

2023 ESG & Sustainability 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 technology 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 assessing on an ongoing basis 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 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, quality 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 appropriate 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.

ESG Committee

Committee Members

Jessie Gifford

ESG Committee Chair, Director of Product Development & Manufacturing

Dennis McGrath

President & CFO

Michael Gordon

General Counsel & Corporate Secretary

Jim Sykes

SVP, Human Resources

Nasim Anbarafshan

Director, Quality

Nick Timms

Manager, Marketing Operations

Emma Baig

Manager, Quality

Coralie Wilcox

Patent Agent

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.

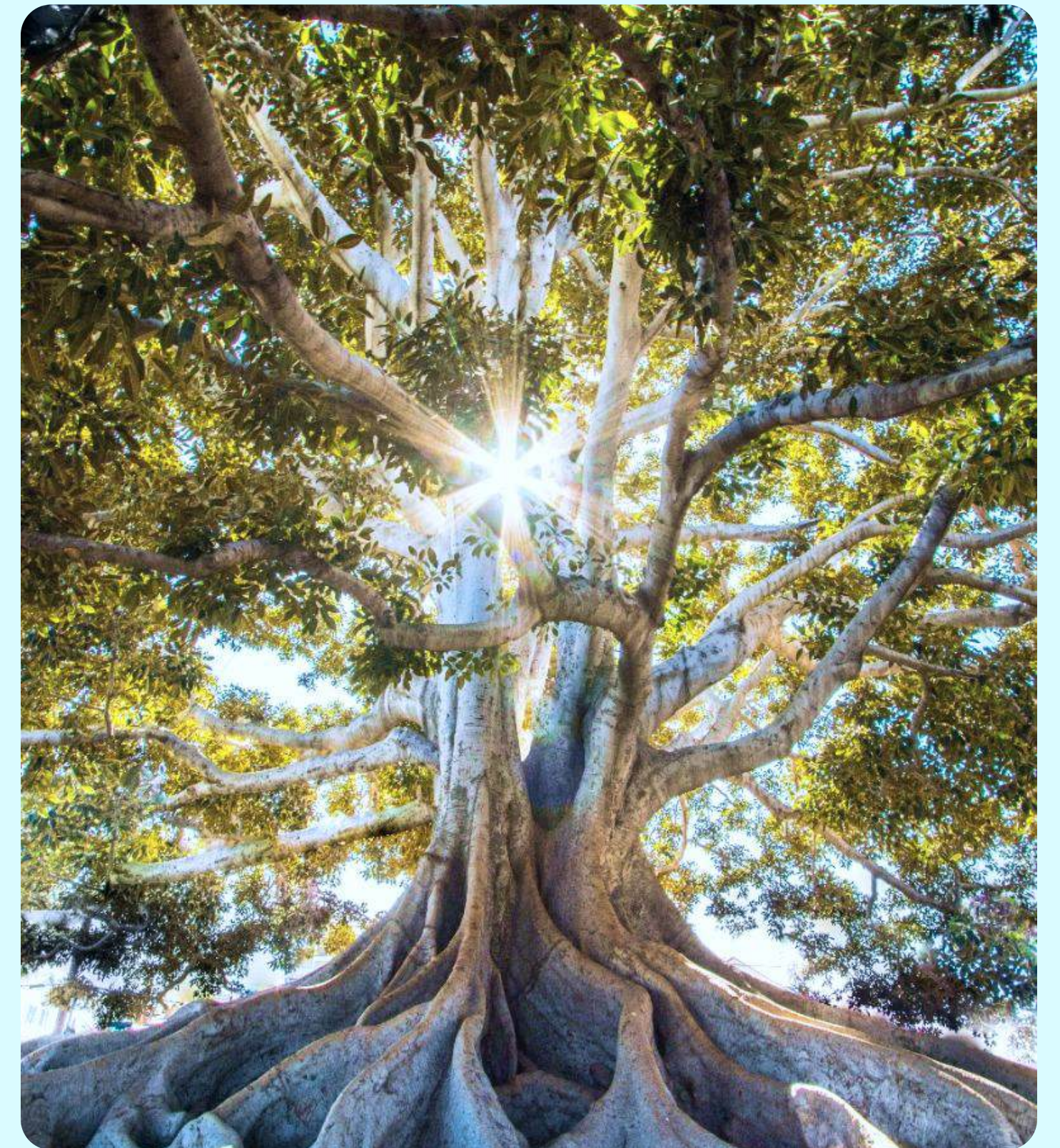
By creating a SASB report, PAVmed is demonstrating its commitment to transparency and accountability when it comes to sustainability efforts.

The SASB and ESG reports outline PAVmed's sustainability risks, opportunities, and performance indicators, and provides stakeholders with valuable information about the company's sustainability practices.

PAVmed's 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.

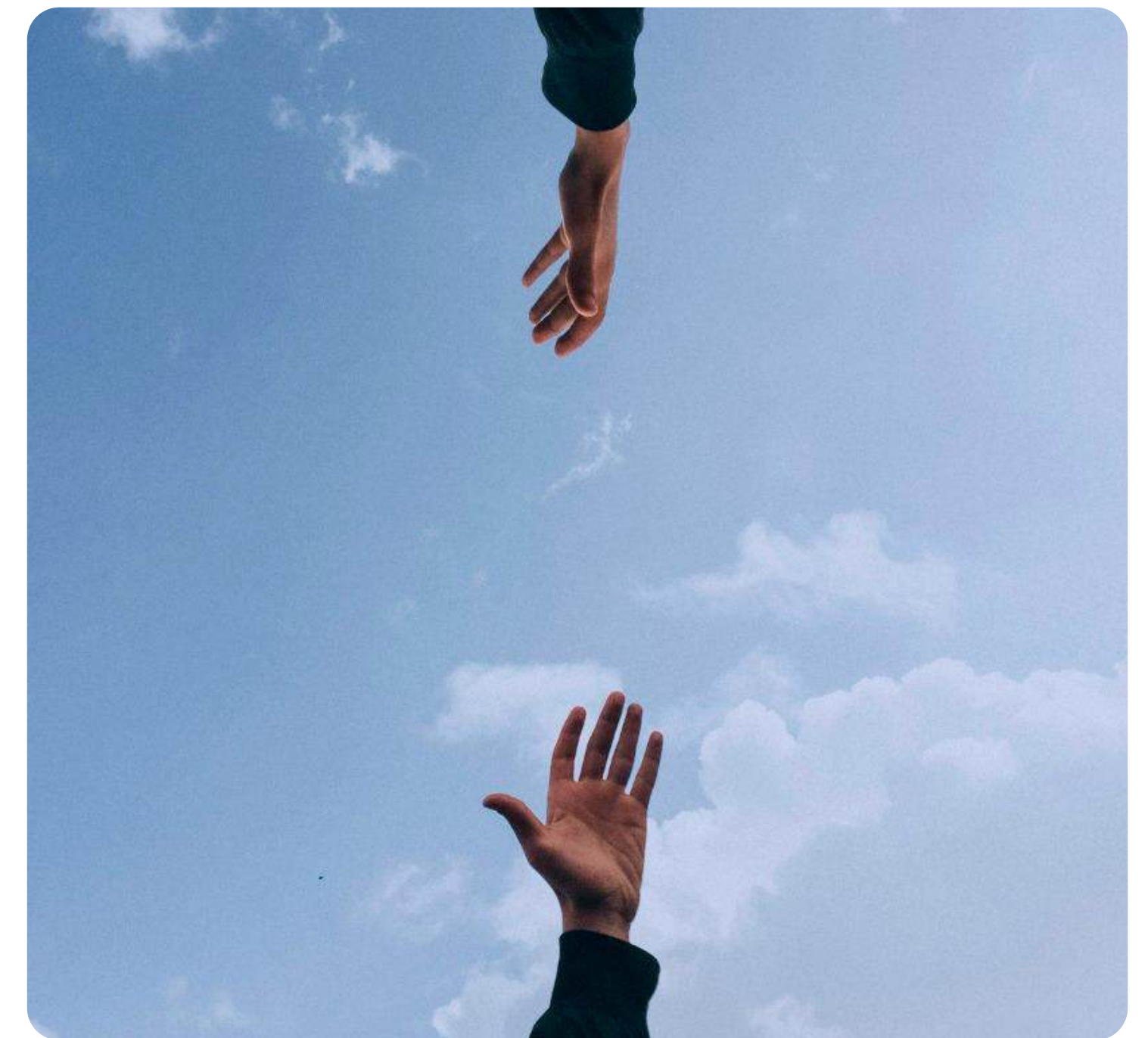
For example, in October of 2023 the ESG Committee organized a company-wide coat drive with collection boxes located at facilities across the country. The drive successfully resulted in substantial donations of coats and other winter accessories to multiple local communities before the winter season. PAVmed plans to continue to organize annual company wide community involvement events to foster local giveback.

PAVmed will continue to explore ways to encourage their employees to become involved in 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.

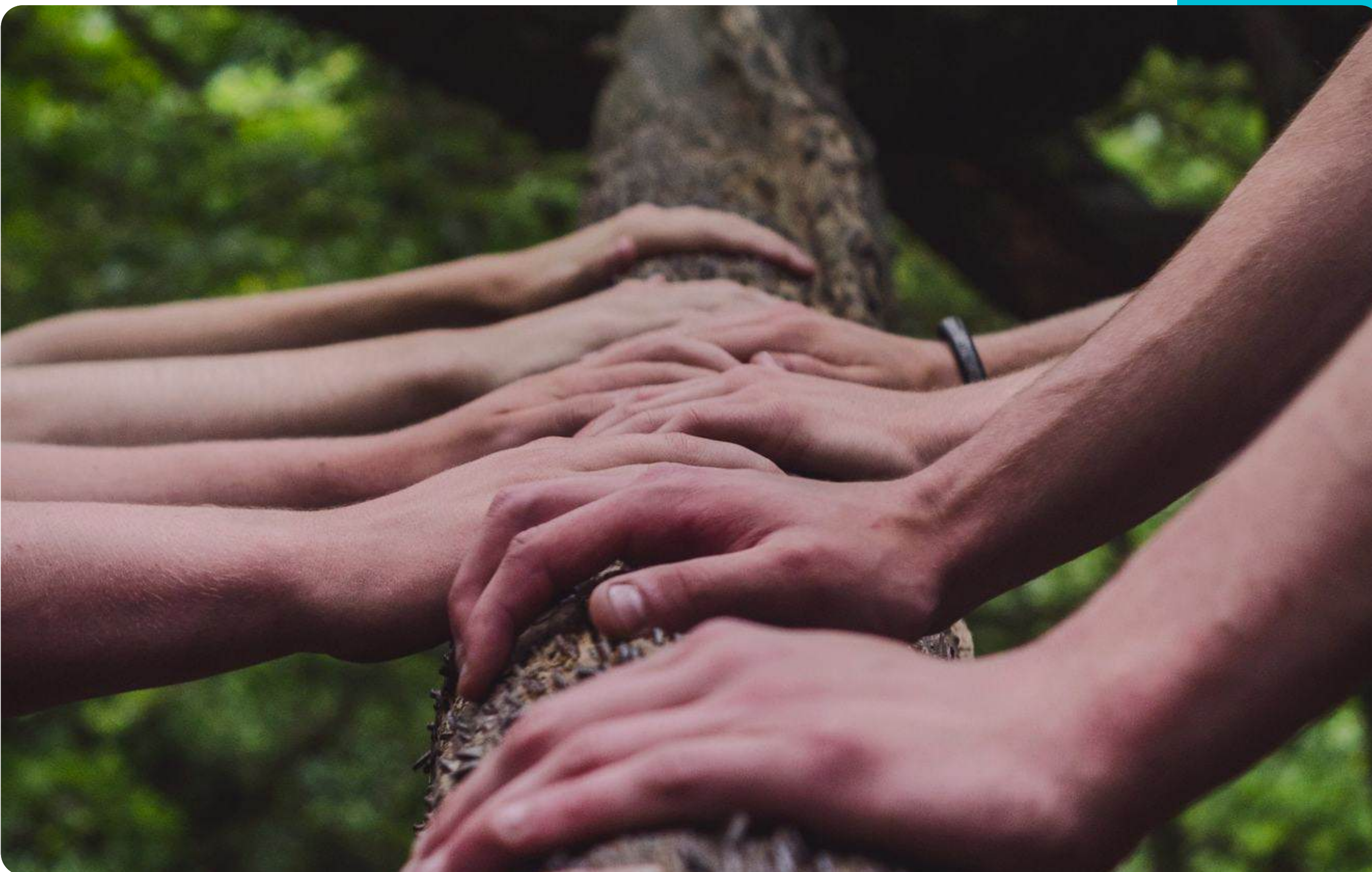
For example, PAVmed has implemented a "Volunteer Day" in 2024, during which employees are encouraged to give back by joining an event or charity to donate their time for the day.

This is a day of paid time off that each employee may take, allowing employees to choose a local cause that is important to them and their community to give back to.

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 2023:

The Feinstein Institutes for Medical Research Fellowship Grant:

Lucid Diagnostics (a majority-owned subsidiary of 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.

Community Contributions

The Feinstein Institutes for Medical Research Educational Grant:

Lucid Diagnostics (a majority-owned subsidiary of 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 ensure that high-quality healthcare is available to all those in need.

Esophageal Cancer Action Network (ECAN) Donation:

Lucid Diagnostics (a majority-owned subsidiary of PAVmed) donated to the Esophageal Cancer Action Network (ECAN) 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 reduce disease prevalence.

The ECAN Virtual Steps to Save Lives Virtual 5K & Bocce Tournament:

PAVmed and majority-owned Lucid Diagnostics' team members participated in these events, and helped to raise funds to help raise awareness for esophageal cancer. PAVmed's participation in these events 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.

Coat Drive:

PAVmed organized a company-wide coat drive at locations across the country. This initiative aimed to support local communities by providing coats and other winter accessories to those in need. This initiative is a demonstration of the company's commitment to supporting local communities.





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.

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.

PAVmed is reinforcing its dedication to the Human Rights Policy through the introduction of a comprehensive supplier survey targeting key suppliers of critical products and/or services to PAVmed and its subsidiaries.

This survey aims to enhance PAVmed's understanding of suppliers' commitment to upholding human rights within their organizational frameworks. Leveraging the principles outlined in our Human Rights Policy, the survey serves as a tool to assess suppliers' adherence to ethical practices concerning human rights.

PAVmed envisions utilizing the survey responses to determine alignment with the organization's values and commitment to ethical business practices. This proactive approach underscores PAVmed's ongoing commitment to fostering partnerships that resonate with its core values and principles.

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 and its subsidiaries are committed to the health and well-being of all our employees. PAVmed offers top tier benefits to all employees, spouses, partners and families with a minimal (2%) cost to the employee. Additionally, we have an extensive wellness program that financially rewards employees for wellness screening, exercising and other health related commitments.

PAVmed and its subsidiaries are committed to the development of all our employees. On an annual basis, all employees receive well defined SMART goals, and a development plan. We offer leadership development training, mentor programs and coaching to reinforce continuous learning and development. 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 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 accommodations for breastfeeding mothers at work.

PAVmed acknowledges the significant impact of interpersonal connections on employees' mental health and well-being. To enhance these connections, the company encourages robust collaboration across its various departments and actively arranges for members of its board and leadership team to visit PAVmed's multiple offices across the U.S.

This initiative aims to deepen relationships and foster a cohesive environment throughout the organization.

Training and Awareness

PAVmed and its subsidiaries are committed to the continuous training of our employees. Annually, employees receive a performance review, and development plans. We offer leadership training, access to thousands of training modules, mentorship programs, and one-on-one coaching.

In 2023 more than 75% of PAVmed employees reported participating in at least one training program.

The Executive Committee, along with Human Resources, conducts talent reviews and succession planning, driving internal promotions and further training.

We provide both internal and external training opportunities and have a tuition reimbursement program to support employees' continuing education. Through these initiatives, we aim to foster a culture of continuous learning and growth, aligning with PAVmed's commitment to sustainability and responsible corporate citizenship.



Diversity and Inclusion

At PAVmed, we recognize that we all achieve more when we are treated with dignity and respect. Moreover, we believe having such a culture is something that we all deserve. Accordingly, we are deeply committed to diversity, inclusion and equity. Fostering an inclusive and diverse work environment gives our employees an opportunity to be more creative, innovative and successful.

In this regard, we at PAVmed are committed to maintaining an inclusive and diverse workplace and do not tolerate discrimination or harassment on the basis of race, color, sex, pregnancy, gender identity, sexual orientation, age, national origin, religion, disability, veteran status, political opinion or any other legally protected status.

PAVmed and its subsidiaries are committed to creating a diverse environment and are proud to be equal opportunity employers. All qualified applicants receive consideration for employment without regard to race, color, religion, gender, gender identity or expression, sexual orientation, national origin, genetics, disability, age, or veteran status.

We are also committed to compliance with all fair employment practices regarding citizenship and immigration status. Our position statement is published in our employee handbook, website and on all job postings. By committing to equal opportunity and not tolerating discrimination or harassment, PAVmed is promoting a workplace culture that values diversity, equity, and inclusion.

In order to help ensure compliance with this policy, in 2023 PAVmed has implemented a quarterly diversity and inclusion training with 95% employee participation. PAVmed seeks to continue to develop additional education programs for employees, establish reporting mechanisms for discrimination complaints, and take appropriate action to address any violations of the policy.

PAVmed has also implemented a supplier survey to monitor compliance of critical suppliers to ensure our closest partners are aligned with PAVmed's commitment to diversity and inclusion of employees.

Diversity and Inclusion

In 2023, PAVmed continued to develop its first diversity and inclusion group called EmpowerWomen, a group focused on female engagement and empowerment. The EmpowerWomen group is co-led by eight employees across the organization with executive sponsorship from PAVmed's Chairman & CEO, Dr. 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 2023, EmpowerWomen successfully achieved all four goals with major accomplishments including kicking off PAVmed's first mentorship program and hosting their first International Women's Day event. In total, the group hosted three company-wide events open to all employees. The first event was a leadership panel moderated by Dr. Lishan Aklog with discussion highlighting the experiences of four PAVmed female leaders. The second event was an International Women's Day networking event focused on the theme of embracing equity.

The final event was a guest speaker event titled Increasing your Influence moderated by PAVmed's EVP and Chief Operating Officer Shaun O'Neil with guest speakers Debra White and Mindy Mintz Mordecai discussing strategies to boost impact in both personal and professional spheres.

Feedback collected from event participants reflected the positive organizational impact of the EmpowerWomen group. The group looks forward to offering additional valuable activities and experiences in 2024 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 January 2024, out of the 116 PAVmed employees, 69 are females and 47 are males. This represents a gender diversity ratio of 1.5:1 in favor of female employees.

Employee Racial Diversity

As of January 2024, the breakdown of the racial demographics of PAVmed's workforce is as follows:

Asians: 18 employees (16%)

Black or African: 6 employees (5%)

Declined to identify: 3 employees (3%)

Latinos: 3 employees (3%)

Two or more races: 6 employees (5%)

Whites: 80 employees (69%)

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 executive 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 and Lucid Diagnostics, as of January 2024, the senior leadership team consisted of 20 individuals, 6 female and 14 males, with 4 identifying as Asian, 1 as Black or African, 1 declining to identify, 2 identifying as two or more races, and 12 identifying as white. The senior leadership team consists of individuals with titles of Senior Director and above, meeting monthly to align on corporate strategy and provide updates from their functional groups.

In addition, our executive leadership team consists of 8 individuals, 3 females and 5 males, with 3 identifying as Asian, 1 as Black or African, and 1 identifying as two or more races, and 3 identifying as white. This includes 3 women (all identifying as Asian) who were added to our executive team this past year. The executive leadership team is comprised of VPs and C-suite executives, who meet weekly to steer the company's direction.

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.

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.

Board Governance

In the proxy statement for the 2023 Annual Meeting of Stockholders, PAVmed presented a comprehensive overview of its corporate governance practices, underscoring its commitment to a structured and transparent approach. The board of directors is organized into a classified structure, divided into three classes with staggered three-year terms. This arrangement ensures continuity and stability in the board's composition.

The governance framework is further strengthened by the establishment of independent committees, including an audit committee, a compensation committee, and a nominating and corporate governance committee. Each committee is tasked with specific oversight responsibilities, from financial reporting to executive compensation and corporate governance policies. The detailed charters of these committees, available on the company's website, demonstrate PAVmed's dedication to transparency and accountability.

The board re-election process is a key aspect of PAVmed's governance structure. Directors are elected at the annual meeting of stockholders, with the nominating and corporate governance committee playing a pivotal role in recommending candidates.

This committee evaluates proposed nominees based on various criteria that the committee determines are most important given PAVmed's operational priorities. Shareholders are encouraged to participate in this process, with clear guidelines for submitting nominations and proposals.

This governance model, highlighted in the proxy statement for the 2023 Annual Meeting of Stockholders, reflects PAVmed's commitment to upholding high standards of corporate governance.

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.

Additionally, PAVmed surveys critical suppliers to ensure that their practices align with PAVmed's Human Rights Policy and to prevent partnering with organizations that do not actively support the prohibition of forced and child labor.

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.

PAVmed's supplier control system maintains monitoring of critical suppliers to ensure employees in companies seeking partnership with PAVmed are given the same right to form labor unions, engage in collective bargaining, and be provided a mechanism for grievances to be submitted to a third party.

Environmental Health & Safety

At PAVmed and its subsidiaries, we are deeply committed to the health and safety of our employees, visitors, and the community. Our policy underscores this commitment, emphasizing our pledge to safeguard all individuals involved in our operations. Our management assumes the responsibility of providing leadership, resources, and support to ensure the effective implementation of health and safety measures. Employees are expected to adhere to prescribed protocols, participate in training programs, and promptly report any unsafe conditions or incidents.

PAVmed's quality management system includes several policies and procedures to ensure the safety of our employees and the environment, including biohazard handling procedures, an infection control procedure, a first aid and CPR certification procedure, and an environmental safety fire plan.

Specifically, our LucidDx Labs facility maintains a safe and healthy work environment in accordance with the Occupational Safety and Health Administration (OSHA), California Division of Occupational Safety and Health (Cal/OSHA), and College of American Pathologists (CAP) regulations and guidelines.

Our safety procedures encompass rigorous risk assessment protocols to identify and mitigate potential hazards.

We mandate the use of Personal Protective Equipment (PPE) and adhere to stringent protocols for the safe handling, storage, and disposal of chemicals and biological materials. Furthermore, we prioritize the regular maintenance and inspection of laboratory equipment to ensure safe operation. Emergency preparedness is paramount.

We have established response plans, conducted regular training drills, and ensured the availability of adequate first aid on-site. Continuous improvement is ingrained in our culture, with incident reporting mechanisms, and ongoing training initiatives to enhance awareness and compliance with regulations.

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.

For example, in 2023 PAVmed's subsidiary Lucid Diagnostics (a majority-owned subsidiary of PAVmed) received FDA approval to remove ethylene oxide (EtO) sterilization for its commercially available device, EsoCheck. This approval removed the need to sterilize over 10,000 devices per year, removing the associated toxicity to the environment and human health related harms.

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 is committed to measuring and minimizing its carbon emissions to reduce its environmental impact. In 2023, the company conducted a comprehensive calculation of its Scope 1 and Scope 2 greenhouse gas emissions.

For 2023, PAVmed’s Scope 1 emissions were 65.44 mt CO2e, which includes direct emissions from sources like fuel usage. Additionally, its Scope 2 emissions for the same period were 50.35 mt CO2e, which includes indirect emissions from purchased electricity and heat.

The total emissions for Scope 1 and Scope 2 combined in 2023 amounted to 115.79 mt CO2e. PAVmed plans to further enhance its sustainability efforts by expanding its resources and conducting a Scope 3 calculation in future years. This will help account for remaining emissions, including those from its supply chain, to continue improving its environmental impact.

2023 Summary

Scope 1	65.44 metric tons CO2e
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Scope 2	50.35 metric tons CO2e
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Total Scope 1 & 2	115.79 metric tons CO2e
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Greenhouse Gas Emissions

PAVmed adheres to the GHG Protocol's Operational Control Approach and employs emission factors from the USEPA's comprehensive library to ensure precise GHG calculations.

For Scope 1, the total emissions are primarily from natural gas consumption at our facilities. Scope 2 emissions are derived from the total electricity usage in our offices, sourced from the grid.

In the case of our Horsham facility, where direct metering for electricity was not feasible, we estimated our emissions based on the facility's square footage, ensuring that our calculations remain as accurate and representative as possible.

2022 Summary

Scope 1	61.20 metric tons CO2e
Scope 2	36.42 metric tons CO2e
Total Scope 1 & 2	97.62 metric tons CO2e

***FY 2022 emission numbers have been updated consistent with boundary definitions in grid electricity consumption values for the Horsham facility**

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 2023, the company used approximately 366,627 gallons of water and sewage. PAVmed's focus on sustainable practices also extends to waste management.

Lucid Diagnostics (a majority-owned subsidiary of PAVmed) handles biohazard waste, which the company contracts with a third party to dispose of safely and responsibly. In 2023, the total amount of biohazard waste generated by Lucid Diagnostics was 2513 lbs, which was appropriately disposed of in accordance with industry standards.

In addition, the company uses an asset disposal service that helps to keep soil and groundwater safe from pollutants like heavy metals or mercury, and from spent lithium-ion batteries containing cobalt, nickel, and manganese. Pursuant to the terms of such service, our vendor plants a tree in honor of every asset disposed of on our behalf.

Innovation

PAVmed is dedicated to reducing its environmental impact through innovative sustainability practices. A primary example is the sustainable features of PAVmed's facilities. Several PAVmed facilities contain automatic lights integrated with motion sensors that ensure lights are only turned on when the space is being used and therefore reducing overall electricity consumption.

Additionally, several facilities contain automatic climate control that ensures heating and cooling system usage is limited to business hours and adjusts to minimize energy consumption outside of business hours.

Another example of PAVmed's commitment to reducing environmental impact through innovative initiatives is the company's investment in obtaining a FDA approval for removing the sterilization requirement for EsoCheck, a cell collection device. The company's investment in the required validations and submittal has resulted in significant environmental and monetary savings.

At an expected minimum, this change will result in an annual savings of \$70,000 dollars and eliminate the consumption of over 11 kg of ethylene oxide (EtO) and the associated resource utilization of over 65 sterilization runs.

Innovation

Another measure is PAVmed's efforts to reduce paper informational materials included in device packaging. The company seeks to implement electronic informational materials including IFUs and patient guides as an alternative to full paper guides (as regulation allows and where feasible), which reduces waste and minimizes the environmental impact of its operations.

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

Additionally, PAVmed's quality management system (QMS) is managed digitally, which not only reduces paper consumption but also mitigates associated carbon emissions from production and transportation. LucidDx Labs also leverages an electronic QMS.

Utilization of electronic systems eliminates the need for printing, archiving and disposing of paper documents consistent with our environmental sustainability policy.

Further, PAVmed has implemented a hybrid work environment, allowing employees the flexibility to work remotely, providing several innovative sustainability impacts. For example, vehicle emissions that would typically be emitted during an employee's commute to work are reduced when they are working on a hybrid schedule.

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.