



# **UN Global Compact Communication on Progress 2011**

**Successful together**



## Progress Report 2011



### Consistency in turbulent times

“Sustainable and ethical entrepreneurship represents a consistent value that we at KARL STORZ respect at all times, during economic booms as well as during more challenging times. Sustainability, then, is not a negotiable factor that should be employed for tactical purposes as the market climate permits. For more than 65 years, our family business has stood for consistent and stable management. Although today’s times give sufficient reason to reflect on change, we believe that the company’s basic principles still hold. These principles include (1) combining tradition with innovation, (2) putting economic interests into a context of responsibility at all times, and (3) creating a meaningful relationship with our employees to our mutual benefit.

Consistency is also the central theme of this year’s Communication on Progress. In 2009 and 2010, we reported on the focus areas of education & training and environmental protection. In 2011, we continued to strive to meet the goals of the Global Compact with consistency and persistence. Consistent action was paired with the determination to flexibly and progressively approach the right areas of activity to achieve sustainable improvements for the benefit of society. In 2011, we succeeded to maintain and further expand our commitment in these two areas in accordance with the principles of the Global Compact.

We are particularly happy to have sustainably added to our activities in the area of *educational partnerships* to benefit adolescents and young adults. The projects are now showing initial results, demonstrating that targeted support of adolescents can promote a successful career start and, as a result, good opportunities for their future.

In the area of resource conservation, we were able to reduce the number of travelled kilometers by 3.67 % (compared to 2010). Despite our staff growth, we reduced paper use by 13.2 % per employee (compared to 2009) through targeted digitalization.

With this Communication on Progress, we would also like to demonstrate our commitment and continued support of the Global Compact’s Ten Principles, and we will continue to enthusiastically contribute to its support in 2012. Working with the ideas and initiative of our employees and partners, we will continue to respect the principles of the Global Compact in our daily business in 2012.”

**Dr. h. c. mult. Sybill Storz**  
Managing Partner of the KARL STORZ Group

Tuttlingen, December 30, 2011

## KARL STORZ ENDOSKOPE – the path to gentle surgeries



### The breakthrough in minimally invasive surgery

In 1945, Dr. h. c. med. Karl Storz founded this family business, which is named after its founder. Ever since the company's early days, he strived to tailor the manufactured products to the exact wishes and needs of the doctors who use them by directly collaborating with physicians.

In the past 65 years, the former two-person enterprise has developed into a globally active company with a worldwide presence. Everyday, our 5,800 employees enable KARL STORZ to implement new products and innovative ideas to support physicians.

The company continues to greatly value collaboration with physicians and leading research institutions as we did in the early years, so that we are constantly aware of the newest developments in medical technology.

In 1965, Dr. Storz collaborated with Prof. Hopkins to develop the powerful HOPKINS® rod lens system. The new technology delivered previously unimaginable image quality in terms of light intensity, depth of field, contrast, and resolution. About 20 years later, advancements in camera technology permitted the display of the surgical site on a monitor, so that the physician now uses a monitor rather than an eyepiece to view the inside of the patient's body. This advancement promotes ergonomics in the operating room and significantly improves the training of young physicians, since they can now better observe surgical procedures.

Today's minimally invasive surgery makes procedures much less physically traumatic and thereby contributes to reducing fear and worry about necessary medical procedures. The incisions, which are often only a few millimeters long, reduce wound pain and wound healing problems and additionally contribute to much better cosmetic results – permanent scars are reduced to a minimum. In addition, faster healing reduces hospital stays. The rapid development of communication technology ensures better patient information and the informed selection of a treatment option for a specific disease.

### Increased demands on the quality of medical care

To further increase the quality of medical care, the World Health Organization (WHO) started the "Safe Surgery Saves Lives" initiative, which aims to reduce serious errors with simple tools. The principle is easy enough: Error prevention through the use of checklists.

The medical technology manufacturer KARL STORZ has responded to this initiative by developing the new software KARL STORZ OR1™ Checklist. Checklist is embedded in the OR workflow and enables the OR staff to automatically view and "check off" all relevant data in short and clear steps through a central control interface (touch screen) and to thereby ensure that all required conditions are met. Checklist is modular so that it can be adapted to the varied demands of users and specific procedures. Every individual step is securely documented and saved, ensuring a transparent workflow.

To further optimize the workflow in the operating room and ensure quality, the documentation system KARL STORZ AIDA® NEO was advanced and adapted to the increasing documentation requirements of hospitals and patients. During the procedure, images and videos are already centrally recorded and saved in HD quality via a touch screen from the sterile area. Through central interfaces at the hospital, the data are directly stored under the respective patient in the central hospital information system (HIS) and can be accessed any time via the patient identification number. This enables the surgeon to quickly and efficiently create a patient or surgery report with meaningful intraoperative pictures. Patients also benefit from the complete and transparent documentation of every procedure. Working through a checklist reminds the staff of the necessary steps associated with each surgical procedure and therefore contributes to minimizing routine errors and risks.



### Prospects for the future

The development of minimally invasive surgery is linked inextricably with the name KARL STORZ. Today, our product portfolio contains over 8,000 products for 22 medical disciplines. Nevertheless, the family-run business does not rest on its laurels but is always on the lookout for innovative improvement and solution options. Our motivation can be described with a quote from Hippocrates: "Healing is a matter of time, but it is sometimes also a matter of opportunity."

Dr. h. c. mult. Sybill Storz, Managing Partner and daughter of Karl Storz, thinks that the potential of minimally invasive surgery has still not been exhausted by a long way. "Operating techniques that place less strain on the patient will continue to develop and give rise to new methods and areas of application."

With entrepreneurial foresight, a good instinct for future trends, highly specialized employees, and innovative ideas, KARL STORZ plans to continue to develop products that will make new treatment options possible and make endoscopy even less invasive and even safer.



## The implementation of the Ten Principles at KARL STORZ

### Integrating the Global Compact Principles into KARL STORZ global supplier management

We introduced a supplier self-disclosure form in 2010. It is completed before we form a new business relationship, and it asks the potential supplier to provide information about compliance with the Global Compact's Ten Principles in addition to requesting information on economic criteria. This process is now well established at headquarters, so that we are expanding the use of the supplier self-disclosure form to our European production sites in Switzerland, Estonia, and Garching (Germany).

### Principles 1-2: Human Rights

**Businesses should support and respect the protection of internationally proclaimed human rights; and make sure that they are not complicit in human rights abuses.**

Every year, KARL STORZ aims to not only theoretically respect and support human rights, but to apply this idea to the specific business context.

For KARL STORZ, respecting human rights also means explicitly promoting projects focusing on human dignity within and outside of the company's core business. On the basis of this fundamental principle, KARL STORZ again provided sustainable support this year. We focused on supporting projects that specifically assist people in less privileged situations or that help others to help themselves. KARL STORZ successfully designed some projects in a way that encouraged employees and partners to participate.

#### School project for children with sensory disabilities

Since 2009, our Managing Partner, Dr. h. c. mult. Sybill Storz, has been an ambassador for the construction of a new school for children with sensory disabilities in Heiligenbronn (Baden-Württemberg, Germany). In its ambassador role, KARL STORZ is also raising awareness of this project with individuals and institutions to generate additional support.

The foundation describes the goal of the new school construction project as follows:

*"Every child can learn to read, write, and speak. Children with visual or hearing impairments, however, need school and training programs that are tailored to their needs.*

*The St. Francis Foundation Heiligenbronn continues the tradition of the monastery of the Sisters of St. Francis in Heiligenbronn and has always been dedicated to the support of children with sensory disabilities. For 150 years, these children have been able to receive education and training in Heiligenbronn. However, the existing building of the school for children with hearing impairments was largely built in the beginning of the last century. The rooms are not adapted to the needs of the disabled, and the technical equipment has long been unable to meet today's needs. The school for blind and visually impaired children in Heiligenbronn welcomes an increasing number of children with multiple disabilities. Therefore the St. Francis Foundation urgently need rooms that are tailored to their needs.*

*To offer optimal learning conditions to the children, the St. Francis Foundation is adding two new schools: one for blind and visually impaired children and one for children with hearing impairments.*



*The new building will be located on the land of the monastery and include the elementary school, lower-level secondary school, and the special school for children with hearing or visual impairments as well as a special school for children with multiple disabilities.”*

(Source: <http://www.wir-machen-schule-machen-sie-mit.de/Schulen.33.0.html>)

Fortunately, KARL STORZ was able to persuade employees and business partners of the importance and value of the project as well, so that the net proceeds of two KARL STORZ sporting events were donated to the school project “Wir machen Schule. Machen Sie mit.” [We make school. Join us.].



*In March 2011, KARL STORZ employees & business partners were informed about the school project. A sensory parcours was also set up to sensitize sighted people to the challenges of blindness.*

### Assistance for earthquake and tsunami victims in Japan

Globalization in this context means that people worldwide took an interest in this catastrophe of unimaginable proportions. The KARL STORZ company is happy to report that employees eagerly contributed to a voluntary fundraising campaign, and donated several thousand euro. The company management further increased this amount by a considerable donation. At KARL STORZ, social responsibility is not merely a matter for company management but forms part of the active organizational culture.

### Supporters of Ärzte für die Dritte Welt [Doctors for Developing Countries]

KARL STORZ strives to provide focused, long-term assistance, rather than random aid, and has therefore decided to join the circle of supporters of the non-governmental organization Ärzte für die Dritte Welt – German Doctors e.V. This circle of supporters was founded in April 2011 to contribute to the work of the organization with financial, material, and personnel resources as well as expertise.

Ärzte für die Dritte Welt – German Doctors e.V. dispatches physicians working free of charge to projects in the Philippines, India, Bangladesh, Sierra Leone, Kenya, and Nicaragua. In these countries, the physicians perform basic medical procedures and promote preventive health care. The organization subscribes to the WHO's concept of health, defining health as a state of complete physical, mental, and social well-being.

The members of the circle of supporters consider themselves part of an alliance of shared responsibility. The managing board and the board of trustees of Ärzte für die Dritte Welt therefore regularly meet with the companies of the circle of supporters to define projects and actions to which the companies can actively contribute.

### **Donation of medical devices for sustainable development**

This year, KARL STORZ once more supported various medical relief projects. These projects focus on treating patients in need as well as on the sustainable component of training local physicians and nurses in endoscopic methods. KARL STORZ contributes by donating endoscopic products that are then used by experienced physicians on site. Afterwards the products are donated to local staff following medical training.

#### **In 2011, we supported projects in the following countries with equipment donations:**

- Armenia (specialty: urology)
- Belarus (specialty: ENT)
- Bolivia (specialty: laparoscopy)
- Botswana (specialty: gynecology)
- Burkina Faso (specialty: gynecology & ENT)
- Cambodia (specialty: ENT)
- Cameroon (specialty: ENT)
- Cape Verde Islands (specialty: laparoscopy)
- Ecuador (specialty: ENT)
- Eritrea (specialty: ENT)
- Georgia (specialty: ENT)
- Haiti (specialty: ENT)
- Jamaica (specialty: surgical training)
- Kenya (specialty: ENT)
- Lesotho (specialty: urology)
- Moldavia (specialty: urology)
- Nepal (specialty: ENT)
- Nigeria (specialty: neuroendoscopy)
- Papua New Guinea & Fiji Islands (specialty: anesthesia)
- South Africa (specialty: pediatrics)
- Tanzania (specialty: ENT & arthroscopy)
- Vietnam (specialty: neuroendoscopy)

## Global Compact Principles 3 - 6: Labor

**Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining; the elimination of all forms of forced and compulsory labour; the effective abolition of child labour; and the elimination of discrimination in respect of employment and occupation.**

As a family business, KARL STORZ consistently strives to design the workplace such that employees can optimally contribute to the company while allowing for personal creativity and creation of meaning. KARL STORZ offers the following programs to meet our employees' needs:

- Flexible work time models
- Flexible job reintegration for working mothers
- Financial participation of employees in the company's success
- Voluntary extended benefits for employees
- Support of continued education and professional development

The percentage of employees who have already been with the company for more than five years is **56.8 %**, which is a positive indicator of the close ties between employees and the company. The remainder, **43.2 %**, have been working for KARL STORZ for less than five years. This relatively high proportion reflects our dynamic growth in recent years, which has led to considerable staff growth. In the past 10 years, our staff has grown by **1-11 % annually**.



### Support of working parents

In 2011, KARL STORZ once again expanded the cooperation with the local childcare facility "Haus der Familie" [House of families]. KARL STORZ is supporting a total of 12 childcare spots that can be used by employees with young children. The childcare costs are shared by the company and parents. Because of great demand, KARL STORZ has increased the number of childcare spots for the second consecutive year:

2009	2010	2011
8 childcare spots	10 childcare spots	12 childcare spots Of these: 10 all-day 2 half-day

In 2011, 3 half-day spots were converted into all-day spots to further support the integration of parents into the company.

In addition to the optimal support of existing employees, KARL STORZ considers itself part of the public education and training systems. KARL STORZ is aware of the importance of the dialogue between trainees, schools, children, and young adults and is therefore involved in the area of training and educational partnerships in a variety of ways.



### Training and university studies at KARL STORZ

Employees are a company's most important resource. Therefore, KARL STORZ places great value on young people receiving a solid education today, as they are tomorrow's qualified employees. In 2011, we hired 31 trainees and 9 university students who are enrolled in a practice-oriented program at the Baden-Württemberg Cooperative State University (DHBW). In addition, 40 trainees and students successfully completed their training or university degree and **97,5 %** of them remained at KARL STORZ with an unlimited employment. Currently, there are a total of 151 young people who are in training or enrolled in university studies.

### Trainee exchange with supplier

To promote the professional qualification and the exchange of experience of our trainees, we established an exchange program with a local supplier in 2009. The industrial apprentices in both companies spend 2 months at the other company on an exchange basis to learn new processes and skills. The exchange especially expands the apprentices' understanding of processes involving cooperation between companies.



*Training & support at KARL STORZ*

### Cooperation without handicaps – one-week internship for trainees at a facility for people with disabilities

In collaboration with an association for people with mental disabilities, "Lebenshilfe für Menschen mit Behinderungen" [Life Aid for human beings with disabilities], Tuttlingen District Association, KARL STORZ has been offering a one-week internship at Lebenshilfe for trainees in their first year of training through the project "Cooperation without handicaps" since 2003. Beyond professional qualification and the social interaction with coworkers, this project enables trainees and students to learn to interact with other people in our society. In Tuttlingen, Lebenshilfe runs a workshop for people with disabilities, an assisted living facility, and a facility that provides support and care for people with severe disabilities.

Initially, KARL STORZ apprentices and university students attend a local information event followed by a visit of the various departments of Lebenshilfe Tuttlingen. In the subsequent weeks, the apprentices and students have the opportunity to complete a voluntary, one-week internship at Lebenshilfe. Internships can be completed at the workshop, the assisted living facility, or at the care facility. At a final event, the interns then reflect on their experiences and impressions together with the Lebenshilfe employees, and

more detailed information about the causes and types of disabilities is discussed. This project benefits both interns and people with disabilities because the personal collaboration and exchange reduces prejudice and makes integration a reality in everyday life.

The management of the family-run company is particularly committed to support people with disabilities and their integration into society. Therefore, we not only support the “Cooperation without handicaps” project but have been placing production orders with the Lebenshilfe workshop for years. The workshop employs people aged 18 to 65 with mental and multiple disabilities. The employees are supported occupationally and also receive personal development opportunities in the form of numerous accompanying programs, such as on numbers and money, cooking and baking as well as through music therapy, etc.

### **Scholarships for students at the Furtwangen/Tuttlingen university**

In the context of the “Trainee program coupled with university studies”, students receive financial support throughout their studies and in return they agree to work at KARL STORZ for 16 or 46 weeks during their studies. This trainee program creates a close relationship with the company during university studies, and the company and the students can both benefit through high-quality training, targeted knowledge transfer, and a good career start.

### **Scholarship of the medical technology support fund of the Universities of Stuttgart and Tübingen**

Every year, KARL STORZ supports the medical technology support fund that provides highly gifted students in the medical technology degree program with a scholarship worth about 5,000 €/year from their 1<sup>st</sup> semester through the completion of their studies. The fund currently awards 14 scholarships per year. The potential recipients are selected from among the enrolled students using a scholarship selection procedure.

### **Internship year with technical focus**

In cooperation with the local Steinbeis vocational school, we support adolescents who have not found an apprenticeship position to help them get ready to enter the professional world. During the one-year program, participants attend the vocational school three days per week. On the remaining two days of the week, participants work at the KARL STORZ trainee workshop. The project's practice orientation is intended to improve the readiness of participants to enter an apprenticeship program. KARL STORZ actively contributes to the support and development of these students. We aim to offer program participants a regular apprenticeship position. Since 2008, we have already been able to provide apprenticeship positions to four program participants.

### **Mentoring program for adolescents with migration background**

In another cooperative project with the Schwarzwald-Baar-Heuberg Chamber of Industry and Commerce, KARL STORZ started mentoring two students with migration background since fall 2011. The goal is to personally meet with the adolescents once a week during their final year of schooling to offer them practical insights into the company and to solidify their occupational goals. Again, the company is interested in offering the adolescents a regular apprenticeship at the end of this phase.

### Educational partnership with local schools

Since 2009, KARL STORZ has been in a cooperation agreement with the Hermann-Hesse-Realschule (intermediate-level secondary school). In 2010, we added an agreement with the Wilhelmschule. Throughout the school year, we conduct joint events such as

- Job internships & tours
- Technology classes at the KARL STORZ trainee workshop
- Applicant training, including a “real” job interview with staff from KARL STORZ Human Resources
- Support of remedial math courses for the specific learning of skills relevant in the professional world
- In-house exhibition, where KARL STORZ trainees present their occupations to the students
- Support of Girl’s Day and the Technolino project to offer girls and elementary students playful and age-appropriate insights into technical occupations

Franz Sieger, head of mechanical training at KARL STORZ believes that the mutual advantage of this partnership also arises from the fact that the company benefits and learns from its work and experience with the students as well. He feels that KARL STORZ places great value on designing the apprenticeship such that young adults feel comfortable at KARL STORZ and can then approach their training with a positive and committed attitude.

In July 2011, the Schwarzwald-Baar-Heuberg Chamber of Industry and Commerce (IHK) honored these two particularly successful educational partnerships by awarding the so-called “WIR Urkunde” [WE certificate]. “WIR” stands for the cooperation between commerce (Wirtschaft), IHK, and regional schools and characterizes the collaborative effort to offer students practical insights into professional life.



*Award of the WIR-partner certificate to KARL STORZ in July 2011  
(from left to right: Stefan Ahlhaus (head of Human Resources at KARL STORZ),  
Niki Rappenegger (IHK), Franz Sieger (head of mechanical training at KARL STORZ))*

## Global Compact Principles 7 - 9: Environment

**Businesses should support a precautionary approach to environmental challenges; undertake initiatives to promote greater environmental responsibility; and encourage the development and diffusion of environmentally friendly technologies.**

The sustainable and responsible use of resources is particularly important to KARL STORZ, a globally active company with a long history, and its Managing Partner Dr. h. c. mult. Sybill Storz. As a family company with regional roots, KARL STORZ has been committed to the environmental protection for decades, and the company strives to protect the environment for subsequent generations as well. We believe that environmental protection and economic success are not mutually exclusive. Manufacturing high-quality, multi-use products and using durable materials achieves long product lifetimes and thereby conserves resources. When developing new products, we place particular value on durability.

### Optimized packaging sizes benefit the environment

KARL STORZ is one of the leading manufacturers of endoscopes, endoscopic instruments, and devices worldwide, and our products are sold all over the world. During transport from the production sites in Europe and the US to our customers, products are exposed to a vast variety of environmental conditions, such as extreme temperature variations. Therefore, proper packaging for transport is essential. The sensitive medical devices must be protected from damage and soiling, and employees, shippers, and customers must be reliably protected from injury by sharp instruments.

The KARL STORZ packaging concept had to be revised because of a changing customer demand for individually packaged products. Since 2010, we have continuously revised and optimized our packaging concept, so that in the future, we can continue to ensure the protection of the products and avoid unnecessary environmental impact of the new customer demands. In this context, we analyzed the entire process chain, from the supply of the packaging materials at KARL STORZ to the discarding of the packaging by the customer.

While the demanded individual packaging of products necessarily increases the amount of packaging, intelligent implementation aims to minimize the effects on the environment:

- 1.) Switching from voluminous cardboard boxes with foam inserts to plastic blister packaging has the advantage of eliminating the transport of voluminous empty cardboard boxes. The new packaging material is initially supplied in compact sheets of film. This raw film material is then used to produce the blister packaging on site immediately after the production process.
- 2.) When sending 1 unit of a product, the transport volume can be effectively reduced, which conserves transport-related resources since the individual blister packaging is smaller in volume than the previously used cardboard boxes. When shipping quantities greater than 1, we placed several products into a single cardboard box in the past. This volume advantage can no longer be fully used.
- 3.) With this new packaging concept, however, sales partners no longer need to unpack products after receipt, then assemble the correct quantity, and subsequently repackage them for other customers. This saves packaging materials, which in turn conserves resources.
- 4.) An additional advantage is the easy recycling of the blister packaging since the separation of paper and plastic, which was required with the previous materials, is eliminated.

## Resource conservation in the context of product development

The use of medical devices in humans is intentionally subject to high quality and safety standards at every process step, from the initial development idea to every single production stage. A development department is located at every production site to promote the synergetic incorporation of potential improvements – one way in which KARL STORZ ensures that each product optimally benefits from the available know-how.

In addition to quality and safety, product development particularly focuses on designing products in such a way that they will optimally contribute to resource conservation when used by the customer.

A current example is an LED light source for use in endoscopy. Compared to halogen lamps, which are also used in endoscopic light sources, service life is increased from 1,000 hours (halogen) to at least 50,000 hours. LED lamps are characterized by energy efficiency and low power consumption, saving resources and costs when used by the customer.

Another example is our surgical navigation system that consistently avoids the use of single-use products, unlike the majority of systems by other suppliers. KARL STORZ thereby supports its commitment that the material selection is always based on the type and place of application to meet safety and hygiene requirements. Wherever possible, our products are reusable and thereby conserve resources.

## Waste disposal

In this area, KARL STORZ acts in accordance with the following two principles: Source reduction of waste is always the first priority. Any created waste is properly disposed of and recycled whenever possible. All production waste is documented and sorted according to the European Waste Catalogue. This particularly applies to defective products for which repair would no longer represent an efficient use of resources. All sorted waste is disposed of by certified specialist disposal companies.

A standardized waste separation system is in place for any paper and other wastes.

Naturally, we comply with international disposal and takeback regulations, such as:

- **WEEE (Waste Electrical and Electronic Equipment)**
- **ROHS (Restriction Of Hazardous Substances)**

Customers can return KARL STORZ products to the manufacturer KARL STORZ for disposal at any time.

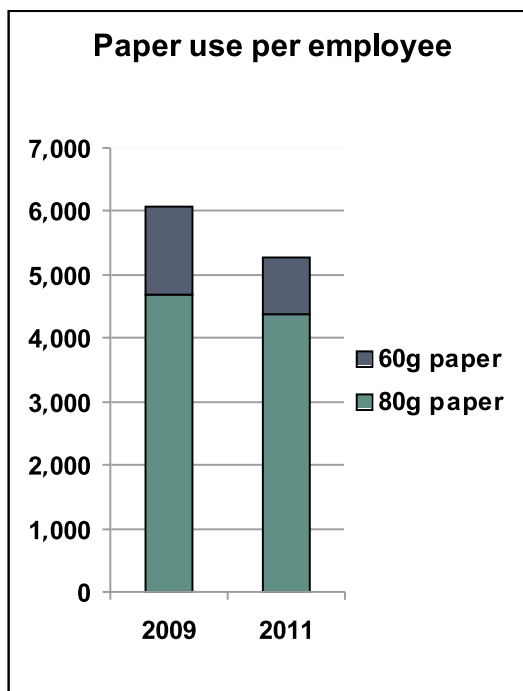
## Considerable reduction in paper use

For years, KARL STORZ has strived to reduce paper use at the Tuttlingen headquarters. In 2011 (December 08, 2010 – December 08, 2011), a total of 12,505,074 sheets of paper were used in Tuttlingen. **Compared to 2009, this represents a reduction by 2.4 %.** In the same time period, our staff grew by about 12 %. **Consequently, our average paper use dropped considerably by about 800 sheets per employee and year, despite strong staff growth (see diagram).**

The average reduction of about 13.2 % per employee is primarily the result of digital archiving of customer invoices. Since 2011, invoices are electronically archived rather than printed out for archiving. This is estimated to reduce an amount of paper that would fill 600 wide storage folders.



Paper was additionally saved by partially moving to electronic delivery of customer newsletters and by optimizing processes in Human Resources. Starting in 2012, applicant management will be handled fully electronically after an application is received. In addition to saving paper, we are also significantly reducing the required storage space.



Model calculation of resources economization basing on reduced paper consumption	
Resource	Reduction
Wood (1.7 t wood/ 1 t paper)	-14.92 t
Water (95,000 l/ 1 t paper) <sup>1</sup>	-833,933 l
CO <sub>2</sub> emissions (800 kg/ 1 t paper) <sup>2</sup>	-7,020 kg

<sup>1</sup> Calculated in accordance with Senatsverwaltung für Wirtschaft und Technologie [Senate department for economics and technology] (publisher), Ökobilanzen populär [ecological balances, popular] Berlin, 1995.

<sup>2</sup> Calculated in accordance with Trauth, J./ Schönheit, E., Kritischer Papierbericht 2005, Initiative 2000 plus (publisher), Essen, 2005.



## Supporting the use of public transportation



With our “Save on transport” program, our company actively encourages employees to leave their car at home and commute to work using public transportation. This campaign not only raises environmental awareness but also offers specific incentives for switching to public transport: Every interested employee purchasing an annual ticket is reimbursed the cost of three months, so that KARL STORZ as employer pays 25 % of an annual ticket. The annual ticket includes regional bus and train use. Since the beginning of the campaign in May 2011, 47 employees have already taken advantage of it.

## Sales and marketing subsidiary in Mississauga, Ontario (Canada)

In December of 2011, KARL STORZ Canada opened its new 3,117 m<sup>2</sup>, three storey facility on three acres of property that was chosen so as to provide a conducive work environment for employees and encompasses the best use of the land provided. The facility follows the current urban design principles by locating the building close to the street, while the parking is in the rear of the lot and is screened by the building.

The lot lighting has been designed to eliminate light pollution to the surrounding neighbors, and all storm water runoff is controlled within the confines of the site. The building employs the principles of a green roof that acts as additional insulation as well as utilizing a white reflective TPO roof membrane to reduce the heated island effect of traditional roofs. The office and warehouse spaces are oriented predominantly facing north, and there is expansive use of glazing on the north façade to maximize the use of natural daylight where possible. The individual offices employ a state of the art glazed partition system that allows natural light to filter through to the interior workspace areas, and the warehouse area is a two-story high space that is overlooked by the second floor mezzanine offices to promote a sense of ‘one’ between the employees of the facility regardless of occupation.

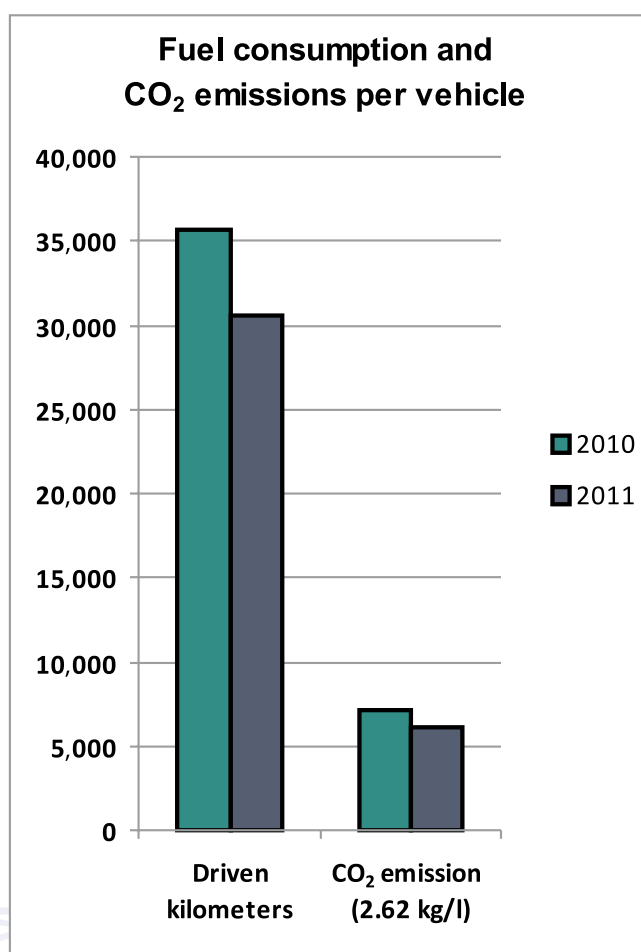
LED and energy efficient lighting that incorporated occupancy sensors have been used throughout the facility, and the entire building has been designed to provide barrier-free access to all users.



*Sales and marketing subsidiary in Mississauga, Ontario (Canada)*

## Fleet: Fuel consumption and CO<sub>2</sub> emissions

Fleet	2010	2011	Change (absolute)	Change (percent)
Driven kilometers	6,494,594	6,256,525	-238,069	-3.67 %
Average fuel consumption (liters / 100 kilometers)	7.63	7.67	0.04	0.47 %
CO <sub>2</sub> emission (2.62 kg/l ) <sup>3</sup>	1,298,955	1,257,333	-41,622	-3.20 %



In late 2008, a fuel card system was introduced at KARL STORZ Tuttlingen to permit an analysis of the fuel consumption of company cars.

The long-term goal is to reduce the average fuel consumption and our CO<sub>2</sub> emissions. In 2011, a total of 6.26 million kilometers were driven. This corresponds to a reduction of about 240,000 kilometers when compared to the previous year. CO<sub>2</sub> emissions were thereby reduced by about 3.2 % or 42 metric tons. The average fuel consumption, however, slightly rose from 7.63 to 7.67 liters per 100 kilometers. The 2011 analysis was based on the data from 205 vehicles.

<sup>3</sup> Baden-Württemberg Ministry of the Interior: average CO<sub>2</sub> emissions per liter of diesel fuel: 2.62 kg.

## Global Compact Principles 10: Anti-corruption

### Businesses should work against corruption in all its forms, including extortion and bribery.

In 2011, we sent out a new brochure on anti-corruption principles to all international KARL STORZ subsidiaries. The responsible business managers were explicitly asked to train the local employees regarding anti-corruption and to continuously verify adherence to our principles.

The existing anti-corruption brochure at headquarters was adapted to current law in collaboration with specialized lawyers, and descriptive and easily understandable examples were added for the benefit of the employees. The brochure was distributed to staff at the turn of the year 2011/2012.

Starting in January 2012, a new “Responsibility” section will be added to the KARL STORZ website and translated into the existing nine languages (German, English, French, Spanish, Italian, Portuguese, Russian, Japanese, and Arabic). This section is intended to present the KARL STORZ principle of responsible action to customers, employees, business partners, and to society as a whole.

#### In this new section KARL STORZ states:

*“Our emphasis on responsible action calls for transparent and lawful collaboration with sales partners, physicians, medical facilities, and other medical staff <sup>4</sup> following a clear code of conduct. We strictly reject and will not tolerate corrupt or otherwise unlawful behavior. All KARL STORZ managers and staff are therefore asked to comply with legal requirements<sup>5</sup> as well as with the below code of conduct and to implement them in their everyday work. Doing so will increase the trust placed in KARL STORZ in the competitive environment.”*



<sup>4</sup> This information also applies to all business partners outside of the field of medicine and is not limited to the listed sales partners, medical facilities, and physicians.

<sup>5</sup> The described code of conduct is based on our detailed, internal anti-corruption guideline, which we will gladly supply upon request.



WE SUPPORT

**STORZ**  
**KARL STORZ — ENDOSKOPE**

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*THE DIAMOND STANDARD*