



2023
Pulmonx Corporation

**Environmental, Social and
Governance Summary Report**

About this Report

This inaugural summary report provides information on our ESG progress to date; it includes an overview of our ESG initiatives, as well as data on the company's key performance indicators.

FORWARD-LOOKING STATEMENTS / DISCLAIMERS

All statements other than statements of historical facts included in this report that address activities, events, or developments that we expect, believe, or anticipate will or may occur in the future are forward-looking statements. Although we believe that we have a reasonable basis for the forward-looking statements contained herein, we caution you that they are based on current business aspiration and expectations about future events affecting us and are subject to risks, uncertainties and factors relating to our operations and business environment, all of which are difficult to predict and many of which are beyond our control, that may cause our actual results to differ materially from those expressed or implied by forward-looking statements in this report. These risks, uncertainties, and factors related to Pulmonx, and our business are described in detail under the caption "Risk Factors" and elsewhere in our Quarterly Report on Form 10-Q for the quarterly period ended March 31, 2023. Our filings with the Securities and Exchange Commission are available in the Investor Section of our website and at www.sec.gov. Readers are cautioned not to place undue reliance on any estimate, aspirational targets or forward-looking statement contained herein, which speak only as of the date made. We do not undertake any obligation to update, amend or clarify the statements set forth herein, whether as a result of new information, future events or otherwise, except as may be required under applicable securities law. In addition, historical, current and forward-looking sustainability-related statements may be based on standards for measuring progress that are still developing, internal controls and processes that continue to evolve, and assumptions that are subject to change in the future.

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I am pleased to present to you Pulmonx’s first Environmental, Social, and Governance (ESG) summary report. This report showcases our commitment to impactful ESG initiatives as we work toward creating a positive difference for our patients, physicians, shareholders, employees, and other stakeholders.

At Pulmonx, our primary focus is on improving the quality of life of people suffering from the debilitating effects of COPD. The positive impact our products have on the health and well-being of our patients is humbling and, as a company, we are united in our focus to help patients breathe easier and enjoy a better quality of life while living with this incurable disease.

Our focus on ESG creates accountability throughout our organization, influences our strategy, and guides our commitment to work in a responsible way by considering the impacts of our operations on our stakeholders. In 2022, we formalized oversight of ESG at the Board level by designating the Nominating and Corporate Governance Committee with responsibility for overseeing the company’s ESG matters and practices.

This report lays out how Pulmonx’s core values and ethos have created a strong foundation for our ESG program. While our ESG program is in its early stages, our commitment to these efforts is deeply rooted in our desire to improve the lives of our global patients and contribute to integrating sustainability into our operations.

We firmly believe that by being attentive to our ESG considerations, we will not only create a better future for our patients and the planet, but also create long-term value for our stakeholders.

Thank you for your continued support and trust in our company.

Sincerely,

Glendon E. French | President and CEO



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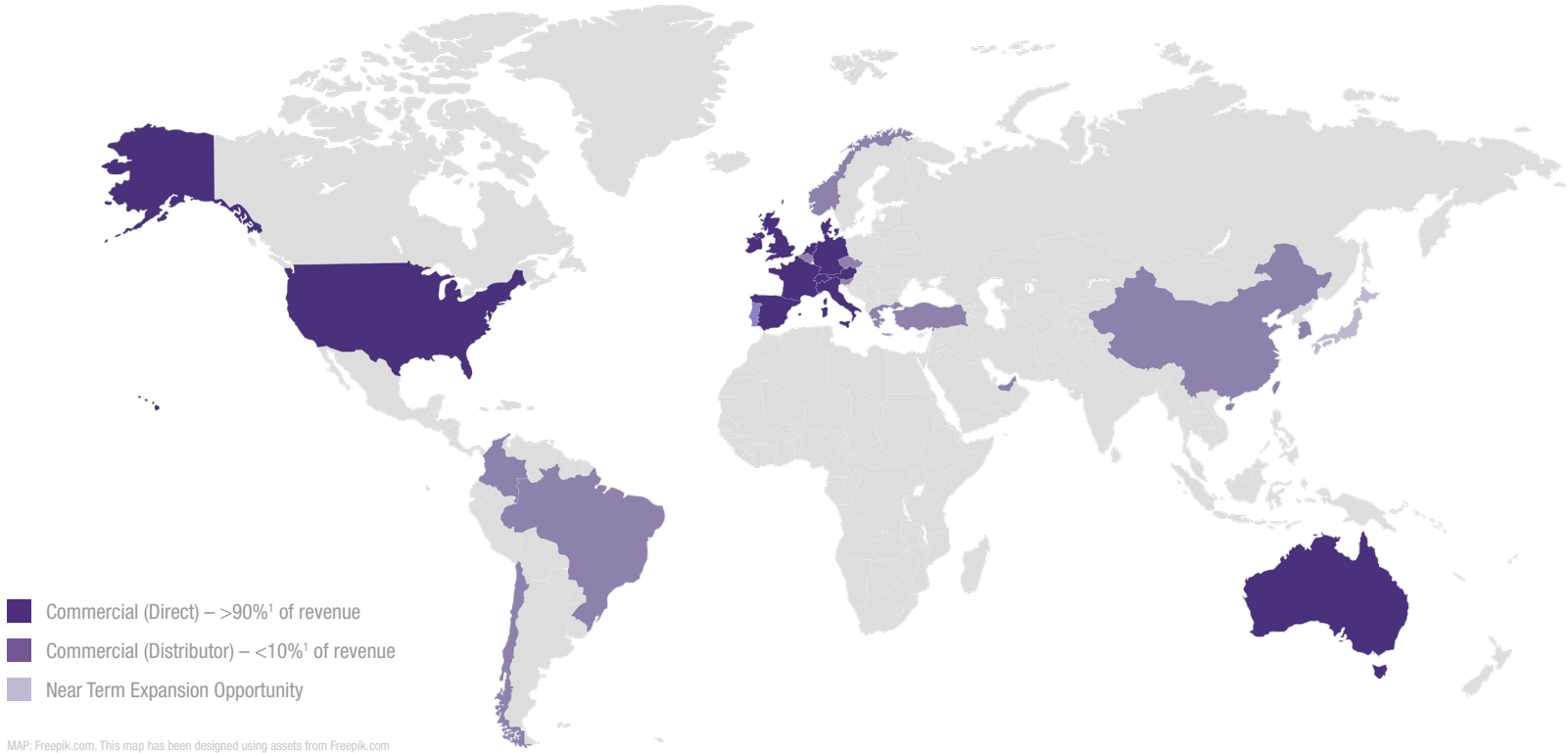
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Pulmonx Corporation (NASDAQ: LUNG) is a global leader in minimally invasive treatments for severe lung disease. Pulmonx’s Zephyr® Endobronchial Valve, Chartis® Pulmonary Assessment System and StratX® Lung Analysis Platform are designed to assess and treat patients with severe COPD/emphysema who, despite medical management, are still profoundly symptomatic.

Pulmonx received FDA pre-market approval to commercialize the Zephyr Valve following its designation as a “breakthrough device.” The Zephyr Valve is commercially available in more than 25 countries, with over 100,000 valves used to treat more than 25,000 patients.



**A global leader
in interventional
pulmonology, planning
tools, and treatments for
obstructive lung disease.**



MAP: Freepik.com. This map has been designed using assets from Freepik.com

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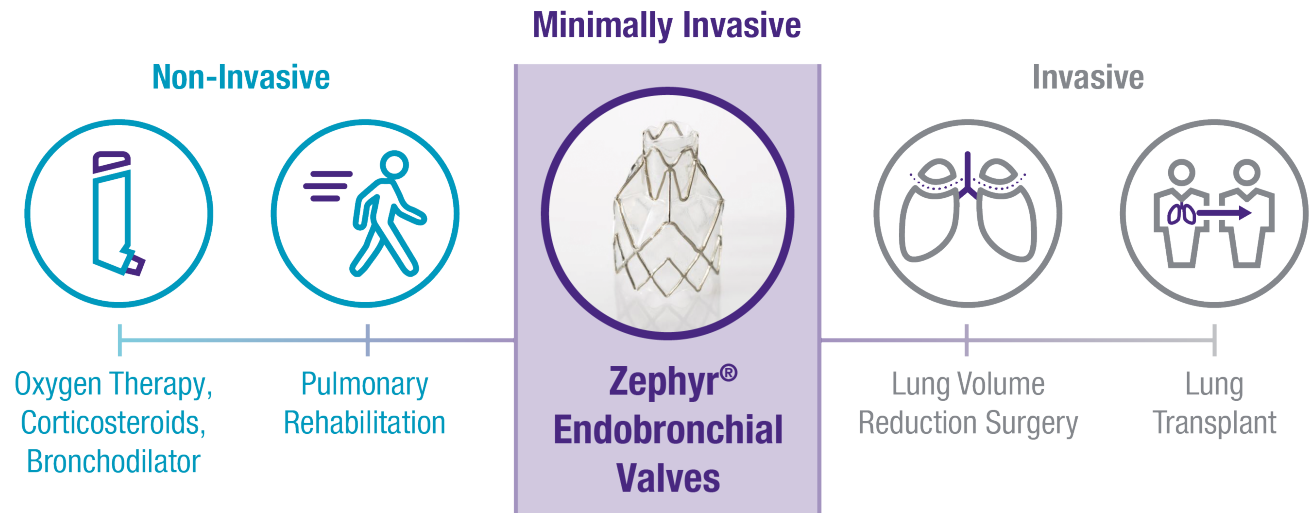
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About Severe COPD/ Emphysema

Chronic obstructive pulmonary disease, or COPD, refers to a group of lung diseases characterized by obstruction of airflow that interferes with normal breathing. Emphysema, a form of COPD, 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, leading to a high mortality rate. The lung damage caused by emphysema is irreversible.

Pulmonx works to improve the lives of people suffering from severe COPD/emphysema. Our team operates with a deep sense of responsibility to people afflicted with this condition and we are passionate about helping patients breathe easier.



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Mission and Vision

Our mission, coupled with our core values, drives our efforts to address the needs and expectations of our many stakeholders and forms a strong basis for building a leading interventional COPD company.

Our core values also form the foundation of the key ESG initiatives that are relevant to our business and our company. While we have always been conscientious about our ESG efforts, this summary report represents our first efforts to disclose how we currently integrate ESG into different aspects of our business as well as how ESG considerations will factor into our future plans and strategies.

In 2022, our Board of Directors added oversight responsibility for ESG matters to the charter of the Nominating and Corporate Governance Committee. We also began working with external consultants to assist us in being more deliberate in how we understand, prioritize, plan for, and communicate our ESG initiatives and results.

While we are in the early stages of our ESG journey, this summary report represents an important initial step towards sharing our unique story around the ESG topics we currently prioritize and plan to emphasize going forward.



Mission

To be the global leader and trusted partner in assessment and treatment of severe lung disease by innovating and commercializing evidence-based solutions to improve patients' breathing and quality of life.



Values

- > **PATIENT FOCUS:** We put the best interests of our patients at the center of our decisions and seek to delight our customers as we partner to serve patients.
- > **INNOVATION:** We adapt quickly, and continuously seek new ways to create value for our customers, employees, and shareholders.
- > **SCIENCE:** We take a data-driven approach to decision making, clinical strategy, and commercial execution.
- > **GLOBAL COLLABORATION:** We seek diverse perspectives and teams that work respectfully across geographies and functions to bring our innovations to patients around the world.
- > **ACCOUNTABILITY:** We deliver on our commitments with integrity, transparency, sound judgement, and a sense of urgency.

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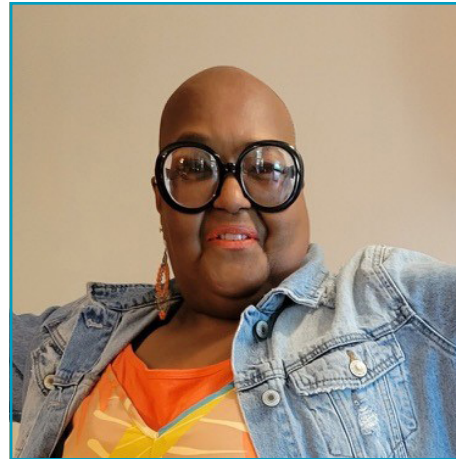
The Pulmonx solution, which is comprised of the Zephyr® Endobronchial Valve, Chartis® Pulmonary Assessment System and StratX® Lung Analysis Platform, is clinically proven to provide the following clinical benefits¹ – without surgery and its associated risks.

- > Improved health status
- > Better breathing mechanics
- > Reduced breathlessness
- > Increased exercise capacity
- > Improved quality of life



“ Emphysema is not holding me back anymore — I am back to doing the things I enjoy in life.”

Jim, 76, Albany, NY



“ I can go out shopping, do laundry and cleaning, and drive more places — all using less oxygen.”

Pamela, 61, Indianapolis, IN



“ I want to share my story because there are a lot of people who can benefit from these valves.”

Karen, 62, Melbourne, FL

Complications of the Zephyr Endobronchial Valve treatment can include but are not limited to pneumothorax, worsening of COPD symptoms, hemoptysis, pneumonia, dyspnea and, in rare cases, death.

¹Criner, G et al. Am J Resp Crit Care Med. 2018; 198(9):1151-1164.

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Pulmonx is committed to being the global leader in delivering safe and effective products for the assessment and treatment of respiratory diseases. It is our objective to meet or exceed our customers' expectations, comply with all applicable regulatory requirements, and maintain the suitability, adequacy and effectiveness of the Quality Management System while creating value for our shareholders.

Pulmonx's quality policy reflects our philosophy of providing safe and effective products for our patients and customers.

For example, our Redwood City manufacturing facility is currently:

- > ISO 13485:2016 certified
- > EU MDD certified
- > Licensed by the California Department of Public Health Food and Drug Branch
- > An FDA-registered medical device establishment
- > Audited by a third-party for manufacturing and product quality in 2022

The quality policy and associated procedures dictate our approach to quality standards and regulatory compliance. Suppliers and vendors are held to the same standards and are audited periodically.

Robust quality training programs for employees support ongoing compliance, understanding of procedures, and adherence to updated quality standards.

Backed by Clinical Research

- > Well-characterized safety profile, evidenced by inclusion in global treatment recommendations and more than 25,000 patients treated globally with Zephyr® Valves
- > High procedural success driven by innovative and effective patient assessment tools
- > Minimally invasive procedure typically lasting approximately an hour



Innovation and Science

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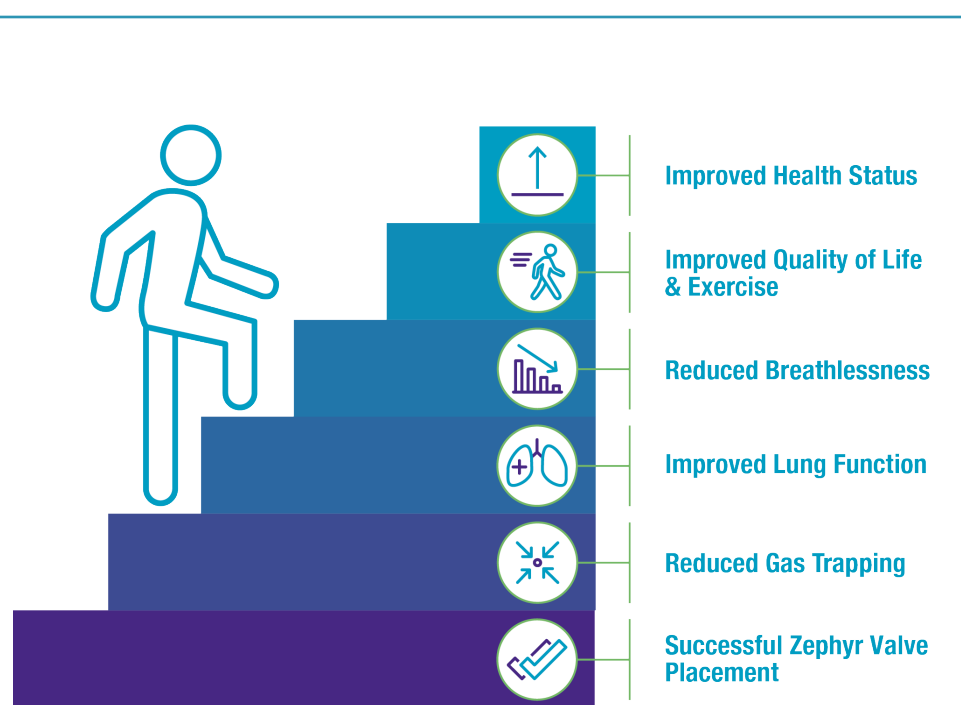
Through collaboration with physicians and scientists around the world, we have developed, clinically tested, and commercialized a revolutionary product that meaningfully improves the quality of lives of our patients with severe COPD/emphysema.

The Zephyr® Endobronchial Valve is indicated for bronchoscopic treatment of patients with hyperinflation associated with severe emphysema in regions of the lung that have little to no collateral ventilation.

The Zephyr Valve is an implantable device that is used to occlude all airways feeding the hyperinflated target lobe of a lung.



Zephyr Valve
This image is not to scale.



Criner G et al AM J Resp Crit Care Med 2018, Published on 22-May-2018 as 10.1164/rccm.201803-05900C

IT WORKS BY:

- > Allowing trapped air in the lung to escape and the target lobe to deflate
- > The relatively healthier tissue is then able to expand more fully and work more efficiently
- > Relieving pressure on the diaphragm
- > Improving overall lung function

Results from multiple randomized clinical trials of the Zephyr Valve have demonstrated clinically meaningful benefits in lung function, exercise capacity, and quality of life. More information pertaining to clinical trials, studies, and scientific papers supporting the consistent outcomes and long-term benefits obtained from Zephyr Valves can be found on our website:

<https://pulmonx.com/clinical-evidence/>

Zephyr Valve Treatment Leads to Improved Health Status

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Our deep belief is that our people are the foundation of our business. We are committed to creating a safe and secure (physical, psychological, financial, and social) environment that is inclusive, where differences drive innovation, and each person feels they belong and can make a difference in the community we serve.

We have been working across our organization to increase outreach efforts to identify, attract, and retain underrepresented and diverse talent. We joined the Professional Diversity Network to bolster diversity recruiting and outreach efforts in the U.S. as part of our ambitions to usher in slates of diverse candidates for open roles.

We recently partnered with the non-profit Diversity by Doing in their first ever Pathways in Health Technology Program. The program is designed to support and mentor a diverse cohort of students to help them prepare for future careers in the medical technology industry.



EMPLOYEE SATISFACTION

To gauge employee satisfaction and engagement, Pulmonx conducts an annual employee engagement survey called Culture Amp. In 2022:

86% of employees participated

78% of respondents had a favorable opinion of Pulmonx

This survey highlighted areas to improve the employee experience, and as a result, structured programs and processes have been developed for mentoring, career development, and leadership development.

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EMPLOYEE FEEDBACK

Employee feedback is critical; we gather it through multiple employee channels such as focus groups, personalized onboarding, regular employee engagement surveys, and exit interviews. In 2022, the engagement survey highlighted areas to improve our employee experience and, as a result, we developed programs and processes to support key areas that our employees identified for improvement, including: regular company meetings, feedback, mentoring and goal setting. These efforts help us to gauge employee satisfaction, engagement and continuously improve to create a strong and purpose driven organization committed to improving the quality of life for those patients living with severe COPD/emphysema.

COMPENSATION AND BENEFITS

Pulmonx’s global total rewards philosophy is to establish and maintain competitive total compensation programs in all geographical regions where we operate. All non-sales employees participate in the corporate bonus program, which includes both financial and operating goals.

Our employees and their families are supported with competitive health and welfare programs intended to help meet the needs of their physical, mental, and financial well-being. Our program offerings differ by global location but may include:



Medical, Dental,
Vision and 401k



Employee Assistance
Program, FSA and
Dependent Care
Benefits



Tuition
Reimbursement



Commuter Program



Equity Program



Employee Referral
Bonus

EQUITY-BASED INCENTIVE PLAN

To align the interests of our employees with our shareholders, employees in most countries are offered ownership interest through an equity-based incentive plan that provides stock options or other equity awards to eligible employees.

HEALTH AND SAFETY

The health and safety of our employees is an unconditional focus for Pulmonx and we continually work to identify and remediate risks to our employees. Our work environment is maintained and supported by health and safety policies and procedures.

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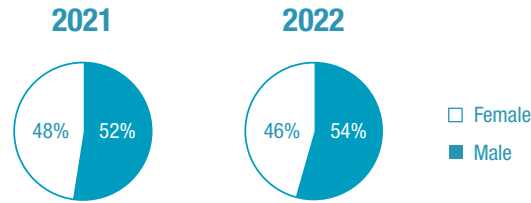
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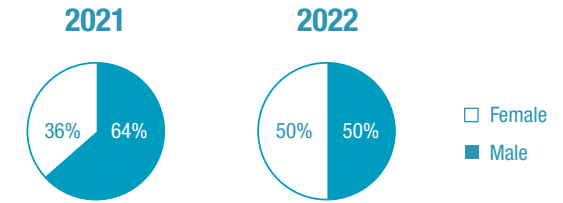
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WORKFORCE DEMOGRAPHICS

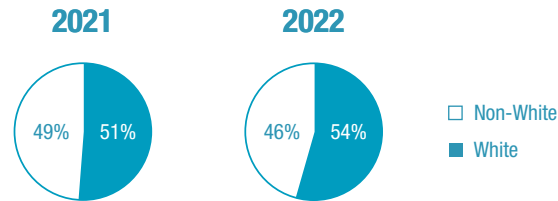
WORKFORCE DEMOGRAPHIC DATA BY GENDER (ALL U.S. EMPLOYEES)



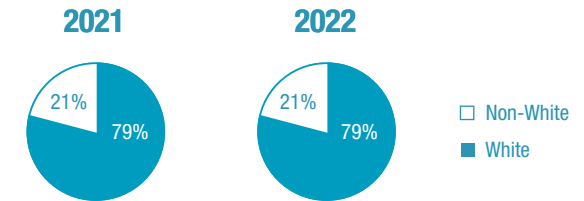
WORKFORCE DEMOGRAPHIC DATA BY GENDER (SENIOR MANAGEMENT)



WORKFORCE DEMOGRAPHIC DATA BY RACE (ALL U.S. EMPLOYEES)



WORKFORCE DEMOGRAPHIC DATA BY RACE (SENIOR MANAGEMENT)



DEMOGRAPHIC DATA BY GENDER (BOARD OF DIRECTORS)



DEMOGRAPHIC DATA BY RACE (BOARD OF DIRECTORS)



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We are committed to delivering on our ESG commitments with transparency, sound judgment, and a sense of urgency. Our reputation depends on the honesty, fairness, and integrity brought to the job by each person associated with our organization.

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Pulmonx has a Global Compliance Program that was established in accordance with the AdvaMed Code of Ethics as well as ethics codes from other international medical device industry groups, such as MedTech Europe.

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Pulmonx assigns training for its Code of Business Conduct and Ethics, Anti-Corruption Policy, and additional policies under its Global Compliance Program for all applicable new employees. Pulmonx maintains an ongoing compliance training plan for existing employees. The company also regularly conducts in-person compliance training and invites and encourages employees to submit questions regarding business practices and company policies without fear of retaliation. Detected violations of company policies, including the Code of Business Conduct and Ethics and other policies under the Global Compliance Program, are reviewed by the Legal Department. After review and upon verification of a policy violation, the Legal Department implements corrective action with input from Human Resources, as appropriate.

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The Audit Committee of the Pulmonx Board of Directors annually receives a briefing about the company's compliance programs from management. In accordance with its charter, the Audit Committee reviews the results of management's efforts to monitor compliance with the company's programs and policies designed to ensure compliance with applicable laws and stock exchange listing requirements, including the company's Code of Business Conduct and Ethics. The Legal Department and the Chair of the Audit Committee regularly monitor Pulmonx's Whistleblower Hotline for calls and messages.

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More information on our approach to ethics and compliance at Pulmonx, including our Code of Business Conduct and Ethics, can be found on our website at:

<https://investors.pulmonx.com/corporate-governance/documents-and-charters>



**Accountability
and Governance**

We take great pride in Pulmonx's mission and values, as well as the ESG initiatives and goals that derive from these core principles. We recognize that there is great opportunity to further integrate ESG perspectives into our business and we are committed to actively evaluating opportunities to improve our ESG activities, policies, and performance.

Thank you for your support on this journey.

Important Safety Information: The Zephyr® Endobronchial Valve is an implantable bronchial valve intended to control airflow in order to improve lung functions in patients with hyperinflation associated with severe emphysema with little to no collateral ventilation, and/or to reduce air leaks. The Zephyr Valve is contraindicated for: Patients for whom bronchoscopic procedures are contraindicated; Evidence of active pulmonary infection; Patients with known allergies to Nitinol (nickel-titanium) or its constituent metals (nickel or titanium); Patients with known allergies to silicone; Patients who have not quit smoking. Use is restricted to a trained physician. Prior to use, please reference the Zephyr Endobronchial System Instructions for more information on indications, contraindications, warnings, all precautions, and adverse events.

Important Safety Information: The Chartis® System is indicated for use by bronchoscopists during a diagnostic bronchoscopy in adult patients with Chronic Obstructive Pulmonary Disease (COPD) and emphysema in a bronchoscopy suite. The system, composed of the Chartis Catheter and Chartis Console, is designed to measure pressure and flow in order to calculate resistance to airflow and quantify collateral ventilation in isolated lung compartments. The Chartis Catheter is used through the working channel of a bronchoscope and connects to the Chartis Console. The Chartis Console is capital equipment that is reusable and displays the patient information. The Chartis System is contraindicated in the presence of active infection or major bleeding diathesis. There are no known interfering substances. Use is restricted to a trained physician. Prior to use, please reference the Chartis System Instructions for Use/ User Manual for more information on indications, contraindications, warnings, all precautions, and adverse events.

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