



PULMONX CORPORATION: ANTI-MODERN SLAVERY STATEMENT

Pulmonx Corporation and its subsidiaries, including Pulmonx UK Limited (collectively, “Pulmonx” or the “Company” or “we”) are committed to operating with high ethical business standards and integrity in all aspects of our business and operations. This Statement sets out the steps that the Company has taken in our last financial year to combat slavery and human trafficking (“Modern Slavery”) throughout our business and our supply chains.

This Statement is published on March 19, 2024, as subsequently amended on July 31, 2024, and applies in respect of our financial year ending December 31, 2023.

OUR BUSINESS

We are a commercial-stage medical technology company that provides a minimally invasive treatment for patients with severe emphysema, a form of chronic obstructive pulmonary disease (“COPD”). COPD refers to a group of lung diseases characterized by obstruction of airflow that interferes with normal breathing. Emphysema, a form of COPD, which accounts for approximately twenty-five percent (25%) of all COPD patients, is a debilitating and life-threatening disease that progressively destroys lung tissue, resulting in a diminishing ability to breathe and engage in the most basic daily activities such as climbing a flight of stairs, walking, or showering, leading to a high mortality rate. Our solution, which is comprised of the Zephyr Endobronchial Valve (“Zephyr Valve”), the Chartis Pulmonary Assessment System (“Chartis System”) and the StratX Lung Analysis Platform (“StratX Platform”), is designed to treat severe emphysema patients who, despite medical management, are still profoundly symptomatic and either do not want or are ineligible for surgical approaches.

The Zephyr Valve is now commercially available in more than 25 countries, is included in global treatment guidelines and is widely considered a standard of care treatment option for improving breathing, activity, and quality of life in patients with severe emphysema. We have established reimbursement in major markets in North America, Europe and Asia Pacific.

We manufacture all our products — valves, delivery catheters, balloon catheters and the Chartis System console — at our headquarters located at 700 Chesapeake Drive, Redwood City, California 94063. We have manufactured all our products at this facility for over 10 years. We rely on a combination of in-house processing and third-party suppliers for raw materials and components. We have supply agreements with a few critical suppliers while procuring most of our materials on a purchase order basis.

We market and sell our products in the United States through a direct sales organization. In international markets, we employ both direct and distributor-based sales models, with over 96% of our revenue generated in markets where we sell directly.

Further information on our solutions and services can be found at <https://pulmonx.com/>.

OUR STRUCTURE AND OPERATIONS

The Company is the parent of a group of companies with global headquarters at 700 Chesapeake Drive, Redwood City, California 94063, United States of America.

As of December 31, 2023, the Company and its subsidiaries had over 279 full time employees, with 213 employees in the U.S., 55 in Europe, and 11 in Asia Pacific, working through our subsidiaries in Australia, France, Hong Kong, Italy, Germany, Japan, Switzerland, and the United Kingdom.

OUR SUPPLIERS

As the Company manufactures and assembles all of its products at our headquarters in Redwood City, CA, we have a relatively limited supply chain. Key suppliers, based both domestically and abroad, provide critical components and raw materials for our full suite of products.

We have an approved supplier list of approximately 300 suppliers. About 75% of these suppliers are based in the USA, with the remaining located around the Globe.

DUE DILIGENCE AND RISK MANAGEMENT

Assessing and managing risk within our supply chain and commercial operations is of paramount importance to the Company and there are several steps we have taken and continue to take as we strive to enhance our global business practices:

Supplier Questionnaires

Prior to entering into a partnership with a supplier, the Company conducts an assessment which may involve supplier questionnaires and facility or desk-top audits. We ensure transparent communication of our quality standards with our key suppliers, and moving forward, we will also take measures to clearly articulate our ethical standards to all suppliers we engage.

All approved suppliers of the Company must adhere to our quality standards, guaranteeing the requisite level of quality for medical devices. While we presently do not audit suppliers for compliance with human trafficking and anti-slavery laws and regulations, we risk assess them as described below and routinely audit and/or monitor suppliers affecting our quality system to ensure adherence to our performance and quality standards. Monitoring and auditing is conducted directly by the Company.

Our Code of Business Conduct and Ethics

Our Code of Business Conduct and Ethics ("Code of Conduct") delineates our expectations for business behavior and standards, including guidelines for upholding ethical and legal principles. It mandates compliance with both domestic and foreign laws and regulations, in addition to cooperation with authorities at all levels. No employee, officer, or director is permitted to engage in illegal or unethical conduct, nor may they instruct others to do so, under any circumstances.

Any violation of the standards outlined in the Code of Conduct by a Company employee may result in disciplinary measures, ranging from warnings or reprimands to termination of employment. In certain instances, civil legal action or referral for criminal prosecution may also be pursued.

Supplier Agreements

Our relationships with suppliers are governed by supply agreements, quality agreements, and/or purchase orders. In most instances, these contracts include clauses concerning compliance with all relevant laws and regulations governing the provision of the product or service. Should we discover any supplier violating any applicable laws or regulations, the Company retains the right to terminate our partnership with such supplier(s).

SUPPLY CHAIN RISK ASSESSMENT

Our company's organizational structure and subsequent supplier risk assessment indicate that the risk within the business and supply chain for Tier 1 and 2 suppliers is considered low for all suppliers.

Tier 1 Suppliers

Pulmonx UK Ltd purchases finished product from Pulmonx Corporation, which is assessed as low risk. All other additional suppliers providing supporting services such as consultancy and incidental goods are also assessed as low risk.

Tier 2 Suppliers

Supplier risk assessment:

- a) The risk level is determined using the scale according to the global slavery index. <https://www.globallslaveryindex.org>
- b) This is cross referenced with the list of goods from the US Department of Labor that have been identified to be at higher risk of being produced by child or forced labor. <https://www.dol.gov/agencies/ilab/reports/child-labor/list-of-goods>
- c) Then the sector is checked against the [ILO's Global Estimates of Modern Slavery](#)
 1. All suppliers on the Pulmonx Corporation Approved Supplier List are identified as low risk.
 2. The Company has no suppliers providing goods from any of the countries on this list.
 3. Around 39% of the Company's suppliers are in manufacturing and just over 1% provide Domestic Services. Due to the other risk assessments, we still rank these suppliers as low risk.

This risk level will be reviewed and reported annually. If any suppliers are identified as medium or high risk, additional due diligence will be conducted.

SUPPLIER CODE OF CONDUCT

We are committed in our absolute opposition to Modern Slavery. Modern Slavery is a term used to encapsulate offences in the Modern Slavery Act 2015: slavery, servitude and forced or compulsory labor; and human trafficking. These three terms are defined below:

- a) "Slavery and servitude" means where people are dehumanized, treated as a commodity, bought or sold as "property," have restrictions placed on their freedom, or are generally exploited for someone else's gain. Slavery often involves Forced or Compulsory Labor.
- b) "Forced or Compulsory Labor" means where someone is forced to work, or is otherwise controlled by an "employer," through coercion, mental or physical abuse, or the threat of abuse.
- c) "Human trafficking" relates to arranging or facilitating the travel of another person with a view to that person being exploited. The offence can be committed even where the victim consents to the travel.

Accordingly, we plan to implement a Supplier Code of Conduct addressing, among other things, our efforts to ensure that we and our trading partners do not engage in Modern Slavery and/or human trafficking.

TRAINING

In support of our internal values in opposition to Modern Slavery, we plan to start providing training to our employee workforce on the importance of:

- combatting Modern Slavery throughout our business and our supply chains; and
- our partners and suppliers sharing and reflecting our commitment against Modern Slavery.

REPORTING IN THE UK

If a case of Modern Slavery is suspected, then the following is advised.

A suspected victim of modern slavery is not to be confronted directly as this may endanger them.

If an immediate risk to life, then call local emergency (e.g. 911 in the US, 999 in the UK).

If there is no immediate risk to life, then contact the national helpline or report it online.

Sample Listing, Helpline and On-line Reporting

Country	Helpline	Phone	On-line
EU	Anti-trafficking hotline	See https://www.europeanfreedomnetwork.org/hotline/	
UK	Modern Slavery Helpline	08000 232 700	https://www.modernslaveryhelpline.org/report
US	National Human Trafficking Hotline	1-888-373-7888	https://humantraffickinghotline.org/en/report-trafficking

Employees are required to take their suspicions to their manager.

If concerns around modern slavery arise with any of our suppliers, we will first look to work with them to address the issue(s) including by potentially implementing an improvement action plan and conducting more rigorous auditing of the organization.

If the response from any of our suppliers, here in the UK or abroad to concerns, seems inadequate and adequate measures are not put in place to address coercion, threat, abuse, and exploitation of workers, then we would look to give that company more support, guidance and incentives to tackle the issue. This could include working with at-risk suppliers to provide training, communications, and business incentives or guidance to implement anti-slavery policies.

If modern slavery is identified or suspected abroad and resolution is not possible, with the supplier, then we will engage with local Non-Governmental Organizations, industry bodies, trade unions, or other support organizations to attempt to remedy the situation. If warranted, we will contact local government and law enforcement bodies. Our approach will prioritize the safest outcome for potential victims while also taking into account the economic influence and control which the organization may have over those committing these crimes.

If, after receiving support, the supplier is not addressing the issue and it remains unresolved, then we will reconsider our commercial relationship with that supplier. These actions would then be included in the next statement produced.

FURTHER STEPS

During the coming financial year we plan to:

- prepare and publish internally a Supplier Code of Conduct (as referred to above);
- update our training program to address Modern Slavery risks (as referred to above);
- continue to take steps where possible to ensure our operations and supply chains remain Modern Slavery-free; and
- monitor and review our assessment of the Modern Slavery risks our operations and supply chains present.

RESPONSIBILITY

The following officers have responsibility for this statement:

Senior VP Global Operations
General Counsel

REVIEW AND COMMUNICATION

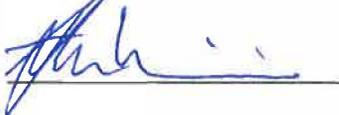
This statement will be reviewed by senior management, signed by a director or equivalent, and then published on our website and also uploaded to the following register:

- <https://modern-slavery-statement-registry.service.gov.uk>

Internally it will be sent to all employees, our supply chain, and other interested stakeholders.

APPROVAL

This Statement has been approved by the Company's Board of Directors for and on behalf of Pulmonx Corporation and its subsidiaries, pursuant to section 54(1) of the United Kingdom's Modern Slavery Act 2015 in respect of the financial year ending December 31, 2023.



Steve Williamson, President & CEO

on behalf of

Pulmonx Corporation

Date: March 19, 2024