

Atos

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Delivering on our sustainability commitments

Atos Medical Sustainability Report 2021

Atos Medical Holding AB

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Unless otherwise indicated, data in this report cover the Atos Medical Group meaning Atos Medical Holding AB and its wholly owned subsidiaries to the exclusion of TRACOE medical GmbH (DE), TRACOE medical GmbH (AT), Kapitex Healthcare Limited and MC Europe B.V. as mapping and integration of ESG activities in the TRACOE group are ongoing.

Introduction

Atos Medical was born out of a desire to make life easier for people living with a neck stoma. Since our foundation in 1986, we have cemented ourselves as the leaders in neck stoma care, with a world leading position in laryngectomy care.

Today, Atos Medical continues to serve the needs of thousands of people with a neck stoma globally. We want to remain at the forefront and we know this involves more than first-rate product development, which is why clinical research and education of both professionals and patients are integral parts of our business.

We are as passionate as ever about making life easier for people living with a neck stoma, by providing personalized care and innovative solutions, and we live our values every day: **We listen – We inspire – We focus – We engage.**

Our purpose is to make life easier for people living with a neck stoma. With over 35 years' of experience, we have an in-depth understanding of our users' needs and the different stages they go through from getting a diagnosis prior to surgery, until they are home living the life they want.

In October 2021, Atos acquired the TRACOE medical group, a leader in tracheostomy care that develops, manufactures, and sells a full and complimentary range of products, including percutaneous dilation sets for the beginning of tracheostoma care. TRACOE was founded in 1958, is based in Nieder-Olm, Germany, and employs some 300 people in total. Atos and TRACOE share a strong vision of making life easier for people living with a neck stoma. We have complementary capabilities, and combining the

companies will strengthen our joint ability to become a full range global player in the tracheostomy segment through a combined hospital and direct-to-consumer model.

In November 2021, Coloplast, the Danish 14,000 employee medical device group that strives to make life easier for people with intimate healthcare needs, announced the completion of their acquisition of the Atos Medical group. On completion of the transaction in January 2022 Atos Medical and TRACOE form a new chronic business segment in the Coloplast group – ENT & Respiratory Care – which is run as a separate strategic unit, operating on shared Coloplast infrastructure. As part of the Coloplast family, Atos Medical will continue its growth journey helping make life easier for more people living with a neck stoma.

Atos has adopted the UN Sustainable Development Goals (SDGs) as our framework, helping us seize material business opportunities presented by the SDGs and reducing risks. Sustainability is integrated into our core business and governance, and we ensure a strong link between our user-centric purpose and our business objectives and strategy.

We are committed to sustainable and ethical business practices, and have integrated our key sustainability ambitions as one of the four priorities for value creation in the 2025 Living Well strategy:

Making a difference in people's lives, sustaining an engaging inclusive workplace, shaping a brighter future for our planet, and creating a sustainable future for Atos Medical.

It is our ambition to constantly increase the value we create for our users and ultimately serve twice as many Laryngectomy users by 2025. Atos has taken the challenges faced by growing the number of users served while constantly minimizing the impact on the climate and our planet and in 2021 maintained our four clear climate and environmental ambitions:



Atos Medical's strategic ESG ambitions remained unchanged in 2021. In the coming years, we will continue our ESG program activities in line with our commitments, while focusing on integrating with Coloplast's overall ambitions, strategy, metrics, and reporting.

OUR STRATEGIC APPROACH

A Comprehensive ESG strategy built on the United Nations Sustainable Development Goals (UN SDGs)

We have increased our strategic ambition in the Planet pillar of our ESG program, and we will maintain a high activity level in the two other pillars: People (our customers and our employees), and Business Ethics.

<p>3 GOOD HEALTH AND WELL-BEING</p> <p>"We contribute to the well-being of our customers through personalized care, empowering them to breathe, speak, and live healthy lives"</p>	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> <p>"We provide a good workplace and equal opportunities; we systematically improve working environment and work safety in all of our organization"</p>	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> <p>"Our approach to environmental challenges is ambitious and precautionary, and we seek to use resources efficiently"</p>	<p>13 CLIMATE ACTION</p> <p>"We have a clear climate commitment, and work to contribute to a cleaner and more sustainable economy through the use of renewable energy and by reducing emissions"</p>	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> <p>"Respect and integrity are at the core of everything we do; and we work to promote ethics and to reduce corruption and bribery"</p>
People		Planet		Business Ethics

Atos Medical's Business Model and Strategy

Our business model has proven strong and resilient. It ensures that we deliver value for our customers and solid business performance, also during the most challenging times.

VALUE CREATION

We are passionate about **making a difference in people's lives**

We are passionate about **sustaining an engaging and inclusive workplace**

We are passionate about **shaping a brighter future for our planet**

We are passionate about **creating a sustainable future for Atos Medical**

CORE ACTIVITIES



Innovation excellence

Our customer centric innovation process identifies and prioritizes clear user needs based on anthropological research and close co-operation with our markets.

Our innovation team has un-matched experience, and are working closely with both production and markets to ensure customer and user needs are also met post launch.



Clinical excellence

We engage with health care professionals daily to educate on product and user needs.

We are investing in expanding our leading clinical evidence position, and combining this with proprietary education events for our professional customers and users.



Direct-to-consumer excellence

We regularly engage directly with tens of thousands of users, tailoring products and services to their needs, and often supplying their products directly in their home.

Our personalized care approach is to educate and offer product support to improve the quality of life for our users, while we ensure regular follow-up for lasting impact effect.



Digital leadership

We offer digital ways for our customers and users to engage with us across app, web, video etc. in addition to our existing customer engagement.

Based on our scalable infrastructure we are investing in digital customer experience to increase the effective customer reach at the terms of the user.

CORE STRENGTHS

Innovative product portfolio with strong clinical evidence and IP

Deep insights and knowledge of people living with a neck stoma

By far the strongest presence in the neck stoma segment

Unique direct-to-consumer go-to-market model

Digital capabilities, solid platform and integrated set-up

Employee engagement rank best in class

Our People Focus: The User Journey

Our Living Well Strategy is based on the insights in the journey that our users face and the challenges they meet on the way from surgery to eventually living well breathing through a stoma. The story of Anna from Southern Sweden illustrates this clearly.



Organization and Reporting

Sustainability (ESG) activities are anchored with members of Atos' management and overseen by the Risk, ESG, and Compliance Committee. Performance is monitored on defined KPIs, and was reported quarterly to the Audit Committee, while the Board of Directors assessed the strategic ESG priorities annually. Environmental, Social, and Governance risks are integrated in Atos Medical's general risk reporting and risk management system.

Sustainability Organization and Risk Management

Tasks and Responsibilities

At the Senior Leadership level, organizational responsibilities for sustainability (ESG) were split between the SVP HR, the SVP Operations, and the VP

Legal Affairs and Compliance. The Quality Management System is managed by the QA & RA team under the VP QA & RA. Operational responsibilities rest on the individual managers.

ESG Risk Management

In Atos Medical we have integrated the identification, assessment, and management of all ESG risks (environment, employee, social, human rights and anti-corruption risks) into our overall Enterprise Risk Management processes, which aims to identify strategic risks that may threaten Atos Medical's long term ability to fulfill our strategy, operational risks that may impact short term targets, as well as financial risks that relate to exposures in our financial operations. Risks are quantified and assessed, and for each risk an adequate response with concrete mitigating actions is

defined and assigned to Risk Owners in the organization. Risks are monitored and regularly reported management with a strategic tool for assessing whether target risks are at acceptable levels, and whether the defined responses are adequate. At the time of reporting, Atos includes two ESG related risks – Product Quality and Safety and Personal Data Protection – in its overall risk reporting.

Policies

In Atos Medical we consider integrity, ethics, and strong compliance fundamental to our business, and express this clearly in our Code of Conduct. The Code of Conduct's purpose is to communicate clear policies on all key sustainability issues, and to give fundamental hands-on guidance to all Atos employees on a global level. The Code includes all three pillars in our sustainability

program - People, Planet, and Business Ethics - and captures all material ESG areas in a single document, keeping them short and concise, yet detailed enough to give our people real guidance through clear dos and don'ts.

We track Code of Conduct training globally and we test for understanding. English, German, French, Spanish, Portuguese (B), and Japanese e-learning is available, and Italian training introduced. A number of SOPs and instructional documents are in place, and specific training is offered based on functional or geographic needs, e.g. HIPAA, and GDPR. Product quality compliance is maintained under our MDSAP and ISO 13485 compliant Quality Management System.

Due Diligence

Atos Medical maintains due diligence processes for upstream suppliers, which are subject to supplier audits. All

suppliers that operate in high risk jurisdictions (China, Malaysia) undergo audits that review the suppliers' quality system, their social and ethical commitment, as well as their working environment. All suppliers sign Atos Medical's Supplier Code of Conduct, which contains provisions on Human Rights (forced labor, child labor, discrimination, wages, working hours, and freedom of association), Environmental Protection, and Health and Safety.

In Atos Medical, we have implemented standard

compliance undertakings in contracts with third parties (anti-corruption, sanctions compliance), and our distributor contracts also comply with traceability, recall, and non-conformity reporting requirements. We maintain a vetting process for third parties supported by a software CRG platform. We screen against sanctions databases and adverse media, and perform

"Giving Voice to Our Values"

The Atos Medical Code of Conduct is available on the corporate website in five languages, and contains policy-level positions on all material sustainability matters:

Environment

Protecting the Environment;

Employees

Diversity, Health and Safety;

Social matters

User Safety and Product Quality; Interaction with End-users; Communicating about our Products

Human rights

Non-discrimination and Non-harassment; Human and Labor Rights; Personal Data Protection;

Anti-corruption

Bribery and Extortion; Gifts, hospitality and other advantages to outside parties; Receiving gifts, hospitality, and other advantages from outside parties; Conflicts of Interest; Sponsorships, Grants and Donations; Interaction with HCPs; Competition Law Compliance;

Performance: Activities – Indicators – Outcomes

Planet: Environment

Atos Medical's main manufacturing site in Hörby, Sweden, is the hub of Atos Medical's fully integrated business system where R&D, manufacture, supply chain, regulatory affairs and quality management are placed. The vast majority of Atos Medical's laryngectomy products are produced in-house, leaving a comparatively small environmental footprint.

Basic Indicators	2019	2020	2021
Electricity consumption Sweden	2,140 MWh	2,385 MWh	2,687 MWh
Water consumption	1,262 m ³	1,615 m ³	1,302 m ³
Hazardous waste (all waste is securely disposed of or recovered)	1.14t	2.02t	2.09t
Non-hazardous waste (all waste is recovered)	94.49t	112.6t	112.1t

Atos Medical's environmental work is anchored with the SVP Operations, who owns the Environmental Program. Atos goes through energy mapping on a regular basis and has been focusing environmental activities on relevant energy reduction initiatives at the manufacturing site in Hörby, where reduction activities have the greatest overall impact. For 2021, TRACOE data are not included in the reporting as mapping and integration activities are ongoing.



Timing 21	Basic Indicators	KPI	Target/deliverable	Performance
Q3 2021	Protect the external environment	Establish Atos Complete Product Life Cycle Management Process	Analysis delivered Plan implemented	HME Analysis done Action plan pending* for overall product packaging
Q1 2021	Protect the external environment	Discontinue air deliveries from Sweden and switch to ground transportation from German Central Warehouse	100% deliveries transferred	100% Italy transferred to ground transportation, few rush-deliveries to Spain remain to be converted to ground.

Future Focus

Our Planet commitments are central in our strategic approach to sustainability and that commitment will continue after Coloplast's acquisition of Atos. Hörby plant is converting to vertical geothermal heating and cooling system, and a project reducing printed paper Instructions for Use (IFUs) in select products is in progress as a result of the product environmental life-cycle study. In 2022 the key focus will be on mapping TRACOE performance and integrating TRACOE into Coloplast's and Atos' environmental plans and processes. Further, focus will be on aligning the Atos Medical Group with Coloplast ESG priorities and reporting.

People: Social Matters – the users and our employees

People: Users

Our Strategy “Living Well 2025” reinforced our customer focus building on our strong understanding of the users and our insights into the journey people with laryngectomy go through. “Living Well” refers to our ambition to secure that all users achieve a high quality of life, with three overall customer focused objectives:

- Improving the lives of more users,
- Securing better care with our products, and
- Personalizing care through digital and personalized interaction

The highest possible product quality and patient safety is vital for our license to operate. Atos Medical operates a certified Quality Management System that is certified under the Medical Device Directive (MDD), the Medical Device Single Audit Program (MDSAP), and ISO13485:2016 including complaints handling, anchored with the team of the VP QA & RA. Top management conducts a Quality Management review at least biannually. In 2021, the complaints-to-products-sold ratio remained low, and Atos Medical passed the ISO and MDSAP re-certifications.

The now extended deadline for complying with the new EU Medical Device Regulation (MDR) has been driving our 2021 high priorities:



Timing 21	Basic Indicators	Target/threshold	Target/threshold
Ongoing	Complaints vs. products sold	Complaints vs. products sold	20 PPM (threshold)
Q4 2021	Pass external audits	Pass external audits	Audits passed
26 May 2021	MDR Readiness	Convert Class I device registrations to MDR or discontinue	100% converted or discontinued

Future Focus

In 2022, Atos Medical will continue to build the best possible infrastructure to follow and support our users on their journey towards Living Well post-surgery and provide users 24/7 care across the globe, as well as improving clinical excellence through digital services to both users and healthcare professionals. Atos will have a continued strong focus on achieving MDR compliance in an integrated effort with Coloplast.

People: Employees

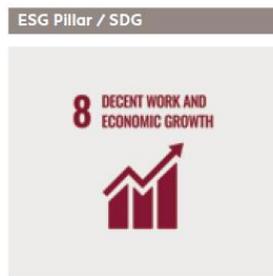
Our employees are the foundation for success with our strategic ambitions. We need talented and dedicated employees that are driven by our purpose and we must constantly inspire them by our vision and values to secure that they stay committed for the long term. In short, our commitment to retain engaged employees is a cornerstone of our strategy. We strive to provide our people with an inspiring work environment, exciting roles, and opportunities to develop, both professionally and personally, especially as we continue to grow significantly. A key enabler for executing on our Living Well Strategy is our leadership capabilities, and our "Leading the Atos Way" program continued to be a focal point for

2021 providing leaders globally with a wider sense of purpose in the organization and increasing global collaboration and employee engagement.

Basic Indicators	2019	2020	2021
Total workforce	830 people	850 people	884 people
Total workforce Sweden	180 people	180 people	180 people
Total net job creation	150 people	190 people	40 people
Women in management	N/A	40%	42%
Women in Top 40 Management	N/A	25%	25%

The 2021 employee engagement survey had a response rate of 92%, and the results kept Atos among the Top 25% best performing companies in terms of engagement and loyalty (Ennova Global Benchmark). Atos has expanded the total workforce by app. 485 people over the past five years, and with our 2025 Living Well strategy we expect to continue to grow, especially in New Markets and within tracheostomy care. Employee retention is key to providing excellent customer care, and during the past two years, we have seen a steady employee retention above 90% (12M) driven by our 5 largest markets.

Atos Medical continues to have a work injury zero-tolerance and managed to keep work injury related absence at a low level during 2021.



Timing 21	Basic Indicators	Target/threshold	2021 performance
Q4 2021	Improve employee satisfaction and motivation score over 2020 (72/100)	75% (12 months)	73%
Quarterly reporting	Employee retention 12M (voluntary turnover)	88%	91%
Quarterly reporting	No. of work injuries resulting in absence	0	5
Q4 2021	People managers completing the Leading the Atos Way program	100%	100%

Future Focus

In 2022 Atos Medical will continue to focus on retaining employees and on improving employee engagement. We will be increasing our training efforts for clinical and customer support staff and take initiatives to sustain the basis for good leadership founded by the Leading the Atos Way Program. Gender diversity will be a point of increased focus and our 2025 aim continues to be 40% female leaders in senior leadership thus

maintaining the current performance. In 2022 we will integrate TRACOE into our People ESG work, and work on integration with Coloplast's overall ambitions, strategy, and reporting.

Business Ethics: Human Rights

Atos Medical has a low number of suppliers in high risk countries, and ensures that suppliers are regularly audited and sign the Supplier Code of Conduct, which includes Human Rights provisions (forced labor, child labor, discrimination, wages, working hours, and freedom of association).

Basic Indicators	Value
Percentage of suppliers in high risk countries who have signed the Atos Medical Code of Conduct	100%
Percentage of suppliers in high risk countries audited by Atos Medical	100%

Solid protection of personal data is key to maintaining our license to operate in particular towards our users. We process the personal data of thousands of users every day to be able to serve them, and this includes their sensitive health information. This imposes significant ethical and legal obligations on Atos Medical; most notably under HIPAA in the US and the General Data Protection Regulation (GDPR) in the EU/EEA. In 2021 Atos maintained awareness of data protection issues through the mandatory, multi-language GDPR e-learning in the organization. Through Atos' Data Protection Officer (DPO) organization, we ensured timely responses to data breach incidents under GDPR and HIPAA.



Timing 21	Basic Indicators	Target/threshold	2021 performance
Q4 2021	Maintain a high level of data protection compliance awareness	100% of staff in scope take course and pass test	100%
Ongoing	Respond timely to data breaches	100% of incidents (16 incidents in total) managed and/or reported timely under GDPR and HIPAA	100%

Future Focus

In the years to come, Atos Medical will continue to focus on ensuring data protection compliance, maintaining a high level of awareness and training, and ensuring follow-up on data protection actions and improvements through the DPO organization. 2022 will also focus on planning a step-by-step alignment and integration of Coloplast and Atos data protection policies and processes.

Business Ethics: Anti-Corruption

“Giving Voice to Our Values” – the Atos Medical Code of Conduct – is the centerpiece of Atos Medical’s compliance training, rolled out in virtual or face-to-face sessions and e-learning covering a broad spectrum of ethical risks, including key corruption risks areas such as bribery and extortion; gifts, hospitality and other advantages to or from outside parties; conflicts of interest; sponsorships, grants and donations; interaction with HCPs; competition law; and fair marketing. The updated Code was redrafted in 2019 and recently published has made the guidance even clearer on important policy issues such as the GDPR and interactions with patients – the users of our products.

To mitigate the inherent risk in dealing with third parties Atos operates a due diligence process, and maintains standard compliance undertakings in contract. All third parties in our distribution chain go through a risk based vetting process, screening against sanctions databases and adverse media.



Timing 21	Basic Indicators	Target/threshold	2021 performance
Quarterly reporting	Employees trained in Code of Conduct	100%	100%
Quarterly reporting	Distributors and key suppliers covered by due diligence system	100%	100%

Future Focus

In 2022 we will be integrating TRACOE into our business ethics processes, and will work on alignment and integration initiatives with Coloplast.

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