

KARL STORZ GmbH & Co. KG

Communication on Progress

Year: 2006

STATEMENT

Since KARL STORZ joined the Global Compact, we have informed our employees worldwide about the impact of the adherence of the 10 principles in our day to day business. We are advising everyone to respect our self commitment made towards the United Nations Global Compact.

The following documentation showing the implementation of the 10 principles highlights their integral role in our business culture.

We are of the firm opinion that corporate social responsibility forms a sustainable part of the core business of our company and we will undertake all possible efforts to encourage our business partners worldwide to join us in this process.

This is our first Communication on Progress and we will continue whole heartedly to report further improvements.

20.12.2006, Tuttlingen, Germany

Dr. h. c. mult. Sybill Storz
- Managing Director KARL STORZ GmbH & Co. KG -

Contact: Peter Laser

Email: r.stern@karlstorz.de **Phone:** +91 98 101 84 726 **Fax:** +49 7461 708 105

	Global Compact Principle	Action Taken & Impact Achieved and/or Plans for the upcoming Year
<input type="checkbox"/>	<p>1: Businesses should support and respect the protection of internationally proclaimed human rights;</p>	<p>KARL STORZ particularly subscribes to the basic right to medical care. Respectful dealing with colleagues and customers as well as other groups forms an integral part of the corporate philosophy and is continuously confirmed in the daily work</p> <p>A particular effort of KARL STORZ is made in supporting Projects to enable medical care of all social groups. A few examples are listed hereinafter.</p> <p><u>External Projects:</u></p> <p>Establishment of a mission hospital for Quechua-natives, Curahuasi, Peru:</p> <p>Donation of endoscopic equipment to „Diopsi Suyana“, in which German doctors are establishing a mission hospital in Peru. The Hospital is supposed to start working in March 2007 particularly rendering healthcare services to the Quechua Natives (descendants of the Incas). Their illiteracy rate is 35 %, only 50 % of the children survive beyond the age of 15. The average life expectancy is only 40 years. The hospital brings medical care within a 3 hours reach of 750.000 people</p> <p>Women's Health Initiative:</p> <p>A Trilateral PPP-Project between KARL STORZ, GTZ und UNU establishing 6 Endoscopic Trainings centres (ETC) in selected Regions of India. The project promotes the “train the trainer” principle targeting the improvement of the medical care for girls and women. The project is carefully monitored and evaluated by GTZ and UNU.</p> <p>International Volunteers in Urology – „Storz Cystoscope Award Program“:</p> <p>Continuing support of International Volunteers in Urology (IVU). Every year equipment is donated to different hospitals in developing countries.</p> <p><u>Internal Projects:</u></p>

Template A

		<p>KARL STORZ continuously employs specialists in its production facilities in order to ensure healthy working environment</p> <p>The company supports activities to eradicate tobacco consumption. Two drug counsellors are available for employees for active advice in case of need.</p> <p>.</p>
<input type="checkbox"/>	2: and make sure that they are not complicit in human rights abuses.	<p>.</p> <p>The Employees Handbook * explicitly instructs all members of the company not to indulge in any kind of discrimination</p>
<input type="checkbox"/>	3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;	<p>KARL STORZ strictly observes existing rules and regulations and does not undertake any measures to limit activities in this context.</p>
<input type="checkbox"/>	4: the elimination of all forms of forced and compulsory labour;	<p><i>Within KARL STORZ forced labour does not exist. Overtime is paid according to rules and regulation</i></p>
<input type="checkbox"/>	5: the effective abolition of child labour;	<p>KARL STORZ strictly observes all related laws in its countries of operation.</p>
<input type="checkbox"/>	6: and the elimination of discrimination in respect of employment and occupation.	<p><i>By means of DIN ISO Norm 9001 a transparent process of selection for any kind of employment is observed. It is ensured that only qualification and experience serve as selection criteria while selecting employees.</i></p>
<input type="checkbox"/>	7: Businesses should support a precautionary approach to environmental challenges;	<p>In Tuttlingen, all environmental rules and regulation are strictly observed. Amongst others, the following aspects appear noteworthy:</p> <ul style="list-style-type: none"> - All metallic residues are strictly separated and treated by a specialized Company. Organic waste is also separated and disposed of by specialists. - KARL STORZ runs its own sewage treatment plant for water polluted through manufacturing processes - All hazardous substances are carefully disposed of by specialized companies duly certified. - All workplaces emitting hazardous fumes are equipped with central ventilation to avoid exposure of employees

Template A

		<ul style="list-style-type: none"> - Many cleaning cycles have been transformed towards usage of water based cleaning agents. - The company strictly observes recycling processes separating metal, glass and compound materials - Both established and new Processes are constantly monitored by the company's doctor as well as the In-charge for environmental issues. - The KARL STORZ "Employee's Handbook * directs each employee towards careful usage of resources - Most of KARL STORZ Products are reusable, barring only those products required to be disposable due to medical necessity. The company's Slogan "<i>KARL STORZ is quality and quality is not disposable</i>" demonstrates this fact externally - <i>We strictly encourage our customers to reuse packing material</i>
<input type="checkbox"/>	8: undertake initiatives to promote greater environmental responsibility;	See above
<input type="checkbox"/>	9: and encourage the development and diffusion of environmentally friendly technologies.	See above
<input type="checkbox"/>	10: Businesses should work against all forms of corruption, including extortion and bribery.	<p><i>The management of KARL STORZ fully endorses a strict prohibition of corruption, blackmailing and bribing in all commercial and non commercial activities</i></p> <p>Clear rules and Regulation have been stipulated in the Employee's Handbook *. It particularly defines offering and accepting gifts in order to prevent corruption.</p> <p>Moreover, well defined signing authorities within KARL STORZ prevent unlawful behaviour by counter controls</p>

* The KARL STORZ Employees Handbook will come into force in January 2007