

2022 Sustainability & ESG Report



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Executive Summary

PAVmed Inc. together with its subsidiaries, is proud to present this Sustainability/ESG report, which outlines our commitment to sustainable practices and social responsibility. We believe that it is our duty as a medical device company to act responsibly and sustainably in all aspects of our operations.

Our report covers our efforts in the areas of environmental sustainability, social responsibility, and governance practices. In terms of environmental sustainability, we have explored initiatives to minimize our carbon footprint, reduce waste, and ensure the responsible use of resources.

In terms of social responsibility, we are committed to upholding human rights standards and promoting diversity, equity, and inclusion within our organization.

We have established policies and procedures to ensure fair labor practices and prevent discrimination and promote diversity. We are also committed to engaging with our local communities.

Finally, in terms of governance practices, we are committed to upholding the highest standards of corporate governance and complying with all applicable laws and regulations. As we continue to grow and evolve as a company, we remain committed to our sustainability and ESG goals.

We believe that our commitment to sustainability is essential to our long-term success, and we are committed to continually improving our practices and processes to uphold these values.

Our Corporate Social Responsibility (CSR) plan is a reflection of our commitment to being a responsible corporate citizen and making a positive impact.



We recognize that human rights are universal, interdependent, and indivisible, and that the dignity and worth of every person must be respected.

PAVmed is deeply committed to diversity, inclusion & equity, environmental protection, ethical governance, and community service.

Implementation of CSR & ESG at PAVmed

To fully live up to our commitments and values, we have formed an ESG committee. ESG stands for Environmental, Social, and Governance, and it is a framework for evaluating a company's non-financial performance. The ESG committee is responsible for overseeing PAVmed's sustainability efforts.

The ESG committee is made up of individuals from across the company, including representatives from our senior management team, as well as our operations and legal departments.

This team's mission is important, as it ensures that all aspects of our business are being considered when making decisions related to environmental, social impact and governance matters.

The committee's primary focus is on developing and implementing ESG strategies. This includes initiatives to promote diversity and sustainable practices throughout our operations. Additionally, the committee is responsible for assessing and managing the social and ethical impacts of our business.

Committee Members

Catherine Howard
ESG Committee Chair

Jim Sykes
VP, Human Resources

Jessie Gifford
Senior Director, Research & Product Development

Dennis McGrath
President & CFO

Nick Timms
Manager, Sales Operations

Michael Gordon
General Counsel

Implementation of CSR & ESG at PAVmed

The SASB report is a Sustainability Accounting Standards Board report, which is a framework for reporting on sustainability metrics in a standardized way.

By creating a SASB report, PAVmed is demonstrating its commitment to transparency and accountability when it comes to their sustainability efforts.

The report outlines PAVmed's sustainability risks, opportunities, and performance indicators, and provides stakeholders with valuable information about the company's sustainability practices.

PAVmed's inaugural disclosure of its greenhouse gas (GHG) emissions is another important step towards achieving its sustainability goals.

By measuring and reporting on its GHG emissions, PAVmed is able to identify areas where it can minimize its environmental impact.

This disclosure is also important for stakeholders who are interested in understanding the environmental impact of PAVmed's operations.

Overall, PAVmed's commitment to sustainability is reflected in their formation of an ESG committee, creation of a SASB report, and disclosure of their GHG emissions.

Community Involvement

PAVmed's outlook on Community Involvement reflects their commitment to being a responsible corporate citizen and making a positive impact.

PAVmed looks to participate in community service and volunteer opportunities when possible. This may involve participating in local events or volunteering with local organizations to support their efforts.

PAVmed will seek to partner with local organizations to support their efforts in addressing community needs. This means that the company will work with local non-profits, community organizations, and other groups to identify areas where they can make a positive impact.

PAVmed will look to explore ways to encourage their employees to become involved volunteer programs and initiatives. By encouraging employees to become involved in volunteer activities, PAVmed can create a culture of giving back and demonstrate its commitment to being a responsible corporate citizen.

PAVmed's Community Involvement outlook is an important part of their commitment to being a responsible corporate citizen.



Community Contributions



As resources permit, PAVmed, in conjunction with its majority-owned subsidiary Lucid Diagnostics, intends on making charitable contributions to organizations that align with its mission and values in order to help make a positive impact.

PAVmed is committed to giving back to the medical and life sciences community, and the following initiatives demonstrate this commitment.

For example, we are proud to have made the following contributions and undertaken the following charitable initiatives in 2022:

The Feinstein Institutes for Medical Research Fellowship Grant:

PAVmed donated \$50,000 to support the research endeavors of this leading medical research institution. We believe that investing in medical research is critical to advancing patient care and improving health outcomes, and we are proud to support the groundbreaking work of the Feinstein Institutes for Medical Research.

The Feinstein Institutes for Medical Research Educational Grant:

PAVmed also donated \$50,000 to support educational programs at the Feinstein Institutes for Medical Research. We believe that investing in the education of future medical professionals is essential to ensuring that high-quality healthcare is available to all those in need.

ECAN - Esophageal Cancer Action Network Donation/Sponsorship:

Lucid Diagnostics (a majority-owned subsidiary of PAVmed) donated \$64,000 to the ECAN - Esophageal Cancer Action Network to support their efforts to raise awareness and fund research into the prevention and treatment of esophageal cancer. We recognize the devastating impact that cancer can have on individuals and their families, and we are proud to support organizations that are working to find a cure.

The ECAN (Esophageal Cancer Action Network) Virtual Steps to Save Lives Virtual 5K:

PAVmed and majority-owned Lucid Diagnostics' team members participated in this event, and helped to raise funds to help raise awareness for esophageal cancer. PAVmed's participation in this event is a testament to the company's commitment to supporting health causes.

Food Pantry Drive

PAVmed organized a Food Pantry Drive at their research and development facility. This initiative aimed to support the local community by providing food and other essential supplies to those in need. This initiative is a demonstration of PAVmed's commitment to supporting the local community.

Hurricane Ian Relief

Lucid Diagnostics (a majority-owned subsidiary of PAVmed) reaffirmed its commitment to helping those in need beyond its local community by contributing to Hurricane Ian Relief. The East Coast sales team made a donation to support those affected by this natural disaster. This contribution demonstrates the commitment to supporting communities beyond its immediate locality.

Compliance with International Human Rights

At PAVmed, we take our responsibility to respect human rights seriously and are dedicated to maintaining a culture of ethical behavior, which reflects the company's commitment to respecting and protecting the human rights of all individuals, regardless of where they are located or where the company does business.

By recognizing these international human rights standards, PAVmed is ensuring that their business practices are aligned with the fundamental principles of human rights.

This means that the company will respect the rights of all individuals, including the right to life, liberty, and security of person, the right to freedom of thought, conscience, and religion, the right to work, and the right to access education and healthcare, among others.

PAVmed's commitment to complying with international human rights standards also means that the company will take steps to address any human rights abuses that they become aware of having occurred as a result of their business activities. This may involve implementing policies and procedures to identify and address potential human rights risks, as well as engaging with stakeholders to address any human rights concerns that may arise.

Overall, PAVmed's Compliance with International Human Rights Standards policy is an important part of the company's commitment to being a responsible corporate citizen. By upholding international human rights standards in their business practices, PAVmed can help promote and protect the human rights of all individuals.

Ethical Business Practices



PAVmed's commitment to Ethical Business Practices reflects their commitment to conducting business in a responsible and ethical manner.

PAVmed will comply with all laws and regulations.

This means that the company will follow all relevant laws and regulations that apply to their business operations. By complying with these laws and regulations, PAVmed can ensure that they are operating in a legal and responsible manner.

PAVmed will promote their mission and values within their organization.

PAVmed has adopted a mission and set of values that reflect its passion to help patients and its commitment to diversity, inclusion and equity, environmental protection and ethical governance. By promoting these values, PAVmed can create a work environment that encourages ethical and mission-driven behavior.

PAVmed's commitment to ethical business practices is essential to maintaining the trust and confidence of their customers, employees, and other stakeholders.

By operating with integrity and transparency, PAVmed can build and maintain trust with their stakeholders, which is critical to the long-term success of the company.

Overall, PAVmed's Ethical Business Practices are an important part of their commitment to being a responsible corporate citizen. By complying with all laws and regulations, promoting their mission and values within their organization, and maintaining the trust and confidence of their stakeholders, PAVmed can create a sustainable and successful business that benefits both the company and the wider community.

Employee Development and Well-being

PAVmed's Employee Development and Well-being guidelines reflect their commitment to creating a positive and supportive work environment for their employees.

First, PAVmed is committed to providing opportunities for their employees to develop their skills and advance their careers. This means that the company will offer training and development programs to help employees acquire new skills and knowledge, and provide appropriate opportunities for advancement within the company. By investing in their employees' development, PAVmed can create a highly skilled and motivated workforce that is better equipped to contribute to the company's success. PAVmed is committed to continuous development and training of internal team members.





In 2022 more than 75% of PAVmed employees reported participating in at least one training program.

PAVmed also has taken steps to ensure their employees' health and safety by requiring COVID-19 vaccinations.

PAVmed has taken steps to create a work environment that allows its employees to balance their professional and personal needs, including by creating hybrid in-person and remote working options, as well as providing basic accommodations for breastfeeding mothers at work.

PAVmed also recognizes the importance of interpersonal connections to employees' mental health and well-being. For example, PAVmed seeks to have the members of its board and leadership team visit the various offices PAVmed maintains throughout the U.S., to foster better connections across the organization.

Diversity and Inclusion

PAVmed's Diversity and Inclusion guidelines are an important aspect of the company's commitment to maintaining a workplace that is fair, inclusive, and free from discrimination. The policy states that PAVmed is committed to equal opportunity and will not tolerate discrimination or harassment on the basis of certain characteristics, such as race, color, sex, pregnancy, gender identity, sexual orientation, age, national origin, religion, disability, veteran status, political opinion or any other legally protected status.

By committing to equal opportunity and not tolerating discrimination or harassment, PAVmed is promoting a workplace culture that values diversity, equity, and inclusion.

This means that all employees are treated with respect and dignity, and have an equal opportunity to succeed and advance in their careers.

In order to help ensure compliance with this policy, PAVmed will seek to implement training and education programs for employees, establish reporting mechanisms for discrimination complaints, and take appropriate action to address any violations of the policy.

Diversity and Inclusion

PAVmed embarked on its first formal diversity and inclusion initiative in 2022 called EmpowerWomen, a group focused on female engagement and empowerment. The EmpowerWomen group was organically formed in early 2022 by seven members of the senior leadership team with executive sponsorship from PAVmed's Chairman & CEO, Lishan Aklog.

The group has been focused on connecting and supporting women employees through four primary means: networking opportunities, professional development sessions, guest speaker events, and a mentorship program.

In 2022 EmpowerWomen hosted two events open to all employees, a kickoff session and a guest speaker event hosted by a female member of PAVmed's Board of Directors.

Feedback collected from event participants reflected the positive organizational impact of the EmpowerWomen group. The group looks forward to expanding its scope of activities in 2023 and acting as a model for additional diversity and inclusion initiatives.



PAVmed is committed to fostering a diverse and inclusive workplace that values individuals from various backgrounds.

Employee Gender Diversity

As of February 2023, out of the 119 PAVmed employees, 73 are females and 46 are males. This represents a gender diversity ratio of 1.6:1 in favor of female employees.

Employee Racial Diversity

As of February 2023, the breakdown of the racial demographics of PAVmed's workforce is as follows:

Asians: 19 employees (16%)

Black or African: 6 employees (5%)

Declined to identify: 4 employees (3%)

Latinos: 3 employees (2%)

Two or more races: 7 employees (6%)

Whites: 80 employees (67%)

PAVmed recognizes the importance of creating an environment that is inclusive of individuals from diverse racial backgrounds.

We understand that a diverse and inclusive workforce not only improves our business performance but also fosters creativity, innovation, and collaboration. While we are proud of the increasing diversity of our senior leadership (as more fully described on the following page), we recognize that there are still areas for improvement in terms of company-wide gender and racial diversity.

PAVmed's guidelines on discrimination are an important step in creating a workplace culture that values and promotes diversity, equity, and inclusion. By upholding these values and treating all employees with respect and dignity, PAVmed can help create a more just and equitable workplace.

Senior Leadership & Board Diversity

At PAVmed, as of February 2023, the senior leadership team consisted of 23 individuals, 7 female and 16 males, with 5 identifying as Asian, 1 as Black or African, 2 declining to identify, 3 identifying as two or more races, and 12 identifying as white.

At PAVmed, we also believe that board diversity is essential to driving innovation, improving decision-making, and achieving business success.

As of the date of this report, PAVmed's Board of Directors consists of seven members. Of these seven members, five are male and two are female. Our male Board members consist of one African American/Black member, one Alaskan Native or Native American member, and three White members. Our female Board members consist of two White members.

As of the date of this report, Lucid Diagnostics' (majority-owned subsidiary of PAVmed) Board of Directors consists of six members, including five males and one female. Our male Board members consist of one African American/Black member, one Alaskan Native or Native American member, and three White members. Our female Board member is White.

PAVmed recognizes it is important for the company to continue prioritizing diversity, equity, and inclusion efforts at all levels of the organization, as it is critical to achieving our business goals and creating a positive work environment.

Forced Labor and Child Labor

PAVmed's Forced Labor and Child Labor policy is another component of the company's commitment to ethical and responsible business practices. The policy states that PAVmed will not tolerate the use of any form of forced labor or child labor in its operations, and will take steps to promote that all workers involved in PAVmed's business affairs are treated with dignity and respect.

Similarly, our human rights policy states that it prohibits the use of child labor, which refers to any situation in which children are required to work at the expense of their education or well-being. PAVmed requires that all workers be of legal working age, as defined by applicable laws and regulations. This means that children under the age of 18 are not permitted to work for PAVmed.

PAVmed's stance on Forced Labor and Child Labor is an important step in promoting ethical and responsible business practices, and demonstrates the company's commitment to treating workers with dignity and respect.

Freedom of Association and Collective Bargaining

Freedom of Association and Collective Bargaining policy is another component of the company's commitment to ethical and responsible labor practices. It affirms the company's recognition of the rights of workers to form and join trade unions and to engage in collective bargaining.

PAVmed will not interfere with the lawful activities of trade unions, and will respect the rights of workers to engage in collective bargaining.

PAVmed employees are free to organize and join trade unions, and to engage in collective bargaining with management on matters such as wages, benefits, and working conditions.

The company will not retaliate or discriminate against employees who engage in these activities.

Grievance Mechanism

PAVmed is committed to establishing an effective grievance mechanism which is an important component of its human rights policy. A grievance mechanism provides workers and other stakeholders with a means to raise concerns about human rights issues, such as discrimination, forced labor, and other forms of abuse or mistreatment. All grievances may be submitted to PAVmed's confidential third-party hotline.

The grievance mechanism is designed to be accessible, transparent, and to hold PAVmed accountable. It provides a safe space for workers to report any concerns or grievances they may have, without fear of retaliation.

All complaints will be investigated as appropriate, and appropriate action will be taken to address any issues identified.

Training and Awareness

PAVmed intends to provide training and awareness programs to ensure that all personnel understand and comply with our human rights policy.

Implementation:

PAVmed's ESG committee is committed to overseeing the implementation of our Human Rights Policy and to monitor our performance in the areas covered by the same.





Environmental Sustainability

PAVmed is committed to minimizing its environmental impact and promoting sustainable practices in its operations. We will work to limit our energy consumption and carbon footprint by monitoring opportunities to minimize product waste, and exploring alternative sterilization options that minimize supply chain logistics and additional processing in an effort to further minimize any environmental impact that may result from our operations.

In addition, we also remove unnecessary packaging materials, when feasible. We also continually evaluate other opportunities for efficiency, including exploring alternative bench test models and designing tests to minimize the number of animals required when animal testing is necessary.

To ensure the standard of care of animal welfare is achieved, we will utilize Institutional Animal Care and Use Committees (IACUCs) that adhere to the Animal Welfare Act of the U.S. Public Health Service and The NIH Office of Laboratory Animal Welfare (OLAW) policies when animal testing is required.

Greenhouse Gas Emissions

PAVmed recognizes the importance of measuring and seeking to minimize its carbon emissions when practicable to minimize its environmental impact. The company has performed a comprehensive scope 1 and 2 calculation to determine its greenhouse gas emissions. Based on the calculations, PAVmed's scope 1 emissions for 2022 are 61.1839 mt CO₂e, which represents emissions from direct sources such as fuel usage.

Meanwhile, its scope 2 emissions for the same period are 241.103 mt CO₂e, which includes indirect emissions from purchased electricity and heat. The total emissions for scope 1 and 2 combined amount to 302.286 mt CO₂e. PAVmed plans to expand its sustainability resources and perform a scope 3 calculation in future years to account for the remaining emissions, including those from its supply chain, to further improve its environmental impact.

Summary

Scope 1	61.1839 mt CO₂e
Scope 2	241.103 mt CO₂e
Total Scope 1 & 2	302.286 mt CO₂e

Water, Waste & Sewage

PAVmed is committed to monitoring and, where practicable, limiting our water consumption, waste generation, and environmental impact across all its operations. In 2022, the company used approximately 347,826.62 gallons of water and sewage. PAVmed's focus on sustainable practices also extends to waste management.

PAVmed, along with Lucid Diagnostics' operations, handles biohazard waste, which the company contracts with a third party to dispose of safely and responsibly. In 2022, the total amount of biohazard waste generated by PAVmed was 1360.9 lbs., which was appropriately disposed of in accordance with industry standards.

Innovation

PAVmed is dedicated to reducing its environmental impact through innovative sustainability practices. One such measure is the company's commitment to reducing paper informational materials included in device packaging.

PAVmed seeks to implement electronic informational materials including IFUs and patient guides as an alternative to full paper guides (as regulation allows), which reduces waste and minimizes the environmental impact of its operations.

Additionally, PAVmed designs its medical devices with consideration of sustainable, eco-friendly material to minimize the use of single-use plastics.

Conclusion

Our CSR plan is a reflection of our commitment to being a responsible corporate citizen and making a positive impact. We are committed to continuously improving our CSR practices.