin materials with recycled materials. Examples of materials are aluminum, plastic and PCBs (printed circuit boards). Our work on this is continous, and we aim to be able to report on our progress with certifications and documentation on the use of recycled materials.



# Supply chain managment



Our approach involves requesting suppliers to provide evidence of an audit and conducting a follow-up audit with RBA VAP or an equivalent if proof cannot be provided. Initially, we will prioritize enhancing communication and collaboration with suppliers to align with UNGP/OECD principles. In 2023 we will conduct our first Human rights audits for our Tl suppliers.

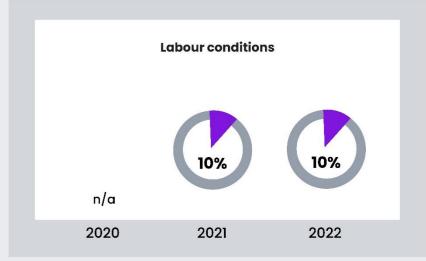
SASB: TC-ES-320a.2

# **Material emission**

Materials emission is guiding our CO2e reduction efforts. It provides the reasoning behind the need for replacing virgin materials with recycled materials, as recycled materials have a lower emission compared to virgin materials. Hence, by increasing use of recycled materials, we are targeting a large percentage of our overall emissions, and in turn reducing emissions. We intend to continue tracking materials specific emissions, to further support and guide our decisions on materials use in product design and production. Examples of materials where we have concrete initiatives are aluminum, plastic, PCBs (printed circuit boards) and other highemitting metals and materials.



#### Labour conditions



We are conducting yearly audits and labour assessments of our own production facilities. We use RBA VAP or equivalent standards for our assessments. The results from our assessments will guide us and provide further actions and initiatives in our labour conditions policies and tracking.

SASB: TC-ES-320a.2

#### **Transport emissions**

As our CO2e baseline revealed, emissions from transport plays a role and needs continuous tracking to be kept under control. Mode of transport (flight, sea, road, other) significantly affects our ability to reduce CO2e overall, and we are therefore tracking this specifically and working hard to continue replacing all air-freight with lower emission modes of transport. Correct forecasting and proactive dialogue with suppliers and customers will be vital to aviod "rush-orders" and remove the need for transportation of goods by flight.

# What we achieved in 2022

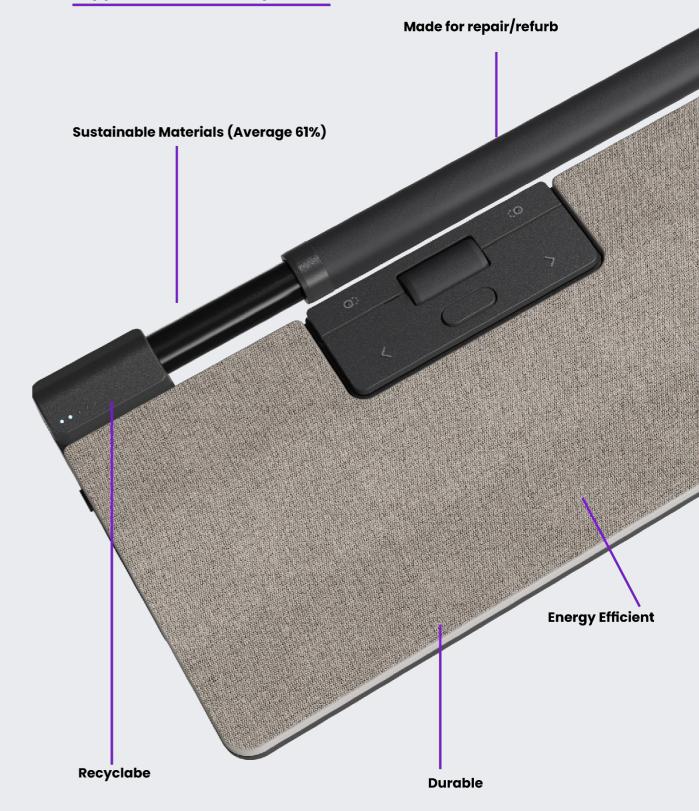
Sustainability achievements are critical in today's world, where the need to address environmental and social issues has never been more pressing. Achieving sustainability in our products, people, and planet is crucial to creating a more equitable and livable future for everyone. Sustainability achievements for products involve creating goods and services that are environmentally friendly, socially responsible, and economically viable. Achievements for people involve fostering a safe, healthy, and inclusive workplace for employees, while also supporting local communities and society at large. Achievements for the planet involve reducing greenhouse gas emissions, conserving natural resources, and protecting biodiversity. By making progress in all three areas, we can ensure that our society can thrive while also preserving the planet for future generations.

# **Products**

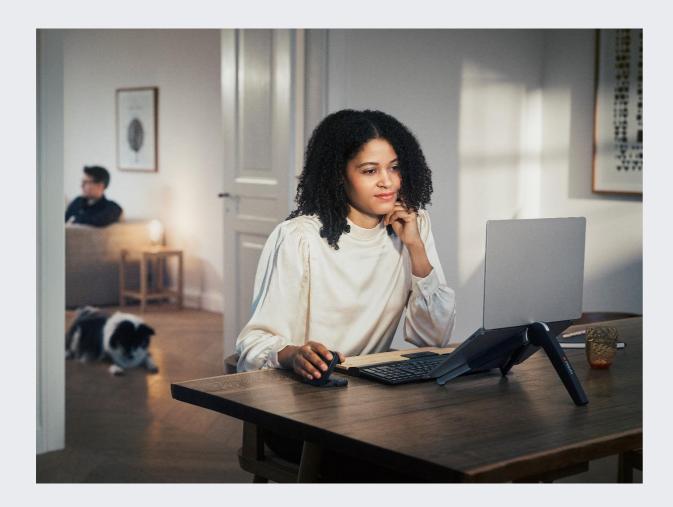
The RollerMouse Pro & SliderMouse Pro combines outstanding functionality with eye-catching Scandinavian design. The Rollerbar and the wide Navigation bar have both a comfortable grip that makes it easy and comfortable to use; the advanced sensors and customizable buttons optimize performance. With the unique magnetic design, wrist rests in various materials can be changed easily to match stylistic desires. The RollerMouse Pro & SliderMouse Pro can be used both in the office, for "free seating concepts," and in the home office. It is designed with sustainability in mind which means that it contains:

- Sustainable materials\*
- All hard plastic parts made by 100% PCR plastic.
- Optimized production due to shared body parts across variants.
- Recycled brown box packaging with smaller size for less air freight.
- Refurbish and customization features to ensure a long product life with the possibility multiple owners.
- Energy Efficiency features with Low energy consumption and auto shutdown during inactivity.
- Recycling assessments for easier material reutilization.

# Key product sustainability metrics



<sup>\*</sup>Average 61% of product weight is sourced as PCR material for Roller and Slidermouse Pro



# People

Contour Design is committed to upholding human rights and ensuring that our operations and products do not contribute to human rights abuses. As part of this commitment, we have undertaken our first human rights assessments in collaboration with vetted experts following the UNPGs.

The UNPGs, or United Nations Guiding Principles on Business and Human Rights, provide a framework for businesses to identify, prevent, and mitigate the potential adverse human rights impacts of their operations. We recognize the importance of these principles and have integrated them into our human rights assessment process.

To ensure that our human rights assessments are rigorous and comprehensive, we have collaborated with vetted experts who have experience in the field of business and human rights. These experts have helped us identify potential human rights risks associated with our operations and products and have provided guidance on how to mitigate these risks.

The assessment process involved a thorough review of our policies, practices, and supply chain, as well as engagement with stakeholders such as employees, customers, and local communities. We have identified areas where we can improve our human rights performance and have developed an action plan to address these issues.

Overall, the human rights assessment process has been a valuable exercise for Contour Design. It has enabled us to gain a deeper understanding of our potential human rights impacts and has provided us with a roadmap for how we can ensure that our operations and products are aligned with the UNPGs. We remain committed to upholding human rights and will continue to collaborate with experts to ensure that we are meeting our obligations in this area.

#### Planet

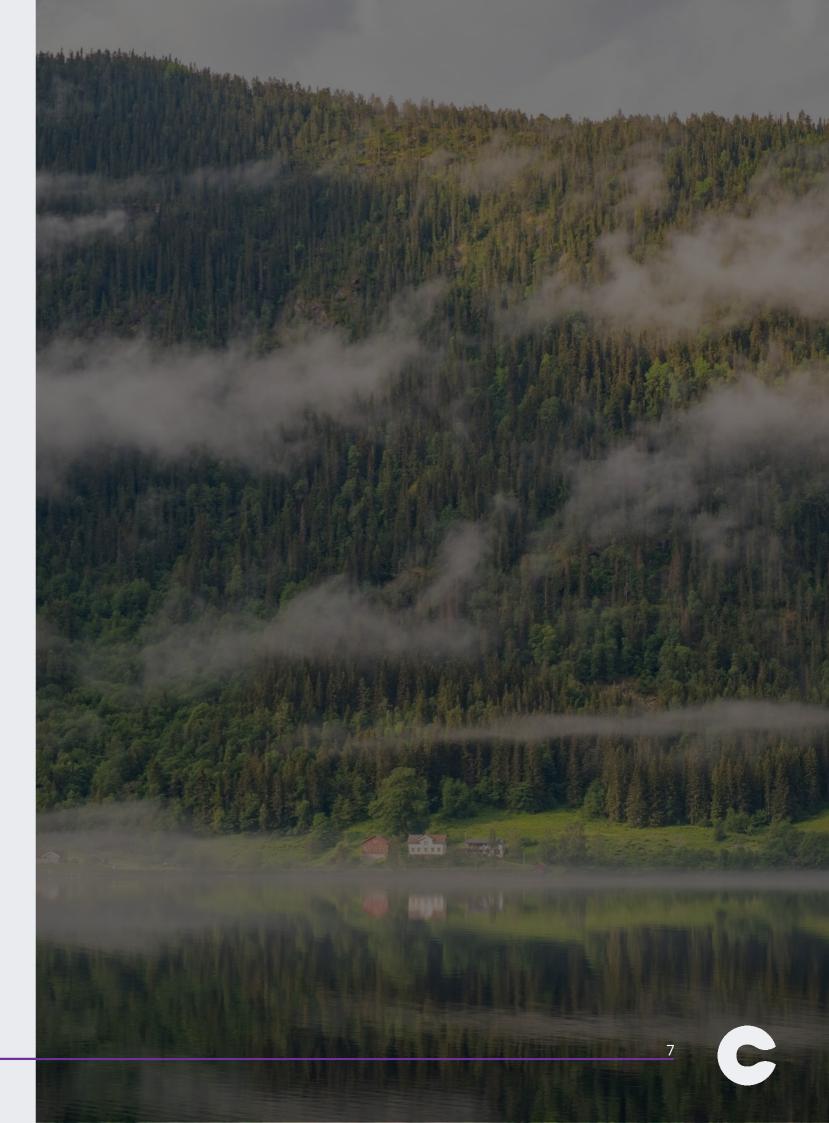
At Contour Design, we committed to doing our part to mitigate the impact of climate change and protect the environment for future generations. That is why we in 2022 have signed on to the Science Based Targets initiative, which is a collaboration between the United Nations Global Compact, the World Resources Institute, the Worldwide Fund for Nature, and the Carbon Disclosure Project.

The Science Based Targets initiative provides a framework for companies to set targets for reducing their greenhouse gas emissions in line with the latest climate science. By aligning our emissions reduction targets with the latest climate science, we can ensure that our efforts are contributing to the global goal of limiting warming to well below 1.5 degrees Celsius.

As part of our commitment to the Science Based Targets initiative, we have set ambitious emissions reduction targets that cover our entire value chain. We are also tracking our progress against these targets and reporting on our emissions annually.

We recognize that the science on climate change is constantly evolving, and new targets may need to be set in the future to reflect the latest findings. That is why we are committed to continuing to assess our emissions reduction targets and adjust them as necessary to ensure that we are doing our part to address the global climate challenge.





# Triple bottom line

By adhering to the UN Guiding Principles and OECD Guidelines for Multinational Enterprises (MNEs), we have established a global minimum standard for responsible business conduct. This comprehensive standard encompasses 48 human rights, 20 environmental issues, and 16 areas related to anti-corruption. By implementing this standard, we have been able to identify potential adverse impacts on the triple bottom line and conducted our first impact assessment in 2021 at our head office in Denmark. We plan to conduct our next assessment at our factory in China between 2022-2023 to mitigate any negative impacts and reduce risks. We have developed a Code of Conduct for Business Relationships, which we will communicate to our suppliers and partners. We hold ourselves to the same standards we expect from our partners, and any severe negative impacts will be reported and communicated accordingly. We are committed to sustainable development and responsible business practices and will share our impact assessment as proof of our efforts to inspire collective improvement among our partners and suppliers. Additionally, we have developed a grievance mechanism/whistleblower system to address any concerns raised by employees or stakeholders. Our goal is to prevent surprises and ensure that any negative impacts are avoided or mitigated through concrete initiatives and action plans. This means that we will conduct yearly risk assessments for all relevant impacts to our industry.

#### Climate action

We recognize that as a hardware manufacturer of computer accessories, most of our carbon emissions come from Scope 3, specifically from the materials used in production. As part of our commitment to reducing our carbon footprint and promoting sustainability across our value chain, we are assessing our suppliers for Scope 3 data.

Through this assessment process, we will collaborate with our suppliers to educate them on the latest sustainability research and best practices, while also learning from their own sustainability plans. By sharing knowledge and collaborating with our suppliers, we can work together to identify opportunities to reduce our collective carbon footprint and promote sustainable practices throughout our supply chain.

Our goal is to establish long-term partnerships with our suppliers based on shared sustainability values and goals. We will collaborate closely with them to promote sustainable practices in areas such as responsible sourcing, emissions tracking, and the use of recycled materials. By collaborating with our suppliers, we believe that we can make a positive impact on the environment and society, while also promoting sustainable business practices.

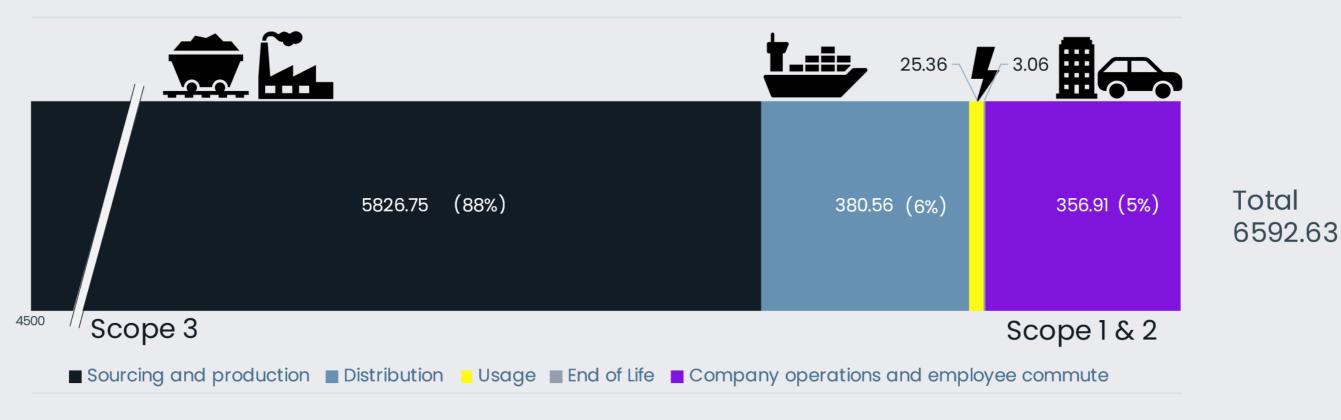
As part of our commitment to transparency, we will report on our progress in assessing our suppliers for Scope 3 data and collaborating with them on sustainability initiatives in future sustainability reports. We believe that by collaborating with our suppliers and sharing knowledge, we can make a significant impact on reducing our collective carbon footprint and promoting sustainability throughout our value chain.

# Our Carbon footprint

The following graph shows our Carbon footprint progress throughout the last 3 years. As shown, there is an increase of approx. 23% higher from 2021 to 2022 where most of the increase is in the production and sourcing for our Scope 3 emissions. This is tightly connected with our product output which also have increased in 2022 to satisfy a growing demand of our ergonomic products.



# Our company carbon footprint includes scope 1, 2 & 3 data and is exemplified in the infographic below



# Tonne CO<sub>2</sub>e

Sources: DEFRA, Ecolnvent (IPCC method), Energinet.dk, IEA, EIA Gov

Dimension	Units	Method	Emission Factors	2020	2021	2022
GHG emissions in Scope 1*						
Stationary emission sources	tons CO2e	Fuel and kWh- based	DEFRA, EIA.Gov	71 70	27.84	20.80
Mobile emission sources	tons CO2e	Fuel and distance based	DEFRA	71.79	34.31	46.12
Fugitive emission sources	tons CO2e		GHG Protocol	0.00	0.00	0.00
Total	tons CO2e			71.79	62.15	66.92
GHG emissions in Scope 2*						
Location-based	tons CO2e	Activity-based	IEA, EPA, Residual mix,	62.37	61.15	62.95
Market-based	tons CO2e	Activity-based	Supplier specific		64.30	79.11
Total GHG emissions in Scopes 1 and 2 (Location-based)	tons CO2e			134.16	123.30	129.87
GHG emissions in Scope 3*						
Scope 3.1: Upstream purchased goods and services	tons CO2e	Spend and weight-based	DEFRA, Ecolnvent	4498.53	4532.86	5790.61
Scope 3.2: Upstream capital goods	tons CO2e	Average spend-based	DEFRA	10.06	21.72	47.86
Scope 3.3: Upstream fuel and energy related activities not included in scope 1-2	tons CO2e	Average data method	DEFRA	26.35	30.03	33.03
Scope 3.4: Upstream transportation and distribution	tons CO2e	Distance- based and average data	DEFRA	178.27	230.4	380.56
Scope 3.5: Upstream waste generated in operations	tons CO2e	Waste-type- specific method	DEFRA	0.09	3.35	3.1
Scope 3.6: Upstream business travel	tons CO2e	Distance- based and average data	DEFRA	52.28	20.16	124.31
Scope 3.7: Upstream employee commuting	tons CO2e	Distance- based	DEFRA	26.63	57.83	54.87
Scope 3.8: Upstream leased assets	tons CO2e	-	-	-	-	-
Scope 3.9: Downstream transportation and distribution	tons CO2e	-	-	-	-	-
Scope 3.10: Downstream processing of sold products	tons CO2e	-	-	-	-	-
Scope 3.11: Downstream use of sold products	tons CO2e	Products that directly consume energy during use	IEA	51.66	44.57	25.36
Scope 3.12: Downstream end-of-life treatment of sold products	tons CO2e	Activity-based, Waste-type- specific	DEFRA	-	-	3.06
Scope 3.13: Downstream leased assets	tons CO2e	-	-	-	_	_

Scope 3.14: Downstream franchises	tons CO2e	-	-	-	-	-
Scope 3.15: Downstream investments	tons CO2e	-	-	-	-	
Total for reported categories	tons CO2e			4978.03	5064.22	6592.63
Outside of scopes - Scope 1	tons CO2e	-	DEFRA	-	-	1.79
Outside of scopes - Scope 2	tons CO2e	-	DEFRA	-	-	7.35
Total for out-of-Scope emissions	tons CO2e			-	-	9.14

# Scope 1 and 2 emissions

Mobile combustion refers to the burning of fuels in vehicles such as company cars, trucks, or motorcycles for transportation, as well as in lifts, forklifts, and other equipment owned by the company.

Indirect emissions, or scope 2 emissions, consists of our purchased electricity and district heating for production sites and offices, as well as by electric or hybrid vehicles that are either owned or leased by the company. Only fuel, electricity, and heat purchased by Contour Design are included in scopes 1 and 2. Any energy consumed in buildings or vehicles leased by Contour Design but not paid for is accounted for in scope 3 category 8, as per the guidance from the GHG Protocol.

To report natural gas, electricity, and district heating consumption, actual consumption from invoices is used wherever possible. Emissions from vehicles are calculated using the fuel-based method, either obtained from third-party leasing companies or calculated based on invoiced quantities of fuel. For electric or plug-in hybrid vehicles where electricity consumption data is unavailable, emissions are accounted for using the distance-based method.

In cases where actual energy consumption data is unavailable, an average of previous months' consumption is used for estimation. Where actual consumption data is not available, spend data is converted to consumption data using an average price for the closest available period.

As part of the consolidation process in Contour Design's environmental management system, the quantity of energy consumed is multiplied by the relevant emission factor. These factors are sourced from internationally recognized sources, including DEFRA factors for emissions from heat and fuel and IEA factors for electricity. GHG emission rate attributes, supplier-specific and residual mix factors are used to calculate market-based emissions.

# Scope 3 emissions

We have prepared a GHG inventory for scope 3 based on the reporting guidance provided by the GHG Protocol. However, we do not report categories 10 (Processing of goods sold) and 14 (Franchises) as they are not applicable to Contour Design. Our calculations utilize actual data wherever possible, but in cases where that is not available, we use industry averages, data from academic studies, or similar businesses. If activity

data is not available, we use spend data as a proxy. All transport-related emissions are calculated based on a Well-to-Wheel approach.

Here is a breakdown of our emissions by category:

**Category 1:** Emissions from goods and services purchased by Contour Design are calculated using categorized spend data. This includes both direct and indirect procurement.

**Category 2:** Emissions from property, plant, and equipment (PPE) are calculated using categorized spend data. This category includes factory and office buildings, leasehold improvements, plant and machinery, operating assets and equipment, and assets under construction.

**Category 3:** Upstream emissions from energy consumption at sites where Contour Design has operational control and for fleet vehicles are calculated based on actual energy consumption data from sites and the fleet, on a location-based basis.

**Category 4:** This category includes all transportation and distribution of goods, including air, road, rail, and ocean freight, as well as warehousing conducted by a supplier and paid for by Contour Design. Data on the distance, weight, and transport mode are collected from Contour Design from global distribution centers to retailers or online-retail and B2B customers are calculated using a mix of in-house logistics and modeling based on product weights, production volumes, distances, and assumed transport modes.

**Category 6:** Emissions from business air and train travel are calculated using ticket data gathered from travel partners, uplifted using spend data to include travel not booked through Contour's travel partners. Air travel emissions are uplifted to account for the indirect effects of non-CO2 emissions. Emissions from fuel purchased by employees for business travel and hotels are accounted for in scope 3 category 1.

**Category 7:** Emissions from Contour Design employees' commute to and from work are based on an employee survey conducted in 2022.

**Category 8:** Energy use at sites not included in scopes 1 and 2 is calculated on a market-based basis using actual data obtained from building management providers and estimated data, where this is not available.

**Category 9:** This category includes emissions associated with the retail of Contour Design products via retail locations not owned by Contour Design. Average energy intensity per product sold, by major market, and location-based emission factors are used to calculate emissions. Warehousing emissions are accounted for in scope 3 category 4.

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**Category 11**: Emissions from the power consumption of all Contour Design products, excluding accessory products in Contour Design, are calculated using estimated average use cases and product types.

**Categories 8,9, 10, 13, 14, & 15:** Have been exempted from the current model due to applicability. The fields are included to track yearly progress as Contour might get responsibility in the different areas in relation to our potential growth aspects.

#### **UN Sustainable Development Goals**

In 2021, Contour Design became a member of the UN Global Compact and committed to respecting its ten principles for sustainable business practices. As part of our commitment, we will publish our first Communication on Progress (COP) in May 2022. To demonstrate our commitment to sustainability, we have opted to take part in the Early Adopter Program, which aims to evaluate the advanced COP that will be mandatory for all members from 2023. In addition to our COP commitment, we have focused on a selection of the Sustainable Development Goals (SDGs) where we believe we have the most impact. By prioritizing our efforts on these goals, we can make a meaningful contribution to creating a more sustainable future. As we move forward, we are committed to embedding a sustainability mindset both internally across our organization and externally in partnership with our business relationships. We believe that by collaborating with our partners, we can make a greater impact on sustainability across our value chain. Overall, we are excited about the journey ahead and remain committed to upholding the principles of the UN Global Compact and promoting sustainable business practices. We will continue to report on our progress in future sustainability reports and look forward to sharing our achievements in the years to come.

It is worth noting that the SDGs are set to expire in 2030, and it is likely that the UN will create new targets for companies to follow. In recognition of this fact, we at Contour Design are proactively working on new initiatives to ensure that we stay ahead of the curve and continue to make a positive impact on sustainability. By focusing on new initiatives and remaining flexible in its approach, we adapt to changing circumstances and remain at the forefront of sustainable business practices.



#### 8.8

For Contour, protecting labor rights and promoting safe and healthy working environments is a key priority. We conduct annual assessments in our Chinese production facilities and monitor and report on our performance. Moreover, we will conduct yearly employee satisfaction surveys for all offices, and already provide our employees with tools and equipment to ensure a healthy working environment.



#### 5.5

Contour will work to ensure non-discrimination and genderequality in employment through implementing gender-sensitive recruitment, promotion, and retention practices. To ensure that any potential examples of discrimination are reported and handled appropriately we are putting in place adequate grievance mechanisms as well as a whistleblower system.



# Suppliers

# Operations & Employees

Minimizing Negative Impacts



#### 8.4

Contour continuously assess the environmental impacts of purchased materials and components from our suppliers and work to reduce our supply chain emissions. To ensure a responsible supply chain, we have developed a Code of Conduct for Business Relationships that all our suppliers must adhere to and developing a Standard Operating Procedure for Conflict Minerals, relating to responsible sourcing of minerals.



#### 16.5

Being a global organization with operations in multiple geographical locations where business practices vary, Contour has implemented anticorruption and anti-bribery as a part of our Code of Conduct. Moreover, we are adopting a global whistleblower system and will provide training to all our employees to identify and act against corruption and bribery in all forms. During 2023 we will do on site Audits and training sessions with all employees globally in the 48 Human rights (OECD, UNGP, & GCGP).



#### 13.1

Contour discloses CO2e emissions according to the GHG Protocol and work actively to reduce emissions from its own operations (Scope 1 & 2) as well as emissions from upstream and downstream activities (Scope 3)



# 8 DECENT WORK AND ECONOMIC GROWTH

## 8.4

Contour continuously works to optimize products and packaging, to mitigate environmental impacts. Our new packaging is 100% plastic free, and we are developing a plan to switch to lower emission materials across the production, and have e.g., set targets for reducing the CO2 from aluminum and PCBs in our products by finding sustainable alternatives or minimizing the designs.



#### 12.5

To minimize impact from use of materials, Contour has set targets for increasing the share of recycled materials in products.

# Customers



#### 12.

Contour is implementing initiatives targeted at customers, e.g. to inform and educate customers about responsible disposal of electronics, and will continue to improve our website to further improve. We are working to enable certification of environmental claims, to help customers make informed product choices through GRI, WEEE, and Reach/RoHS compliance.



#### 12.4

Contour is looking into opportunities for how to implement necessary prerequisites for handling takeback- and repair processes (e.g. ensuring available spare parts) to increase recycling and reuse and to extend the lifetime of the products. Specifically comparing internal and external capabilities. Furtherly contour will assess recycling rates of the our highest impacting products e.g. containing large amounts of aluminum or Plastics.

# **Increasing Positive Impacts**

# Concrete initiatives in progress



- Proactively search for candidates of the underrepresented gender in recruitment and work to ensure that recruiting and promotion processes are unbiased.
- Ensure that salaries are based purely on experience and performance.
- Show and promote commitment to gender equality and diversity in communication.
- Ensure appropriate handling of potential reports on discrimination

# Status on the initiatives

- Investigating options for third-party unconscious bias training of managers.
   Future job postings will be reviewed with regards to gender equality to avoid bias.
- Ensuring equal pay for equal work paid without distinction of point 2.a for nondiscrimination (ICESCR)
- Focus on gender equality and nondiscrimination in marketing material and website, e.g., in selection of models for photo/video.
- Whistleblower system established to ensure employees can input any activities that is deemed illegal, unethical or not in compliance within Contour nor externally with the public (Whistleblower hotline).

# **Minimizing Negative Impacts**

# Concrete initiatives in progress



- Assess potential to reduce or eliminate use of high emitting materials in production and in packaging.
- Review emissions from suppliers and actively collaborate with suppliers to reduce emissions
- Share Code of Conduct for Business Relationships with all existing and new suppliers, and ensure adherence
- Ensure responsible sourcing of minerals

# Status on the initiatives

- First CO2 baseline calculation performed for 2020 and 2021. identifying the most high-emitting materials, enabling targeted initiatives for reduction in emissions from Scope 3.
- CO2 baseline results to be shared with suppliers in 2022, to enable dialogue and cooperation on emissions reduction
- Code of conduct is being adopted in the sourcing practices for T1 and T2 suppliers in 2022-2023
- Contour design are committed members of the Responsible Minerals Initiative and are working on CMRT databases for T2 and T3 suppliers.



- Conduct annual workplace conditions assessment and launch improvement initiatives.
- Conduct employee survey to assess and improve employee satisfaction and well-being
- Conduct assessment of cases of absence and long-term sick leaves related to stress and mental health and launch initiatives to improve
- Conduct annual (third-party) review and assessment of production facilities in China

- First impact assessment has been conducted in 2021 at Denmark head-office, identifying initiatives for improvement and added to action plan. Next impact assessment planned for China factory in 2023-2024.
- In 2023 Contour created an employee survey for satisfaction and well-being for the company owned sites and all available material.
- Assessment conducted in 2022, and no risks were identified. All employees covered by health insurance
- Due to Covid-19, third-party assessment has not been performed in China. Plan to conduct new review in 2022-2023



- Implement use of recycled materials in production
- Educate customers in opportunities and benefits of responsible waste handling of electronics, by clearly communicating benefits and opportunities for recycling.
- Investigate opportunities for improving repairability, to enhance product lifetime

- Contour design has set a target of using at least 30% sustainable materials in all new products based on the full product weight.
- In addition to participating in legally required take-back schemes, we plan to further improve our website to promote responsible waste handling among our customers.
- Currently developing design and production guidelines, to align with requirements for circularity. These sustainability criterions will be initiated in 2023.

# Minimizing Negative Impacts

# Concrete initiatives in progress



Disclose CO2e baseline emissions to ensure transparency across the organization

 Use results from the CO2e baseline to prioritize efforts to reduce emissions

- Reduce emissions from own operations through electrification of corporate vehicles
- Develop a climate policy
- Disclose CO2e baseline emissions to ensure transparency across the organization

#### Status on the initiatives

- This report includes our CO2 report on Scope 1, 2 and 3. We will continue to improve our calculations to increase accuracy and actionability. This will be done by adding information from our full Value chain including an increased focus on energy consumption, material sourcing and distribution methods.
- An emission reduction plan has been crafted across our value chain hotspots with focus on product development
- Contour Designs first products with sustainable materials and lower material carbon footprint has been designed and launched in 2022.
- In 2023 Contour Design will initiate the first product LCA based on new and old versions of our same products.
- Target defined for all company own vehicles to become electrified as a running change.
- The initiative is scheduled for 2023.
- This report includes our CO2 report on Scope 1, 2 and 3. We will continue to improve our calculations to increase accuracy and actionability. This will be done by adding information from our full Value chain including an increased focus on energy consumption, material sourcing and distribution methods.
- Update and formalize structures and policies on anti-corruption and antibribery practices
- Our policies on anti-corruption and antibribery are implemented in our Code of Conduct for Business Relationships. Our whistleblower

provider and is in active use open for all business relations.

Provide training to employees to

act against corruption and

bribery

Currently investigating external partner to develop e-learning for employees.

system is developed by a third party



# Resources and background data

Emission factor databases and other background data names

Emission factor databases							
Name	Link	Description	Data type	Scope	Provider	License	Difficulty
DEFRA / BEIS	Link	Large database of activity-based emission factors. Based on UK data. Updated annually.	Activity	Scope 1-3	UK Government (Department for Business, Energy & Industrial Strategy)	Free	Novice
Ecolnvent 3.8	<u>Link</u>	Database on product and process environmental impact, incl. emission data	Activity	Scope 1-3	Ecolnvent	Pay-to- use	Advanced
IEA Emissions database	<u>Link</u>	International database of energy (electricity and heating) emission factors	Activity	Scope 2, 3.3 and 3.11	International Energy Agency (IEA)	Pay-to- use	Novice
Energinet	<u>Link</u>	Danish emission factors for electricity	Activity	Scope 2, 3.3 and 3.11	Klima-, Energi- og Forsyningsm inisteriet	Free	Novice
Greenhouse gas emission intensity of electricity generation in Europe	<u>Link</u>	EU database of electricity emission factors	Activity	Scope 2, 3.3 and 3.11	European Environment Agency (EEA)	Free	Novice
GES List of Grid Emission Factors	<u>Link</u>	International database of energy emission factors	Activity	Scope 2, 3.3 and 3.11	Institute for Global Environment al Strategies (IGES)	Free	Novice
GHG Emission Factors Hub	Link	List of US emission factors, incl grid emission factors for US states, Waste handling, and transport emission factors	Activity	Scope 2-3	United Stated Environment al Protection Agency (EPA)	Free	Novice
EPD Library	<u>Link</u>	Large searchable database of EPDs	Activity	Mainly scope 3.1 and 3.2	EPD International	Free	Advanced
Climatiq	<u>Link</u>	Search engine across a large set of open-sourced emission factors	Activity/Sp end	Scope 1-3	Climatiq	Free (non api)	Novice
Exiobase	<u>Link</u>	EEMRIO table. Possible to derive emission factors on spend and some activity.	Activity/Sp end	Mainly scope 3.1 and 3.2	Exiobase	Free	Advanced

DEEDA	Link	list of spand	Cnand	Mainly	LIV	Froo	Novice
DEFRA -	<u>Link</u>	List of spend-	Spend	Mainly	UK	Free	Novice
Consumption		based emission		scope 3.1	Government		
emissions		factors. Based on		and 3.2	(Department		
		UK industry data.			for Business,		
		Last updated with			Energy &		
		2019 numbers.			Industrial		
					Strategy)		
Supply Chain	<u>Link</u>	List of spend-	Spend	Mainly	United	Free	Novice
<b>GHG Emission</b>		based emission		scope 3.1	Stated		
Factors for US		factors from USA.		and 3.2	Environment		
Commodities		Both available			al Protection		
and Industries		based on			Agency		
		commodity and			(EPA)		
		industry.					

#### Other tools

Name	Link	Description	Data type	Scope	Provider	License	Difficulty
Waste conversion factors	Link	Volume to weight conversion factors for waste	Activity	Scope 3.5	United Stated Environment al Protection Agency (EPA)	Free	Novice
Working days	Link	Amount of annual working days in specified country - link is to Denmark, but site is available for many countries	Activity	Scope 2 and 3.7	Workingdays .com	Free	Novice
Lenovo PCF	<u>Link</u>	Product carbon footprint database with Lenovo products	Activity	Scope 3.1 and 3.2	Lenovo	Free	Novice
Deli PCF	<u>Link</u>	Product carbon footprint database with Dell products	Activity	Scope 3.1 and 3.2	Dell	Free	Novice
Apple PCF	<u>Link</u>	Product carbon footprint database with Apple products	Activity	Scope 3.1 and 3.2	Apple	Free	Novice
Sea route & distance	<u>Link</u>	Distance calculator for sea routes	Activity	Scope 3.4/3.9 and 3.6	Ports.com	Free	Novice
Calculate Flight Emissions	<u>Link</u>	CO2e calculator for flights, specific to route, flight class, flight type, and aircraft type	Activity	Scope 3.6	Atmosfair.de	Free	Novice

# Scope and Category Justification

Scope and Category	Description	Calculation method & key assumptions	Data Source & quality, Supplier engagement	Emission factor source(s) and Publication(s)
Scp. 1	CO <sub>2</sub> e emissions from driving in (leased) company vehicles, and of US office heating with propane	L of fuels used in company leased vehicles, except for SE where some data was only available from km driven. Propane amount is extrapolated from monthly heating in US office.	List of company vehicles; liters consumed; distance driven; fuel type. Propane: Fuels, Gaseous fuels, Propane, liter.	DEFRA, UK government GHG conversion factors for company reporting 2022;
Scp. 2	CO <sub>2</sub> e emissions from purchased power for facilities	Location-based; Electricity based on actual consumption for offices and production (NO, FI, CN, US, DK), with last year's data for DK office Ballerup as proxy for this year and the moving of office to CPH; Actual consumption of district heat for FI, NO, DK offices with DK using last year's numbers as data has not arrived yet; Market-based: Supplier-specific emission factor for electricity applied where available	Electricity and district heating consumption per location (kWh)	IEA 2022, HOFOR; miljødeklaration 2021 for fjernvarme I hovedstadsområdet, AIB-net.org; European Residual Mixes 2021, Green-e.org; 2022 Green-e. Residual Mix Emissions Rates (2020 Data); Energi Ikast Varme A/S; Fjernvarmedeklaration 2021, Fortum sustainability 2021, Omavoima.fi; Meiltä vihreää sähköä, Vestforbrændingen; Miljødeklaration Vestforbrænding fjernvarme 2021
Scp. 2	CO <sub>2</sub> e emissions from electricity for EV (leased) vehicles	Electricity consumptions in kWh used for electric vehicles	Line-item report on kWh purchased from Norway.  And consumption data from leasing partners.	IEA 2022, HOFOR; miljødeklaration 2021 for fjernvarme I hovedstadsområdet, AIB-net.org; European Residual Mixes 2021
Scp. 3, Cat. 1	CO <sub>2</sub> e emissions from purchased goods & services	Number, weight and material for all purchased goods and raw materials for production: Spend for all non-product related goods and services (Indirect spend)	Overview of products purchased, by name, categories, quantity, weight, price, and material; General ledger	EcoInvent 3.9.1; DEFRA, UK government GHG conversion factors for company reporting 2022; DEFRA (2022): Conversion factors by SIC code 2019, updating Table 13
Scp. 3, Cat. 2	CO₂e emissions from capital goods	Spend of purchased machinery and equipment	General ledger	DEFRA (2022): Conversion factors by SIC code 2019, updating Table 13
Scp. 3, Cat. 3	CO <sub>2</sub> e emissions from fuel- and energy related activities	Fuel and power consumption based on Scope 1 and 2	Same as Scope 1 and Scope 2	DEFRA, UK government GHG conversion factors for company reporting 2022; DEFRA, UK government GHG conversion factors for company reporting 2021; IEA 2022;
Scp. 3, Cat. 4	CO <sub>2</sub> e emissions from upstream distribution & transportation	Supplier-specific emissions data where available; Otherwise based on weight, distance, and type of transportation mode; Warehousing based on spend. Includes Well to tank emissions.	Emissions from transportation suppliers' emissions results reports; Overview of products; General ledger	DEFRA, UK government GHG conversion factors for company reporting 2022, Transportation supplier specific emission factors
Scp. 3, Cat. 5	CO <sub>2</sub> e emissions from waste from operations	Amount of recyclable waste collected in CN; Assumption on office waste in CN; Spend on treatment of office waste in US; Estimate of carton boxes and electric waste-based dimensions on the recycle containers and emptying rate.	General ledger	DEFRA, UK government GHG conversion factors for company reporting 2022; DEFRA (2022): Conversion factors by SIC code 2019, updating Table 13
Scp. 3, Cat. 6	CO <sub>2</sub> e emissions from business travel	Distance-based method for flights, trains, busses, and car for DK, SE, FI, NO, CN, US. Spend based for taxi and ferry for DK, SE, FI, UK, and spend on train for SE. Hotel stay spend based.	Survey sent to relevant employees; General ledger	DEFRA, UK government GHG conversion factors for company reporting 2022; DEFRA (2022): Conversion factors by SIC code 2019, updating Table 13
Scp. 3, Cat. 7	CO₂e emissions from employee commuting	Distance based, and mode of transport based on employee survey.  Well to Tank emissions included. Has not included teleworking.	Survey sent to employees	DEFRA, UK government GHG conversion factors for company reporting 2022
Scp. 3, Cat. 8	CO <sub>2</sub> e emissions from upstream leased assets	Not relevant given that Contour do not lease assets	-	-
Scp. 3, Cat. 9	CO <sub>2</sub> e emissions from downstream distribution & transportation	Has not been prioritized to be included	-	-
Scp. 3, Cat. 10	CO <sub>2</sub> e emissions from processing of sold products	Not relevant as Contour does not sell any intermediary goods	-	-
Scp. 3, Cat. 11	CO <sub>2</sub> e emissions from use of sold products	Based on quantity of sold products, assumptions of lifetime and average power consumption	Overview of products sold, by name, categories, and quantity, and to which country	IEA 2022
Scp. 3, Cat. 12	CO <sub>2</sub> e emissions from end- of-life treatment of sold products	Activity based on total weight of products sold, combined with waste disposal of WEEE products emission factor.	Overview of products sold, by name, categories, and quantity.	DEFRA, UK government GHG conversion factors for company reporting 2022
Scp. 3, Cat. 13	CO <sub>2</sub> e emissions from downstream leased assets	Contour does not lease out assets	-	-
Scp. 3, Cat. 14	CO₂e emissions from franchises	Not relevant as Contour has no franchises	-	-
Scp. 3, Cat. 15	CO₂e emissions from investments	Not relevant given Contour's business model	-	-