

Sustainability Report 2020

There when you need us



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Founded in **1906**.
 Today, we are **27,000**
 highly skilled professionals,
 delivering more than
9 million emergency response
 and healthcare services
 every year.



Supporting society is our core business

Falck is an international leader in emergency response and healthcare services. We help people in urgent need and bring peace of mind to the local communities we serve. Falck is committed to supporting and contributing to the societies we are part of. Our commitment also extends to acting responsibly as a company and to contributing to a socially, environmentally and economically sustainable development.



Health and well-being is our business. It is the very core of what we do. In all our business units, our job is to save lives, provide treatments, prevent accidents and care for the health and well-being of people.

This commitment is reflected in our organisation, our systems and structures. Our quality procedures are aimed at ensuring patient safety. Our innovation efforts are aimed at setting the future standard for emergency response. Our approach thereby supports the *UN Sustainable Development Goal no. 3, "Good health and well-being"*.

Our people constitute our key resource in delivering our services. In a year when the world has been deeply affected by a global pandemic, Falck employees have continued to deliver, supporting national healthcare systems under pressure and thereby the infrastructure of society. Employee engagement even went up during the year, despite the pressure on frontline employees and significant organisational changes, reflecting a deep sense of purpose among our people.

However, our work is not without risk. In 2020, Falck recorded eleven fatalities; eight Falck employees, two patients and one member of the public. Six of them died after contracting

COVID-19. Every fatality is a tragic reminder that safety must always come first and that our target for work-related fatalities is – and can only be – zero. We want to be a great place to work where diversity and inclusion are an intrinsic element of our business, and in our persistent efforts to pursue that goal, we support the *UN Sustainable Development Goal no. 8, "Decent work and economic growth"*.

We are aware that some of our activities have an adverse impact on the environment in relation to the fuel consumption of our large fleet of vehicles. Therefore, in 2020, we began preparations for a transition from diesel and petrol-powered vehicles to electric vehicles and for adopting the use of biofuels. Unfortunately, today's battery technology does not support a shift to electric ambulances as speed and range are still too limited for ambulances to be fully functional. Instead, we are increasingly looking at using biofuels for the heavy-duty vehicles in our fleet as this would lower our CO₂-impact considerably, thereby supporting *UN Sustainable Development Goal no. 13, "Climate action"*.

Trust is vital to our license to operate at Falck. People rely on us to be there every day, and that requires us to be a trusted partner to our customers, to patients and to the local communities we serve. Our Code of Conduct provides everyone with a common understanding of how we want to conduct our business. We have the necessary policies,

processes and procedures in place. We have completed employee training and awareness campaigns. We have optimised our governance structure, and we use our whistleblower system to discover where to focus our improvement initiatives. This is no guarantee that cases of unethical behaviour will not occur at Falck, but it does provide a thorough foundation for identifying them and acting upon them, thereby supporting the *UN Sustainable Development Goal no. 16, "Peace, justice and strong institutions"*.

Falck remains committed to supporting the UN Global Compact, to its ten principles on human rights, labour, environment and anti-corruption and thereby also to the principles for sustainable development.

It is our ambition to continue to develop our services to ensure a positive impact on society, minimise adverse effects on the environment and improve responsible business practices within our four key areas of health, people, environment and trust.



Jakob Riis
CEO

Our commitment

We are committed to the UN Global Compact. We have defined four main areas linked to the UN Sustainable Development Goals (SDGs) where our business has an impact and where we believe we can contribute the most. Our commitment is firmly embedded in our Code of Conduct and in our Winning Behaviours.

Commitment to the UN Global Compact

Falck is a signatory to the UN Global Compact, and this report serves as our annual Communication on Progress. We commit to its ten principles on human rights, labour, environment and anti-corruption and thereby

also to the principles for sustainable development agreed upon internationally and referenced in the UN Global Compact, i.e. the principles mentioned in the International Bill of Human Rights, the International Labor Organisation's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on the Environment and Development and the UN Convention against Corruption.

We integrate our sustainability efforts in our daily business decisions and strategy. Our commitment is firmly embedded in our Code of Conduct and in our Winning Behaviours.

Four main focus areas, four SDGs

Being mindful of our social, environmental and economic impact, we give particular attention

to our impact on 1) the access to healthcare of our customers and the communities in which we operate, 2) the people we employ, 3) climate and the environment around us, and 4) the trust of our employees, customers and other stakeholders. These four areas are described further in the four main chapters of this report.

For each focus area we have identified the UN Sustainable Development Goal (SDG) which best corresponds to our efforts and to which we believe we can contribute the most: SDG 3 (Good health and well-being), SDG 8 (Decent work and economic growth), SDG 13 (Climate action) and SDG 16 (Peace, justice and strong institutions). This way, we ensure that we address the global challenges most closely linked to Falck's business.



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.

About this report

This report serves as our second annual Communication on Progress to the UN Global Compact, to which we became a signatory in January 2019.

The reporting covers our social, environmental, ethical and diversity impact and actions and therefore represents our statutory statement on social responsibility and the underrepresented gender in accordance with sections 99a and 99b of the Danish Financial Statements Act.

This Sustainability Report is part of Falck's annual reporting and covers the same period as Falck's Annual Report 2020.

Health & well-being

Healthcare services, saving lives and promoting health and well-being is at the heart of our business and our business model.



People

We aim to provide our employees with an inspiring, diverse and safe workplace that provides equal opportunities and where everybody can thrive personally and professionally.



Environment & climate

We commit to identifying and mitigating risks, promoting sustainable processes and products and increasing energy efficiency with a special focus on fuel consumption.



Trust

Our compliance strategy and Code of Conduct contribute to our ability to build trust and develop a culture of integrity.



Sustainability dashboard

The sustainability dashboard defines a number of KPIs describing Falck's social, environmental and ethical impact. The KPIs relate to the overall focus areas of our sustainability efforts, within which we measure our outcome and progress as described in this report.

Compared to 2019, we have added a KPI for fatalities, reflecting an increased focus on health and safety in our operations in 2020.

KPIs are not defined for the focus area "Health & well-being", but we expect to define them in 2021. Targets are not yet included in the sustainability dashboard, but we expect to add them in 2021.

The KPIs in the dashboard are elaborated on in the following chapters.

	2020	2019	2018	2017
People				
Employee turnover ¹	26.7	25.2	30.2	27.1
Work-related accidents				
Lost Time Injury Rate (LTIR) ²	17.9	14.3	11.9	15.6
Fatalities ³	11	6	-	-
Diversity - gender				
Employee gender ratio (female/total) (%)	30	31	37	35
Management gender ratio (female/total) (%) ⁴	28	29	37	30
Women on BoD (female/total) (share) ⁵	2/6	2/6	2/6	2/6
Employee engagement				
Response rate (%)	72	63	61	-
Overall employee satisfaction score	72	71	69	-
Environment & climate				
Kilometres driven (1000 km)				
Ambulance ⁶	124,802	145,015	156,243	-
Roadside assistance ⁷	10,472	11,140	11,693	-
Other vehicles ⁸	20,443	25,153	27,265	-
Total	155,717	181,308	195,201	-
CO ₂ emissions (tonnes)				
Ambulance ⁹	49,384	57,519	62,132	-
Roadside assistance ¹⁰	5,341	5,862	6,296	-
Other vehicles	4,743	6,403	7,052	-
Total	59,467	69,784	75,479	-
Trust				
Whistleblower system				
Number of reports	245	257	53	32
Reporting ratio ¹¹	1.17	1.07	0.20	0.11
Anonymous reports (%)	55	53	76	35

Notes

- Number of permanent employees who left Falck voluntarily or involuntarily as a percentage of the average number during the year.
- Number of lost time injuries per million hours worked.
- A fatality is the death of any person (employee, patient, subcontractor, third party) occurring in connection with Falck's performance of its services. In 2020, 6 out of 11 people died after contracting COVID-19.
- Managers are defined as employees with employee responsibility.
- According to section 99b of the Danish Financial Statements Act, 40% of board members must be of the underrepresented gender. Two out of six members is considered to meet the 40% requirement.
- Ambulances and patient transport vehicles.
- Trucks, vans and support vehicles.
- Small vans and company cars.
- 75% diesel, 25% petrol (estimate).
- Diesel.
- Number of reports per 100 employees.



Health & well-being



As a provider of emergency response and healthcare services, saving lives and promoting health and well-being is at the heart of our business and our business model.

Why this is important to society

Sufficient and high-quality health and emergency care is vital for societies not only to preserve and promote the population's health and quality of life, but also to ensure optimal use of healthcare resources.

Why this is important to Falck

Our core business is to help people in need. We take pride in being there in times of distress and we promote a proactive approach to health.

Our ambition

To provide emergency response and healthcare solutions of high quality in the communities we work in.

Our risks

To provide services of unsatisfactory quality.
Medical malpractices. Patient incidents.

Our actions

Implementation of global Business Quality Model.
Global ISO certification programme.



Ensure healthy lives and promote well-being for all at all ages



Health and well-being is our business

Falck is in the business of helping people in urgent need. We are committed to providing high-quality emergency response and healthcare solutions in the communities where we operate.

Falck's Ambulance business forms an important and integral part of the prehospital healthcare systems. We are there when we are needed, and our highly skilled ambulance staff saves lives and cares for patients' well-being every day. Similarly, in our Healthcare business unit, our healthcare professionals provide psychological and physiological treatments that improve the lives of employees, enabling them to return to work faster and continue a healthy working life. In Assistance and Fire Services, our dedicated staff prevents accidents and loss of life every day. Our Patient Transport Service brings patients safely to and from hospitals and clinics. In Latin America, our doctors visit and treat patients directly in their homes, allowing patients to recover safely and calmly in a familiar environment.

In other words, health is at the heart of our business. It is part of our DNA, and our employees are proud to perform life-saving care for people. In our global engagement survey 2020, the global score on the question about "purpose" was 85 out of 100. That is

7%-points higher than our external benchmark and it shows that our employees take an exceptional sense of pride in the work they do. This is also reflected in the fact that Falck employees globally teach first aid courses, support the work of local communities in terms of bystander resuscitation (CPR), teach accident prevention and much more.

Falck's commitment to saving lives and promoting health and well-being is reflected in our business concept, the way we work with quality and patient safety and in our innovation agenda, as described on the following pages.

Falck in 2020 numbers

Ambulance services

1.5m

Doctor's home visits

1.5m

Patient transport services

2.7m

Physiological treatments

650,000

Psychological treatments

220,000

Business model

Key resources

People

We rely on our more than 27,000 highly skilled employees

Equipment

We use high-quality equipment enabling effective diagnostics and resolution

Partnerships

We partner with local communities to customise our global services to local needs

Innovations

We utilise new technology and explore new ways of working

Brand and reputation

We benefit from a strong brand and a solid reputation for being effective, reliable and caring in everything we do



Value created

Care and safety

We save lives, treat and transport patients, and care for the health and well-being of people

Customer value

We support healthy workplaces, offering prevention, treatment and rehabilitation of their employees and save property and valuables

Supporting societies

We support national healthcare systems with emergency response and healthcare services

A great place to work

We offer challenging and purposeful work with opportunities for personal and professional development

Shareholder value

We deliver value to shareholders



Quality management and patient safety

Falck is committed to taking care of patients. Therefore, patient safety and quality in our business is central to us. To ensure patient safety, we are committed to following strict quality and medical management procedures across our business.

We established a global Business Quality Model in 2020 that will support our journey towards operating as one company through global models and secure consistency of quality across the business. Governance, processes, audits and risk management are being standardised. Data is accumulated and processed across the business in one system, GEMS, available to all frontline personnel for direct data entry. The Business Quality Model also supports medical management and the high standards of quality within medical practices, resulting in increased safety for patients.

In 2020, a total of 600 continuous improvement initiatives were implemented in the system and acted upon, each indicating a specific area of improvement. 173 internal and external audits were carried out in accordance with ISO 9001, 14001 and 45001. Having the global Business Quality Model implemented

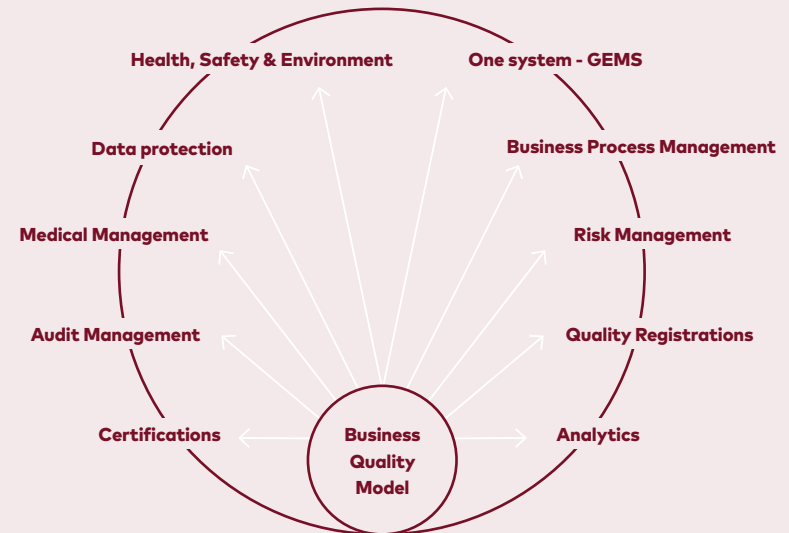
across Falck is a key business driver, creating transparency, encouraging knowledge-sharing and strengthening Falck's role as a reliable and trustworthy business partner.

Medical Management

The Medical Management function was established to ensure high quality treatment and appropriate healthcare service delivery to our customers and patients. It aims to reduce medical malpractice incidents measured via a set of KPIs and controlled by internal audits. The function governs the medical community in Falck where discussion and validation of all medically related issues across business units take place. It also initiates research and development activities, e.g. screening, testing and implementation of new healthcare solutions.

In 2020, the Medical Management function has launched Falck's COVID-19 antibody research project, involving repeated testing of a total of 4,000 employees in Denmark and Sweden. It has also organised a flu vaccination programme for employees and provided continuous clinical decision support to safeguard patients and employees during the COVID-19 pandemic.

Business Quality Model



ISO certifications

Falck has a global ISO certification which consists of a multiple sites set-up. This agreement covers ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certification worldwide. The goal is to have all of Falck included in the multisite ISO certificate.

So far, all Ambulance services in Europe have been certified under the global ISO certification programme. Ambulance services under Commu-

nity Healthcare in Colombia are certified locally to ISO 9001. Ambulance services in the US have a local CAAS accreditation. All of Industrial Fire Services are certified under the global ISO certification programme.

In 2020, we began the project of having Falck certified in the ISO 27001/27701 standard (information security and GDPR certification). The goal is to become certified in January 2021.



9001



14001



45001



27001/27701



Innovation

Setting the future standard for emergency response

Falck has created one of the world's most sophisticated emergency medical services in cooperation with our customers in Denmark. Today, an ambulance is an advanced point of treatment, a clinic on wheels, where doctors and paramedics initiate the first treatment of critically ill and injured patients. It is Falck's ambition to continue developing ambulance and healthcare services and to set the standard for emergency medical services.

New innovative stretcher

Falck's Ambulance unit in Denmark has redesigned the interior of our ambulances and implemented a new, innovative stretcher which improves patient care and security as well as the crew's working conditions. For example, the stretcher is foldable and can therefore better fit inside an elevator. Also, it is mounted with LED lights and other necessary equipment.

Cargo drones

Falck is engaged in a project aiming to develop drones for transporting e.g. blood samples, medicine or defibrillators between hospitals and accident sites or to people living in remote areas. The first healthcare drones were tested in Denmark, flying between Odense University Hospital and the Danish island of Ærø in August 2020. The project was initiated by

Falck together with the University of Southern Denmark, Odense University Hospital and selected technology and drone companies.

Paramedics in manned drones

Falck aims to make manned drones an integral part of its fire and emergency medical services by 2025. With a drone, the paramedic can arrive at the scene of an accident and start treatment much faster than an ambulance and can also assess whether an ambulance is needed. In 2020, Falck initiated its first test flights with unmanned drones and is working to establish a partnership with a tech-partner with whom the Group may carry out manned drone flights.





People



Falck is a people business and our workforce is our most important asset. We aim to provide all employees with an inspiring, diverse and safe workplace that provides equal opportunities and where everybody can thrive personally and professionally.

Why this is important to society

As part of a global society, companies are obliged to promote and ensure an inclusive workplace with decent working conditions for all their employees.

Why this is important to Falck

We are a people business; our workforce is our key asset. The well-being of our employees is vital for a sustainable and profitable business.

Our ambition

None of our staff should die or be injured at work. Fair pay, decent working conditions and equal treatment for all our employees. An engaged, skilled and mentally and physically fit workforce.

Our risks

Work accidents and sickness. High employee turnover. Unfair compensation. Lack of diversity.

Our actions

Global health and safety focus. Implementation of actions increasing engagement. Continued focus on Falck as a diverse workplace.



Ensure healthy lives and promote well-being for all at all ages



Increasing engagement while under pressure

Employee engagement went up in 2020, despite the pressure on frontline employees due to COVID-19 and significant organisational changes.

We want to be a great place to work for professionals within emergency response and healthcare. An engaged workforce is more committed, better performing and delivers a higher level of services. To ensure a continued focus on employee engagement and to measure progress, we conduct an annual, global employee engagement survey.

The 2020 survey showed that the overall engagement score (eSat) improved by one point to 72 compared to 2019. The engagement score has increased for the second consecutive year, and we are now 2%-points from the global external benchmark of 74. All but one score improved in the survey.

The increase is especially remarkable because it came in a year when COVID-19 challenged Falck's employees in several ways. Every day, Falck employees respond to emergency situations, transport patients between hospitals and homes, give treatments and guidance, and thereby provide help to people in urgent need, infected as well as non-infected.

Engagement survey

20,310 employees invited to participate
 26 questions
 eSat: 72 (+1)
 Response rate: 72% (+9%-points)
 Comments: 33,220 (+34%)
 23 scores increased, 1 was flat

Purpose

Score

85 (+2)

96% of all respondents answer neutrally or favourably to their work being meaningful to them.

* Falck's annual global employee engagement survey is managed by Glint. Glint finds that across all their customers and panels, the specific eSat question ("How happy are you working at Falck?") is the single most highly predictive question for overall engagement and a leading indicator of attraction, performance and retention.

Leadership



3 out of 4 would recommend their manager to others. **1 out of 10** respondents would not.



2 out of 10 indicate that they need more support during times of distress.



1 out of 10 indicates that he/she has experienced disrespectful treatment.

eSat

Score

72*

Large variations in the development of engagement. **10 out of 22** countries exceed external benchmark/target (74).

Work-life balance



89%

89% of all employees indicate that they can balance their work and personal life **successfully**.



COVID-19 has also led to a decrease in activity levels, and in June 2020 Falck announced the redundancies of 450 employees. In the light of the organisational changes and continued pressure on the organisation, the increase in employee engagement in 2020 is even more remarkable. The score on "Purpose" is still exceptionally high and has increased further in 2020 (now +7 above the external benchmark), proving that Falck provides a purpose-driven and meaningful workplace for people who wish to save and improve lives.

Throughout 2020, Falck has focused on developing two specific areas measured by the survey: Leadership and change capacity. The focus has paid off and scores for both areas have increased significantly ("will recommend manager" +9, "feedback from manager" +8, "change adaption" +3 and "change communication" +4).

The response rate increased significantly (by 9%-points) as did the number of comments which reached more than 33,000 (+34%), including more than 8,000 specific suggestions on how to make Falck an even better place to work. The comments and suggestions give Falck a unique insight and a better opportunity to focus our efforts on the areas which will have the biggest impact.

Like last year, the engagement scores show large variations from country to country, from team to team, as engagement to a high degree is related to daily practices, local conditions and direct leadership. The teams that

had defined action plans and worked with engagement based on the previous survey saw an increase in their 2020 scores three times higher than the Group average. This confirms the approach of requiring leaders at all levels to work with their teams and prepare action plans addressing local issues. The many specific comments from employees provide valuable insights related to this.

Data quality

HR data quality has improved significantly from last year following process optimisation and data clean-up. The Group engagement survey covers 22 of 25 markets and the scores are considered representative for Falck.

Leadership development programme

In 2020, Falck continued the roll-out of the "Dare to Care" leadership development programme launched in 2019. The programme is aimed at frontline managers in all Falck entities. It consists of nine learning blocks, covering the mindset and behaviours required of leaders in Falck, personal leadership and self-awareness, and how to lead others through communication, motivation and change management.

In 2020, 218 frontline managers in Denmark, Sweden, Norway, Germany and Spain were trained in the first training modules before the COVID-19 pandemic put the programme temporarily on hold. We are monitoring the guidelines from healthcare authorities in all countries to determine when it is safe to continue the roll-out. Meanwhile, we have

created a toolkit on leading remotely, as many leaders suddenly faced the challenge of being forced to lead from a distance.

Employee turnover

The employee turnover rate increased slightly to 26.7 in 2020 compared to 25.2 in 2019. The rate shows the number of permanent employees who left Falck voluntarily or involuntarily during 2020 as a percentage of the average number of employees during the year, and it varies largely across Falck's markets. The number was affected by the divestments and closure of businesses in the US. Also, in some markets, the job as ambulance driver is often taken by medical students who see this as an opportunity to gain experience for a limited period of time, before they continue their studies, thereby pulling the turnover rate up.



Health and safety

Falck is committed to ensuring decent working conditions and a safe and healthy working environment for our employees.

Every day, Falck employees put themselves at risk to save the lives of other people. This produces stressful situations and may also influence the mental health of employees if not handled in a professional manner and with empathy. Defusings and debriefings after serious incidents form an integral part of work processes, and we offer professional psychological assistance whenever needed.

Fatalities

In 2020, Falck recorded 11 fatalities: Eight Falck employees, two patients and one member of the public. Six died after contracting COVID-19, four died in traffic accidents and one died from a fall inside a patient transport vehicle.

This is an increase from last year's six fatalities with COVID-19 being the main reason. For some of the employees dying while infected with COVID-19, their general health conditions were a contributing factor.

In 2020, a "Zero Fatality Project" was launched across all business units and entities focused on the top five risk areas:

- Driving
- Working on the road
- Use of equipment
- Haste
- Level of training/knowledge

Falck is aware of the risks associated with the nature of our business as well as the preventive measures needed to minimise the risk. To us, every life is precious, and every single fatality is a tragic reminder that safety must always come first. Each case in 2020 resulted in reiteration of prevention measures, training and employee awareness of guidelines and recommendations for safe behaviour. The target for work-related fatalities in Falck for 2021 is – and can only be – zero.

Lost Time Injuries

Falck recorded 733 Lost Time Injuries* (LTIs) in 2020, resulting in a Lost Time Injury Rate (LTIR) of 17.9. This is an increase of 25% compared to 2019. The increase in LTIR was due to an increased number of LTIs caused by the COVID-19 pandemic, which especially affected frontline staff in Ambulance and Patient Transport Services in several countries.

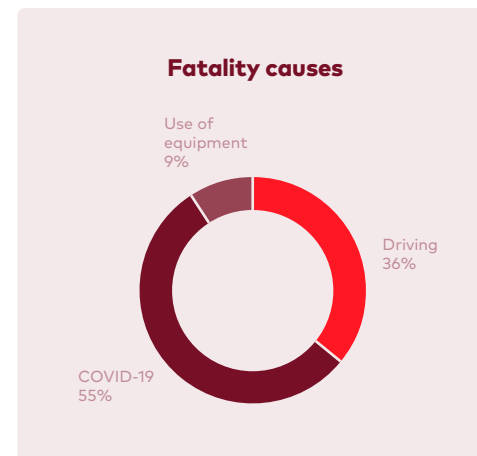
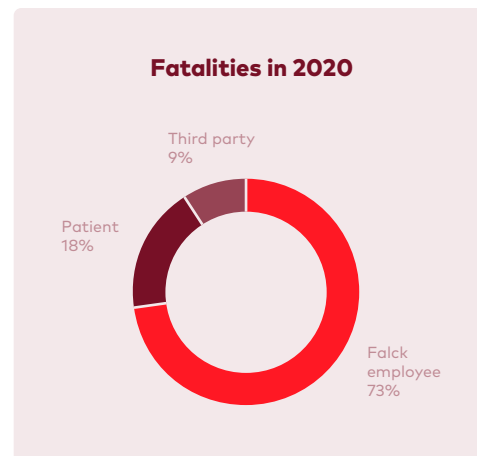
LTIs caused by other factors than COVID-19 decreased compared to 2019. This was partly due to the decrease in activity levels, and partly a result of increased safety awareness among employees following health & safety training and other initiatives during the year.

In 2020, a global Health & Safety organisation was established for the purpose of providing effective support across all business entities.

A governance structure is set up, KPIs are defined, a toolbox and reporting system is developed and a global H&S community is established for sharing knowledge and aligning activities.

A global Health & Safety campaign will be launched in 2021. Focus will be on implementing health & safety workstreams across all business entities, specifically addressing the top five risk areas leading to fatalities.

As COVID-19 is expected to continue to put pressure on our employees in 2021, both physically and mentally, global health initiatives will be taken to mitigate the risks and provide additional support.



* A Lost Time Injury (LTI) is defined as any injury an employee may suffer while being on duty and the severity of the injury is at a level where the employee cannot work his/her next shift. Sick leave is calculated from the date after the injury.

Diversity and inclusion

Working within different business areas, models and cultures, we know that different skills, ideas and approaches are key to the success of our business. As a result, fostering inclusion and representing the diversity of the communities we serve are both ethical and business priorities.

Falck's global policy for diversity and inclusion was updated in November 2020 to reflect a broader and more global approach:

"Falck is committed to a broad definition of diversity, covering both visible and hidden differences, including gender, ethnicity, nationality, physical ability, physical appearance, sexuality, religion, age, civil partnership status, class, education, and mental health. Falck strives for inclusion of all those with visible and hidden differences but also diverse backgrounds and mindsets".
(Falck Global Diversity & Inclusion policy)

Inclusive culture

Falck aims to be a welcoming place to work for present and future employees. It is therefore the shared responsibility of all employees regardless of geography or role to foster an inclusive culture where everyone feels valued, free and empowered to speak up without fear of retaliation. We are aware that every individual faces different challenges, particularly individuals in vulnerable or minority groups, and Falck seeks to meet the needs of those groups.

Equal treatment and unconscious bias

We strive to make decisions based on unbiased considerations. This is particularly relevant in HR processes such as recruitment, promotions, development, compensation and layoffs. However, Falck recognises that we all hold implicit or unconscious biases. We aim to raise awareness of these biases and challenge them amongst each other and thereby aim for equal treatment in leadership decisions and design of processes.

Respectful treatment

At Falck, all employees should be treated with respect and dignity and be able to work in an environment free from fear, intimidation, intolerance and prejudicial biases. It is the responsibility of all employees at Falck to treat each other with respect and act according to the fundamental rights of the individual. Falck

does not tolerate any form of discrimination based on gender, ethnic origin, race, religion, age, sexual orientation, parental or marital status.

Diverse workforce

Falck aims to be an organisation that attracts, develops and promotes a diverse range of talent. At every level of our organisation, we seek to represent the communities we serve. Diversity is emphasised throughout the recruitment and selection process to ensure balanced teams while still hiring the best-suited candidates.

Gender composition

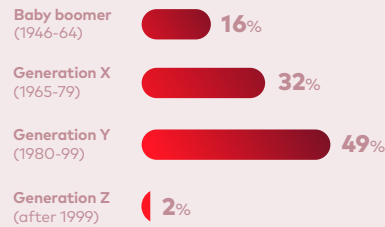
Falck works to ensure a balanced gender composition and increase the share of the underrepresented gender in management positions. Candidate pools for managerial

positions at senior director level and above should always include candidate(s) from the underrepresented gender. The recruitment process requirements are communicated to hiring managers, global HR business partners, recruitment partners and to third parties involved in the recruitment processes.

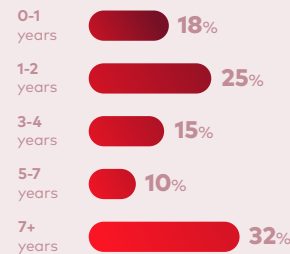
Governance

The Board of Directors of Falck A/S has the overall responsibility for approving the Diversity and Inclusion Policy. HR is responsible for outlining supportive activities, including monitoring of targets. Leaders at all levels in Falck are responsible for upholding the policy at all times, and all Falck employees are responsible for acting in accordance with the policy guidelines. Employee representatives are consulted when this policy is amended.

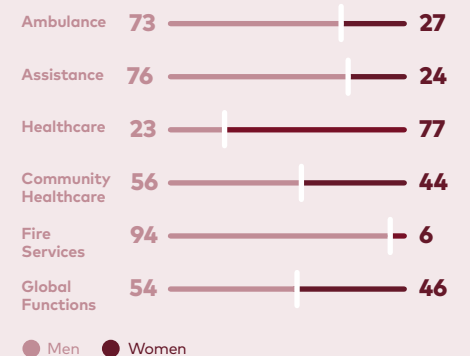
Age distribution of Falck employees



Tenure with Falck



Gender distribution per Business Unit %





Zero tolerance of discrimination

The on-going debate on harassment, sexism and racism in the workplace (e.g. #Metoo and #BlackLivesMatter) points out important matters and issues in society, at the workplace and in the way we talk and behave towards each other.

In this light, Falck has taken action to remind and reinforce our strong stand against discrimination.

Specifically, we have asked all leaders to:

1. Set direction

Make sure that all employees are familiar with Falck's zero-tolerance towards discrimination and discuss what to do to comply with it.

2. Surface any issues

Create an environment where speaking up is valued and where all employees know where and how they can raise potential issues.

3. Talk about it

Facilitate a team-based dialogue to uncover blind spots and break taboos. Use the insights from the engagement survey to talk about things that should be addressed.

4. Take action

Raise any concerns through a leader, HR, shop steward and/or report any incidents through Falck Alert.

Respectful treatment

Respectful treatment is a Falck global engagement survey (FGE) score, measuring employees' feelings of dignity and respect. In the 2020 FGE survey, the score on **respectful treatment was 76**, up 2 points from 2019.

FGE score in 2020:

76 (+2)

Ethics/Compliance

This is a Falck global engagement survey (FGE) score, measuring employees' ability to report unethical behaviour or practices without fear of retaliation. The 2020 FGE score on **Ethics/Compliance was 71**, up 3 points from 2019.

FGE score in 2020:

71 (+3)

Gender composition

The purpose is to ensure an equal distribution of men and women on the Falck Board of Directors and the Executive Management team.

Board of Directors*
2 women and 4 men



Executive Management
4 women and 4 men



*) Among BoD members elected at general meetings

Falck's Code of Conduct



At Falck, we will not tolerate discrimination of any kind, whether based on gender, ethnic origin, race, religion, age, sexual orientation, parental or marital status.

As a Falck employee, you should never participate in any kind of harassment. This includes any unwelcome verbal or physical conduct, creating a hostile or offensive working environment for anyone at work.



Environment & climate

We wish to mitigate any negative impact our business activities may have on the environment and climate, focusing our efforts on the fuel consumption of our vehicles.

Why this is important to society

Climate change is the result of human emissions of greenhouse gases, which in turn causes extreme weather events, disrupting ecosystems and human livelihoods.

Why this is important to Falck

Action on climate change is both urgent and required by all companies. As saving and improving lives is at the core of Falck's ambition, we wish to mitigate the adverse impact our activities may have on communities.

Our ambition

To reduce the adverse impact of our activities - first and foremost our CO₂ emissions - to a minimum.

Our risks

Strict requirements for emergency vehicles, their equipment, range and reliability in action; but only few viable electric options for large vehicles.

Our actions

Green fleet policy. Shift to electrical vehicles for company cars and patient transport vehicles. Test of biofuel for larger emergency response vehicles (ambulance, fire trucks and roadside assistance).



Take urgent action to combat climate change and its impacts.



Transitioning to a green fleet

Falck strives to reduce its environmental and climate impact. We commit to identifying and mitigating risks, promoting sustainable processes and products and increasing energy efficiency with a special focus on our fleet of vehicles.

It is our assessment that Falck's biggest adverse impact derives from the fuel consumption of our vehicles. In 2020, we began preparing for a transition from diesel and petrol-powered vehicles to electric vehicles and adopting the use of biofuels.

We realise that our operations also impact the climate and the environment in other ways, e.g. through the energy consumption in buildings, the products manufactured by our suppliers and the business travel of our employees, cf. scope 1-3 guidelines of the Greenhouse Gas Protocol Accounting and Reporting Standard. However, it is our assessment that we can make the biggest impact within scope 1 related to the fuel consumption of our fleet of ambulances, roadside assistance trucks, patient transport vehicles and other passenger cars, which drove an aggregate of more than 150 million kilometres in 2020.

Green Fleet policy

In phase 1 of Falck's transition of its fleet of vehicles, we are implementing a 100% electric company car policy in Denmark. All new passenger cars ordered by the Company after 1 January 2021 must be 100% electric (not hybrid). The transition will take place over the coming years as existing lease contracts expire. In scope are approximately 130 company/benefit cars, 220 station/support cars and 250 seated patient transport vehicles. These account for 56% of Falck's total fleet of passenger cars. Implementation will follow in the other European markets. Falck in Sweden commenced a transition of their fleet in 2018 as a signatory to the government initiative "Fossilfritt Sverige", whereby all vehicles are converted to electric, hybrid, biodiesel or gas-powered vehicles.

Phase 2 of the transition encompasses ambulances, non-emergency patient transport vehicles and other vans. The number of electric vans in the market which can form the basis of an ambulance is limited. Once the van is converted and fitted with the necessary equipment, the weight of the vehicle and its power consumption while operating is significant, and the speed and range is too limited for our needs. With current battery technology, an electric ambulance will therefore not be able to meet the requirements for speed and range of our customers.

Battery technology is evolving fast, and Falck follows the development of electrical vans closely for the purpose of switching to electric vehicles as soon as this is feasible without compromising the quality of the ambulance service delivery.

Phase 3 covers roadside assistance and firefighting trucks. Electric solutions currently available are limited, and Falck is instead looking at biofuels, hydrogen-power, natural gas or a combination of these to fuel the heavier vehicles in the fleet.

In 2020, Falck started testing biofuels in Denmark, following successful tests in Sweden. Q8 is supplying the biodiesel HVO100 used in the tests, and MAN will provide the approval and engine guarantee provided the tests are successful.

HVO100 (hydrotreated vegetable oil) is a 100% fossil-free product made from renewable and sustainably sourced fats and oils, including waste and residue from food industries. It has the same or better technical properties as regular diesel and can be used in existing vehicles, where the manufacturer has approved HVO. HVO100 can reduce CO₂ emissions by up to 90%. Its tailpipe CO₂ emissions are considered zero, as the amount of carbon dioxide released upon combustion equals the amount the renewable raw material has absorbed earlier.

Reusing ambulances and equipment

Ambulances and their equipment are, to the extent possible, reused. In the US, where ambulances are designed as an aluminium box placed on a vehicle chassis, the box is moved to a new vehicle chassis when the vehicle is worn out. After refurbishment and installation of new equipment in the box, the ambulance is tested and certified as a new ambulance and put into operation.

The expiry date of Falck's vehicles (ambulances, roadside assistance trucks and firefighting trucks) is typically regulated by the contracts in force with our customers, which set a limit on the number of years or kilometers driven. Once Falck's vehicles reaches the limit, they are sold, renovated if possible, and put to use in other countries.

In cooperation with a partner, Falck is also investigating the opportunity of selling used ambulance equipment which, after refurbishment, can be put back into operation in other countries.



14001

Code of Conduct and ISO certifications

Environment is one of the 13 areas of Falck's Code of Conduct, which states that all employees are expected to consider the environmental impact of their actions and the actions of our business partners. We expect our employees and business partners to support a precautionary approach to the environment and take steps to work in a sustainable manner. We encourage our employees to use resources sustainably and create a climate-conscious working environment.

In addition to the Code of Conduct, Falck holds the ISO certification related to environmental sustainability, ISO 14001 (Environmental Management). This applies to the Ambulance and Industrial Fire Services businesses.





Trust



Trust is vital to our license to operate, and it is essential that we conduct business in a way that never breaches the trust of our employees, our partners, our customers and the communities in which we operate.

Why this is important to society

Corruption harms society and results in increased costs, unfair competition and erosion of trust in governments.

Why this is important to Falck

People rely on us to be there every day, and that requires us to be a trusted business partner to the local authorities and communities which we serve. Falck therefore has a zero-tolerance approach towards breaches of the Code of Conduct.

Our ambition

Falck is committed to ensuring trust throughout all operations where business is conducted with integrity and high ethical standards in compliance with applicable laws, regulations and internal policies.

Our risks

Breach of the Code of Conduct. Mistrust in Falck's whistleblower system. Mistrust in management.

Our actions

Embedding the Code of Conduct in the way we work via training, communication and awareness campaigns.



Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.



A trusted business partner

Falck's compliance strategy contributes to our ability to build trust and develop a culture of integrity.

Compliance at Falck is based on our global Code of Conduct. This sets the minimum standards and ethical principles applicable to all employees and business partners. It serves as a guideline and point of reference for anyone faced with dilemmas, doubts or concerns, and provides everyone with a common understanding of how we conduct business and how it ties into their role.

In 2019, Falck developed the foundation for the compliance programme by setting in place the necessary policies, processes and procedures, employee training and awareness campaigns.

In 2020, Falck took the next step by consolidating the organisational structure and separating the second and third lines of defence:

Global Business Quality Management ensures that the necessary policies are created, reviewed and updated. Training in the Code of Conduct policies will be produced and delivered to employees globally on a recurring basis. Awareness campaigns and other activities will be rolled out in order to ensure

that employees act in accordance with our ethical standards.

Global Audit & Compliance manages the whistleblower system, investigates the effectiveness of our ethics and compliance work, provides insight for continuous improvement and follows up on the actions taken.

In this way, Falck ensures the continuity of the awareness, implementation and support efforts while introducing extra assurance.

Continuous improvement

We want to ensure that employees understand why it is important to act with a high level of integrity, and we want to support employees in doing so. We therefore revise our policies under the Code of Conduct on an annual basis and ensure they are clear, relevant, comply with the regulations in the geographies where we operate and easy to understand.

Embedding the Code of Conduct in the way we work requires constant efforts. The global Code of Conduct training programme was launched in 2019, and by the end of that year, 100% of desk workers and 85% of frontliners in Falck's core markets had completed the training.

In 2020, all policies were reviewed, updated and approved by the Executive Management

team, and managers in core markets were trained in competition compliance.

In 2021, all Falck employees in core markets will be retrained in the Code of Conduct followed by focussed sessions in areas most relevant to the individual job functions. Although analogue solutions are still necessary at times to accommodate the needs of our diverse business, an increasing number of employees will be trained via e-learning.

Falck Code of Conduct Topics

1. Bribery and corruption
2. Facilitation payments
3. Gifts and hospitality
4. Conflict of interest
5. Fraud
6. Competition compliance
7. Company assets and data protection
8. Working with business partners
9. Human rights
10. Occupational health and safety
11. Environment
12. Social investments
13. Falck Alert (whistleblower system)



Using our whistleblower system to focus initiatives

Falck's whistleblower system, Falck Alert, was introduced in late 2018 and has since then been available for all Falck employees, business partners and third parties.

Falck continuously encourages employees to report concerns about irregularities or improper actions that fail to comply with applicable laws and regulations, the Falck Code of Conduct or internal policies.

In 2020, the independence of the system was strengthened by anchoring the responsibility under Global Audit & Compliance, who reports directly to the Audit Committee and the Board of Directors. In the system, various types of unethical behavior are reported, and these are all investigated and concluded on. In 2020, focus was on formalising the process and procedures for conducting investigations leading to different actions varying from verbal instruction to dismissal.

In 2020, we received 245 reports (257 in 2019). 55% of the reports in 2020 were anonymous, which is on par with last year (53%) and also on par with medians for the organisations within the NAVEX Global database, which is used by Falck to set the benchmark for risk and compliance reporting. This is seen as an indication that employees trust the system

and know they can use it without fear of retaliation.

The cases reported via Falck Alert broadly fall within three categories: discrimination, management and working conditions.

Discrimination

15% of the cases reported were related to various types of discrimination. Falck has a zero-tolerance for discrimination, and action was taken without delay in these cases. To increase awareness of Falck's policies and guidelines, a global campaign on respectful

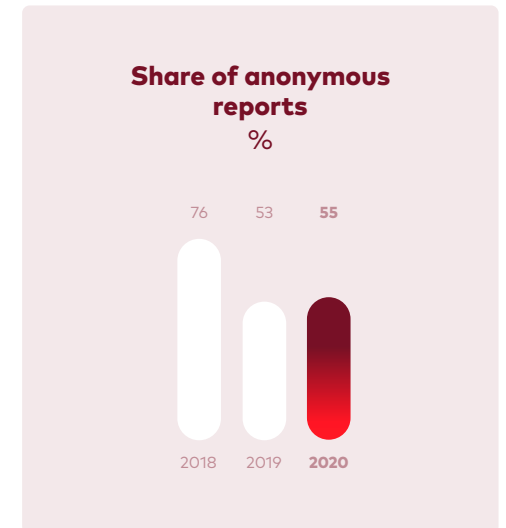
treatment has been initiated which include communication, management tools and real-life cases.

Management

13% of reports were related to various managerial issues, e.g. the leadership style, communication and fair distribution of work. In 2021, a new management training programme will be initiated, spanning from frontline managers to global function management.

Working conditions

In 2020, we saw an increase in reports on working conditions, now accounting for 25%. Most are related to COVID-19 and issues appearing as a result of the spread of the virus, increased risk of infection for employees, and changing working conditions. A global campaign was launched in Q4 2020 to emphasise the importance of health and safety in Falck. Out of the 245 cases reported in total, seven led to termination of employment, eight led to warnings or demotion, and 17 led to additional instructions or guidance.



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