

SUSTAINABILITY REPORT 2021/22

Ambu FOREVER
FORWARD

SUSTAINABILITY REPORT 2021/22

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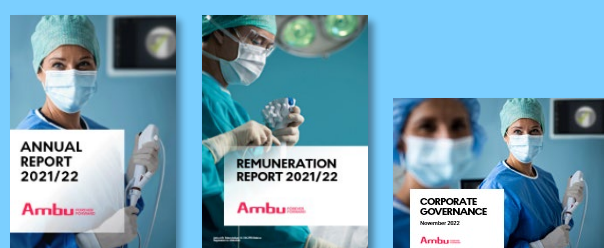
COMMUNICATION
ON PROGRESS

This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

This report constitutes Ambu's compliance with the statutory disclosure on corporate social responsibility pursuant to section 99 a and data ethics pursuant to section 99 d of the Danish Financial Statements Act. Report on the gender composition of management and the Board of Directors (members elected at the annual general meeting), pursuant to section 99 b, and diversity pursuant to section 107 d of the Danish Financial Statements Act can be found in the Annual Report.

Our statutory reporting for 2021/22 includes four reports: Annual Report, Sustainability Report, Remuneration Report and Corporate Governance Report.



Annual Report Report 2021/22

Remuneration Report 2021/22

Corporate Governance Report 2021/22

INTRODUCTION

- CEO statement
- Strategy & governance
- Our sustainability strategy
- Stakeholder engagement
- Sustainability & ESG governance
- UN Sustainable Development Goals
- Regulatory compliance
- Community engagement & philanthropy
- Who we are - and where we are

CEO STATEMENT



BRITT MEELBY JENSEN

Chief Executive Officer

For over eight decades, at Ambu, we have worked diligently towards our purpose of saving lives and improving patient care through innovation. In everything we do, we are obliged to act responsibly towards our colleagues, our business partners and the planet on which we all live.

Today, it is more important than ever that we take responsibility and prioritise the intersection between humanity, business and sustainability. Healthy economic growth must go hand-in-hand with reduced pressure on the environment and climate, as well as focus on social and governance aspects. These are all elements that are integrated in our strategy, business processes and value chain, where we are increasing our focus and dedication to ensure sustainable growth.

TAKE LEAPS TOWARDS A SUSTAINABLE FUTURE

Recognising our opportunity and responsibility to ensure a sustainable future by reducing our impact on environment, and striving to help our customers reduce their impact, our sustainability strategy focuses on two key areas "Responsible operations" and "Circular products & packaging". We are ambitious on this agenda and commit to approach net-zero emissions in collaboration with suppliers and other partners. Circular products and packaging are key to reducing our and our customers environmental impact, we therefore focus on bioplastics and recycling programs in partnership with customers and other stakeholders.

PARTNERING TOWARDS A BETTER ENVIRONMENT

As a growing business, we will do our best to reduce negative climate impact. At Ambu, we

took an important step by signing up with the SBTi (Science Based Targets initiative) in August 2021, and we thereby made a commitment to reduce carbon emissions in line with what is needed to limit a global temperature rise to 1.5°C, above pre-industrial levels. In 2021/22, we have mapped out our Scope 3 carbon emissions for 2020/21 and prepared our targets to be validated by SBTi in 2022/23. Also, in 2021/22, we increased our renewable electricity share from 4.2% to 26.1%, covering all electricity used in Xiamen, China.

“ **In everything we do, we are obliged to act responsibly towards our colleagues, our business partners and the planet on which we all live** ”

Additionally, we have strengthened our risk management process by developing and conducting climate change risk scenario analysis to assess the potential of future physical and transitional risks. Leaning on TCFD (Task Force on Climate-related Financial Disclosures)'s recommendations, we have advanced our understanding of how climate change impacts Ambu's businesses, strategy and financial planning, as well as how we strategically manage climate-related risks and opportunities. Plastic is used in most of our products to ensure flexibility and adaptiveness of the medical devices to the human anatomy. Currently, it is not possible to recycle plastic that has been in contact with bodily fluids due to risk of infection.

Therefore, whilst we explore options for recycling plastic material in our products in a safe and feasible way, e.g., through a pilot project with a partner in Germany, we continue our partnership with Plastic Bank®. Here, we support the collection of ocean-bound plastic, corresponding to the amount of plastic used in our endoscopes sold in Europe, Middle East, Africa and Latin America. Likewise, we continue our partnership with Sharps in the USA, where 4.7% of endoscopes sold in 2021/22 were sent to a waste-to-energy facility.

For the first time, this year, Ambu is obliged to disclose eligibility to the EU taxonomy. For preparedness, Ambu follows the expansion of the EU taxonomy and other reporting requirements closely – especially the Corporate Sustainability Reporting Directive (CSRD), where we expect the upcoming mandatory sustainability reporting standards to require careful attention due to comprehensiveness and short implementation period.

PARTNERING TOWARDS A BETTER COMMUNITY

This year, we unfortunately also saw a humanitarian crisis unfold in Ukraine. In response, we donated resuscitators and laryngeal masks to help the victims of the war. Celebrating the 65th anniversary of our resuscitator, the ‘Ambu Bag’, we also donated resuscitators to Mercy Ships and International Medical Corps targeted contribution to increased medical care in Africa.

We believe that an inclusive, diverse and equitable work environment ensures a sense of belonging that engages our employees’ full potential – an environment where innovation

and performance can thrive. The results of our employee engagement survey showed high scores within the topics of “Freedom of opinion”, “Workforce diversity” and “Feeling valued”, which we are proud of, as we believe that voicing our opinions freely and without judgement – in a culture that grows ever stronger due to our many differences – builds a workplace of trust and recognition. Ambu gives particular focus to gender diversity at management level, and we are almost there on all levels; among all managers and in the Executive Leadership Team, 42% are female managers. Among white-collar managers, 39% are women.

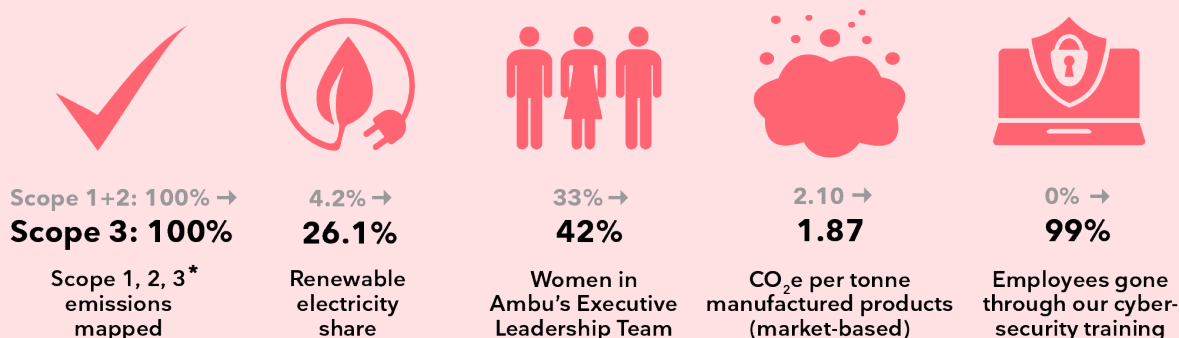
“ We believe that an inclusive, diverse and equitable work environment ensures a sense of belonging that engages our employees’ full potential – an environment where innovation and performance can thrive

To conclude, I encourage you to read on and learn more about our sustainability efforts in 2021/22. As a signatory of the UN Global Compact, I confirm our commitment to the 10 principles of the UN Global Compact and our support to the UN Sustainable Development Goals.

As we enter the new year, we will continue to report on our progress and strive to lead the way in sustainability in single-use medical devices.

SUSTAINABILITY PERFORMANCE HIGHLIGHTS

2020/21 → 2021/22



*Scope 3 emissions refer to the financial year 2020/21

STRATEGY & GOVERNANCE

The rationale behind our sustainability & ESG efforts is to act responsibly. In our Sustainability Report, we group our efforts under four headlines:

- Product governance
- Environment & climate
- Social capital
- Business ethics & compliance

Product governance, product quality and safety is the foundation for our license to operate. Environment & climate relate to how we act responsibly in our own operations, how we can influence the environment and our ability to mitigate risks that can cause harm. Social capital relates to how we engage with employees and communities, as well as our stance on diversity, inclusion, equality and human rights. Business ethics & compliance concerns how we must conduct our business to maintain our license to operate and safeguard our business by avoiding conflicts of interests and illegal practice.

OUR SUSTAINABILITY STRATEGY

Our materiality assessment, found on Ambu.com, is an important contributor to defining how to act responsibly – and has been an integral part of our strategy development process, together with stakeholder consultations, as well as review of legislation, standards, frameworks, guidelines, external issues research and current trends analysis.

Recognising our opportunity and responsibility to ensure a sustainable future by reducing our impact on environment, and striving to help our customers reduce their impact, our sustainability strategy focuses on two key areas "Responsible operations" and "Circular products & packaging". We are ambitious on this agenda and commit to approach net-zero emissions in collaboration with suppliers and other partners. Circular products and packaging are key to reducing our and our customers environmental impact, we therefore focus on bioplastics and recycling programs in

partnership with customers and other stakeholders.

The strategy leans on three fundamental enablers that, combined, lead us to succeed with our strategy. The three enablers are 'Governance, Integrity, Transparency', 'Partnerships' and 'Building & Sharing Knowledge'. 'Governance, Integrity, Transparency' comprises sustainability governance and transparency, compliance with laws, regulations and good citizenship. As we focus on our main competences, we engage, where needed, with partners with the right skillset, network, capabilities, etc., who can challenge us and contribute to the success of our initiatives. Finally, it all must lean on 'Knowledge building & sharing' – from the very detailed data to the overall impact within sustainability, shared with stakeholders in an easy understandable way, for example through learning materials for sales employees, product information for customers.

STAKEHOLDER ENGAGEMENT

Ambu has ongoing dialogue with its stakeholders via different channels throughout the year. Our stakeholders are regulators and authorities, patient organisations, professional interest groups, customers (healthcare professionals and key opinion leaders), customers (payers and tender agencies), healthcare organisations, Ambu employees, communities, NGOs, investors, shareholders, financial institutions, suppliers and business partners.

We are witnessing increasing focus on environmental, social and corporate governance-related topics among our stakeholders. As we are a global company, there are geographical differences in areas of focus, which we strive to balance in our overall efforts within sustainability. We will continue to work on improving our performance and engage in dialogue with stakeholders on how we manage sustainability & ESG at Ambu.

SUSTAINABILITY & ESG COMMITTEE



SUSTAINABILITY & ESG GOVERNANCE

At Ambu, sustainability & ESG are governed by the Sustainability & ESG committee headed by our CFO. The committee members are C-suites, ensuring that material sustainability & ESG issues, activities and targets are anchored and executed across Ambu’s functions and operations. Our CEO, CFO and Executive Leadership Team approve policies, reporting and selected processes.

Sustainability & ESG activities, target and milestone setting, action plans as well as data registration and -collection are anchored in the respective business areas in which they originate, with the Sustainability & ESG committee C-suite holding overall responsibility.



SUSTAINABLE DEVELOPMENT GOALS

<p>1 NO POVERTY</p> 	<p>2 ZERO HUNGER</p> 	<p>3 GOOD HEALTH AND WELL-BEING</p> 	<p>4 QUALITY EDUCATION</p> 	<p>5 GENDER EQUALITY</p> 	<p>6 CLEAN WATER AND SANITATION</p> 
<p>7 AFFORDABLE AND CLEAN ENERGY</p> 	<p>8 DECENT WORK AND ECONOMIC GROWTH</p> 	<p>9 INDUSTRY, INNOVATION AND INFRASTRUCTURE</p> 	<p>10 REDUCED INEQUALITIES</p> 	<p>11 SUSTAINABLE CITIES AND COMMUNITIES</p> 	<p>12 RESPONSIBLE CONSUMPTION AND PRODUCTION</p> 
<p>13 CLIMATE ACTION</p> 	<p>14 LIFE BELOW WATER</p> 	<p>15 LIFE ON LAND</p> 	<p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p> 	<p>17 PARTNERSHIPS FOR THE GOALS</p> 	

UN SUSTAINABLE DEVELOPMENT GOALS

Ambu's targets and activities are directly linked to our contribution to the SDGs.

SDG 3: Good health and well-being for all
SDG 8: Decent work and economic growth

In general, Ambu products contribute to SDG 3, "Ensure healthy lives and promote well-being for all", by the nature of our products being medical devices. In 2019/20, we completed our efforts to phase out harmful phthalates from our products and we continued our long-term efforts to evaluate substances in our products on the basis of their ability to ensure good product performance, as well as being as harmless as possible to living organisms.

Ambu's contribution to SDG 8, "Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all", is linked to our company growth ambitions and strategy to 'Grow sustainably for our people and our planet'.

SDG 7: Affordable and clean energy
SDG 12: Responsible consumption and production
SDG 13: Climate action

Through our energy efficiency activities and our engagement with SBTi, we will increase our demand for renewable electricity and thereby support SDG 7, "Ensure access to affordable, reliable, sustainable, and modern energy for all", and SDG 13, "Take urgent action to combat climate change and its impacts."

We contribute to SDG 12, "Ensure sustainable consumption and production patterns", by monitoring and reducing energy and water consumption, as well as by minimising waste and focusing on sustainable procurement.

SDG 5: Gender equality
Ambu has adopted the United Nations Women's Empowerment Principles (WEPs) as part of our commitment to promoting gender equality and women's empowerment in the workplace.

Together with our current activities, training and development of our people leaders in diversity and inclusion – ensuring equal opportunities for all genders and equality at Ambu – we contribute to SDG 5, "Achieve gender equality and empower all women and girls."



REGULATORY COMPLIANCE

Ambu is committed to complying with all applicable rules and regulations. As a listed company with more than 500 employees, we are in scope of the EU Taxonomy Regulation. Currently we do not consider our core economic activities to be in scope of the EU Taxonomy Regulation's technical annexes on climate change mitigation and climate change adaptation. Based on our current understanding, available data and assessment of requirements, we have no eligible activities to report on within revenue, OPEX and CAPEX. We follow the evolution of the EU Taxonomy Regulation and our future reporting obligations.

COMMUNITY ENGAGEMENT & PHILANTHROPY

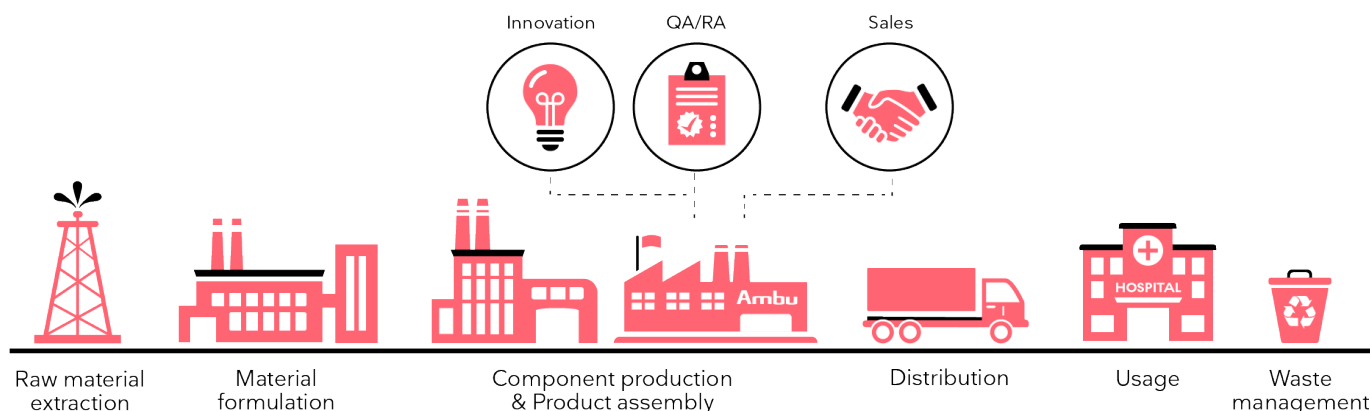
Ambu was founded with the mission to save lives and improve patient care through innovation – changing the world for the better. We have a long-standing tradition of supporting the communities in which we operate. We chose to be a strategic partner to the Danish Red Cross during 2021/22, to support their aid efforts in areas of crises and disasters with the goal of building the resilience of vulnerable communities, increase infection control, secure basic access to healthcare and ultimately save lives. Through our partnership, we supported the aid efforts in Syria, where the Red Cross, through mobile clinics and dispensaries, managed to provide healthcare to more than 408,000 patients in 2021. We also supported relief activities in Ukraine to help manage the humanitarian crisis, and we donated resuscitators and laryngeal masks to help the victims of the war.

At Ambu, we are proud of our legacy and that our products continue to play an important part in saving lives across the globe, and we are proud of having employees that deeply care for the communities in which we operate. This year, our employees have supported local communities and causes close to heart through great local initiatives, such as the "Clean Your Kilometre" initiative in France and a partnership with "One Simple Wish" in the USA.

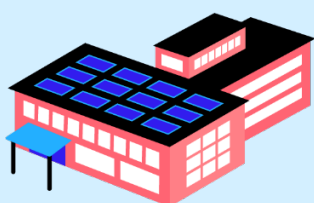
WHO WE ARE – AND WHERE WE ARE

Ambu develops, produces and sells medical devices to hospitals, clinics and rescue services all over the world. We are committed to reducing our negative environmental impact

throughout our value chain from raw material extraction and sourcing to production and distribution, including the usage-phase and waste management of our sold products.



OUR LOCATIONS



Ambu Ballerup, Denmark

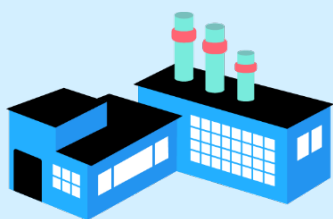
Ambu was founded in Denmark in 1937 by Holger Hesse. From the very beginning, Ambu’s headquarters have been located in Denmark – and since 2001, in Ballerup, outside of Copenhagen. The headquarters are now the workplace of 517 employees and have been expanded several times to make space for Ambu’s rapid people growth. On the roof, solar panels contribute to approximately 2% of the electricity needed. The office receives district heating from a major power plant only 6 km away.



Ambu Penang, Malaysia

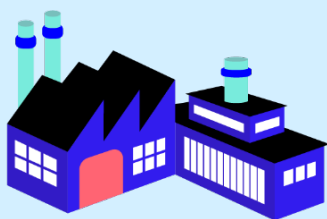
The production site in Penang, Malaysia was established in 1995. It has the most employees counting 1,746 employees. The site is powered by electricity, and since September 2020, part of the electricity consumption comes from onsite solar panels, which cover approximately 11% of the electricity used. The site specialises in producing our endoscope portfolio, as well as electrodes for the Patient Monitoring & Diagnostics business.





Ambu Xiamen, China

In 2000, Ambu started production in Xiamen, China. The site specialises in the production of plastic products, specifically for our emergency care and anaesthesia division. The site is not the largest in terms of size or number of employees, but produces the highest tonnage of products. The site is solely powered by electricity.



Ambu Noblesville, USA

In 2013, Ambu acquired the company King Systems, including the production site in Noblesville, USA. The site produces many of the medical devices from the former King Systems product portfolio, including circuit systems. The site is powered by electricity, but also has consumption of natural gas that is needed to run specialised equipment.



Ambu Juárez, Mexico

In 2021, Ambu started the building of the production site in Juárez. Energy consumption, water consumption and waste generation are included in this 2021/22 Sustainability Report due to the start-up of the production lines. The production will be specialised in producing our endoscope portfolio. It has been a priority for Ambu to set high ambitions for the environmental impact of the production site in Juárez, as a considerable element of the environmental impact of a building lies in the decisions made during the design phase. As a result, Ambu has attained the LEED Silver Certification for the production site in Juárez.



WHAT IS LEED?

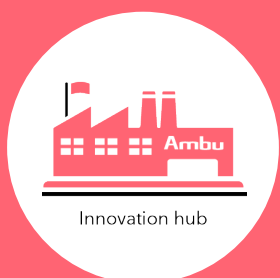
LEED stands for Leadership in Energy and Environmental Design and is a green building rating system developed by the non-profit organisation, U.S. Green Building Council. Projects can be certified on one of four levels (Certified, Silver, Gold or Platinum) by achieving a number of point-based credits based on the design choices.

At the production site in Juárez, focus has been on energy, water, exterior areas and materials through the usage of energy-efficient utility equipment and lighting, insulation, water-efficient toilets and faucets, outdoors with native vegetation and low-emission building materials.



OFFICES, WAREHOUSES AND COMPANY CARS

In 2020/21, Ambu started disclosing energy consumption from offices, warehouses and company cars. In 2021/22, we have started disclosing estimates of water consumption and waste generation from our offices (including innovation centres). We have a total of 12 sales offices located on four continents, and the total footprint amounts to approximately 6,000 m². In Augsburg, Germany, we have an innovation hub, where many of our future healthcare devices are developed. Finally, we have one warehouse located in Australia. Globally, we have approximately 500 company cars.



PRODUCT GOVERNANCE

- Our policies
- Providing high-quality healthcare products
- Ethical non-clinical testing and clinical investigations
- Ethical marketing promotion





3.4
3.6
3.8
3.9

PRODUCT GOVERNANCE

As a producer of medical devices used by hospitals, clinics and rescue services all over the world, Ambu has a great impact on people's health and safety. Upholding quality standards in our products and processes is our license to operate as a medical device manufacturer. Ambu must therefore demonstrate excellence within product governance and ensure that our products and processes live up to all applicable external regulatory requirements and are safe and effective.

Interaction and collaboration with healthcare professionals requires safe and efficient devices that meet the needs of the market, and Ambu must ensure that the collaboration happens according to legislation and ethical codes. Likewise, we must ensure that we uphold the highest ethical standards and ensure ethical marketing promotion.

OUR POLICIES

Ambu's quality policy sets the framework for our commitment to maintaining the high quality in Ambu products and processes and to comply with all applicable regulatory requirements across all Ambu sites. Ambu policy on non-clinical testing and clinical investigations provides guidance on the ethical aspects of non-clinical testing and clinical investigations. The Ambu Code of Conduct, for our employees as well as for our business partners, sets out the minimum standards for ethical behaviour and for acceptable behaviour when interacting with healthcare professionals and customers. All Ambu policies are found at Ambu.com.

PROVIDING HIGH QUALITY HEALTHCARE PRODUCTS

At Ambu, we take great pride in our products, which contribute to improving the health and well-being of people all over the world. The Ambu quality management system covers all aspects of our operation, including management responsibilities, design control, risk management, process- and production controls, as well as product surveillance, and ensures that Ambu complies with all applicable regulatory requirements.

Ambu's global quality management system is certified according to ISO 13485, Medical Device Single Audit Program (MDSAP), EU Medical Device Regulation (EU MDR), as well as UKCA (UK Conformity Assessment). MDSAP certification covers the requirements of the U.S. FDA, the Japanese Ministry of Health, Australia TGA, Health Canada and Brazil ANVISA.

For training devices Ambu, follow ISO 9001 requirements, and our Manufacturing site in Xiamen (China) holds an ISO 9001 certification.

Quality governance

At Ambu, quality is governed by the Global Quality Management Review Committee. Members are, among others, C-suites, ensuring that quality management is anchored and in compliance across Ambu's functions and operations.

GLOBAL QUALITY MANAGEMENT REVIEW COMMITTEE



Executive Leadership Team
2 of 6 representatives are mandatory

VP of Corp. QA/RA (mgt. representative),
CEO, Global Operations, Corp. HR
Global Innovation, Global Marketing

Corp. Quality Assurance
2 of 2 representatives are mandatory

Director of Corp. QAE,
Corp. Quality System responsible

Local Management Team and Quality Assurance
1 of 2 local representatives per site is mandatory

Ambu Noblesville, Ambu Xiamen,
Ambu Juárez, Ambu Penang,
Ambu Innovation Center GmbH

Key persons
Optional

Targets and progress

Our ambition is to have zero FDA warning letters and zero recalls. If we do receive FDA warning letters, or if it becomes necessary to recall products, we are transparent about the reasoning behind. Recalls are defined as action taken to remove a product from the market, for which it has been concluded that it could potentially affect the safety of patients or users. The scope of disclosure includes recalls associated with all devices manufactured by Ambu or by its subsidiaries.

In December 2021, Ambu® SPUR™ II for demand valve was recalled, as the oxygen connector was found collapsed during use.

In May 2022, Ambu® VivaSight™ 2 DLT was recalled due to risk of leak/rupture of the bronchial or tracheal cuff.

	TARGET	2021/22	2020/21
FDA warning letters	0	0	0
Product recalls	2021/22-23: 0-5 recalls annually deemed acceptable level	2	0

ETHICAL NON-CLINICAL TESTING AND CLINICAL INVESTIGATIONS

Non-clinical testing and clinical investigations are an important part of bringing products to the market. Depending on the required outcome, clinical investigations can involve manikins, cadavers, animals or humans. The type of testing, the need for testing and the potential outcome of the testing, or investigation, are all factors which need to be carefully considered to ensure the right testing at the right time during the lifetime of a product.

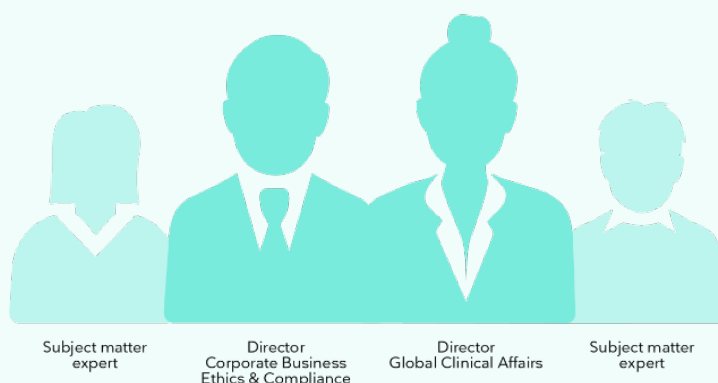
Prior to initiation of non-clinical testing and all clinical investigations, the rationale for the need to test must be reviewed and approved by Ambu’s internal Ethics Committee.

The need for non-clinical testing to fulfil bio-safety purposes is described stringently in the legislation, and these studies are not subject to approval by the Ethics Committee. Non-clinical testing for design validation (or similar) and clinical investigations must therefore be assessed before initiation. Clinical investigations are also subject to approval by the local health authorities and/or local Ethics Committee/Internal Review Boards (IRBs).

Governance Ethics committee

Ethics of non-clinical testing and clinical investigation are governed by the Ethics Committee, ensuring that all non-clinical testing for design validation (and similar) and clinical investigations are assessed before initiation and safeguard of our non-clinical testing policy.

GOVERNANCE STRUCTURE OF ETHICS COMMITTEE



OUR APPROACH TO ANIMAL TESTING



REPLACE

Use an alternative to animal testing whenever possible



REDUCE

Minimise the number of tested animals, while still obtaining scientifically valid results



REFINE

Evolve experimental procedures to minimise stress, suffering or discomfort of animals

NON-CLINICAL TESTING

Non-clinical testing is a standard method for providing initial evidence of the safety of medical devices, the potential performance when using it in a living system and the biological response that a living system may have towards the medical device. Non-clinical testing, such as animal testing, in-vitro studies, chemical characterisation studies and other chemical tests, are performed to support biocompatibility, pre-clinical safety and regulatory submissions.

The purpose of animal testing studies is to predict local acute tissue reactions, acute systemic reactions and/or tissue or skin sensitisation caused by the device. The animal tests determine the potential of the device to cause irritation and sensitisation – these animal tests are mandatory to support product safety and obtain regulatory approvals.

Ambu is committed to only using animal testing where no non-animal alternatives are available. This means that Ambu will reduce, refine and replace animal studies used for biocompatibility testing without compromising patient safety and regulatory requirements whenever possible.

When animal testing is required, we follow all applicable laws and regulations. Animal testing used by Ambu is performed in accordance with Directive 2010/63/EU, by Good Laboratory Practice (GLP)-certified laboratories and according to current ISO standards – EN ISO

10993-5:2009 and EN ISO 10993-10:2010. We do not use transgenic animals in testing.

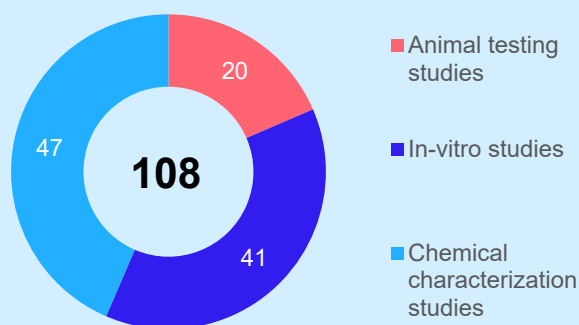
Animal testing is still a requirement made by the FDA in the USA, as the FDA does not recognise in-vitro irritation testing as an alternative to animal testing. It will therefore not yet be possible for Ambu to substitute animal trials with in-vitro irritation even though the new ISO 10993-22:2021 allows for the substitution of animal testing with in-vitro irritation testing.

Targets and progress

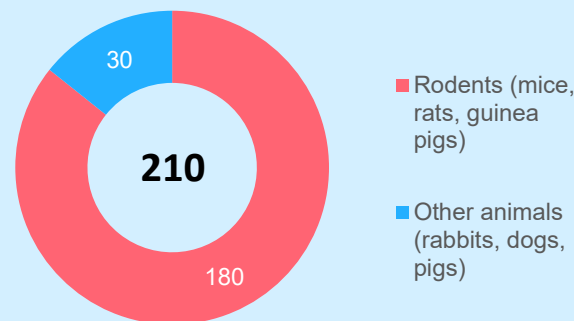
The number of tests for biosafety purposes have decreased from 194 in 2020/21 to 108 in 2021/22. Most tests conducted in Ambu are in-vitro tests and chemical characterisation studies. The decrease in number of tests is attributed to an extraordinarily high number chemical characterisation studies and in-vitro tests 2020/21, which was due to the implementation of MDR and the new ISO 18562 standard series: Biocompatibility evaluation of breathing gas pathways in healthcare applications.

The number of animals used in tests has increased from 168 in 2020/21 to 210 in 2021/22. The increased number of animals used in tests in 2021/22 is attributed to a higher number of innovation projects, where tests were deemed necessary. In 2021/22, there were eight innovation projects, compared to 2020/21 where there were six.

BIOSAFETY AND DESIGN VALIDATION STUDIES



ANIMALS USED FOR BIOSAFETY AND DESIGN VALIDATION STUDIES



CLINICAL INVESTIGATIONS

The purpose of clinical investigations is to specify and justify clinical evidence necessary to demonstrate conformity with relevant general safety and performance requirements for the intended purpose of the medical device. All Ambu’s clinical investigations are conducted in accordance with our ethical principles and international standards, including Good Clinical Practice (GCP), the World Medical Association Declaration of Helsinki (DOH), ISO14155:2020, applicable standards and local regulatory requirements. Our guidelines for clinical investigations apply to all Ambu’s clinical investigations at all locations, irrespective of whether they are conducted by Ambu or on our behalf by external Contract Research Organisations (CROs). We do not conduct clinical investigations in countries where we do not intend to

pursue registration and make the product available for use, unless there is a strong scientific justification that does not violate our ethical principles.

All clinical investigations, both completed and terminated, are registered at Clinicaltrials.gov and published within 12 months from the last patient primary endpoint, according to Clinicaltrials.gov’s publication principles.

Targets and progress

During 2021/22, two clinical investigations were completed: “A Single-Use Duodenoscope in a Real-World Setting” and “Effectiveness of aScope™ 4 Cysto with the aView™ 2 Advance for flexible cystoscopy”.

ETHICAL MARKETING PROMOTION

Ethical marketing promotion is identified as part of our Enterprise Risk Management (ERM) framework. The risks are managed as part of our healthcare compliance procedures, as production of medical devices requires interaction and collaboration with healthcare professionals to ensure safe and efficient devices that meet the needs of the market. Approval of marketing material is integrated in our internal quality management system to ensure compliance with relevant regulations.

marketing policies and procedures. Internal monitoring, as well as our Whistleblower Hotline, helps us detect and investigate incidences of non-compliance. While we rely on the advice and consultation with our stakeholders when developing a product, Ambu has an ethical responsibility to ensure that this is not perceived as an improper inducement for positive evaluation and promotion of our product. To mitigate the risk of improper inducement and conflicts of interest, we do our utmost to ensure openness and transparency and to protect the healthcare professionals with whom we interact.

To further increase awareness and ensure alignment in our interactions with our customers and key opinion leaders in the industry, we have developed training and guidelines for interactions with healthcare professionals to help our sales and marketing employees in their daily work and strengthen our global and local

Targets and progress

Targeted training in ethical marketing promotion for sales and marketing employees was initiated in 2021/22 for all marketing employees in major markets.

ENVIRONMENT & CLIMATE

- Our policies
- Carbon emissions & climate change
- Developing sustainable products
- Plastic
- Water management
- Waste management

ENVIRONMENT & CLIMATE

In their latest report, the Intergovernmental Panel on Climate Change (IPCC) leaves little doubt about the link between the emission of greenhouse gasses and climate change, and it also underlines the urgency of immediate action to keep temperature rises below 1.5 degrees Celsius to avoid serious negative repercussions for life on Earth. At Ambu, we acknowledge our impact on the environment and climate, as well as our role in helping to mitigate major repercussions for life on Earth due to the physical impacts of climate change.

During 2021/22, Ambu took additional steps in our response to climate change. Together with our submission to Carbon Disclosure Project (CDP) and identification of climate-related risks in our risk management system, we initiated a scenario analysis guided by the recommendations of the Task force on Climate-related Financial Disclosures (TCFD). The results feed into future strategy processes to ensure the resilience of our business. You can read about the process and the results in our Annual Report on page 61.

OUR POLICIES

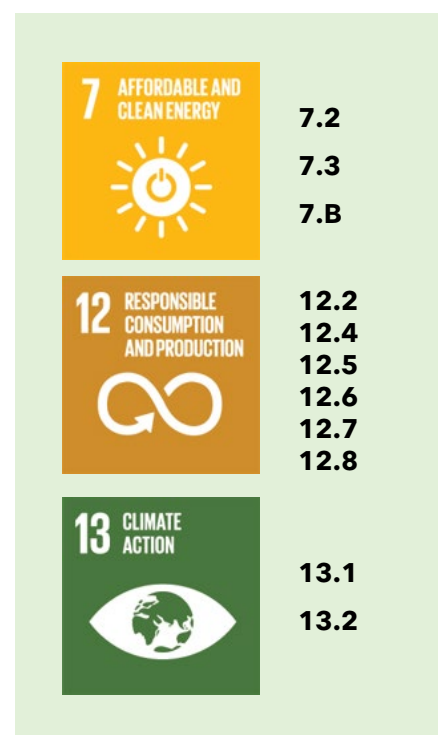
Our Sustainability engagement policy describes our commitments and continuous improvement focus within climate & environment, human & labour rights and anti-corruption. All Ambu policies are found at Ambu.com.

CARBON EMISSIONS & CLIMATE CHANGE

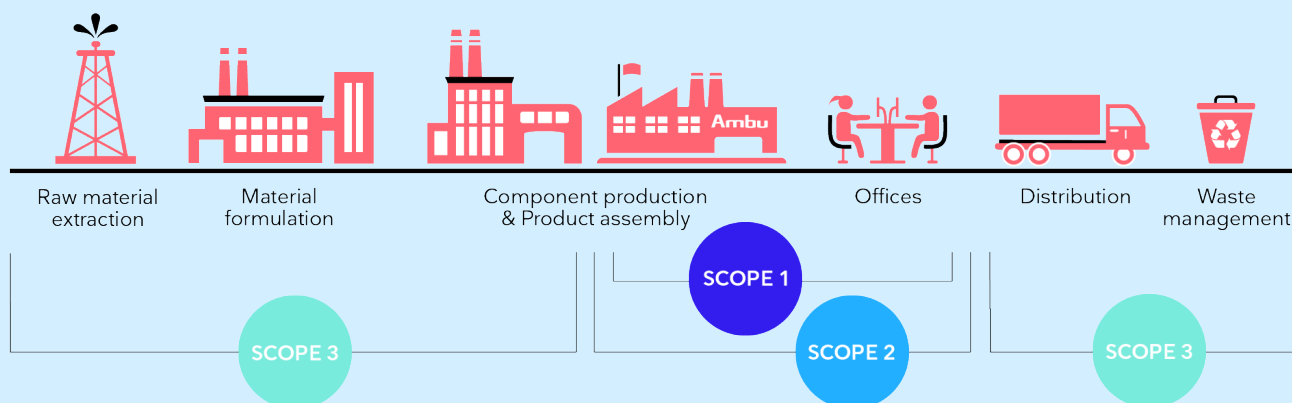
In 2020/21, we signed a letter of commitment to the Science Based Target initiative (SBTi), which commits Ambu to set carbon emission targets to meet the goals of the Paris Agreement. During 2021/22, we established an inventory of our Scope 3 emissions, enabling us to convert our existing carbon emission target of a “50% reduction of carbon emissions in 2025, compared to 2018/19 baseline” to be in line with the guidance from SBTi. Our science-based targets will include the total of Ambu’s Scope 1, 2 and 3 emissions, and we aim to submit our targets to SBTi during the beginning of 2022/23.

We have a three-step strategy to reduce our CO₂ emissions:

- Minimise carbon emissions from production sites through energy efficiency measures.
- Purchase Renewable Energy Certificates (RECs) with focus on new installations and suppliers who offer a degree of additionality. Additionality ensures expansion of renewable energy production sites.
- Establish Power Purchase Agreements (PPAs) in the countries where we have production facilities in order to ensure additionality and the expansion of renewable energy production.



WHERE DO OUR EMISSIONS COME FROM?



Scope 1 are direct GHG emissions occurring from activities under our direct control in sources that are owned or controlled by Ambu. They include emissions from Ambu’s company cars, emissions from fuel used at our production sites and fugitive emissions which occur from refilling of cooling agents in air-conditioning units.

Scope 2 are indirect GHG emissions caused by the energy we purchase, such as electricity and district heating.

Scope 3 are indirect GHG emissions - not included in Scope 2 - that occur in our value chain, including both upstream and downstream emissions.

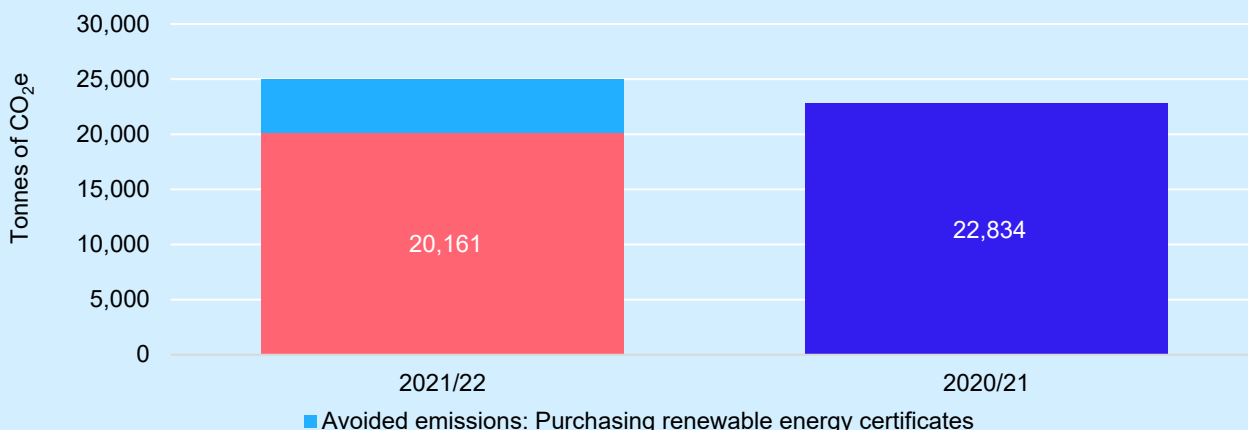
Targets and progress

In 2021/22, emissions from Juárez are included in Scope 1 and 2 emissions. See “Included emission sources” table in “Sustainability & ESG data” to learn about the expansion of scope in recent years. Ambu’s total Scope 1 and 2 emissions have decreased with 12% compared to 2020/21. This decrease is mainly seen for emissions related to electricity, as renewable energy certificates covering 100% of the electricity consumption at our production site in Xiamen have been purchased. These purchases result in an emission reduction of 4,989 tCO₂e which equals 20% of our total Scope 1 and 2 emissions in 2021/22. In addition, an amount of 1,462 MWh renewable energy has been produced by our solar panels in Penang and Ballerup. This equals CO₂e savings of 802 tonnes.

Energy efficiency measures in Xiamen has an estimated saving of 89 MWh/year, which approximately corresponds to 1% of the total yearly energy use in Xiamen. The energy efficiency measures are changing to LED lights, which results in estimated savings of 37 MWh/year, and replacement of four injection moulding machines, which results in estimated savings of 52 MWh/year.

Energy efficiency measures in Ballerup has an estimated saving of 6.6 MWh/year, which approximately corresponds to 0.6% of the total yearly energy use in Ballerup. The energy efficiency measures are changing to LED lights, which results in estimated savings of 1.3 MWh/year, and reduced operating time of ventilation systems, which results in estimated savings of 5.1 MWh/year.

**TOTAL SCOPE 1 AND 2 EMISSIONS
- DETAILED DISTRIBUTION**



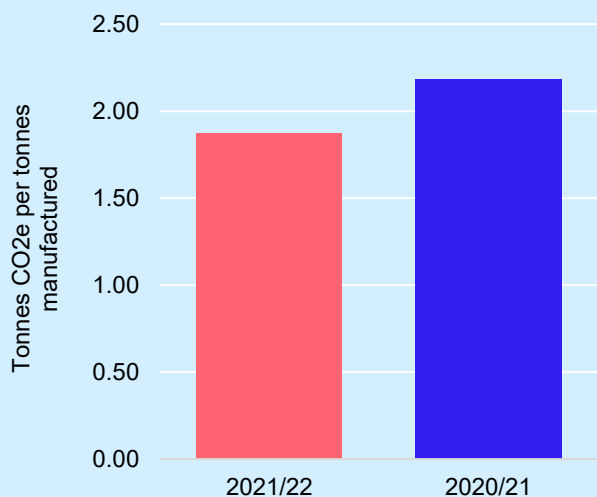
The intensity metric of emissions per manufactured product in 2021/22 is 1.87, which is a 14% decrease compared to 2020/21. The decrease is attributable to a decrease in Scope 1 and 2 emissions of 12% due to purchasing renewable energy certificates, while simultaneously working on decreasing our emissions from production sites and headquarters.

The intensity metric of emissions per unit of revenue in 2021/22 is 4.54, which is a 20% decrease compared to 2020/21. This decrease is attributable to an increase of revenue and the decrease in Scope 1 and 2 emissions.

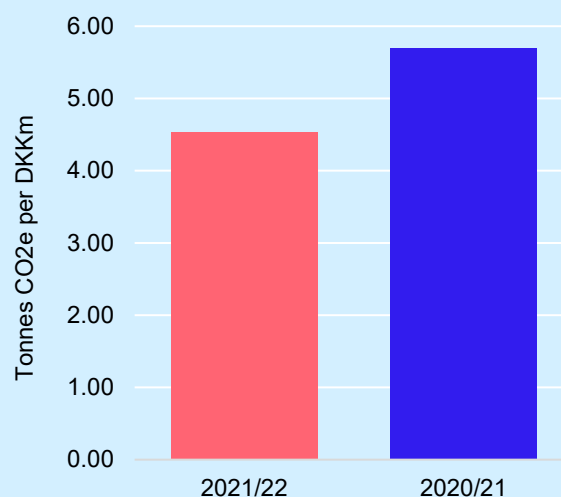
To gain a more nuanced perspective of our emissions, we use two metrics for carbon intensity:

- CO₂ per manufactured product
- CO₂ per unit of revenue

**SCOPE 1 AND 2 EMISSIONS
BY MANUFACTURED PRODUCT**



**SCOPE 1 AND 2 EMISSIONS
PER UNIT BY REVENUE**



SCOPE 3 CO₂E EMISSIONS

The first step in understanding and learning about the largest impact areas of a company, is to conduct a Scope 3 inventory. During 2021/22, Ambu successfully conducted a full mapping and calculation of all relevant Scope 3 categories for the financial year 2020/21. To complete this task, we took on an external consultant to calculate the emissions, while also ensuring that both results and methodology where externally validated. The GHG Protocol proposes six default criteria for screening and identification of relevant Scope 3 categories to include in the Scope 3 inventory. The six criteria include size, influence, risk, stakeholders, outsourcing and sector guidance. Data availability and SBTi attention points were added to the criteria. Sector guidance was excluded as no sector-specific guidance has been identified within development of corporate carbon footprint in the medical device sector. In a workshop between consultants and Ambu, all 15 Scope 3 categories were qualitatively assessed from non-relevant to very relevant, based on the identified criteria. The categories 8-10 and 13-15 were deemed non-relevant.

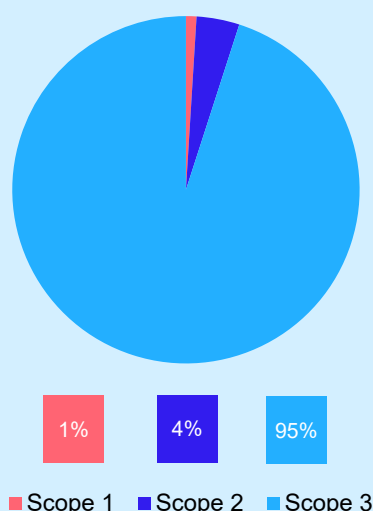
Our Scope 3 emissions, covering the financial year 2020/21, came to a total of 419,783 tCO₂e. When using the amount of tCO₂e calculated for Scope 3 in 2020/21, and comparing it to our total Scope 1 and 2 emissions from the financial year 2020/21, emissions from Scope 3 cover 95% of our total emissions. The large share of

emissions coming from Scope 3 was expected as, for many companies, the majority of their emissions lie outside their own operations.

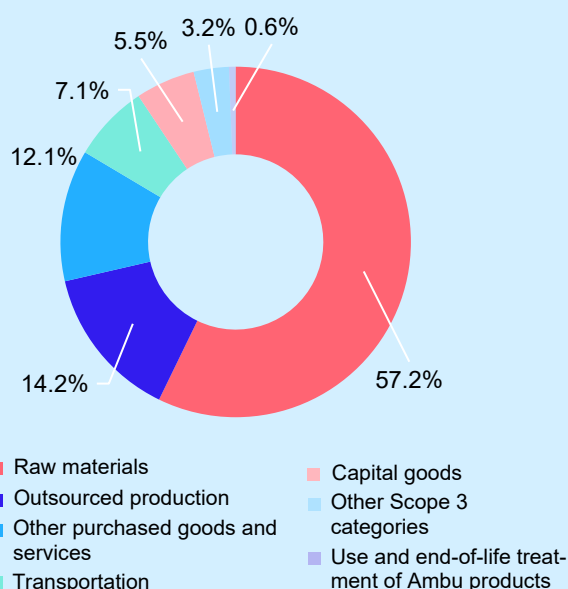
Looking at the Scope 3 emissions, it is evident that the primary driver is the purchase of raw materials used to manufacture our products. Raw material purchases lay within Scope 3 category 1: Purchased goods and services. This is the category where the majority of Ambu's Scope 3 emissions are found, amounting to a total of 84%. Within this category, outsourced production and other purchased goods and services are found. The Scope 3 category with the second highest emissions is transportation and distribution (7%), followed by capital goods (6%). See the Sustainability & ESG data table to learn how much emissions are associated with all the relevant Scope 3 categories.

Scope 3 emissions reflect emissions occurring throughout the entire value chain, which makes Ambu reliant on our many suppliers in order to reach our emission reduction goals. As a result, we will be working on establishing even closer and trustful collaborations with some of our key suppliers, specifically within purchased goods and services, so that we can drive our emissions down and meet our goals. We will do this as part of our commitment to the Science Based Target initiative.

DISTRIBUTION OF SCOPE 1, 2 AND 3 EMISSIONS 2020/21



DISTRIBUTION OF AMBU'S SCOPE 3 EMISSIONS



DEVELOPING SUSTAINABLE PRODUCTS

Ambu products have an environmental impact throughout their lifecycle – from raw material extraction until they are disposed of after use. The choices we make when designing new products not only affect our own operations, but also our suppliers and customers. We are therefore focused on improving the sustainability of our products, to minimise the impact on the environment and, if possible, contribute to the circular economy.

Our circular design guide sets out six principles to support the innovation projects towards more sustainable processes and outcomes. Sustainability is an integral part of the innovation governance and process, and at the start of a project, ambitions for one or more of the six circular design focus areas are set.

We have two targets within sustainable product development: 95% of new products released after 2025 to be PVC-free – and 100% recyclable, reusable or compostable packaging by 2025, if a suitable solution and/or technology exists.

Targets and progress

The PVC target is part of our strategic objective to phase out substances of concern from our new products. Substances of concern can cause harm throughout the material's value chain, and, for PVC, our aim is to ensure that our products will not create toxic chemicals if incinerated after use.

The PVC target:

- PVC-free solutions will be anchored in all modules/functional teams.
- All projects must set an ambition for *healthy substances*, where PVC is on the “not-preferred” list of materials.
- If a project cannot eliminate PVC, a rationale must be approved by the sponsor team or gate team.

During 2021/22, we launched six new products, of which three products were PVC-free. We define a new product launch as when a product has obtained its first market clearance. We exclude products if they are insourced, line extension products, software updates, sustainability activities or minor change projects.

During 2021/22, we continued our mapping. Our analysis based on the initial screening of recyclability has shown that some packaging variants have existing alternatives which are recyclable, reusable or compostable, while other packaging variants has been categorised as hotspot packaging, as no alternative currently exists. The latter packaging variants require a more focused effort before they can be replaced.

PLASTIC

Plastics constitute a wide range of synthetic or semi-synthetic materials that use polymers as a main ingredient. The plasticity makes it possible for plastics to be moulded, extruded or pressed into solid objects of various shapes, thereby resulting in various uses. Plastic is thus a fantastic material to use in medical devices, as it is easy to work with, both during production and use. The flexibility of a medical device

SUSTAINABLE INNOVATION



HEALTHY SUBSTANCES

Refuse harmful substances when choosing materials to avoid exposure of people and environment to substances of concern and enable safe recycling.



MATERIALS INNOVATION

Rethink the way we enable circulation of low-carbon footprint materials (bioplastics and chemically recycled content) in our products.



CIRCULAR PRODUCTS DESIGN

Redefine the product structure to enable recycling by design and to strive for keeping the materials at the highest possible value.



CIRCULAR PACKAGING & LOGISTICS

Rethink packaging and the way we are shipping our products by designing recyclable packaging and using renewable or recycled packaging materials.



MANUFACTURING CASCADES

Reduce and recirculate materials, energy and water from side streams of our processes to make more from less through cascaded use.



SYSTEM INNOVATION

Reconfigure the health- and waste system through pilots and partnerships to achieve actual take-back and recycling in key regional markets.

made from plastic ensures that the medical device adapts to the human anatomy in a way that is gentle on the patient. Sustainable substitutes for plastic in medical devices do not currently exist.

As plastic is made from crude oil, which is a fossil and non-renewable resource that releases CO₂ when incinerated, a lot of attention is paid to single-use plastics. The attention is

also emphasised in the European Union Directive, tackling the ten most commonly found single-use plastic items found on the beaches of Europe. However, medical devices are not comprised by the Directive and are not commonly found on beaches in Europe. Despite not being comprised, plastic should be recycled to avoid the release of CO₂ and preserve the material for further use.

**INTERNAL
RECYCLING OF
RUNNERS FROM
INJECTION
MOULDING
PROCESSES**

At our Xiamen and Noblesville production sites, we can internally recycle runners arising from the injection moulding process. By regrinding the runners and feeding them back into the production machines, we have been able to internally recycle 404 tonnes of plastics in Xiamen and Noblesville combined. The increase of 15% compared to 2020/21 can be attributed to a focused plastic reuse program in Xiamen.

**TAKE-BACK AND
RECYCLING
SOLUTION OF
ASCOPE 4 BRONCHO
IN GERMANY**

An initiative to mature the idea of take-back and recycling was initiated in 2020/21, where a recyclability analysis of aScope™ 4 Broncho was conducted. In theory, this initiative showed an optimistic recycling rate of more than 85% of its weight with mechanical recycling.

As the pilot proceeded, challenges to mechanical recycling occurred, resulting in prolongation of the pilot project. Further disclosure on this project is thus not possible in 2021/22.

Targets and progress

At Ambu, initiatives and projects have been established to mitigate and/or reduce the impact of our products on the global climate and environment. We are determined to finding solutions for efficient take-back systems and recycling methods together with partners in our key regional markets. However, this is particularly difficult for hospital waste, as it is regulated by law to minimise the risk of infection. In the European Union, medical devices which come in contact with bodily fluids must be handled as hazardous waste, and the Waste

Directive states that it must be incinerated. This regulation is understandable in view of the risk of spreading infection, but it is also a major barrier to the recycling of the high-quality materials from which medical devices are made.

TAKE-BACK SYSTEM

While we work towards recycling, we also strive to get our products away from landfills and towards “waste to energy” incineration that can

turn our products from waste to energy, thereby taking a step up the waste hierarchy.

In the U.S., we have partnered with Sharps Compliance, who facilitate collection containers for Ambu's single-use scopes and all items necessary to properly package containers for Department of Transportation compliant shipping. Upon receipt, Sharps Compliance ensures that electronics are recovered and processed by certified recyclers. Plastics are treated

in the Sharps Compliance patented waste conversion process to generate electricity.

In 2021/22, the Ambu endoscopes collected by Sharps generated 13 MWh of electricity. This is equivalent to the annual average energy consumption of almost eight persons. Through the Sharps partnership, we have collected 4.7% of the endoscopes we sold in the U.S. during 2021/22 – a doubling compared to 2020/21.

PLASTIC BANK

In March 2021, Ambu entered into a partnership with Plastic Bank. The purpose of the partnership is to offset the amount of plastic used in the Ambu endoscopes sold in Europe, the Middle East, Africa (EMEA) and Latin America, and to prevent plastics from entering the oceans. The partnership encourages collectors in coastal communities of the Philippines and Indonesia to gather the plastic waste, which otherwise could end up in the ocean. The collectors receive a premium for the materials they collect, which helps them provide basic family needs such as food, health insurance and education.

OPERATION CLEAN SWEEP

As our product portfolio production requires significant amounts of plastic, we recognise our responsibility to ensure a proper and careful handling of the plastic pellets used in production. For this reason, Ambu became an official partner of the Operation Clean Sweep initiative in 2021. Committing to the Operation Clean Sweep programme enables Ambu to be accountable and provides the necessary tools and processes to fulfil our responsibility.

WHAT IS PLASTIC BANK?

Plastic Bank builds ethical recycling ecosystems in coastal communities and reprocesses plastic waste for reintroduction into the global manufacturing supply chain.

WHAT IS OPERATION CLEAN SWEEP?

Operation Clean Sweep is an international initiative from the plastic industry with the purpose of ensuring that plastic pellets, flakes and powders used in manufacturing are properly handled and do not end up in nature or watercourses.

WATER MANAGEMENT

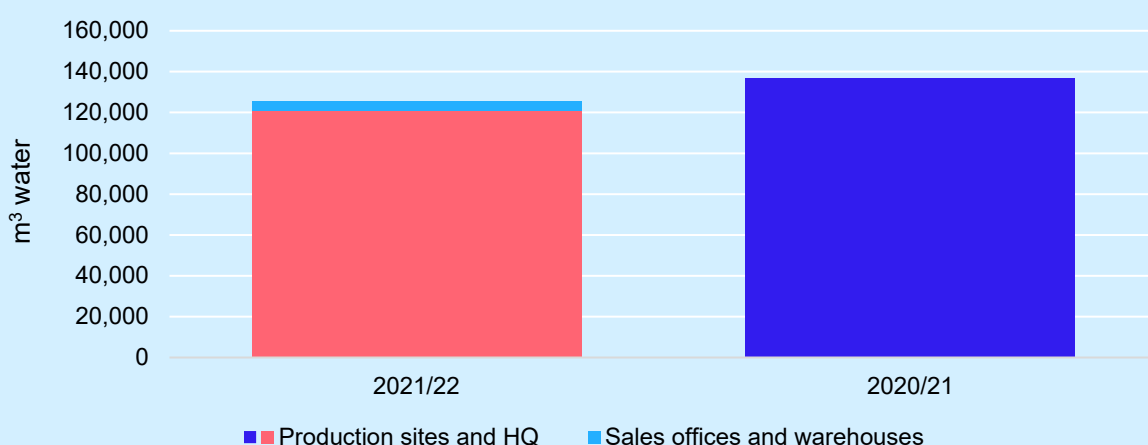
Water is a critical resource for life on Earth, and as water scarcity becomes more widespread, it is important to reduce water consumption where possible, even though production of Ambu products is not categorised as water intensive. We ensure sustainable water management at our production sites and headquarters through monitoring and assessment of the

development of water consumption and continuous adaption to changes.

Targets and progress

In 2021/22, we experienced an 8% decrease in total water consumption, even when adding water usage in Juárez, Mexico, estimated amounts from offices and warehouse and increased production.

WATER CONSUMPTION



The water consumption in 2020/21 and 2021/22 cannot be compared directly, as we expanded our scope to include an estimate of the water consumption from offices, including innovation centres, as well as from our newly build production site in Juárez in 2021/22. The reduction of water consumption can be attributed to repair of common underground water pipes in Xiamen and Penang.

At Ambu, water is mainly used for hygiene reasons and consumption is therefore related to the number of employees. In Xiamen, focus has been on optimising water use by installing water tanks to all toilets, with an estimated saving of 0.5 litres of water per flush, and by installing faucets with sensors, with an estimated saving of 0.1 litres of water per use.

WASTE MANAGEMENT

At Ambu, we believe that waste is a resource of which the appropriate application has not yet been found. We also view the amount of production waste as a direct reflection of what we have not been able to use. Our ambition is to reduce waste where possible and to upcycle our waste according to the waste hierarchy in order to minimise use of virgin resources and thereby reduce our impact on the environment and climate.

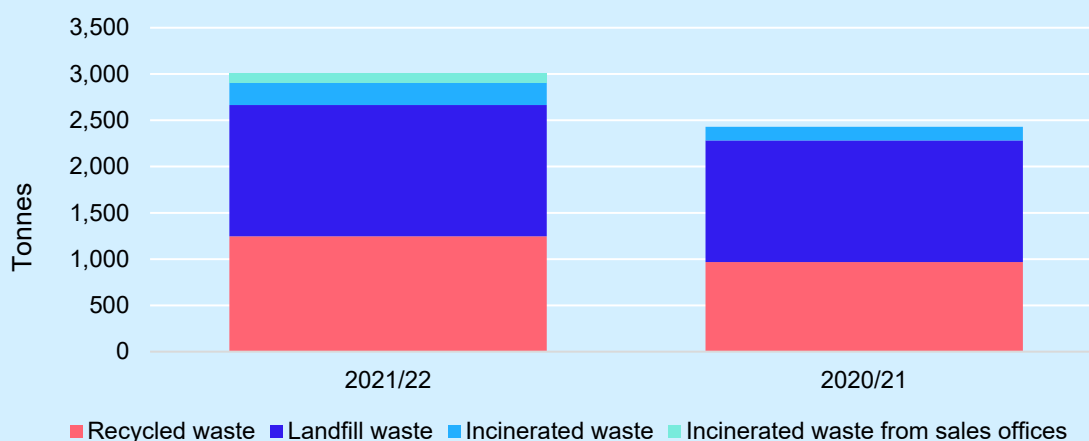
Similar to water consumption, we monitor the amount of waste at our production sites and at our headquarters. By measuring waste amounts, each production site gains a better understanding of the waste streams and up-cycling possibilities. From 2021/22, we include an estimate of waste generation from offices.

Targets and progress

In 2021/22, the waste generation increased with 24% compared to 2020/21. The primary reason behind is increased production. During 2021/22 there has been focus on minimising amounts of waste and diverting waste from

landfill to waste to energy or recycling. The scope 3 inventory shows that 95% of our category 5 emissions originate from landfilling of production waste.

WASTE



The waste generation in 2020/21 and 2021/22 cannot be compared directly, as we expanded our scope to include an estimate of the waste

generation from offices, including innovation centres, as well as from our newly build production site in Juárez, Mexico, in 2021/22.

PARTNERSHIP WITH DAKA REFOOD

In 2021/22, there was a total of 11,012 kg food waste and 270 litres of frying oil in Ballerup.

Through our partner Daka ReFood, all the food waste is converted into biogas and fertilizer, while the frying oil is recycled to second generation biodiesel. By burning biogas instead of fossil fuel, an amount of 3,469 kg CO₂e was saved.

WHAT IS DAKA REFOOD?

Daka ReFood is an organisation that collects and recycles food waste and frying oil into green energy, nutrient-rich fertilizer and biodiesel.

SOCIAL CAPITAL

- Our policies
- Social capital management
- Working towards diversity & equality
- Ensuring a safe and healthy workplace for our employees

SOCIAL CAPITAL



Ambu’s continued success is dependent on employing the most qualified people, and we are committed to ensuring a safe and healthy working environment, characterised by mutual trust and respect as a workplace where every employee is treated fairly and can prosper.

During 2021/22, a global engagement survey was conducted among white-collar workers. The response rate was 85%, and the resulting engagement score is 7.2, which leaves room for improvement. The survey revealed high scores within the topics of “Freedom of opinion”, “Recognition”, “Management support”, “Workforce diversity” and “Feeling valued”, which we are proud of. Based on the results, Ambu aims to increase the employee engagement score to be in the top 25%, by working with the identified improvement areas and maintaining the already positive scores.

OUR POLICIES

At Ambu, we consider the health and safety of our employees to be our highest priority. Our Code of Conduct sets out the minimum standards for basic employee rights, and we are governed by our Sustainability engagement policy, our Global Inclusion and Diversity policy and our Human & Labour Rights policy.

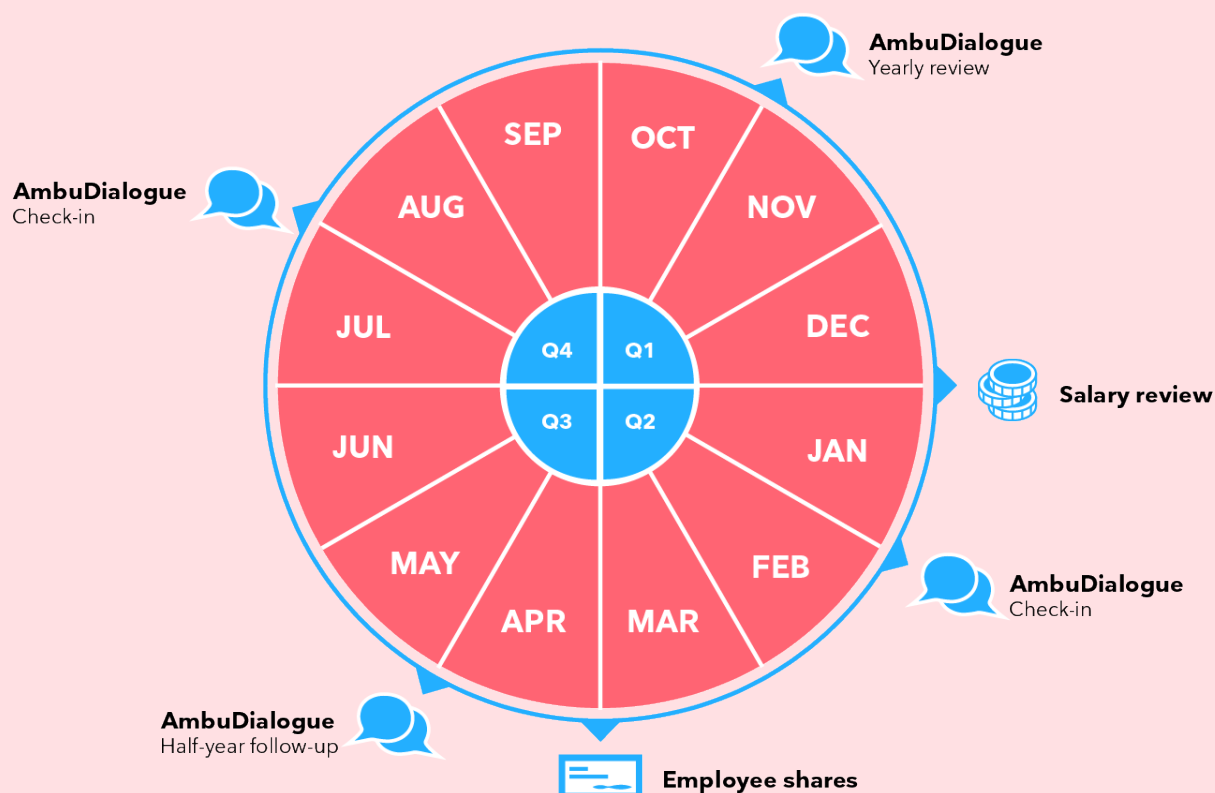
SOCIAL CAPITAL MANAGEMENT

Like every other company, we rely on our people, and as a medical device company, we rely on a wide variety of specialised employees. Our ability to attract and retain talent is therefore crucial. We have a lot of emphasis on the onboarding process and the development opportunities we offer our employees throughout their time at Ambu. From the very first day,



employees will have regular check-ins and alignment on objectives, as well as time for feedback from their manager. We want to ensure that employees have the chance to make themselves heard, develop their skillsets and carry their ambitions forward within Ambu, regardless of their location or position.

GLOBAL HR ACTIVITY CYCLE

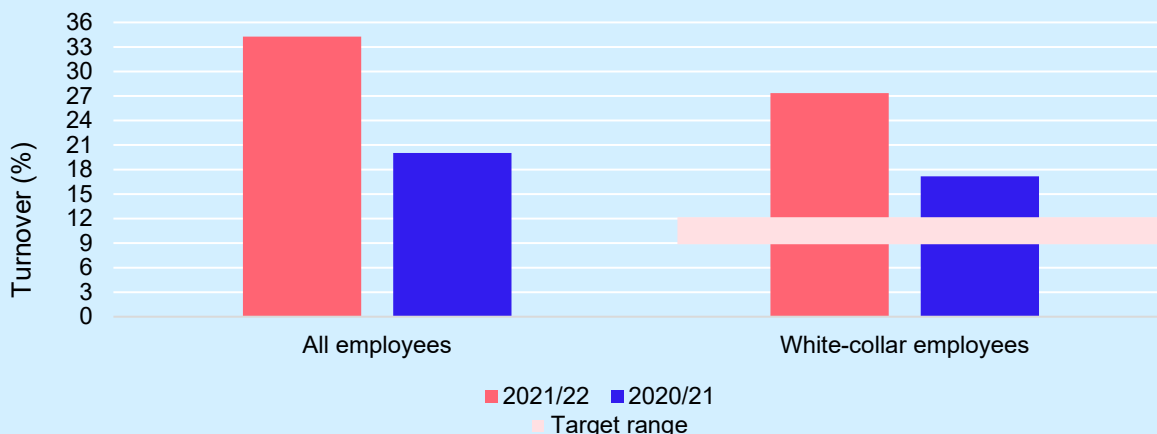


To ensure the continuous development of our people, Ambu performs talent reviews twice a year, which is a process that entails employee dialogue, as well as an individual assessment and development plan for all employees undertaken by local managers and HR partners. Furthermore, our Executive Leadership Team performs a talent review that focuses on identifying and creating progression plans for our top talent to ensure that they continue to prosper at Ambu.

Targets and progress

We believe that some staff turnover in an organisation is healthy, as new talent often brings in new ideas. That is why we have a target annual turnover rate of 9-12% for our white-collar employees, as we believe this is appropriate for an organisation of our size and nature. But facing the post corona volatile employee market and associated movement, low unemployment rates, together with our restructuring in Q4 2021/22, we see much higher turnover than targeted, both totally and within white-collar workers.

EMPLOYEE TURNOVER



The high turnover has different explanations in the different countries we operate, and we therefore look at the tendencies independently and develop appropriate actions to reduce the turnover where possible. An example of the bias is that ramp up in one place, which generated more overtime for employees, made some leave, downscale another place, which reduced overtime for employees, made some leave – therefore actions must and will be developed and implemented locally.

2021/22, which has helped us identify our improvement areas. The results of the analysis have informed action plans, which, together with the results of our engagement survey, will help guide our work in 2022/23.

To ensure equal opportunities for all genders at Ambu, we continue our training and development of our people leaders in diversity and inclusion through recruitment, leadership and values training.

WORKING TOWARDS DIVERSITY & EQUALITY

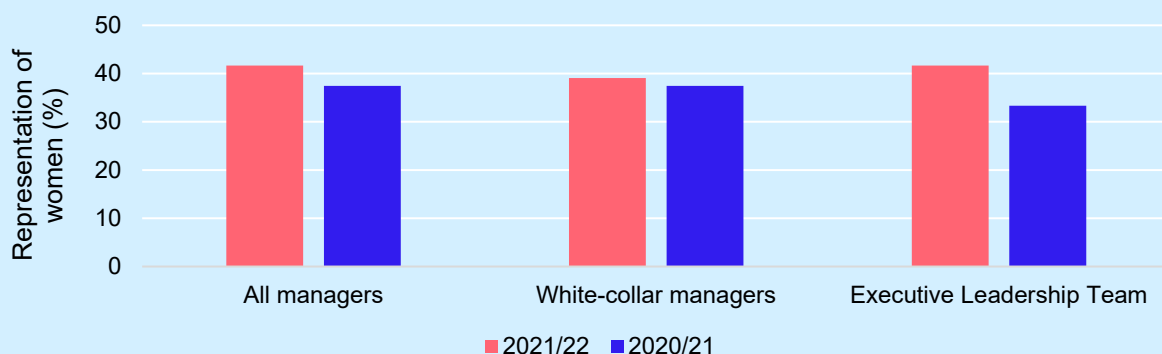
As a signatory to the United Nations’ Women’s Empowerment Principles (UN WEP), we are committed to promoting gender equality, and we continue our work to ensure that Ambu remains an inclusive, equal and diverse place to work.

Guided by the tools provided by the UN WEP, we performed a gender gap analysis in

Targets and progress

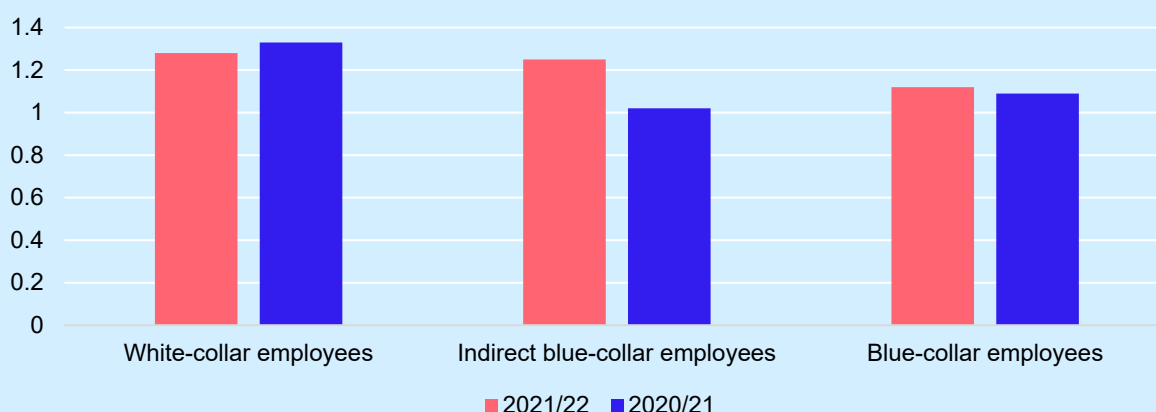
Ambu gives particular focus to gender diversity with our target of each gender being represented by at least 40% in management by 2022/23. We are almost there on all levels. Among all managers and in the Executive Leadership Team, 42% are female managers. Among white-collar managers, 39% are women. We continue our work to increase gender diversity across all of Ambu to reach our target and to maintain an equal gender representation in management.

GENDER DIVERSITY



GENDER PAY RATIO	2021/22	2020/21	Target
White-collar employees	1.28	1.33	0.8-1.30
Indirect blue-collar employees	1.25	1.02	0.9- 1.10
Blue-collar employees	1.12	1.09	0.9-1.10

GENDER PAY RATIO



Ambu will continue to focus on equal pay (maintaining ratios within internal target range) and will actively use job levels and salary bands to support equal pay throughout the organisation. Since gender pay ratios are reported on a global scale, 100% alignment will be difficult to achieve, as pay levels vary across countries and regions. The gender pay ratio for 2020/21 and 2021/22 cannot be compared directly, as we excluded employees without an Ambu contract in 2021/22. Please refer to Accounting Practices for further elaboration.

ENSURING A SAFE AND HEALTHY WORKPLACE FOR OUR EMPLOYEES

At Ambu, we are committed to ensuring safe working conditions for all. The health and safety officers appointed at our locations are responsible for systematic training, registration and reporting – and for checking that safety procedures adequately meet the risk level. This is to ensure that safety training is tailored to local

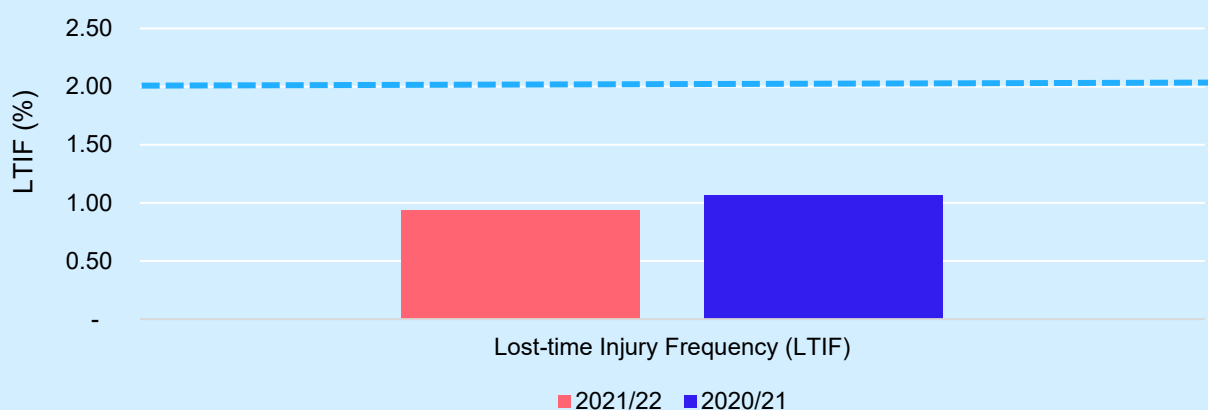
needs and allows for flexibility that takes into account the local laws and traditions.

At Ambu, we perceive health and safety as including both the physical and mental well-being of our employees. We believe that the purposeful vision of saving lives and improving patient care through innovation, combined with our values and focus on mental well-being, leads to high job satisfaction and thereby low employee turnover.

Targets and progress

At Ambu, we monitor the health and safety of our employees through data points for accidents and fatalities, as well as sickness absence. During 2021/22, we established processes to cover safety performances for all employees. This specifically mean that, similar to our sickness absence rate, our lost-time injury frequency (LTIF) now includes our sales and innovation offices, as well as production sites and headquarters.

LOST-TIME INJURY FREQUENCY (LTIF)



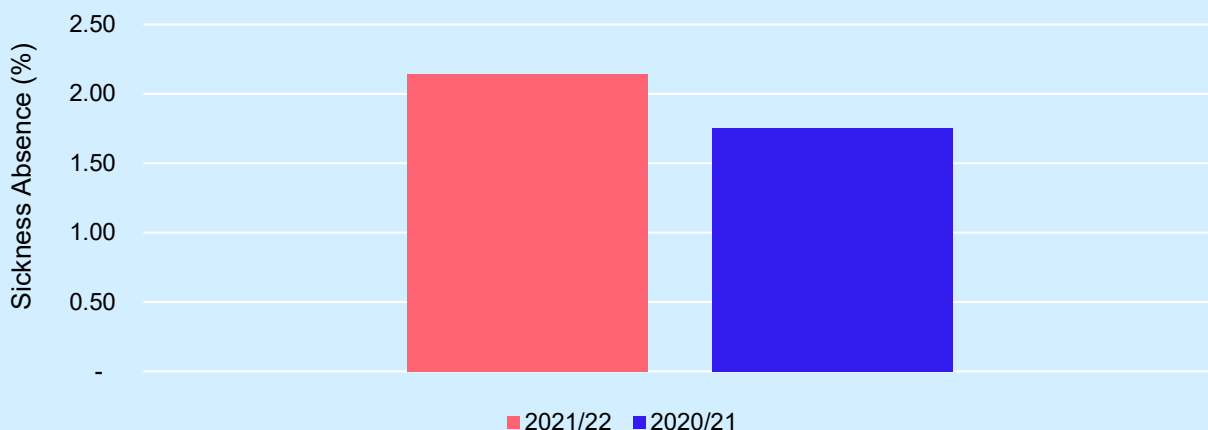
The lost-time injury frequency rate corresponds to the number of accidents with lost time per million hours worked.

We continuously work to avoid and mitigate accidents. Some of the prevention actions put in place during 2021/22 were briefing of employees on lifting techniques with the use of body harnesses when manually lifting heavy loads, replacing knives with scissors, when possible, to lower the potential of injuries, making tools available for removing jammed material in production machine, as well as implementing processes to avoid direct human contact with the moving parts of the machines, and assessing the safety of company arranged outdoor activity.

In 2021/22, Ambu had 10 lost-time injuries compared to 8 in 2020/21. The LTIF 2020/21 and 2021/22 cannot be compared directly, as we started reporting accidents globally in 2021/22. The LTIF in 2020/21 covers our three production sites in Xiamen (China), Penang (Malaysia) and Noblesville (USA), as well as headquarters in Ballerup (Denmark), while the LTIF 2021/22 covers Ambu globally.

Location	Lost-time injuries	Description
Production site	1	An employee sustained an injury from colliding with a pallet truck as it got stuck at a ramp.
Production site	1	An employee got a slipped disc after handling heavy items without wearing a body harness.
Production site	2	Two individual accidents related to cuts from a knife.
Production site	4	Four individual accidents related to employees suffering injuries from production machines.
Production site	1	An employee strained a chest muscle during work.
Outdoor activity	1	An employee fell and injured a foot while attending a company outdoor activity.

SICKNESS ABSENCE



Sickness absence increased in 2021/22, but remains at a stable level. There were some

increases locally due to second round of the Omicron variant of Covid-19.



BUSINESS ETHICS & COMPLIANCE

- Our policies
- Business ethics & compliance
- Protection of human and labour rights
- Responsible supplier management
- Cybersecurity
- Transparent tax management

BUSINESS ETHICS & COMPLIANCE

As a global company with a long history in the medical device industry, we must ensure that we have our own house in order, promote business ethics and compliance and act with integrity. This is what our stakeholders expect of us, and what is needed for us to retain our license to operate and safeguard our business.

Navigating the complex landscape of local laws, rules, legislation and customs requires a high level of due diligence and processes to ensure compliance and ethical business conduct in our engagement and interactions with our stakeholders. Ambu aims to maintain the highest ethical standards and comply with all applicable laws, rules, regulations and local customary practices. Failing to comply with all applicable laws and regulations pose an enormous risk for our business, as non-compliance may lead to loss of our license to operate and damage to our reputation, as well as big fines and penalties. Through our external communication and reporting, we aim to provide a high level of transparency, as we believe this is essential for us to maintain our integrity and reputation.

One of our challenges at Ambu is that our business involves engagement with governments and many local suppliers, as well as operations, in countries considered to be high-risk, from a compliance, labor- & human rights perspective. Navigating the complex landscape of local laws, rules, legislation and customs requires a high level of due diligence and processes to ensure compliance.

OUR POLICIES

The Ambu Code of Conduct for our employees and for our business partners guides our behaviour and set out the minimum standards for ethical behaviour, including basic employee rights.

We are governed by Ambu's data ethics policy, as well as internal policies and standard operating procedures. These ensures compliance with all applicable data and privacy laws and regulations. Our privacy statement describes how information about individual persons may be collected, used, disclosed, transferred and stored by Ambu.

Ambu respects freedom of association and the right to collective bargaining for our employees,

according to the laws or practices of the countries in which we operate. Our labour & human rights policy defines the labour and human rights standards, to which all Ambu employees are entitled, irrespective of the country in which they work, and communicates our expectations towards our business partners. Our local employee handbooks translate key messages to our employees to ensure awareness of and compliance with the policies.

Ambu is subject to the 2015 Modern Slavery Act and publishes an annual statement according to the requirements. The 2021 UK Modern Slavery Act Statement can be found on [Ambu.com](https://www.ambu.com).

The Ambu Global procurement policy sets the direction for Ambu's global procurement activities, with the purpose of ensuring compliance with principles and applicable rules and regulations, while allowing Ambu to meet its business objectives. To ensure that purchases from suppliers consider environmental and social aspects of the total life cycle of the purchase, the policy is supported by our Sustainability engagement policy.

Ambu's data ethics policy, as well as our privacy statement and standard operating procedures, govern Ambu's maintenance of the highest ethical standards and compliance with all applicable data and privacy laws and regulations.

The Ambu tax policy presents Ambu's most relevant tax policies and standards of operation within the field of corporate income tax.

All Ambu policies are found at [Ambu.com](https://www.ambu.com).

BUSINESS ETHICS & COMPLIANCE

Our compliance management system provides a framework for compliant behaviour. This allows us to continuously monitor and evaluate our compliance efforts and ensure that we adhere to all the standards set for us in healthcare systems around the world, and that there is consistency and authenticity in the way we work and what we provide.

At Ambu, all employees and business partners are strongly encouraged to act promptly when faced with suspicions or concerns about criminal offences, violations of Ambu’s Code of Conduct and policies, as well as other serious violations of law or regulations that govern Ambu’s operations. The Ambu Whistleblower Hotline is one of the tools we use to detect and act on potential violations, as it encourages and enables all customers, business partners and our own employees to raise serious concerns about misconduct and improper management, including fraud, bribery, serious breaches of occupational health and safety standards, and serious issues directed towards an employee, such as discrimination, violence or sexual assault, or serious violations of local policies.

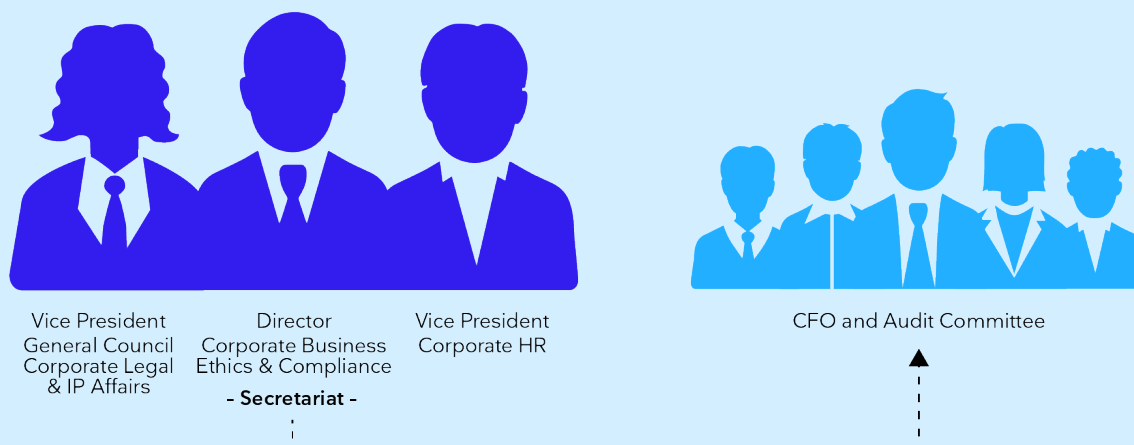
Our Whistleblower Hotline reporting system is hosted externally by an independent third-

party, guaranteeing the system’s security and anonymity. The system allows for an appropriate and confidential reporting of serious wrongdoing or suspicions thereof. The reporting from the Whistleblower scheme is anchored in the Audit Committee.

GOVERNANCE OF WHISTLEBLOWER HOTLINE

The governance of Ambu’s Whistleblower Hotline is two-fold. Our Hotline Committee serves as a decision-making secretariat for handling whistleblower reports. All reports are reported to the C-suites, CFO and Audit Committee, thereby ensuring that all whistleblower reports are handled properly and brought to the attention at appropriate management level.

HOTLINE COMMITTEE



Targets and progress

All white-collar and indirect blue-collar employees at Ambu must once a year complete an

online training course in our Code of Conduct to increase general awareness of our rules and guidelines for ethical business conduct.

Code of Conduct training (white-collar and indirect blue-collar)	Target	Rate of completion
2020/21	100%	99.7
2021/22		98.8

GDPR training (all of our European employees)	Target	Rate of completion
2020/21	100%	95
2021/22		93.2

Code of Conduct training for blue-collar workers are conducted locally for existing employees and as part of the onboarding process for new employees. Code of Conduct training for blue-collar workers are currently not monitored with a completion rate.

During 2021/22, the Ambu Code of Conduct campaign was run. The campaign was aimed at raising awareness about our updated Code of Conduct. We wanted to ensure that Ambu employees understand which expectations to follow, as our Code of Conduct is an extension of our values and guides all of us in making ethical decisions and understanding desired behaviours. Hence, all Ambu People Managers were asked to discuss the introduction and dilemmas with their teams.

GDPR

All of our European employees are required to complete annual training on GDPR.

In 2020/21, we achieved a completion rate of 93%, which is below our target of a 100% completion rate. IT issues have unfortunately resulted in some employees not being registered as having completed the course.

WHISTLEBLOWER HOTLINE

Ambu's Whistleblower Hotline received 13 reports in 2021/22. 12 reports fell within the scope and were investigated. The scope of the Whistleblower Hotline is suspicions or concerns about criminal offences, violations of Ambu's code of conducts and policies, including industry codes, and other serious violations of law or regulations that govern Ambu's operations (collectively, the Compliance Standards) done by Ambu employees or third parties interacting with or working on our behalf.

Four reports regarded allegations of theft, embezzlement, fraud and falsification of various kinds. Three reports concerned discrimination and harassment, and two others concerned improper sales and/or marketing activities. Two reports were about conflict of interest. Finally, one report was about violation of laws and regulations, including Ambu policies and procedures. They were all investigated and dealt with according to our whistleblower procedure. One case, regarding allegations of fraud, and one case, regarding conflict of interest, were substantiated and led to employee termination.

Whistleblower hotline	2021/22	2020/21	2019/20
Number of reports to the Whistleblower Hotline	13	10	5
...number of reports within scope	12	10	3

PROTECTION OF HUMAN AND LABOUR RIGHTS

During 2021/22, we continued our implementation of processes and policies that live up to requirements of the Labour Standards Assurance System, developed by our customer NHS (National Health Services) in the UK. While the NHS UK has decided to discontinue the system in its tender requirements, Ambu still performed an internal audit to ensure our current practices live up to the requirements previously communicated, namely, to ensure that Ambu is not violating any human- and labour rights.

In 2022/23, we continue to strengthen our internal HR processes as well as the Responsible Supplier Program to make sure we comply with all applicable law and legislation within the protection of human- and labour rights, as well as live up to stakeholder expectations and requirements.



RESPONSIBLE SUPPLIER MANAGEMENT

Our Responsible Supplier Program, coupled with our Code of Conduct for Business Partners, is developed to ensure that our suppliers not only address quality and cost requirements, but also a wide range of sustainability and integrity considerations, such as business ethics, labour and human rights and environmental impacts. Supplier due diligence is conducted on an ongoing basis, with revision and repetition of the exercise every 2-3 years, based on the current risk profile. New suppliers enter the program through the supplier onboarding processes.

At Ambu, we aim to work with and support suppliers that share our commitment to sustainability and responsible business practices. Therefore, if a potential issue is identified during the due diligence process, Ambu and the supplier will agree and collaborate on the required improvements rather than simply terminating the collaboration. We believe that, as a big multinational company, we can make a difference in global supply chains.

Targets and progress

The rate of Code of Conduct signage for business partners has decreased in 2021/22 and is below the target of 98%. Efforts is immediately set forth to increase the rate of signage.

Code of Conduct (signed by suppliers in scope)	Target	Rate of signage
2020/21	98%	98.2
2021/22		92.6

Only 2 risk profiling assessments has been completed in 2021/22, which is expected, as the suppliers in scope are almost constant, and as the repetition occurs every 2-3 years.

During 2021/22, two suppliers were added to the scope for risk profiling assessment. The ongoing due diligence were completed. Due to Covid-19 restrictions in Asia, it has not been possible to perform supplier audits.

Responsible Supplier Program	2021/22	2020/21
Risk profiling assessment completed	2	126
Supplier selected for due diligence	0	31
Completed due diligence	2	29
Ongoing due diligence	0	2

CYBERSECURITY

Cybersecurity is critical for any company to stay in operation and protect its intellectual property. However, it is also the backbone of safeguarding assets and data related to our daily operations, our business value and the customers we serve.

Given the rise in cyber threats targeting all areas of the healthcare industry, Ambu takes mitigating these very seriously and have processes, such as incident response, crisis management, risk and threat assessments and vulnerability scanning in place. These measures are implemented to not only ensure we avoid business disruption, but to protect our information as best possible, protecting it from being lost, stolen or compromised. This is achieved through established governance, processes and a robust cybersecurity framework embedded through the organisation.

Ambu additionally continuously improves its measures to monitor and respond to potential data breaches and cyberattacks. Our cybersecurity efforts are aligned with the National Institute of Standards and Technology Cyber

Security Framework (NIST CSF) and ISO 27001/27002 – and build on both technical and organisational measures, including conducting both internal and external security assessments, vulnerability assessments and penetration testing, for our internal IT and for our products serving our customers.

Cybersecurity is a fluid, evolving field – as our digital needs evolve, so do the risks around them. Therefore, at Ambu, safeguarding critical assets and sensitive data is ensured through our risk-based mitigation of overall cyber-related business risks and vulnerabilities.

All Ambu employees are trained annually in cybersecurity and are regularly provided with alerts and periodic information on important and pertinent topics related to security. This creates a cadence of responsibility throughout the organisation on the importance of this topic.

Targets and progress

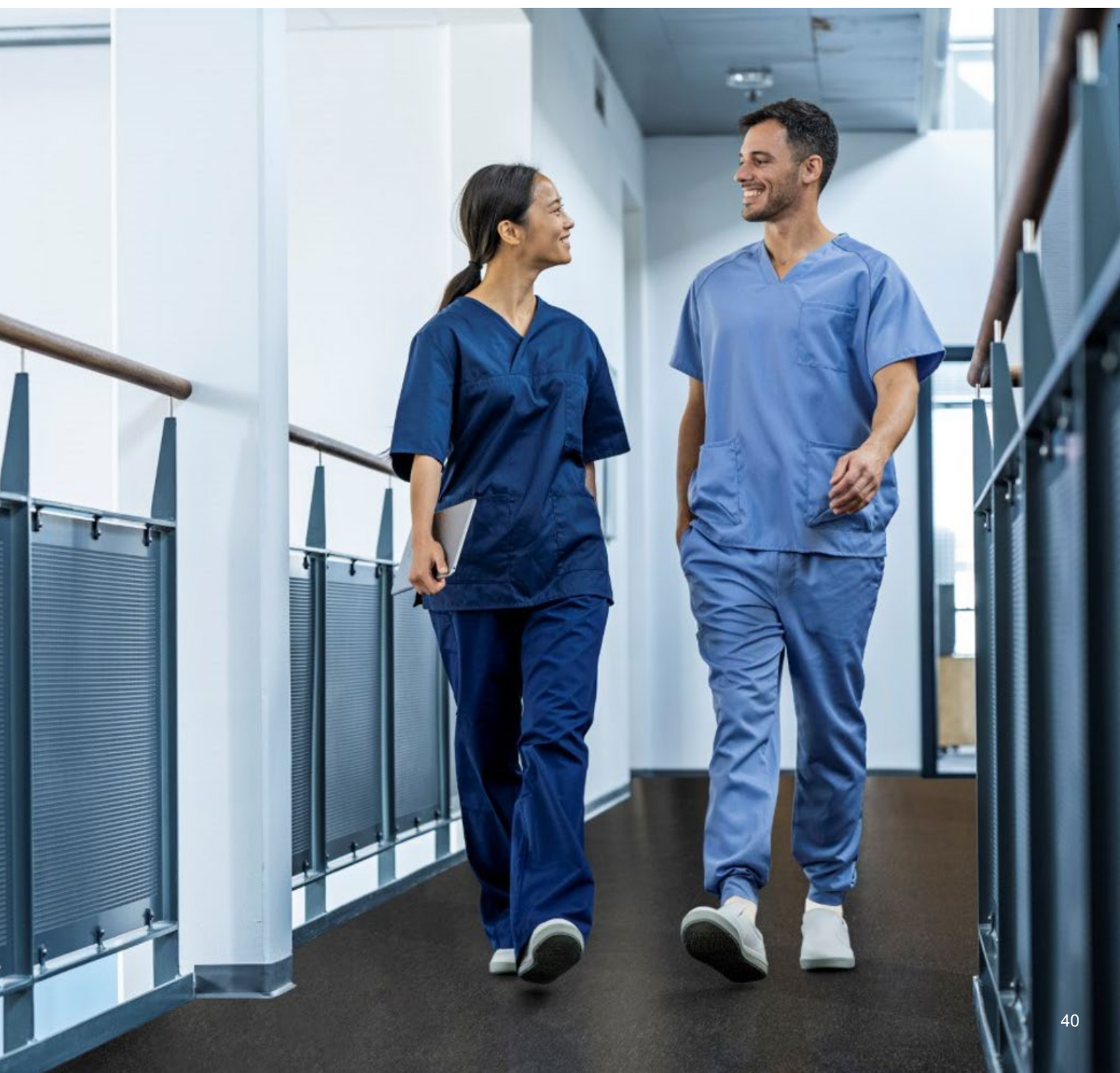
All white-collar and indirect blue-collar employees at Ambu must, once a year, complete an online training course in cybersecurity.

Cybersecurity online training course	Target	Rate of completion
2021/22	100 %	99.0 %

TRANSPARENT TAX MANAGEMENT

Ambu strives to meet the standard of being a good corporate citizen in all countries where we operate. The Ambu tax policy presents Ambu's most relevant tax policies and standards of operation within the field of corporate income tax. It is the overall responsibility of our CFO to ensure that Ambu's activities and tax positions are compliant with the tax policy.

Ambu operates a simple transfer pricing setup, based on the principal structure, and pays corporate income tax in the countries where business is conducted in accordance with the framework of international tax laws and the OECD guidelines on transfer pricing.



SUSTAINABILITY & ESG DATA

- Performance data tables
- Sustainability & ESG data collection
- Accounting practices
- Management statement
- Independent auditor's assurance report on sustainability & ESG data

SUSTAINABILITY & ESG DATA

PERFORMANCE DATA TABLES

See our sustainability & ESG accounting practices for more information on data definitions and scope.

PRODUCT GOVERNANCE INDICATORS	TARGET 2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
Product safety						
FDA warning letters (number)	0	0	0	–	–	–
Recalls (number)	0-5	2	0	–	–	–
Non-clinical trials and clinical trials						
Total number of biosafety and design validation studies		108	194*	–	–	–
Total number of animals used in trials with biosafety purpose initiated		210	168	–	–	–
Completed clinical trials		2	2	–	–	–

* Number of biosafety and design validation studies for 2020/21 has been corrected due to a typing error.

ENVIRONMENTAL INDICATORS	TARGET 2024/25	2021/22	2020/21	2019/20	2018/19	2017/18
CO₂e						
Scope 1 (metric tonnes CO ₂ e)		5,364	4,329	957	944	845
Emissions from burning of natural gas and LPG (metric tonnes)		3,067	2,812	861	-	-
Emissions from burning of petrol and diesel (metric tonnes)		1,309	1,298	96	-	-
Emissions from refrigerants (metric tonnes)		988	219	-	-	-
Scope 2 – location-based (metric tonnes CO ₂ e)		19,206	18,027	18,249	17,141	13,768
Scope 2 – market-based (metric tonnes CO ₂ e)		14,797	18,505	-	-	-
Scope 1 + 2 (metric tonnes CO ₂ e) (location-based)		24,571	22,356	19,206	18,085	14,613
Scope 1 + 2 (metric tonnes CO ₂ e) (market-based)	9,043	20,161	22,834	-	-	-
Scope 1 + 2 by tonne of manufactured products (metric tonnes CO ₂ e /tonne) (location-based)		2.28*	2.14	1.90	1.96	1.65
Scope 1 + 2 by tonne of manufactured products (metric tonnes CO ₂ e /tonne) (market-based)		1.87	2.18	-	-	-
Scope 1 + 2 by revenue (metric tonnes CO ₂ e /DKKm) (location-based)		5.53	5.57	5.38	6.41	5.61
Scope 1 + 2 by revenue (metric tonnes CO ₂ e /DKKm) (market-based)		4.54	5.69	-	-	-

* As of 2021/22, tonne manufactured is based on tonne produced, not tonnes shipped.

INCLUDED EMISSION SOURCES	2021/22	2020/21	2019/20	2018/19	2017/18
Emissions from Penang	✓	✓	✓	✓	✓
Emissions from Xiamen	✓	✓	✓	✓	✓
Emissions from Noblesville	✓	✓	✓	✓	✓
Emissions from Ballerup	✓	✓	✓	✓	
Emissions from Juárez	✓				
Emissions from company cars in Ballerup	✓	✓	✓		
Emissions from company cars in Ambu	✓	✓			
Emission from sales offices and warehouses	✓	✓			
Emissions from refilling of refrigerants	✓	✓			

SCOPE 3*	2021/22	2020/21	2019/20	2018/19	2017/18
Scope 3 (metric tonnes CO2e)	-	419,783	-	-	-
Category 1 - Purchased goods and services	-	350,693	-	-	-
Category 2 - Capital goods	-	23,041	-	-	-
Category 3 - Fuel- and energy-related activities	-	4,171	-	-	-
Category 4 - Upstream transportation and distribution	-	29,839	-	-	-
Category 5 - Waste generated in operations	-	1,539	-	-	-
Category 6 - Business travel	-	2,800	-	-	-
Category 7 - Employee commuting	-	5,122	-	-	-
Category 11 - Use of sold products	-	656	-	-	-
Category 12 - End-of-life treatment of sold products	-	1,922	-	-	-

* During 2021/22, Ambu successfully conducted our first full mapping and calculation of all relevant Scope 3 categories for the financial year 2020/21.

ENERGY	TARGET	2021/22	2020/21	2019/20	2018/19	2017/18
Total energy consumption (GJ)		224,343	199,927	138,411	130,849	107,185
Energy from natural gas and LPG (GJ)		52,704	47,634	16,947	-	-
Energy from petrol and diesel (GJ)		19,863	18,865	1,324	-	-
Energy from electricity from grid (GJ)		142,976	124,371	116,978	-	-
Energy from electricity from solar panels (GJ)		5,262	5,501	180	-	-
Energy from district heating (GJ)		3,538	3,556	2,982	-	-
Renewable energy share (%)		17.2	2.8	0.13	0.05	-
Renewable electricity share (%)		26.1	4.2	0.15	-	-

WATER & WASTE	TARGET	2021/22	2020/21	2019/20	2018/19	2017/18
Total water consumption (m3)		125,549*	137,115	123,115	129,958	101,142
Total waste (metric tonnes)		3,011*	2,429	2,276	1,661	1,226
Waste sent to incineration (metric tonnes)		346	146	55	-	-
Waste sent to recycling (metric tonnes)		1,246	968	937	868	1,167
Waste sent to landfill (metric tonnes)		1,419	1,315	1,284	-	-
Waste recycled (%)		41	40	41	57	70
Hazardous waste (%)		0.5	0.6	-	-	-

* As of 2021/22, water consumption and waste generation from Ambu's sales offices is estimated for the first time. The total water consumption and total waste generation 2021/21 can thus not be directly compared.

SOCIAL INDICATORS (CONTINUED ON NEXT PAGE)	TARGET 2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
Diversity & equality						
Gender – female/total (%)	45-55%	57	57	60	58	57
Gender – female white-collar managers/all white-collar managers (%)	40-45%	39	37	36	37	37
Gender – female managers/all managers (%)	40-45%	42	37	41	43	42
Gender – female executives / Executive Leadership Team (%)	40%	42	33	25	-	-

SOCIAL INDICATORS (CONTINUED FROM LAST PAGE)	TARGET 2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
Gender – female members of the Board of Directors (%)	28.6-71.4%	20	20	17	0	0
Gender pay ratio, white-collar employees (times)	0.80-1.30	1.28	1.33	1.44	-	-
Gender pay ratio, indirect blue-collar employees (times)	0.90-1.10	1.25	1.02	0.97	-	-
Gender pay ratio, blue-collar employees (times)	0.90-1.10	1.12	1.09	1.18	-	-
Employee attraction & retention						
Employee turnover rate, white-collar employees (%)	9-12%	27	17	9	13	11
Employee turnover rate, all employees (%)		34	20*	15*	13	15
Voluntary turnover rate, all employees (%)		30	17*	-	-	-
Involuntary turnover rate, all employees (%)		4	3*	-	-	-
Employee health & safety						
Sickness absence rate (%)		2.14	1.76	1.76	1.51	1.50
Fatalities (number)		0	0	0	0	0
Lost-time injury frequency (number of accidents with lost time per million hours worked)	Max. 2.0	0.93**	1.07	1.44	1.32	-

* Turnover rates for 2019/20 and 2020/21 have been restated, as we discovered errors in the FTE count used for the calculation. This resulted in an increase in our total turnover rate the past two years (2019/20 14→15, 2020/21 18→20). As the error was in the turnover data for blue-collar employees, the turnover rate for white-collar employees has not changed. Previous years have not been restated.

** The LTIF in 2020/21 covers our three production sites in Xiamen (China), Penang (Malaysia), Noblesville (USA), as well as headquarters in Ballerup (Denmark), while the LTIF 2021/22 covers Ambu globally.

GOVERNANCE AND COMPLIANCE INDICATORS	TARGET 2022/23	2021/22	2020/21	2019/20	2018/19	2017/18
Corporate governance						
CEO pay ratio (times)		11	12	34	24	16
Board meeting attendance rate (%)		94	100	95	100	97
Business ethics & compliance						
European employees trained in GDPR (%)	100	93.2	95	-	-	-
White-collar and indirect blue-collar employees trained in Code of Conduct (%)	100	98.8	99.7	-	-	-
Number of reports through Whistleblower Hotline (number)		13	10	5	0	-
...of which within scope (number)		12	10	3	0	-
White-collar and indirect blue-collar employees trained in cybersecurity (%)	100	99.0	-	-	-	-

SUSTAINABILITY & ESG DATA COLLECTION

We continuously strive to develop our sustainability & ESG data collection and reporting in order to support our business and provide our stakeholders with relevant and transparent sustainability & ESG data.

BUSINESS CHANGES IMPACTING SUSTAINABILITY & ESG DATA

No mergers or acquisitions impacted sustainability & ESG data for 2021/22.

Detailing of sustainability & ESG indicators

In order to increase data transparency, we have decided to detail some of our sustainability & ESG indicators.

In 2020/21, we started disclosing our Scope 2 emissions using both the location-based and market-based approach according to the dual-reporting requirement for companies operating in markets providing product or supplier-specific data in the form of contractual instruments.² However, to make it easier to compare carbon emission developments with previous years, we continued to use the location-based emissions in the Sustainability Report 2020/21. In 2021/22, we disclose market-based emissions when comparing and discussing carbon emission developments.

NEW SUSTAINABILITY & ESG INDICATORS

- White-collar and indirect blue-collar employees trained in cyber security (%)

Revised sustainability & ESG indicators

Some numbers from previous financial years have been restated to correct errors in previously reported data. If the update has resulted in material changes to the data collection or the numbers, a note to the change and effect is provided.

- Number of biosafety and design validation studies for 2020/21 has been corrected due to a typing error.
- Turnover rates for 2019/20 and 2020/21 have been restated, as we discovered errors in the FTE count used for the calculation. This has resulted in an increase in our total turnover rate the past two years (2019/20 14 → 15, 2020/21 18 → 20). As the error was in the turnover data for blue-collar employees, the turnover rate for white-collar employees has not changed.
- As of 2021/22, we report gender diversity as well as gender diversity, management and gender pay ratio only for employees with an Ambu contract. Previous years data will not be restated, as the change is immaterial (below 5%).
- To ensure a more focused and aligned approach, we have revised our indicator for gender diversity management. As of 2021/22 we will report gender diversity management as female leaders on manager level *and* with direct reports (from female leaders with direct reports in previous years). Previous years data will not be restated, as the change is immaterial (below 5%).

DISCONTINUED SUSTAINABILITY & ESG INDICATORS

“Number of full-time employees at year-end” and “Average number of employees” is discontinued as they are to be found in the Annual Report.

² [GHG Protocol Scope 2 Guidance, p. 8](#)

ACCOUNTING PRACTICES

REPORTING STANDARDS

This report complies with the Danish Financial Statements Act §99a and §99d. Key ESG data follows the recommendations in “ESG key figures in annual reporting” prepared by The Danish Finance Society/CFA Society Denmark, FSR – Danish Auditors and Nasdaq Copenhagen with assistance from the Centre for ESG Research.

Our materiality assessment, developed on the basis of guidance in The Global Reporting Initiative’s (GRI) Reporting Principles, is used to determine report content.

REPORTING PERIOD

Our reporting period covers our financial year running from 1 October 2021 to 30 September 2022.

CONTROLS

A Sustainability Reporting Manual was developed in 2019/20 as a core element of our annual reporting cycle. It defines the reporting rules, processes and responsibilities for sustainability & ESG reporting at Ambu, including a two-tier control mechanism. Specifically, data owners are requested to ensure the principle of the four eyes and include another colleague for control/quality assurance of data. Data owners are also required to provide an explanation for significant developments +/-5% in the data reported.

REPORTING SCOPE

The scope for product governance indicators is defined as part of the indicator descriptions.

The scope for our energy consumption and CO2 emissions covers our four production sites, headquarters, as well as offices and warehouses owned or controlled by Ambu. It also covers all company cars owned or leased by Ambu. Consumption and emissions from our four production sites and headquarters are based on actual consumption or purchase. Consumption and emissions from warehouses, sales offices and related company cars are based on estimated data due to non-accessible data.

The scope for water consumption and waste generation covers our four production sites and headquarters, as well as offices owned or

controlled by Ambu. Water consumption and waste generation from our four production sites and headquarters are based on actual consumption or invoices. Water consumption and waste generation from sales offices are based on estimated data due to non-accessible data.

The social indicators for gender diversity, gender pay ratio, turnover and sickness absence only include temporary and permanent employees (based on full-time equivalents – FTE) with an Ambu contract. People without an Ambu contract, e.g., interns, consultants and externally hired temps, are excluded. Turnover rate only includes employees with an Ambu contract who have been employed for 7 days or above. The scope for sickness absence is all employees with an Ambu contract, except in Noblesville, where data include externally hired employees, but not white-collar employees.

The scope for LTIF and fatalities is our four production sites in China, Malaysia, the USA and Mexico and headquarters, as well as our office locations. The data from our production sites includes all employees on site, including employees with an Ambu contract and externally hired employees without an Ambu contract. The data from our office locations include employees with an Ambu contract.

The scope for governance and compliance indicators is defined as part of the indicator descriptions.

PRODUCT GOVERNANCE INDICATORS

FDA warning letters

The scope of disclosure includes all FDA warning letters received by Ambu or by its subsidiaries.

Number of recalls

Recalls are defined as action taken to remove a product from the market for which it has been concluded that it could potentially affect the safety of patients or users.

The scope of disclosure includes recalls associated with all devices manufactured by Ambu or by its subsidiaries. Recall of products made purely for commercial reason are not in scope for reporting.

Non-clinical trials

The scope covers all animal testing for bio-safety purposes and animal testing performed

for innovation purposes (design validation or similar).

Clinical investigations

The scope covers all clinical investigations. Activities, such as surveys performed for safety purposes, are not considered to be clinical trials and are not in scope.

ENVIRONMENTAL INDICATORS

Greenhouse gas emissions (CO₂e)

Besides accounting for CO₂ emissions, we also include other greenhouse gas emissions. These are all converted to CO₂e using the global warming potential figures from the IPCC Fifth Assessment Report. Greenhouse gas emissions are disclosed in line with the guideline of the Greenhouse Gas Protocol.

Scope 1 covers direct GHG emissions from sources that are controlled by the company.

Ambu has the following sources of Scope 1 emissions:

- Consumption of natural gas and LPG.
- Consumption of fuels both at production sites and in company cars. As it is not possible to collect complete fuel- or driving data from our company cars used by our sales force, emissions are calculated using a standardised yearly driving distance and emission from an average car.
- Refilling of refrigerants from air conditioning and ventilation units.

Scope 2 covers indirect GHG emissions from the generation of electricity and heat. The GHG emissions physically occur at the facility where the electricity or heat is generated. As from 2020/21, Ambu discloses Scope 2 emissions according to both the market- and location-based method.

Consumption of electricity and district heating at our four production sites and headquarters is based on invoices. Consumption of electricity used at our sales offices and warehouses is based on standardised numbers of kWh per m².

Scope 3 covers the indirect GHG emissions that occur both up and down the value chain. As of 2021/22, Ambu discloses Scope 3 emissions in line with the guideline of the Greenhouse Gas Protocol. The disclosed emissions are calculated on data for 2020/21 thus representing the last financial year.

Activity data in the shape of monetary data, physical data, supplier-specific data and

assumptions are multiplied with relevant emission factors retrieved mainly from EXIOBASE version v3.3.16b2. In cases where the exact material is known and physical quantities are available, emission factors from the life cycle database Ecoinvent are applied, as they were deemed more accurate. Emission factors from other databases are applied only when necessary.

Category 1: Purchased goods and services

- Raw materials include every purchase of raw materials and components that go into our products, which are registered in Ambu's procurement management system.
- Outsourced production includes every revenue of Ambu products where the production is outsourced to suppliers. Revenue data is preferred instead of spend data in this category, as the latter is aggregated on too high a level, which would have caused difficulties and low precision in the process of matching data with correct emission factors.

Category 2: Capital goods

- Capital goods include purchases of manufacturing machines, IT equipment and other larger purchases that deviate from the purchases made in every financial year. Emissions are calculated based on monetary data.

Category 3: Fuel- and energy-related activities

- Emissions are calculated based on energy consumption data, according to the market-based approach reported in Scope 1 and 2, including electricity, district heating and various fuels used at our production sites, headquarters, sales offices, warehouses and company cars owned by Ambu.

Category 4: Upstream transportation and distribution

- Emissions are calculated based on actual tank-to-wheel CO₂e data from supplier-specific reports and monetary data for all third-party transportation and distribution services purchased by Ambu, including inbound logistics, outbound logistics and between own facilities. Transportation of goods from tier one suppliers to Ambu is implicitly included in Category 1 and 2, when the transportation is ensured by the suppliers.

Category 5: Waste generated in operations

- Emissions are calculated based on the actual waste data from our production sites

and headquarters, together with an estimation of waste generated per employee multiplied with the total number of employees in Ambu sales offices. Only the transportation of waste sent to recycling and incineration with energy recovery is included in Ambu's Scope 3 emissions, as the net emissions from the recovery of materials and generation of energy is reported as out-of-scope.

Category 6: Business travel

- Emissions from business flights are captured and delivered by Ambu's travel agent based on data of bookings, emissions from car mileage and business travel & events are calculated based on registrations in Ambu's procurement management system.

Category 7: Employee commuting

- Emissions from employee commuting to Ambu's production sites are calculated based on information provided by relevant employees concerning the share of employees commuting by private car, Ambu bus and other public transportation. This information is applied as an assumption for the other production sites as similar conditions apply. For employees commuting to headquarters and sales offices, assumptions of travel distance and travel type are made.

Category 11: Use of sold products

- Emissions are calculated based on direct use-phase data for energy-consuming Ambu products. Indirect emissions are also calculated, reflecting the consumption of resources for reprocessing reusable Ambu products. Only products requiring full disinfection are included in the indirect use-phase emissions.

Category 12: End-of-life treatment of sold products

- Emissions are calculated based on physical data for sold Ambu products mapped in categories representing the different material components of product and packaging. Only the emissions associated with the transportation of waste to treatment facilities and the process of incineration without energy recovery is included in Ambu's Scope 3. Net emissions resulting from the recycling and the incineration with energy recovery are reported as out-of-scope.

Categories 8, 9, 10, 13, 14 and 15 are deemed not relevant for Ambu due to the nature of the company.

Conversion factors are updated yearly prior to this Sustainability Report disclosure to the most recent available conversion factors. Energy and refrigerant consumption are converted to CO₂ emissions using acknowledged sources, e.g., US EPA, DEFRA. Ambu is dedicated to reporting all greenhouse gases which are relevant to Ambu. These are carbon dioxide, methane and nitrous oxide. We therefore always seek to use conversion factors displayed as CO₂e.

Total energy consumption is summarised in GJ. Conversion of units to GJ is based on factors presented by the GHG protocol cross sector tool, DEFRA conversion factors and other recognised sources.

Renewable energy is generated by solar panels installed at our headquarters and at our production site in Penang. The renewable energy volume from our headquarters is based on a performance calculation, while, in Penang, it is based on invoices. Additionally renewable energy certificates are purchased. Renewable energy share is the share of renewable energy from solar panels and IREC's of all energy used. Renewable electricity share is the share of renewable electricity from solar panels and IREC's of all electricity used.

Tonnes of manufactured products includes packaging and is based on the number and weight of products produced at our factories. Intercompany parts and products are excluded to avoid double counting manufactured products. Data is extracted from local ERP system.

Water consumption is the sum of all water consumed. The sum of all water drawn into the boundaries of the company from all sources, including surface water, groundwater, rainwater and any municipal water supply. Water consumption is based on meter readings and invoices from our four production sites and headquarters. As of 2021/22, water consumption from Ambu's sales offices is estimated.

Waste is defined as what is left when production or consumption ends. It is material that must be disposed of, so that it does not accumulate to become a nuisance. Waste data is based on invoices from waste collectors and divided into total volumes of waste and the various waste treatment methods. Hazardous waste, as defined in the European Waste Directive, is disclosed as a percentage of the total waste amount. As of 2021/22, waste generation from Ambu's sales offices is estimated.

Waste recycled (%) is calculated by dividing the recycled waste amount by the total waste amount.

Hazardous waste (%) is calculated by dividing the hazardous waste amount by the total waste amount.

SOCIAL INDICATORS

Gender diversity (%) is calculated by comparing the number of women among all employees with an Ambu contract (FTE) at year-end and at different management levels (i.e., among white-collar employees, all managers in Ambu, within the Executive Leadership Team and on the Board of Directors). Gender diversity management includes female leaders on a managerial job level *and* with direct reports. Gender diversity of members of the Board elected by the Annual General Meeting (AGM) does not include employee-elected members. Gender denotation currently available from the system provider in global employee system is Female, Male, Unknown, Undeclared, Others. Genders are self-declared.

Gender pay ratio (times) is calculated for employees with an Ambu contract on the basis of the full compensation, which includes total cash target, pension and car. Part time salaries is converted to full time salary for easy comparison and control. For most, pension is based on actual numbers, for some, it is based on estimates due to complexity and individual differences in pensions. The data shows the number of times the female median salary can be covered by the male median salary. The data does not include externally hired employees, consultants or temps without an Ambu contract.

Employee turnover rate (%) includes employees with an Ambu contract. Externally hired employees, consultants or temps are excluded. The rate is calculated by comparing the total number of both voluntary and non-voluntary leavers (retirees and terminations due to abscondment are considered voluntary leavers) with the number of Ambu employees at year-end (FTE). Blue-collar employees are reported as headcount, white-collar and indirect blue-collar as FTEs. Indirect blue-collars are employees with positions who support the production. Employees employed for less than eight days or leaving at the end of a fixed-term contract are excluded.

Sickness absence rate (%) compares the total number of sickness days reported with the total number of working days in the year (excluding planned leave). Data for sickness absence is

collected and reported by HR managers at our local offices and production sites. Working days for our white-collar and indirect blue-collar employees are based on national averages or derived from contractual agreements on the working hours/week. For our blue-collar employees, we use actual working days registered on-site. We only capture sickness absence for employees with an Ambu contract. However, in Noblesville, the sickness absence data includes sickness absence of externally hired temps as well, but does not include white-collar employees. In 2019/20 and 2020/21 sickness absence data for our production site in Malaysia included externally hired workers.

Lost-Time Injury Frequency (LTIF) is calculated as the reported number of accidents with lost time per million hours worked. A lost time injury is an accident resulting in more than 8 hours absence from work in connection with the accident. Hours worked are reported for all employees at the sites during the data period. Our production sites in China, Malaysia, the USA and Mexico report actual working hours. Our headquarters in Ballerup, as well as our warehouse and office locations, use an estimate based on contractual agreements (e.g., 37 hours/week). Frequency is calculated for both permanent and temporary employees, including employees with an Ambu contract and externally hired employees without an Ambu contract at our production sites and Ambu employees at our office locations. Consultants or contractors on site to work on one specific project or task are excluded. In 2019/20 and 2020/21, data from our production site in China only included employees with an Ambu contract.

Fatalities is the total sum of fatalities reported in 2021/22 at our four production sites in China, Malaysia, the USA and Mexico, headquarters as well as warehouse and office locations.

Governance and compliance indicators

CEO pay ratio is the number of times the average staff salary can be covered by the CEO compensation. It is calculated by dividing total expenses for CEO compensation (including fixed salary and pension contributions) by the average employee salary at Ambu A/S. The average employee salary is calculated by dividing the total staff costs (including employee benefits, such as company car, telephone and insurance) by the average number of employees at Ambu A/S during the year. Ambu A/S data is used to calculate the ratio as it provides a more accurate foundation for comparison, without being skewed by differences in local salary levels.

Board meeting attendance rate (%) is calculated only for the members elected at the Annual General Meeting (AGM), on the basis of each member's attendance of each board meeting during their tenure.

GDPR (%) is calculated by comparing the number of employees who have completed training in GDPR with the number of employees in scope. Employees in scope are all white-collar employees in Europe.

Code of Conduct training, employees (%) is calculated by comparing the number of employees who have completed training in our

Code of Conduct with the number of employees in scope. Employees in scope are white-collar and indirect blue-collar employees.

Whistleblower reports include both the total number of reports received through the Ambu Whistleblower Hotline and those in scope for investigation as per our guidelines.

Cyber security (%) is calculated by comparing the number of employees who have completed training in Cybersecurity with the number of employees in scope. Employees in scope are white-collar and indirect blue-collar employees.



MANAGEMENT STATEMENT

The Board of Directors and the Executive Management of Ambu A/S have considered and adopted the Sustainability Report of Ambu A/S for the financial year from 1 October 2021 to 30 September 2022.

The Sustainability Report has been prepared in accordance with the principles set out in the reporting approach described on pages 46-51.

In our opinion, the accounting principles are appropriate, and the Sustainability Report provides a true and fair view of Ambu's impact on environment and society for the period 1 October 2021 to 30 September 2022. Furthermore, in our opinion, the information given in the Sustainability Report is consistent with the accounting practices applied.

Copenhagen, 15 November 2022

EXECUTIVE MANAGEMENT



BRITT MEELBY JENSEN
Chief Executive Officer

THOMAS FREDERIK SCHMIDT
Chief Financial Officer

BOARD OF DIRECTORS



JØRGEN JENSEN
Chairman

CHRISTIAN SAGILD
Vice Chairman

HENRIK EHLERS WULFF

SUSANNE LARSSON

MICHAEL DEL PRADO

**CHARLOTTE ELGAARD
BJØRNHOFF**
Employee-elected

**THOMAS BACHGAARD
JENSEN**
Employee-elected

**JESPER MAD S BARTROFF
FREDERIKSEN**
Employee-elected

INDEPENDENT AUDITOR'S ASSURANCE REPORT ON SUSTAINABILITY & ESG DATA

To the shareholders of Ambu A/S

We have been engaged by Ambu A/S to perform a 'limited assurance engagement', as defined by the International Standard on Assurance Engagements, and to report on Ambu A/S' Sustainability & ESG data for the period from 1 October 2021 to 30 September 2022 and Scope 3 emissions for the period from 1 October 2020 to 30 September 2021, which are included on pages 42-45 in Ambu A/S' Sustainability Report 2021/22. In preparing the Sustainability & ESG data, Ambu A/S applied the accounting practice described on pages 47-51.

Other than as described in the preceding paragraph, which sets out the scope of our assurance engagement, we did not perform any assurance procedures on the remaining information included in the Sustainability Report 2021/22, and accordingly, we do not express a conclusion in this respect.

MANAGEMENT'S RESPONSIBILITIES

Ambu A/S' Management is responsible for determining the scope of the Sustainability & ESG data, selecting the accounting practice, and for presenting the Sustainability & ESG data in accordance with those accounting practices, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records, and making estimates that are relevant to the preparation of the Sustainability & ESG data, such that it is free from material misstatement, whether due to fraud or error.

AUDITOR'S RESPONSIBILITIES

Our responsibility is to express a conclusion on the presentation of the Sustainability & ESG data, based on our procedures and the evidence we have obtained. We performed our work in accordance with ISAE 3000 *Assurance Engagements Other than Audits or Reviews of Historical Financial Information* and additional requirements under Danish audit regulation. Those standards require that we plan and perform our work to obtain limited assurance about whether, in all material respects, the Sustainability & ESG data, is presented in

accordance with the accounting practices, and to issue a conclusion thereon.

The procedures performed in connection with a limited assurance engagement vary in nature and timing and are substantially less than those performed in connection with a reasonable assurance engagement. A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Sustainability & ESG data and related information and applying analytical and other appropriate procedures.

Consequently, the level of assurance obtained for a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Our procedures were designed to obtain a limited level of assurance for our conclusion and do not provide sufficient evidence to issue a reasonable assurance report.

Our independence and quality control

We have complied with the independence and other ethical requirements of the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA Code), which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour as well as ethical requirements applicable in Denmark, and have the required competencies and experience to perform this assurance engagement.

EY Godkendt Revisionspartnerselskab also applies International Standard on Quality Control (ISQC) 1, and accordingly maintains a comprehensive quality control system, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

DESCRIPTION OF PROCEDURES PERFORMED

Our procedures included:

- Interviewed those in charge of Sustainability & ESG data to develop an understanding of the process for the preparation of the Sustainability Report 2021/22 and for carrying out internal control procedures
- Performed analytical review of the data and trends to identify areas of the Sustainability & ESG data with a higher risk of misleading or unbalanced information or material misstatements and obtained an understanding of any explanations provided for significant variances
- Based on inquiries we evaluated the appropriateness of the accounting practices used, their consistent application and related disclosures in the Sustainability Report 2021/22. This includes the reasonableness of estimates made by management
- Designed and performed further procedures responsive to those risks and obtained evidence that is sufficient and appropriate to provide a basis for our opinion
- In connection with our procedures, we read the other sustainability information in the

Sustainability Report 2021/22 of Ambu A/S and, in doing so, considered whether the other sustainability information is materially inconsistent with the Sustainability & ESG data or our knowledge obtained in the review or otherwise appear to be materially misstated.

In our opinion, the examinations performed provide a sufficient basis for our conclusion.

CONCLUSION

Based on our procedures and the evidence obtained, nothing has come to our attention that causes us to believe that the Sustainability & ESG data for the period from 1 October 2021 to 30 September 2022 and Scope 3 emissions for the period from 1 October 2020 to 30 September 2021, have not been prepared, in all material respects, in accordance with the accounting practices described on pages 47-51.

Copenhagen, 15 November 2022

EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

SØREN SKOV LARSEN

State Authorised
Public Accountant
mne26797

LARS FERMANN

State Authorised
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