

Sustainability Report 2021



FALCK

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Transitioning to a green fleet

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Annual Report 2021

Read about our business progress here



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Letter from the CEO

Supporting society is our core business

Falck is a leading international provider of healthcare and emergency response services. Our job is to save lives, improve people's health and well-being, and thereby support the communities we are part of.



In 2021, Falck took a significant step on its sustainability journey. We redefined how to measure our impact within the four sustainability areas relevant to our business, and we set ambitious targets for improvement.

Every day, we go to work with the purpose of saving lives and promoting health and well-being of other people. We believe in the benefit of constantly raising the levels of health, safety and engagement among our employees. We seek to implement environmentally sustainable solutions in our business as soon as they become available. And we know we need to be a trusted business partner to the local authorities and communities which we serve in order to succeed.

These four areas, health, people, environment and trust, are at the core of Falck's sustainability work. For each of these we have defined KPIs and set targets as described in more detail later in this annual Sustainability Report.

Our initiatives reflect our raised ambitions as well as the increasing interest in sustainability from all our stakeholders.

Our customers expect us to minimise our impact on the environment. Our employees rely on us to provide a safe and engaging workplace. Our owners consistently monitor not only our financial performance but also our efforts to ensure we act responsibly in relation to environment, social factors and corporate governance. This increased focus has accelerated the development in 2021.

Together with our financial partners, we have completed an ESG-linked refinancing of our long-term credit facilities, thereby underlining our long-term sustainability commitment.



Every day, we go to work with the purpose of saving lives and promoting health and well-being of other people.

It is our current assessment that Falck's biggest adverse impact on the environment derives from the fuel consumption of our vehicles. We have therefore begun the transition from diesel and petrol-powered vehicles to electric vehicles and adopting the use of biofuels. 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. However, this has not stopped us from setting an ambitious target of a 50% reduction of our CO₂ emissions in 2030 compared to a 2021 baseline. Furthermore, it is our intention to commit to developing Science Based Targets for our greenhouse gas emissions in 2022.

Similarly, we have set ambitious targets for the other sustainability focus areas; for employee engagement, Lost Time Injuries and training in our Code of Conduct.

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 acting responsibly as a company and to contributing to a socially, environmentally and economically sustainable development.

Four main focus areas, four SDGs

We are committed to supporting and contributing to the societies we are a part of. Our commitment extends to acting responsibly and to contributing to socially, environmentally and economically sustainable developments.

We give particular attention to our impact on

- ① The health & well-being of people throughout their lifetime
- ② The people we employ
- ③ Climate & environment
- 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.

We integrate our sustainability efforts in our daily business decisions and strategy. Our commitment is firmly embedded in our ways of working, 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 the Ten Principles of the UN Global Compact on human rights, labour, environment and anti-corruption derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention Against Corruption.

Health & well-being

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



Climate & environment

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



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.



Trust

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



This report serves as our third 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 corporate 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 2021.



Business model

Input

People

Our services are delivered by 33,000 engaged and skilled specialists

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

Emergency Response

Ambulance

Emergency medical services and patient transport services

Fire Services

Fire prevention and firefighting services for municipal and industrial customers

Integrated healthcare services

Direct Healthcare

Employee Healthcare

Occupational healthcare services and treatments to private businesses, insurance companies, pension funds and public organisations

Assistance

Consumer healthcare subscriptions, patient transportation, roadside assistance and technical services

Community Healthcare

Doctors on call services to individual subscribers, insurance holders and companies

Governance and policies

Standard processes and procedures

People management

Technology, systems and innovation

Output

1 Care and safety

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

2 Customer value

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

3 Supporting societies

We support national healthcare systems with emergency response and healthcare services

4 A great place to work

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

5 Shareholder value

We deliver value to our shareholders

ESG key figures

The ESG dashboard presents a number of KPIs reflecting Falck's¹ performance related to Environmental impact, Social impact and Governance.

In 2021, targets were set for eight of the KPIs, reflecting where Falck aims to make the biggest impact given the nature of our business. The initiatives leading to the results as well as the definitions of the KPIs and the accounting policies are described in the following chapters of this Sustainability Report.

	Unit	Target	Baseline year ¹ 2021	2020	2019	2018
Environment						
CO ₂ e emissions, total ^{2,3}	Total tonnes	50% reduction in 2030 (Baseline: 2021)	53,194	59,467	69,784	75,479
CO ₂ e emissions, relative ²	Tonnes / revenue (DKK million)	10% reduction y-o-y	3.95	4.82	5.05	5.40
Green kilometres	Kms in EVs + kms on HVO / total kms, %		4.7%	-	-	-
Social						
No. of services delivered	Number		8,064,000	6,570,000	-	-
Employee engagement	Number (0-100 scale)	75 in 2025	72	72	71	69
Gender diversity, Executive Management	Female / Total, %	40%	40%	50%	33%	0%
Lost Time Injury Rate (LTIR)	LTIs per 1 million working hours	10% reduction y-o-y (Baseline: 2021)	22.1	17.9	14.3	11.9
Fatalities	Number	Zero	1	11	6	-
Governance						
Whistleblower reporting ratio	Number of reports per 100 employees	>1	1.32	1.17	1.07	0.20
Code of conduct – training	% of employees trained	All full-time employees trained every year	55%	-	-	-

1) Falck Core business

2) Scope 1 emissions

3) A major ambulance contract in San Diego started up in November 2021. This will impact the total CO₂ emission in 2022 significantly. If adding the calculated full-year effect of the contract, Falck's total CO₂ emission in 2021 would be 56,683.

Health & well-being



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

Why this is important to society

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 provide prevention, treatments and rehabilitation and thereby meet the healthcare needs of people throughout their lifetime.

Our ambition

To help more people wake up in the morning and live a healthy life.

Our risks

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

Our actions

Strict quality management procedures. Development of new and innovative healthcare services.



Health and well-being

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 prevention, treatments and rehabilitation and care for the health and well-being of people.

Falck's business forms an important and integral part of societies' healthcare systems. Our highly skilled ambulance staff saves lives and cares for patients' well-being every day. Our healthcare professionals provide psychological and physiological help, enabling people to return to work faster and continue a healthy working life. We offer people faster and easier access to treatment by doctors, nurses and therapists as a supplement to the services offered through the public system. Our Patient Transport Service brings patients to and from hospitals and clinics. In Latin America, our doctors provide online consultations as well as treat patients directly in their homes, allowing patients to recover in a familiar environment. In Fire Services, our dedicated staff prevents accidents and loss of life every day.

In other words, health is part of our DNA, and our employees are proud to perform life-saving care for people. This is also reflected in the fact that Falck employees globally teach first aid courses, support the work of local commu-

nities in terms of bystander resuscitation (CPR), teach accident prevention and much more.

We believe that every time we have completed a trip, given a treatment, prevented an accident or delivered another of our services, we have improved at least one person's life marginally – and sometimes fundamentally.

We have therefore included number of services delivered as a KPI in our ESG dashboard, thereby measuring the services provided in our Core business over the course of the year.

Falck's commitment to saving lives and promoting health and well-being is reflected in our strategy, in our innovation agenda, and in our strict quality management procedures as described in the Annual Report and on the following pages.



+8 million

Services delivered in 2021

Number of services delivered in 2021

Ambulance

Ambulance trips 3,702,000

Fire Services

Interventions/call-outs 19,000

Employee Healthcare

Physical treatments 449,000

Psychological treatments 133,000

Preventive care consultations 597,000

Assistance

Patient transport trips 436,000

Roadside assistance trips 327,000

First aid trainings¹ 16,000

Community Healthcare

Virtual consultations 828,000

Physical consultations 1,557,000

¹) No. of courses times average amount of people attending a course

Quality

Falck is committed to taking care of patients. To ensure patient safety, we follow strict quality and medical management procedures across our business.

Falck's operations are highly process driven. When arriving at the scene of an accident, the exact roles of our employees are clearly defined, and work is carried out according to specific procedures laid out in manuals. Our employees are trained in these on a regular basis. Data is accumulated and processed in one company system, and changes and continuous improvement initiatives are shared and distributed to frontline personnel. The processes are designed to minimise errors and optimise the health and safety of both patients and personnel and build on years of experience accumulated by our people through healthcare and emergency response incidents.

This approach has placed quality at the core of Falck's services.

A global Business Quality Model (BQM) was established in 2020. The roll-out of the model continued in 2021 integrating Health & Safety. Availability of global business processes leads to increased transparency, efficiencies and quality improvements across all business areas. It encourages the sharing of best practices and coordination of initiatives across the business entities, and underlines

Falck's role as a reliable and trustworthy business partner.

Quality is further enhanced following a project started in 2021 defining a global operating model for the ambulance business. Among the expected outcomes is to establish global processes with a high degree of built-in and scalable quality assurance.

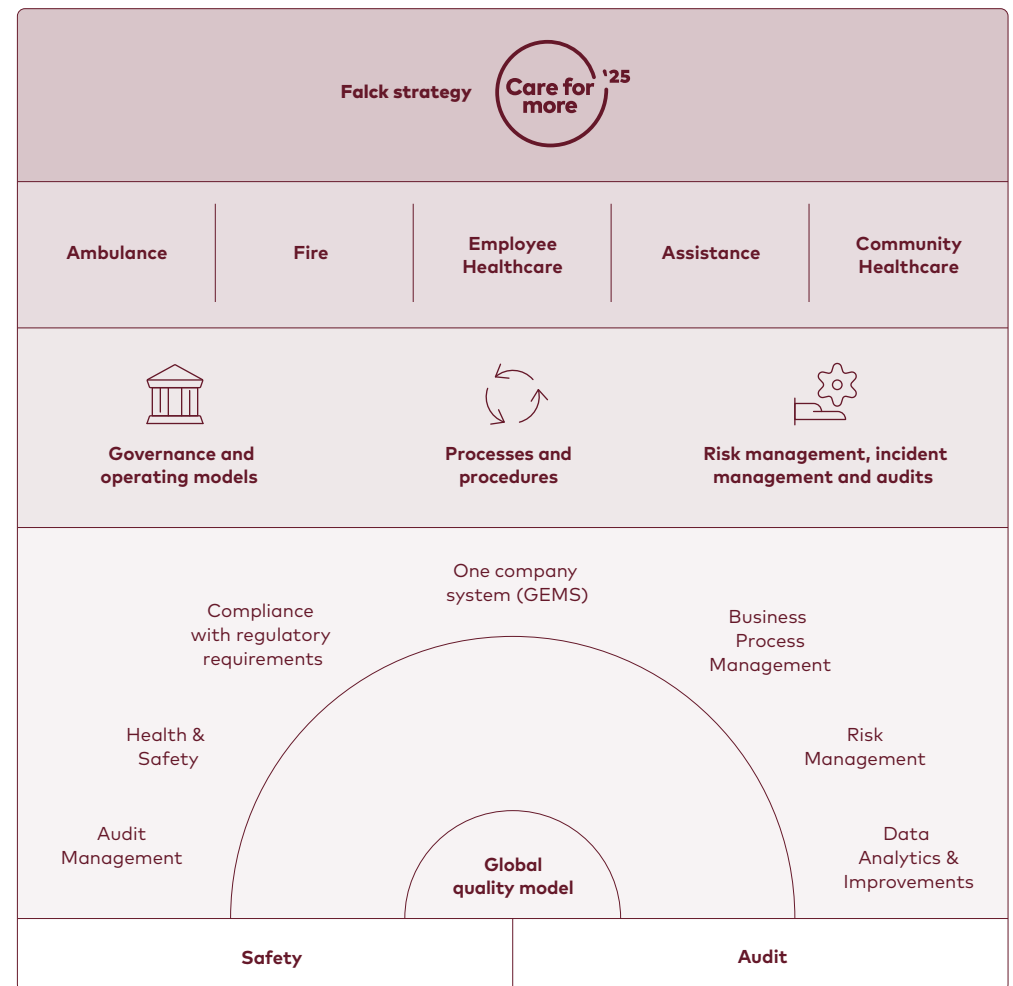
A revised risk management process was also implemented in Global Functions 2021 aiming to increase the overall awareness of business risks and the ability to mitigate these as early as possible. The process is planned to be implemented across Falck's business units in 2022.



Falck holds global ISO certifications from Bureau Veritas, based on a multisite setup, covering the ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018 certifications.

In 2021, Falck was also recognised for our work with information security and privacy information by having our Global IT processes certified in the ISO 27001:2013 and ISO 27701:2019 standards.

Business Quality Model



Innovation

For Falck, innovation means always striving to save and improve lives – in a better way or at greater scale. We deliver breakthroughs in health-care by intentionally designing new outcome-based services that reflect a deep understanding of customer needs and the latest in health science and technology.



Innovation has played a pivotal role in Falck's development since the foundation of the Company in 1906. Today, innovation takes place at three levels:

1

Innovation in operations

How can we solve a given task smarter, more efficiently and at a higher quality? One example is the online medical consultations in Community Healthcare in Colombia.

paramedics begin the treatment of critically ill and injured patients. It is Falck's ambition to continue to set the standard for emergency medical services of the future worldwide.

2

Innovation with our customers

Falck has created one of the world's most sophisticated emergency medical services in cooperation with its customers in Denmark. Today, an ambulance is an advanced point of treatment, a clinic on wheels, where doctors and

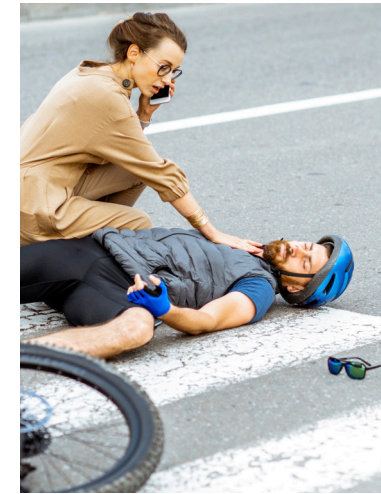
3

Innovation in society

How do we respond to the major healthcare challenges in society caused by changing demographics and limited resources? One example is Falck's work with drones aiming at bringing help closer to the patients with less resources.

AI in emergency response

Falck entered into a partnership to develop Artificial Intelligence (AI) in ambulances. Corti, a Danish-founded start-up, uses speech recognition and natural language processing to provide second opinions, note-taking, and quality assurance in real-time. The technology has already been deployed at the emergency call centre of Denmark's Capital Region, and by 'listening in' on 112 emergency calls, it can support quicker detection of cardiac arrests. The collaboration between the Region, Corti and Falck will explore how to apply this within the context of ambulance services.



Bystander support

In 2021, Falck initiated a project looking into how we can reduce the distress of experiencing an emergency as a bystander. Twenty-five per cent of the Danish population have experienced an emergency either as a patient or a bystander, and Falck's initial survey shows that one third of them were affected to some degree, e.g. in the form of sleeping disorders, anxiety, depression or PTSD. Early intervention is critical to help people process the event and reduce a prolonged psychological burden. The project combines Falck's experience in emergency response and mental health, strengthening our position as an integrated healthcare services provider.



Healthcare drones

Falck aims to make manned drones an integral part of its fire and emergency medical services by 2025. By using a drone, a paramedic can arrive at the scene of an accident and start treatment much faster than when going by ambulance. In 2021, Falck continued the test flights with cargo drones aimed at transporting blood samples, medicine or defibrillators between hospitals and accident sites or to people living in

remote areas. Falck also entered into a partnership with Kitty Hawk, a company pioneering all-electric Vertical Take-off and Landing (eVTOL) aircraft. The plan is to establish a joint innovation platform around Kitty Hawk's latest high-performance single-passenger aircraft project, Heaviside, to be used in emergency response situations.

Deep dive

Reducing sick leave to create healthy workplaces

Absent employees due to long term sick leave is a cost for the individual, the company and society. By working systematically with rehabilitation Previa helps businesses reduce sick leave and become healthy, sustainable workplaces.

With 1,000 experts in occupational health-care and work environment management, Falck's Swedish subsidiary, Previa, is the leading provider of services for a sustainable work life in Sweden. Rehabilitation accounts for 27% of the services delivered.

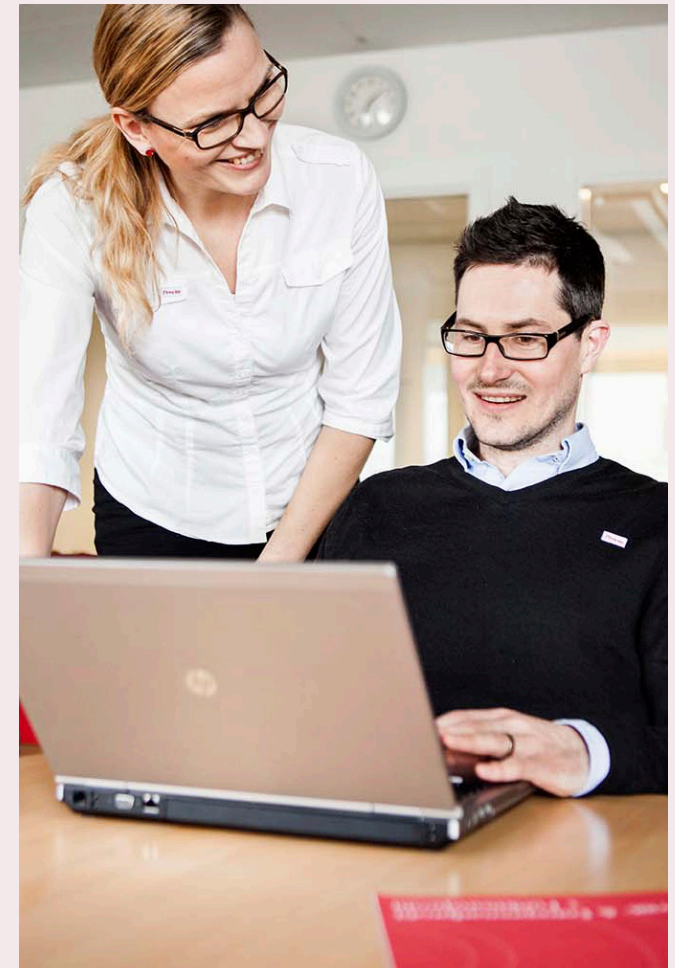
Almost half of all long-term sick leave start with a repeated short-term sick leave. Therefore, it's crucial to work with both a preventive and a remediate perspective. Preventive actions identify risks of illness, injury and sick leave, both in the organisation and related to the individual, in order to work proactively to reduce them. Remediation or rehabilitation measures help individuals return to work as quickly as possible after long-term sick leave, accidents, or in conjunction with disputes and crises.

Previas concept for rehabilitation includes frequent inventorying of the situation, recommendations, counselling, rehabilitation services and education. Previa works in teams with a rehabilitation coordinator, occupational health physician, occupational health nurse, physiotherapist and psychologist or behavioral scientist. They work in cooperation with the customer to reach specific goals for both the individual and the organisation.

25%

Lowered long-term sick leave

In a recent case, a Swedish company with more than 5,000 employees managed in cooperation with Previa to lower their sick leave rate from around 7% to 4.5% and lowered long-term sick leave by 25% in less than a year. This not only reduced the high sick leave costs but also created a healthier workplace to the benefit of all employees.



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

Having diverse and inclusive workplaces with decent work conditions for all is essential in ensuring sustainable economical growth.

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 business.

Our ambition

A safe and healthy workplace. 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. Staff shortages.

Our actions

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



Engagement

Employee engagement remained at the same level as last year, despite a challenging working environment related to COVID-19 and staff shortages in several countries.

Falck wants to be a great and healthy place to work for professionals within healthcare and emergency response. 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 managed by the external provider Glint.

The 2021 survey was conducted in October 2021. 12,200 employees took the time to answer this year's survey, and they provided 22,000 comments and suggestions on how to make Falck a greater place to work.

The overall engagement score (eSat*) was 72, i.e., at the same level as last year. This compares to the global external benchmark of 74, which is also the same as last year. There are large differences between the scores across countries and business segments.

The highest scores across countries and segments were related to Purpose, Respectful treatment and Recommend manager, whereas the lowest scores were related to

Change communication, Decision making, and Action taking, which is the same picture as last year. The score for Work-life-balance decreased which may be a result of an increased level of pressure in a changing organisation and increased workload during the COVID-19 pandemic.

The eSAT score is chosen as one of the KPIs in the ESG dashboard. The target is an eSAT score of 75 in 2025.

The score on Purpose was once again exceptionally high; 83 vs. the external benchmark of 78, reflecting that Falck provides a purpose-driven and meaningful workplace for people who wish to save and improve lives.

In 2021, Falck launched its new strategy, Care for more '25. This has resulted in an increase in the scores related to confidence in the leadership team, overall direction, excitement about Falck's future and satisfaction regarding how decisions are made. This was especially visible in Falck Assistance and global functions where the scores increased significantly.

*) 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.



An engaged workforce is more committed, better performing and delivers a higher level of services.

Engagement survey

18,200 employees invited to participate
26 questions
6 scores increased
11 scores decreased
68% response rate (-4%-points)
22,000 comments

Purpose

Score

83

▼ 2%

95% of all respondents answer neutrally or favourably to their work being meaningful to them.

Related question:

"The work that I do at Falck is meaningful to me."

Prospects

Score

68

▲ 3%

Related question:
 "I am excited about Falck's future"

Recommend manager

Score

75

▼ 1%

Related question:
 "I would recommend my manager to others"

Actions

Following the survey, all managers were asked to develop action plans targeting the specific issues in their departments.

The teams that had defined action plans and worked with engagement based on the previous survey saw an increase in their scores significantly 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.

Falck Leadership Programme

The Falck Leadership Programme launched in 2019 called "Dare to Care" was put on hold in 2020 due to COVID-19 and restarted in mid-2021. The programme is aimed at all leaders in Falck, with front-line managers being the first priority. 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.

Currently, 350 leaders in Denmark, Sweden, Germany, Spain and United States are enrolled in Dare to Care. In 2022, leaders in Colombia and Norway will join. It is expected that all Falck managers with people leadership (a total of 550) will have completed the training in 2023.



The score on Purpose was once again exceptionally high, reflecting that Falck provides a purpose-driven and meaningful workplace for people who wish to save and improve lives.

Employee turnover

The employee turnover rate increased to 29.0 in 2021 compared to 26.7 in 2020. The rate shows the number of permanent employees who left Falck voluntarily or involuntarily during 2021 as a percentage of the average number of employees during the year, and it varies largely across Falck's markets.

Health & Safety

Falck has built a business on a commitment to care, and we continuously strive to improve the health and safety of our employees.

Every day, Falck employees put themselves at risk to save the lives of other people. We therefore promote a culture where health and safety are embedded in our ways of working to ensure that our employees are safe when on duty to improve and save the lives of others.

As a provider of emergency response services working in the public area, Falck is not in control of all processes in our working environment. We therefore continuously assess our risks and improve our processes based on learnings and experiences.

Initiatives in 2021

In 2021, Falck's Executive Management approved a new safety policy to strengthen our commitment and drive accountability and safety through the business.

A global reporting process was established which improves the opportunity to measure our health and safety performance, analyse data and take preventive action based on insights. This allows us to look into the root causes of incidents and tailor safety initiatives and develop documented processes where needed. A safety community with

representatives from all business units is put in place to ensure implementation of Falck's safety strategy at all levels of the organisation.

In addition, Falck focused on further developing a safety culture where leaders engage and provide support for frontline workers promoting the sharing of knowledge and learnings. Additional safety standards were implemented, and operational risk assessments were completed to increase the general understanding of main risks and improve reporting of incidents.

Fatalities 2021

Falck recorded one fatality in 2021. A Falck firefighter in Spain tragically lost his life while responding to an incident at our customer's premises. Every life is precious, and every single fatality is a tragic reminder that safety must always come first. Falck has conducted an internal investigation to ensure that learnings are captured and embedded in our organisation.

Number of fatalities is chosen as one of the KPIs in the ESG dashboard. The target for work related fatalities in Falck is zero.

Lost Time Injury Rate 2021

In 2021, Falck recorded 883 Lost Time Injuries resulting in an LTIR* of 22.1. COVID-19 related cases are included in this number due to the nature of Falck's services. For 2021, Falck registered 205 COVID-19 work-related cases,

corresponding to 23% of the total number of Lost Time Injuries reported internally.

Falck is aware of the risks associated with the nature of our business as well as the preventive measures needed to minimise the risk. While incidents still occur across our business, we are committed to minimise the number of these and ensure that the implications of these are as small as possible.

The LTIR is chosen as one of the KPIs in the ESG dashboard. The target is a 10% reduction year-on-year, with 2021 as our baseline year. In 2021, we increased focus on reporting and the integrity of safety data was improved.

In 2022, we will increase our focus on the critical operational risks related to health and safety: Driving, working on the road and use of equipment. By improving and implementing global processes for near misses and root cause analyses, we aim to continuously improve our health and safety performance.

Fatalities

2021

1

2020: 11

Target: 0

Lost Time Injury Rate

2021

22.1

2020: 17.9

Target: 10% reduction year-on-year (Baseline year: 2021)

*) LTIR = Lost Time Injury Rate calculated as number of LTIs per million hours worked

Deep-dive

Increasing safety on the road

The majority of Falck's activities within Public fire, Assistance and Ambulance are carried out in public areas. This is also where some of the severe traffic accidents take place.

In 2021, Falck invested in 30 TMAs (Truck Mounted Attenuators), also known as a crash cushion, mounted on the back of, e.g., the truck holding the signage when blocking a lane on the highway in connection with accidents. It is designed to save lives of emergency personnel in the work zone by absorbing the impact from other vehicles crashing into it.

30

The 30 new TMAs will replace the existing Falck vehicles carrying warning signs which are in operation several times per day on the Danish highway network.

Traffic accidents in connection with work zones on highways have previously led to severe injuries and fatalities among Falck employees. The new TMAs are expected to increase safety significantly, not only for Falck's employees, but also for other emergency personnel, motorists, bystanders and workers at the site.



Diversity and inclusion

Working within different countries, communities and cultures, we know that the different skills and approaches of our people are the key to success. Having a diverse workforce, fostering inclusion and representing the diversity of the communities we serve are both ethical and business priorities.

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, 2020).

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.

Inclusive culture

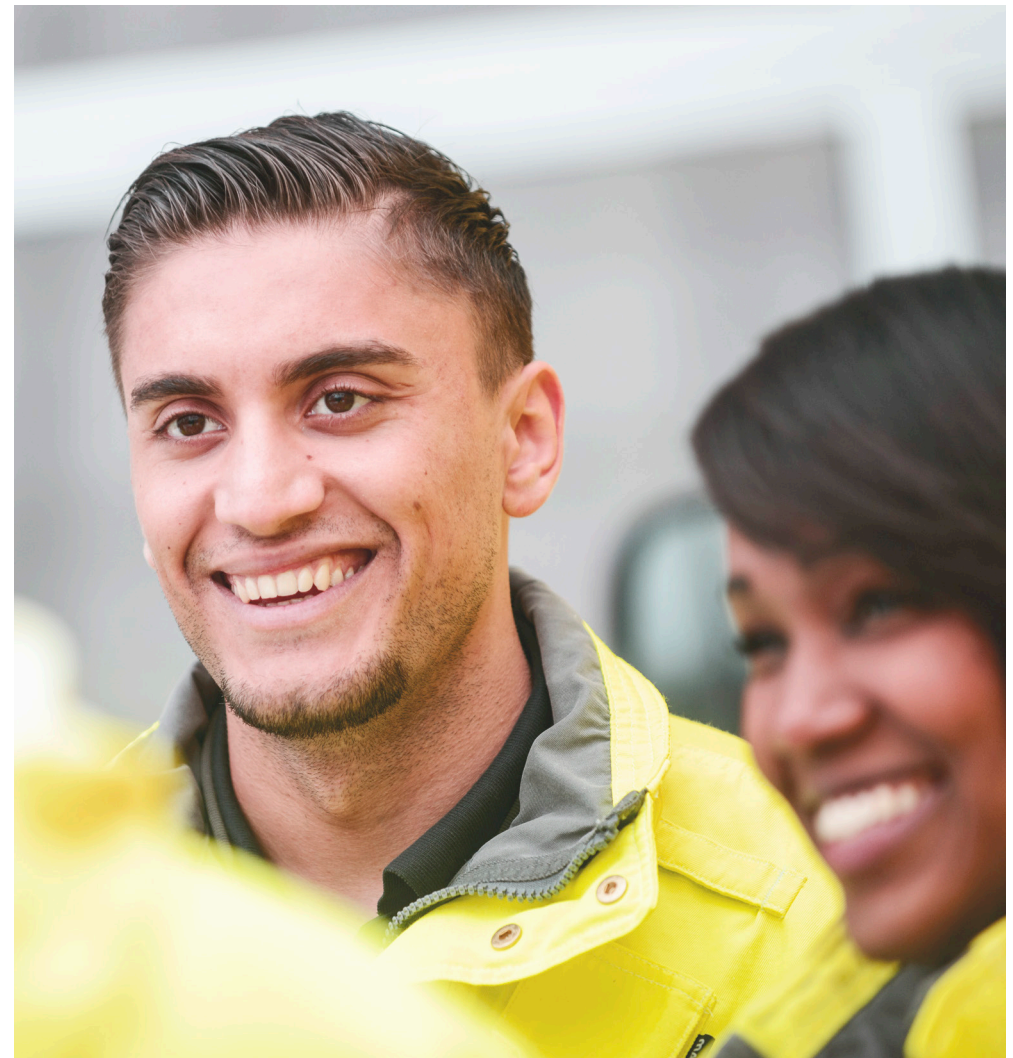
Falck aims to be a great place to work for present and future employees. It is therefore the shared responsibility of all employees regardless of geography or role to foster an inclusive culture where everyone feels valued, free and empowered to speak up without fear of retaliation.

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 and thereby aim for equal treatment in our decision-making 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, etc.





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.

Falck is committed to ensure a balanced gender composition among members of the Board of Directors of Falck A/S.

Falck's target for the composition of the Board of Directors for 2021 was to continue with equal representation, defined as 40/60 according to the guidelines from the Danish Business Authority (Erhvervsstyrelsen). This was fulfilled as two out of six elected members are women.* The target in 2022 is to continue with equal representation.

The gender composition for employees in Falck has changed marginally in 2021. In 2021, 31% of employees were women (30% in 2020) and 31% of managers were women (28% in 2020).

Four out of ten members of the Executive Management Team are women. Gender diversity for the Executive Management is chosen as a KPI in the ESG dashboard. The target is 40%.

Falck's Diversity and Inclusion Policy can be found here: www.falck.com/diversity-inclusion

Governance

The Board of Directors has the overall responsibility for approving the Diversity and Inclusion Policy. Falck's global People & Culture function 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.

Examples of initiatives in 2021

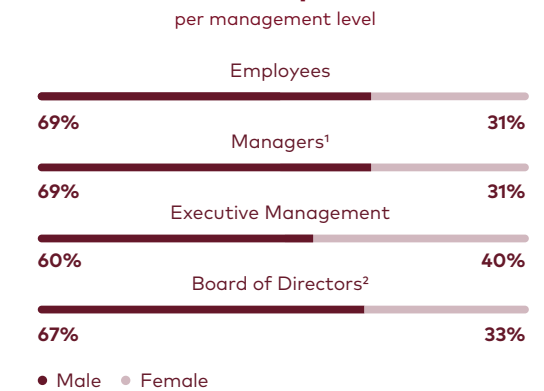
In 2021, recruiters from various business units in Falck were invited to a workshop on unconscious biases and how the use of certain words and language in our materials and job adds may impact our ability to attract a diverse pool of talents. The aim is also to appoint the Falck recruiters, HR business partners and third parties involved in the recruitment processes as diversity ambassadors ensuring a strong local voice promoting a diverse and inclusive mindset throughout the organisation.

In 2020-2021, managers in Sweden attended virtual training in biases, with focus on understanding and acceptance of your own bias as a first step for action taking.

In Ambulance Spain, actions to increase diversity, inclusion, and equality lies in the hands of the Equality Committee. The committee consists of four employee union representatives and four members with functional responsibility. The committee meets once a month to discuss topics related to diversity and inclusion. First step has been to co-develop and agree on a four-year plan outlining diversity and inclusion activities for the unit.

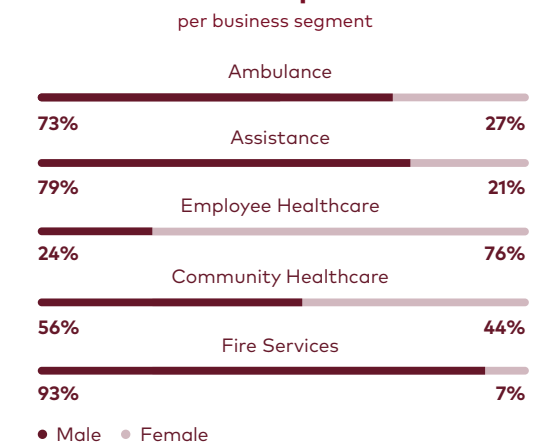
*) In accordance with the guidelines from the Danish Business Authority, equal representation is the number/percentage which is closest to 40/60, which for Falck is 2/6 (33 %) of the elected Board members.

Gender composition



1) Managers are defined as employees with employee responsibility
2) Among BoD members elected at general meetings.

Gender composition



Climate & environment



We wish to minimise the 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 changes are having tremendous impact on society, i.e. extreme weather conditions, disruption of ecosystems and human livelihoods.

Why this is important to Falck

Action on climate change is 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

Few viable electric options that can meet requirements for emergency vehicles.

Our actions

Green fleet policy. Shift to electrical vehicles for company cars and patient transport vehicles. Investigating alternative fuel solutions for larger emergency response vehicles.



Transitioning to a green fleet

Falck's aim is to contribute to the improvement of people's health and well-being with the least possible impact on the environment and the society around us.

It is our current assessment that Falck's biggest adverse impact on the environment derives from the fuel consumption of our fleet which drove an aggregate of approximately 139 million kilometres in 2021. We have therefore begun the 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 equipment used in our ambulances and the business travel of our employees, cf. scope 1-3 guidelines of the Greenhouse Gas Protocol Accounting and Reporting Standard. It is our assessment that we can make the biggest immediate impact within scope 1 related to the fuel consumption of our fleet of ambulances, roadside assistance trucks, firefighting vehicles, patient transport vehicles and other passenger cars.

Targets set for emissions

In 2021, we set the target of reducing our total scope 1 CO₂ emissions by 50% in 2030 compared to a 2021 baseline. Total

emissions will naturally be impacted by the growth of our business. Hence, we have also set an additional target of reducing our CO₂ emissions relative to revenue by 10% year-on-year.

It is Falck's intention to commit to the Science Based Targets initiative in 2022, and thereby commit to setting targets for our greenhouse gas emissions in line with the Paris Agreement goals.

Transitioning to a green fleet

In 2021, Falck implemented its 100% electric company car policy in Denmark. All new passenger cars ordered by Falck

after 1 January 2021 must be 100% electric (not hybrid). In scope are approximately 130 company/benefit cars, 130 station/support cars and 330 seated patient transport vehicles which are changed to electric when existing lease contracts expire. These account for 56% of Falck's total fleet of passenger cars. Sweden, Germany and Spain will implement the same policy from 2022.

For seated patient transport, Falck has ordered 50 new electric vehicles in 2021 and plans to increase the number to 100 in 2022. When delivered, Falck will then have changed 30% of seated patient transport vehicles to electric.



*) Scope 1 emissions. These are direct greenhouse gas (GHG) emissions that occur from sources that are controlled or owned by an organisation (e.g. emissions associated with fuel combustion in boilers, furnaces, vehicles).

CO₂e emissions, total*

Tonnes

2021

53,194

2020: 59,467

Target: 50% reduction in 2030 (Baseline year: 2021)

CO₂e emissions, relative*

Tonnes / Revenue (DKK million)

2021

3.95

2020: 4.82

Target: 10% reduction year-on-year (Baseline year: 2021)



Green kilometres

4.7%Kms in EVs + kms on
HVO / total kms, %

Ambulances account for 72% of all kilometres driven in Falck.

Today, an ambulance is built to provide the first life-saving treatment to patients on the scene of the accident before driving to a hospital. Once the van is converted and fitted with the necessary equipment, the weight of

the vehicle and its power consumption while operating is significant. With current battery technology, an electric ambulance will therefore not be able to meet the requirements for speed, range and weight in order to be certified as an ambulance.

Falck aims to switch to electric vehicles as soon as this is feasible without compromising the quality of the ambulance service delivery. In 2021, we have ordered a number of electric vans as support vehicles in Roadside Assistance to test their functionality.

To follow our transitioning to green fleet, we count the number of "green kilometres" driven, defined as kilometres driven in electric vehicles or on HVO in relation to total kilometres driven. In 2021, green kilometres amounted to 4.7% of total kilometers driven in Falck.

We continue to work with our suppliers and customers to ensure that as soon as the technology is available, we can put it into operation for the benefit of the local communities we serve. It is our expectation that the first electric ambulance will be available for testing in the Capital Region in Denmark in late 2022.

Falck's roadside assistance and firefighting trucks account for 8% of kilometres driven. The electric solutions 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.

Reusing ambulances and equipment

Ambulances and their equipment are, to the extent possible, reused. Both in the US and in Germany, 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.

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 14001 environmental certification for our Ambulance Services in Sweden and Spain, our Fire Services in the UK, the Netherlands, Portugal, Spain, Romania and Slovakia and also our Patient Transportation Services in the UK and our headquarter in Copenhagen, Denmark.

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

Unfair competition and unethical behaviour result in increased costs and erosion of trust in government

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. Mistrust in Falck as a service provider.

Our actions

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



Code of Conduct

Falck's business is built on trust. We make critical decisions every day when we assist people in need, and people trust us with their lives. We are committed to maintaining trust throughout all our operations.

Our way of conducting business 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 developing the necessary policies. A global Code of Conduct training programme was launched, and by the end of that year, 80% of desk workers and the majority of frontliners in Falck's core markets had completed the training. The remaining 20% of desk workers completed the training in the first months of 2020.

In 2020, all policies were reviewed, updated and approved by the Executive Management team, and managers in core markets were trained in competition compliance. Also, Falck separated the second and third lines of defence: Global Quality, Risk & Safety was made responsible for having the policies

reviewed and updated as well as offering training and creating awareness. Global Audit & Compliance was made responsible for the whistleblower system, investigating the effectiveness of our ethics and compliance work, providing insight for continuous improvement and following up on the actions taken.

Code of Conduct training of employees is chosen as a KPI in the ESG dashboard. The target is to train all full-time employees every year and thereby foster a compliance culture in Falck.

2021 initiatives

In 2021, the updated Code of Conduct was made available in 12 languages. A refresher training was conducted in Q4. All full-time employees were offered training through a videobased e-learning course, covering all the areas under Falck's Code of Conduct. In locations where e-learning was not accessible, in-person training took place. In addition, specific GDPR training was rolled out to employees within the EU, and a refreshed Competition Compliance training was provided to a selected number of employees.

In 2021, 55% of full-time employees completed the training. Falck does not consider the completion rate of 55% satisfactory to support our ambition of integrating compliance in the way we work. During 2022, Falck will take measures to ensure completion rate reaches 100%, e.g. implement a global learning



management system and ensure validity of our employee master data. In addition, targeted face-to-face training and Code of Conduct awareness campaigns will be launched in risk areas to mitigate the risk related to the low completion rate. In 2022, Falck will offer additional risk-based training as well as include the Code of Conduct training in the onboarding processes globally. Awareness campaigns will be rolled out to further support the embedding of the Code of Conduct in our way of working. Falck will continue to conduct internal audits.



Falck Code of Conduct Topics

- 01 Bribery and corruption
- 02 Facilitation payments
- 03 Gifts and hospitality
- 04 Conflict of interest
- 05 Fraud
- 06 Competition compliance
- 07 Company assets and data protection
- 08 Working with business partners
- 09 Human rights
- 10 Occupational health and safety
- 11 Environment
- 12 Social investments
- 13 Falck Alert (whistleblower system)

Whistleblower system

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. Various types of unethical behaviour are reported through the system, and these are all investigated and concluded on.

The whistleblower reporting ratio is chosen as a KPI in the ESG dashboard. The target is a ratio above 1 report per 100 employees which is in line with 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.

In 2021, focus has been on further embedding trust in the system by implementing transparent and documented governance structures and processes around case handling, and by establishing compliance boards.

Governance and processes

A globally standardised approach to investigations has been implemented. To increase the

efficiency, local investigators are engaged. These are a selected group of designated employees who conduct investigations under the supervision and guidance of Global Audit & Compliance. They report directly to Global Audit & Compliance in terms of cases regardless of their official job function.

Compliance boards

Two compliance boards have been established: The Compliance Advisory Board consists of a diverse group of senior Falck leaders, who set strategic directions in unprecedented matters. The Compliance Forum consists of employee representatives and is established to further build a culture of trust through compliance ambassadors. Specific cases are never discussed, rather the forum is used to share knowledge.

2021 results

In 2021, we received 227 reports (245 in 2020)* of which 61% were anonymous. This is in line with a weighted average for organisations within the NAVEX Global database.

The cases reported via Falck Alert fall within the following top-five categories:

Misconduct or inappropriate behavior (28%) and Discrimination or harassment (13%): Falck has a zero-tolerance for discrimination, and action was taken without delay in these cases.

Leadership (11%): These reports were related to various managerial issues, e.g.

Whistleblower reporting ratio

No of reports per 100 employees

2021
1.32

2020: 1.17

Target: >1

the leadership style, communication and fair distribution of work.

Compliance with laws and standards (11%) and working conditions (9%): Most reports were related to COVID-19 and the additional workload.

Out of 227 cases reported, 16 led to termination of employment, 6 led to written warnings, 1 led to demotion and 22 led to additional instructions or guidance.

*) Total number of reports for 2020 covers Falck Group, including Portfolio. Total number for 2021 covers Falck Core business. See definitions in Falck's Annual Report 2021.

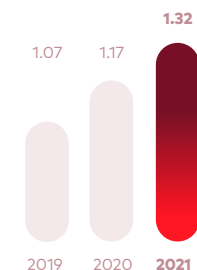
Topics on cases reported*



*) Top five categories reported

Number of reports

per 100 employees, %



Accounting policies

The Sustainability Report and accounting policies cover the period 1 January 2021 - 31 December 2021. The accounting policies covers disclosures made in the ESG key figures table on page 7.

Falck Group consists of Core business and Portfolio business. Scope for this reporting is Core business which is Falck's strategic focus area. Core business covers Emergency Response (which includes Ambulance Europe, Ambulance US and Fire Services) and Direct Healthcare (which includes Employee Healthcare, Assistance and Community Healthcare).

Acquisitions are included in the ESG key figures from the following month of taking over control. Frisk Gruppen, which was acquired 15 October, is included in the ESG key figures as of 1 November 2021 unless otherwise stated below. Divestments are excluded from the ESG key figures from the effective date of the transaction.

CO₂e emissions, total

This indicator is defined as the total scope 1 CO₂e emissions (CO₂ equivalent) measured in tonnes. Scope 1 emissions refers to direct burning of fossil fuels – by either mobile (vehicles) or stationary (generators, heating systems, etc.) combustion. Excluded from Falck's definition of Scope 1 are fugitive emissions from air conditioning or fire suppression systems.

It is calculated following Greenhouse Gas Protocol standards following an operational control model. The number of litres (separated by fuel type, type of combustion, and type of vehicle) is multiplied by the relevant EPA (U.S. Environmental Protection Agency) emissions factors. In certain locations it is not possible to get exact fuel data from our suppliers or internal systems. Where this is the case, estimates have been made from a comparable business entity or from historic fuel data.

The full year-effect of the San Diego contract which started up on 27 November 2021 is calculated as the CO₂e emission from December 2021 multiplied by 12 (reported as the adjusted baseline). The actual number for 2021 includes emissions in December from San Diego.

CO₂e emissions, relative

The CO₂e emissions, relative, is defined as the indicator CO₂e emissions, total tonnes, scope 1 divided by revenue for Core business in DKK million according to Falck's Annual Report 2021.

Green kilometres

Green kilometres is defined as the total kilometres run on "green" energy as a percentage of total kilometres driven. Included as "green" are kilometres driven by Falck's electric patient transportation services vehicles in Denmark and vehicles that run on HVO biodiesel in Denmark and Sweden. Company cars are out of scope for 2021.

No. of services

Number of services is defined as the sum of 10 specific kinds of services representing the Core business of Falck (Emergency Response and Direct Healthcare). All of the services have equal weight.

Emergency Response contributes with "Number of Ambulance trips" (Ambulance) and "Number of call-outs/interventions" from the Fire Services business.

Contribution from Direct Healthcare is the following:

- Employee Healthcare contributes with "Number of physical treatments", "Number of psychological treatments" and "Number of billed consultations in Previa"
- Assistance is included with "Number of patient transportation services (PTS) trips", "Number of roadside assistance (RSA) trips" and "Number of first aid trainings"
- Community Healthcare participates with "Number of virtual consultations" and "Number of physical consultations"

The number of services in 2021 does not include services in Frisk Gruppen.

Employee engagement

Employee engagement is defined as the average employee satisfaction score (so-called eSAT score) on the question "How happy are you working at Falck?" in the annual employee satisfaction survey for the relevant financial year. It is measured on a 0-100 scale. The survey is conducted by the external consultancy Glint and took place in autumn 2021.

In general, employees in Falck Core business are included in the survey. Included are employees who have a permanent or fixed term contract of employment with Falck and are paid through Falck's payroll system as well as selected freelancers (contractors) due to

the nature of their activities and how they are paid. Employees starting after July 2021 and employees registered leaving Falck 1 October 2021 or earlier are excluded.

Part-time workers in Ambulance in Denmark with less than 18 weekly working hours for the last 4 months and employees hired in connection with the COVID-19 antigen testing activities in Denmark are also excluded from the survey. In addition, local adjustments to the selection criteria for the survey may apply.

Frisk Gruppen is not included, as the survey was conducted before the acquisition on 15 October 2021.

Gender diversity, Executive Management

Gender diversity, Executive Management, is defined as the percentage of female members of the Executive Management team. The Executive Management team is responsible for the day-to-day management and operation of Falck.

Lost Time Injury Rate

Lost time injury (LTI) is defined as a physical injury at work causing at least one day of absence counted from the first day after the actual injury. COVID-19 related cases are included in LTIs due to the nature of the work Falck performs. Lost Time Injury Rate (LTIR) is calculated as the number of LTIs per 1 million working hours. Working hours are defined as the total of normal working hours and overtime hours.

Included are employees who have a permanent or fixed term contract of employment with Falck and are paid through Falck's payroll system, as well as selected freelancers (contractors) due to the nature of their activities and how they are paid.

Reporting on Lost Time Injuries is performed through collection of data mainly using Microsoft Forms and monthly review meetings where LTIs may be re-classified and local registrations of injuries are assessed. Working hours are reported monthly to HR global, consolidated and validated. However, for some entities, working hours are estimated based on the number of FTEs due to missing reporting of working hours or historical data.

Fatalities

Fatalities: Any fatality of employees, patients, subcontractors or third parties occurring at work.

Whistleblower reporting ratio

Whistleblower reporting ratio is defined as the total number of reported whistleblower cases as ratio per 100 average FTEs for the financial year. The percentage difference between numbers of employees in Falck Core business compared to Falck Group is deducted from the total number of reports. FTE is defined as full-time equivalents which is the average number of employees calculated as total hours worked divided by full-time working hours per person for the year. Frisk Gruppen is excluded from the FTE number. Portfolio business was included in previous year's reporting.

Falck's whistleblower system, Falck Alert, allows employees and third parties to report any concerns or actions committed about anything unethical they have experienced in or with the business 24/7.

Code of Conduct – training

Code of Conduct – training measures the completion rate of the Code of Conduct training using percentage of full-time employees trained per year either online or in

person out of the total number of full time employees.

Frisk Gruppen is not included.

Sustainability governance

Falck's sustainability efforts are integrated in our daily business decisions and strategy.

Initiatives are managed by relevant business areas and Group functions by their respective management.

KPIs and targets are determined by the Executive Management and approved by the Board of Directors.

The central Sustainability Function is part of Global Communications, Branding and ESG. It oversees the initiatives across business areas and Group Functions, consolidates data and manages reporting and communication.

Annual results for each KPI are presented in Falck's Sustainability Report and Annual Report and approved by the Board of Directors.

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