



Atos

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Delivering on our sustainability commitments

Atos Medical Sustainability Report 2022

Atos Medical AB

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Atos Medical Holding AB Sustainability Report 2022 (January through September)

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Unless otherwise indicated, data in this report cover the Atos Medical Group ("Atos" and "Atos Medical") meaning Atos Medical AB and its wholly owned subsidiaries. The report is issued by the Board of Directors of Atos Medical AB.

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 November 2021, Coloplast, the Danish 14,000 employee medical device group that strives to make life easier for people with intimate healthcare needs, completed the acquisition of the Atos Medical group. Atos Medical and Coloplast are currently integrating their sustainability work, and plan to integrate reporting starting with the 2022/23 fiscal year.

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 strategic priority. Going forward, Atos Medical's strategic ESG ambitions will align with those of [Coloplast](#).

As Atos Medical has aligned its fiscal year with the Coloplast Group, this report covers only nine months of the 2022 calendar year (2022 01-09).

Hörby, March 2023

The Board of Directors of Atos Medical AB

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 Global Leadership Team. Performance is monitored on defined KPIs, and was reported quarterly Coloplast, 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 VP People & Culture, the SVP Operations, and the General Counsel. 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 to management with a strategic

tool for assessing whether target risks are at acceptable levels, and whether the defined responses are adequate.

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 due diligence process for third parties supported by a software CRG platform, incl. screening against sanctions databases and adverse media.

“Living 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	2020	2021	2022 (01 – 09)
Electricity consumption Sweden	2,385 MWh	2,687 MWh	1,920 MWh
Water consumption	1,615 m ³	1,302 m ³	1,143 m ³
Hazardous waste (all waste is securely disposed of or recovered)	2.02t	2.09t	1.67t (1.36t)
Non-hazardous waste (all waste is recovered)	112.6t	112.1t	110.35t (83.87t)

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 2022/23 (01-09), TRACOE data are not included in the reporting as mapping and integration activities are ongoing.



Timing 22/23	Basic Indicators	KPI	Target/deliverable	Performance
2022/23	Protect the external environment	Prepare integration of TRACOE and Atos Medical	Map TRACOE performance Prepare imp. plan	Engage EHS manager Q2 Progress according to plan Q4
2022/23	Protect the external environment	Prepare integration of Atos Medical and Coloplast	Prepare implementation plan for 2022/23 integration	Engage EHS manager Q2 Progress according to plan Q4

Future Focus

Our Planet commitments are central in our strategic approach to sustainability and that commitment will continue after Coloplast's acquisition of Atos. In 2022 the key focus will be on integrating TRACOE environmental work with Atos Medical and integrating on aligning the Atos Medical Group with Coloplast ESG priorities to be ready for integrated reporting 2022/23.

People: Social Matters – the users and our employees

People: Users

We continue to have a strong focus on reinforcing our strong understanding of the users and our insights into the journey people with laryngectomy go through. It remains our ambition to secure that all users achieve a high quality of life, securing better care with our products, and personalizing care.

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 head of QA & RA. Top management conducts a Quality Management review at least biannually. In 2022 (01-09), the complaints-to-products-sold ratio remained low, and Atos Medical passed ISO and MDSAP re-certifications.

The now extended deadline for complying with the new EU Medical Device Regulation (MDR) has been driving our 2022 high priorities:



Timing 2022 01-09	Basic Indicators	Target/threshold	Target/threshold
Ongoing	Complaints vs. products sold	Complaints vs. products sold	10.3 PPM (20 is threshold)
Q3 2022	Pass external audits	Pass external audits	Audits passed
Q3 2022	MDR Readiness	Submit files for review	6 of 7 files submitted for review as per plan

Future Focus

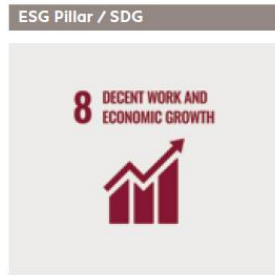
In 2022/23, Atos Medical will continue to build the best possible infrastructure to follow and support our users on their journey towards living well post-surgery and provide users 24/7 care across the globe, as well as improving clinical excellence through digital services to both users and healthcare 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 strategy is our leadership capabilities, and our "Leading the Atos Way" program continued to be a focal point for 2022 providing leaders globally with a wider sense of purpose in the organization and increasing global collaboration and employee engagement.

Basic Indicators	2020	2021	2022 (end Q3)
Total workforce	850 people	884 people	982 people (excl TRACOE) 1294 people (incl TRACOE)
Total workforce Sweden	180 people	180 people	187 people
Women in management	40%	42%	44%
Women in Top 40 Management	25%	25%	32% (end Q4 2022)

Atos has a history of monitoring employee engagement and continuously improving. No survey was conducted in the reporting period, but in Q1 FY 22/23, Atos will continue this effort in a format aligned with Coloplast (Peakon Employee Voice). Atos has expanded the total workforce by app. 635 people over the past four years, incl. the addition of approx. 300 dedicated employees through the acquisition of the TRACOE group (closing Oct 2021). Atos Medical continues to have a work injury zero-tolerance and managed to keep work injury related absence at a low level during 2022.



Timing 2022 01-09	Basic Indicators	Target/threshold	2022 01-09 performance
Quarterly reporting	Employee retention 12M (voluntary turnover)	88%	86% (excl. TRACOE)
Quarterly reporting	No. of work injuries resulting in absence	0	5

Future Focus

In 2022/23 Atos Medical will continue to focus on retaining employees and continuously improving employee engagement. During 2022/23, Atos will focus on integrating 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 2022 01-09 Atos maintained awareness of data protection issues through our mandatory, multi-language GDPR. Through Atos' Data Protection Officer (DPO) organization, we ensured timely responses to data breach incidents under GDPR and HIPAA.



Timing 2022 01-09	Basic Indicators	Target/threshold	2022 performance
Q3	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. 2022/23 will focus on further alignment and integration of Coloplast and Atos data

protection policies and processes, and adopting the Coloplast Binding Corporate Rules subject to Danish Data Protection Agency approval. GDPR training and awareness will be reinforced through several 2022/23 initiatives.

Business Ethics: Anti-Corruption

Atos has maintained a robust business ethics training program based on “Living our Values”, the Atos Code of Conduct. Further, 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. During 2022 01-09 a number of business ethics and compliance processes were aligned with and integrated into Coloplast processes.



Timing 2022 01-09	Basic Indicators	Target/threshold	2022 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 2022/23 we Atos will discontinue its Code of Conduct and move to Coloplast Business Ethics Standards (BEST) training all employees by Q3 2022/23.