



UN Global Compact Communication on Progress 2015

Successful together



Communication on Progress 2015 – Table of contents

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Global Compact & KARL STORZ: Continued support & guidance



Speed and dynamic changes of markets influence economy and therefore the decisions of companies. But we should continuously try that speed does not keep us from taking the important perspective on long-term decision and sustainable management.

As a globally active medical technology company, KARL STORZ is certainly affected by the market's speed and dynamic demands as well. But for seven decades, we have been confident that the key to long-term success is making entrepreneurial decisions that do not adversely affect but rather benefit employees, customers, and society. This strategy not only generates economic success but also the success of being an accepted member of local and global society.

This view of sustainable entrepreneurship motivates us to support the goals of the Global Compact anew every year. This 2015 Communication on Progress reveals how diverse business decisions can be and how often they directly relate to the Ten Principles.

On the one hand, our Communication on Progress presents activities from previous years that we were able to successfully continue. In this regard, our projects are characterized by continuity and perseverance, and they stand for sustainability and reliability. Once again, supporting medical training, children and adolescents as well as educational projects, the sensible use of paper, and the reduction of CO₂ emissions played an important role this year. For the sixth consecutive year, we have been able to achieve a distinct reduction in our paper use (-12% from last year). In our company fleet, we recorded the lowest average fuel consumption to date and hence the lowest CO₂ emissions.

On the other hand, this year's Communication on Progress also includes many new topics, initiatives, and results. In particular, we are proud to present several impressive activities in which our subsidiaries engaged this year. This includes the extraordinarily committed and successful knowledge transfer between physicians from Australia and Papua New Guinea. In addition, we will present example activities of our subsidiaries in the US and France. This demonstrates that the values of the Global Compact are universal and act as an important guide, not only for KARL STORZ headquarters in Tuttlingen (Germany) but worldwide.

The Global Compact stands for sustainable goals and values and provides guidance in a rapidly changing economic environment. In the coming year as well, we will be fully committed to conducting our business activities within the framework of these Ten Principles, which stand for compliance with human rights and labor law, for environmental protection, and the fight against corruption.

Dr. h. c. mult. Sybill Storz

Managing Partner of KARL STORZ GmbH & Co. KG

Tuttlingen, December 30th, 2015

KARL STORZ Endoskope – The path to gentle surgeries



The breakthrough in minimally invasive surgery

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

In 70 years, the former two-person enterprise has developed into a globally active company with a worldwide presence. Every day, our 7,100 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 has promoted ergonomics in the operating room and has significantly improved 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 the length of hospital stays.

Innovative system supplier

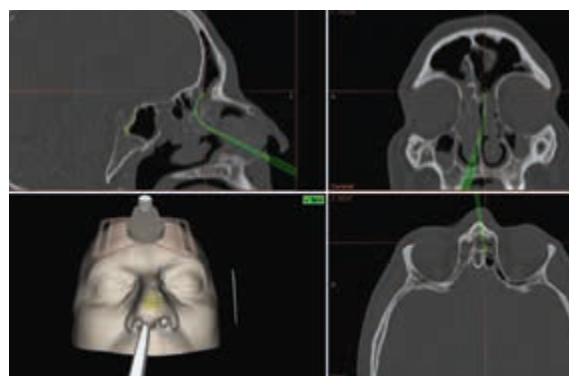
KARL STORZ is a successful full-range supplier, offering a product range that easily combines innovative instruments and devices with system solutions. The company presents process solutions that reflect the full range of medical services. KARL STORZ demonstrates its expertise as a system partner with the integrated treatment concept OFFICE1 for diagnostic workplaces, the integrated operating room concept OR1™, and the comprehensive OR workflow management that is designed to optimize all processes and resources involved in surgery.

In 2013, KARL STORZ presented the newest development in endoscopic imaging with the modular camera platform IMAGE1 SPIES™. Surgeons particularly benefit from the innovative SPIES™ modes, which offer an excellent view in any situation thanks to flexible illumination, contrast adjustment, and specific color shifting. IMAGE1 SPIES™ offers users maximum convenience and support through brilliant FULL HD images, innovative SPIES™ technology, and a clear and helpful menu structure. In 2014, this modular camera platform was expanded by a 3D FULL HD module that offers spatial vision to users performing particularly demanding activities such as suturing.

To further optimize the workflow in the operating room and ensure quality, the company launched a new generation of the documentation system KARL STORZ AIDA® in 2014, in order to fulfill the increasing documentation requirements of hospitals and patients. During the procedure, images and videos are already centrally recorded and saved in HD or 3D HD quality via a touch screen from the sterile area. As another important functionality, the processing of so-called checklists was integrated in the system to help users consciously carry out and verifiably document critical steps. 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.



Another innovation launched in 2014 was the NAV1™ electromagnetic navigation system. Navigation technology has become firmly established in the endoscopic treatment of paranasal sinus disorders. Using a navigation system, surgeons can compare the endoscopic view of findings and their anatomic interpretation with the radiology data and instrument position displayed by the navigation system. Navigation is intended to shorten the duration of surgery and reduce complications.



Prospects for the future

The development of minimally invasive surgery is linked inextricably with the name KARL STORZ. Today, our product portfolio contains over 15,000 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.



Implementation of the Ten Principles at KARL STORZ

Global Compact 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. On one side we supported projects dedicated to medical education and training and on the other side we focused on supporting projects that specifically assist people in less privileged situations or that help others to help themselves.

I. World Gastroenterology Organisation – Support of medical training centers in Sub-Saharan Africa

In the 2014 Communication on Progress Report, KARL STORZ already reported on our close and important cooperation with the World Gastroenterology Organisation (WGO) in an effort to establish medical training centers in the sub-Saharan region. For example, the establishment of two training centers in Ethiopia (Addis Ababa) and Nigeria (Lagos) was announced at that time. In April 2015, these two institutions opened and started regular operations in gastroenterology training.

Guest Author:

Desmond Leddin MB, FRCPC, FRCPI
Chair, WGO Training Centers Committee
Victoria General Hospital
Halifax, Canada

In April 2015 two new WGO Training Centers were opened in Africa. These centers are a welcome addition to the existing African network of centers in Morocco, Egypt, Sudan, and South Africa.

The center in Addis Ababa, Ethiopia was developed in partnership with the University of Toronto, the Ethiopian Society of Gastroenterology, and the University of Ethiopia. It is located at the Tikur Anbessa (Black Lion) Hospital in Addis. Dr. Shewaye Abate Bane is the director. The University of Toronto group, of which Dr. Louis Liu is the leader for the GI program, has been working with the University in Addis Ababa for many years, not just in GI but also across the medicine faculty. A residency-training program has been developed which has recently graduated its first GI specialists.

The center in Lagos, Nigeria is a partnership between the Nigerian Society of Gastroenterology and Lagos University. Located in the Lagos University Teaching Hospital, Dr. Funmilayo Lesi is the director and has led the initiative.

The WGO President, Dr. James Tooли, performed the formal inauguration of both centers. Although only physically present in Addis Ababa, a video link to Lagos (established by the Coordinator of WGO's E-Learning Network, Dr. Shuji Shimizu in Japan) allowed Dr. Tooли to communicate with, and inaugurate, both centers simultaneously.

We were very fortunate to have received support from KARL STORZ Endoskope. A generous donation of expertise and equipment has contributed very significantly to the development of these centers. The equipment in the Addis and Lagos centers is, as Dr. Liu ruefully remarked, better than some of his equipment in Toronto. The generosity of STORZ, who have also partly equipped the center in Khartoum, has changed GI training in sub-Saharan Africa in a major way. Formerly there were no centers between the Mediterranean and South Africa. There are now four and the prospects for future centers are good.

Desmond Leddin
September 2015

Background

Cooperation: World Gastroenterology Organization (WGO) with KARL STORZ

The mission of the World Gastroenterology Organization (WGO) is the improvement of standards in gastroenterology training and education on a global scale. The WGO achieves this by working with health care providers in the developing, and developed, world to train physicians, nurses and technicians. Training is generally carried out in the provider's home country although there is some opportunity for travel fellowships.

There are currently seventeen training centers globally and several more agreements are nearing completion. The WGO strives to partner with national organizations, universities and philanthropic groups to foster the development of centers. The centers serve as sites for individual and group learning and, increasingly, as sites for dissemination of training in the host country.

The WGO was very pleased to partner with KARL STORZ in the development of three training centers in Africa. The WGO had centers in Morocco, Egypt and South Africa but none in the remainder of the continent. This was obviously a major concern given the morbidity and mortality from gastrointestinal disease in sub-Saharan Africa. KARL STORZ provided financial support to the WGO, endoscopic equipment to allow three units (Ethiopia & Nigeria; Gambia is still in the planning process) to be established and, very importantly, the expertise of their team, which covers Africa. KARL STORZ contacts, and on the ground knowledge, was critical in building the relationships, which have resulted in the successful establishment of these two new centers in Ethiopia and Nigeria.

Inauguration of the Training Center in Addis Ababa (Ethiopia)



Louis Liu (University of Toronto), James Toouli (WGO President), Desmond Leddin (WGO Training Center Director), Abate Shewaye (University of Ethiopia), Ara Sakissian (KARL STORZ), Nagi Checric (KARL STORZ), Abdelmounem Abdo (Training Center Director Khartoum) and Tiruwork Fikadu (Inaugurate GI graduate, current Ethiopian Association of Gastroenterology Vice President) (from left to the right)



Training facility in Addis Ababa showing the KARL STORZ equipment for endoscopic training

Inauguration of the Training Center in Lagos (Nigeria)



Inauguration ceremony in Lagos



Inauguration ceremony in Lagos

II. Australia – Papua New Guinea: Sharing & transferring medical knowledge

Since 2013, our subsidiary KARL STORZ Endoscopy Australia has been supporting the medical exchange between Australia and Papua New Guinea to ensure the sustainable establishment of medical knowledge as well as advancements in medical technology in Papua New Guinea. The project includes a multitude of individual initiatives in the following medical disciplines: ENT, anesthesiology, gynecology, and urology.

Together with clinical partners, KARL STORZ Endoscopy Australia's investment provides educational support in the form of skill transference within the area of Minimally Invasive Surgery. Such skill transference is integral in moving the surgical and medical community in the less developed region of Papua New Guinea (PNG) to a more advanced level; evoking the much needed requirement for change in the field of Minimally Invasive Surgery.

The core value of this project is to respect PNG culture and help the PNG medical and surgical personnel to become self-sufficient and independent; co-existing with the implementation of state-of-the-art medical and surgical practice.

Background

Since 2012, the Papua New Guinea National Health Department has aimed to promote and educate their Medical and Surgical Professionals and move to more advanced and proven health skill sets. KARL STORZ Endoscopy Australia has offered assistance with 'train the trainer' programs and educational support in the form of organized workshops both within Papua New Guinea and outside of the country.

At this present moment, Papua New Guinea's surgical fellowship program which covers surgical training in all areas of surgery only graduated 12 surgeons per year. At PNG's current population growth rate, the Papua New Guinea Medical/Surgical School would be required to turn out 250 surgeons per year.

Ear, Nose & Throat

According to information collated globally, Papua New Guinea is experiencing an epidemic in 'Head and Neck Cancer', especially within the women of Papua New Guinea. KARL STORZ Endoscopy Australia for the last three years has been supporting project Leader A/Professor Carsten Palme – Clinical Associate Professor at Sydney University to fly to Papua New Guinea so that he can attend the Papua New Guinea Medical and Surgical Symposium. A/Professor Palme has been presenting and educating the PNG ENT faculty and General Surgeons on the importance of 'Head and Neck Cancer', thus in turn creating a point of discussion with the evolution and change occurring in first world health. This particular approach educates on early diagnosis, new surgical intervention techniques and ongoing post-operative care. A/Prof. Palme has also offered his services in assisting with surgical intervention within the operating theatres in PNG. For the last 3 years A/Prof. Palme has continued to present and educate at the main Papua New Guinea Medical and Surgical Symposium promoting the awareness of the increasing risk from the epidemic occurring in Papua New Guinea for 'Head and Neck Cancer'.

Activities in 2015

- Support of the 51st Annual Medical and Surgical Symposium – Theme: Advancing Women's Health through innovation: KARL STORZ supported and funded Prof. Palme's trip on which he presented two sessions on "Oropharynx Cancer: The New World Wide Cancer Epidemic and its implications on women's health" and "The female population of PNG has the highest rate of oral cavity cancer in the world".
- Donation of a Nasopharyngoscope portable light source. This would assist Nonga Base Hospital with remote medical access visits to rural communities in East New Britain.
- A/Prof. Palme is providing assistance with establishing an internet connection from the Chris O'Brein Lifehouse MDT (Multi Disciplinary Team meetings), Sydney to the Port Moresby General Hospital so that PNG ENT faculty can partake in their team meetings.

Projects implemented until now

- Educational support for the 12 Ear, Nose and Throat Surgeons that look after 22 provinces within Papua New Guinea.
- Establishing links and connectivity to Key Opinion leaders globally and sister Hospitals within Australia to support remotely in 'Medical Disciplinary Team' department meetings.
- Surgical team to visit and assist in surgical case load of the PNG population effected by 'Head and Neck Cancer' and to adopt an environment of skill transference within this surgical discipline.
- KARL STORZ Endoscopy Australia provided funding for Dr. C. P. Molumi (Ear, Nose and Throat Surgeon, Deputy Chief for ENT for the National Health Department, PNG) to attend A/Prof. Harvey's ENT Cadaver workshop in Sydney; Dr. Molumi also shadowed Dr. Narinder Singh (Ear, Nose and Throat – Rhinologist) – Head of Department at Westmead Public Hospital, Sydney and A/Prof. Carsten Palme – Clinical Associate Professor for Sydney University within operating theatres.

A/Prof. Carsten Palme, MBBS, FRACS – Senior Clinical lecturer in Surgery at The University of Sydney

"Oral cavity cancer is a squamous cell carcinoma which effects all sub sites of the oral cavity including the lips, cheeks and anterior tongue, floor of mouth, hard palate and jaw. It presents significant challenge to both patient and physician alike given the anatomic and functional complexity of the oral cavity. Oral cavity cancer is the 8th most common malignancy worldwide and predominates in the developing worlds, India and Eastern Europe. Older (60 years) males who abused tobacco and alcohol make up the majority of the cases. Oral cavity cancer has the highest reported incidence in the female population of Papua New Guinea and is the most common cause of cancer death in men. In summary oral cavity cancer is the third most common cancer in PNG. The majority of patients present late, best outcomes are achieved by early diagnosis and timely treatment. Prevention is vital with avoidance of betelnut (Buai) chewing, tobacco and alcohol. I would like to thank KARL STORZ Endoscopy Australia for supporting my work in Papua New Guinea."

Dr. Charles Paki Molumi, Deputy Chief ENT – Southern Region, National Department of Health; A/Coordinator ENT – Port Moresby General Hospital; Honorary Clinical Lecturer – School of Medicine and Health Sciences, University of Papua New Guinea

"KARL STORZ Endoscopy Australia over the years has supported the ENT Department of Port Moresby General Hospital with training and education. The following are a few examples: regular servicing of equipment and training of use of equipment, sponsoring workshops and conferences overseas, sponsoring specialists from Australia to visit PNG to share knowledge, sponsoring skill transfer surgical workshop."

Anesthesia

Project leader – Dr. Chris Acott – Anesthetist, has been spending the last 15 years educating medical and surgical professionals in Papua New Guinea in the areas of Difficult Airway Management using progressive equipment such as KARL STORZ video laryngoscopy BONFILS fiberoptic intubation. Dr. Acott has been paving the way for increasing the educational component within Anesthesia and the awareness of achieving and intubating a difficult airway with minimal surgical intervention i.e.: tracheostomy. For emergency medicine tracheostomy rates have been dramatically reduced due to the extensive education on how to intubate a difficult airway. Such educational progression has greatly improved patient outcome.

Activities in 2015

- KARL STORZ Endoscopy Australia has supported Dr. Chris Acott and Dr. Yasmin Endlich – Pediatric Anesthetist and consultant from the Royal Adelaide Hospital, Adelaide, Australia to educate on the difficult airway in pediatrics and adolescents.

Projects implemented until now

- Introduction of the KARL STORZ C-MAC®-video laryngoscopy into the National Referral Hospital – Port Moresby General Hospital
- Introduction of the KARL STORZ BONFILS and BRAMBRINK laryngoscopes for adult, adolescence and pediatric intubation in difficult airways
- Introduction of fiberoptic intubation and training
- Funding the development of a ‘Product Champion’ in difficult airways to continue the educational component for future generations



Dr. Yasmin Endlich – Pediatric Airway Workshop



Dr. Pauline Wake – PNG Specialist Anesthetist

Dr. C. J. Acott, MBBS, DipDHM, FANZCA
Senior Consultant Anesthetist, Royal Adelaide Hospital

"Papua New Guinea has a population of 8 million people and there are only 15 special Anesthetists and 10 trainees. They're under resourced and underfunded; 25% of all the malignancies are head and neck cancers, so management of the difficult airway is a priority. Over the past 15 years I have been trying to improve the management of these cases by clinically teaching both in the operating theatre and by conducting workshops. In the past three years I have been aided by my protégée Dr. Yasmin Endlich. KARL STORZ Endoscopy has supported me and my workshops for the past 5 years. Without the help of KARL STORZ Endoscopy these workshops would be extremely difficult to organize. The company has provided technical, financial support as well as equipment. In addition they have donated a C-MAC® video laryngoscope, Bonfils and fiberoptic intubation scope to aid our clinical management of these cases in the operating theatre. This equipment has made the management of these cases easier and safer. In the future Dr. Endlich will continue the work that I have started aided by KARL STORZ Endoscopy, Ausaid and Australian and New Zealand College of Anesthetist."

Dr. Duncan Dobunaba
Chief Anesthetist – Papua New Guinea – MBBS, MMED (Anesthesia)

"Thank you for all of your support in providing updated information on endoscopes for Anesthesia. The support of Dr. Chris Acott with his team and KARL STORZ Endoscopy Australia have provided in sponsoring the Difficult Airway workshop during the PNG Medical Symposium is invaluable. As Chief Anesthetist of PNG,... I hope that one day this particular workshop would eventually become formalised by the Society of Anesthesia of PNG for accreditation of Anesthesia practice for a PNG Anesthetist. The KARL STORZ C-MAC® video laryngoscope has greatly improved the teaching and management of the difficult airway at Port Moresby General Hospital."

Gynecology

Activities in 2015

- Support of the 51st Annual Medical and Surgical Symposium – Theme: Advancing Women's Health through innovation: Dr. Philip Thomas, MBBS, MRANZCOG, RANZCOG presented benefits of office hysteroscopy in an environment where Anesthetic drugs are limited.

Urology

There is an integral need for the upskill of Minimally Invasive Surgery within this surgical discipline. The reason being is that Papua New Guinea has a high prevalence for extensive stone cases and enlarged prostates. KARL STORZ Endoscopy Australia has been working very closely with the Chief of Surgery for the PNG National Health Department – Dr. Osborne Liko, promoting and funding opportunities for PNG Urologists to be upskilled in all areas of Minimally Invasive Surgery.

Activities in 2015

- Dr. Sidney James – Urologist for the National Referral Hospital, Port Moresby General Hospital – was also funded to attend the workshop and educational sessions covering the 'Mini PCNL' technique in Melbourne
- KARL STORZ loaned the Royal Australasian College of Surgeons (RACS) cystoscopy and resection sets so that they could be used by Australian Surgeons in their Solomon Island outreach program.

Projects implemented until now

- Dr. Sidney James – Urologist for the National Referral Hospital, Port Moresby General Hospital was funded by KARL STORZ to attend a training course at IRCAD Taiwan to be upskilled in basic laparoscopic approaches and techniques.
- KARL STORZ Endoscopy Australia are working closely with Phil McCahy (Urologist, Casey Hospital, Melbourne, Australia) – Global leader in PCNL to carry out training, educational sessions and surgery onsite in Port Moresby General Hospital and Mt Hagen Hospital, PNG.

Dr. Osborne Liko

Chief of Surgery for the PNG National Health Department

"I would like to thank KARL STORZ Endoscopy Australia for their continued financial support to assist in the educational development of surgeons within Papua New Guinea. Without such assistance, we would not be able to expose our surgeons to First World surgical techniques which in turn benefits the development of Health within PNG."



Karl-Christian Storz

Member of the Board – representing the 3rd generation of the KARL STORZ family business

"Our involvement and commitment to endoscopy goes way beyond selling products. For decades, our values have meant that we actively support the diffusion of endoscopy and expansion of medical training for the benefit of patients in less developed regions."

"In the summer of 2015, I had the opportunity to learn about the progress and results of these activities by visiting Papua New Guinea. I would like to thank and congratulate all partners in Australia and Papua New Guinea on this exemplary cooperation that has demonstrably advanced modern medicine in this region."

III. Employee solidarity

KARL STORZ Tuttlingen employees support charitable organizations

This year, the company sports group KARL STORZ Aktiv once again organized two large sports events and invited employees and business partners from near and far. The 22nd international KARL STORZ sports event held in March 2015 at the Mühlau gymnasium (indoor soccer and volleyball) and the 28th KARL STORZ soccer tournament held in Liptingen in July 2015 were highly successful; the events are all about enjoying sports and spending fun times with colleagues.

Since 2004, KARL STORZ Aktiv has also upheld a tradition of donating the net proceeds of these sports events to a social aid facility located in the region. Thanks to our employees' generosity, EUR 3,000 were donated to Frauenhaus Tuttlingen, which serves women in distress, and the "Tafelladen" food bank store of the Tuttlingen Kreisdiakoniestelle (county social welfare office of Germany's protestant churches).



Presentation of the donation

KARL STORZ Group – Subsidiaries' Initiatives

USA: Community Services

At our subsidiaries in the US (California and Massachusetts), employees volunteered to join forces and commit to the following projects:

Habitat for Humanity:

In 2015, employees of KARL STORZ in El Segundo contributed their time and skills to help enable Habitat for Humanity of Greater Los Angeles to accomplish a great deal. Together, the KARL STORZ employees have helped to ensure that safe, decent housing can remain within reach of deserving families. Partnering with very low-income families to build or rehabilitate homes is the hallmark of Habitat for Humanity's successful approach to eliminating poverty housing – one house at a time. The homes are then sold to the partner families who pay back a no-interest loan. Their payments help Habitat for Humanity build future homes.



Make-A-Wish®

In the area of fundraising, volunteer teams representing KARL STORZ Southbridge and Charlton took part in a number of events to raise more than \$32,075 for Make-A-Wish Massachusetts and Rhode Island. With this amount a total of three to four wishes can be realized. Make-A-Wish® Massachusetts and Rhode Island grants wishes for children with life-threatening medical conditions to enrich the human experience with hope, strength, and joy. According to information from the Centers for Disease Control and Prevention, approximately 500 children in Massachusetts and Rhode Island are newly diagnosed with life-threatening medical conditions each year. Make-A-Wish vision is to grant wishes for every medically eligible child annually. (© <http://massri.wish.org/about-us>)

United Way – Making a difference in your backyard

In the area of fundraising, volunteer teams at KARL STORZ Southbridge and Charlton locations, made presentations to all employees to increase awareness of how the United Way charities add significant value in local communities. Employees responded by volunteering their donations to United Way.

United Way of Southbridge, Sturbridge & Charlton said: "Congratulations to KARL STORZ Endovision & Endoscopy and employees for raising \$56,790 for United Way SSC (Southbridge, Sturbridge, Charlton). We would like to give a special thank you to all the ambassadors that worked hard in making this the most successful KARL STORZ United Way campaign to date. UWSSC and the 20 local programs that we fund are extremely grateful!"

IV. Promoting the talents of children and adolescents

Sponsor of the regional “Jugend forscht“ [youth research] competition



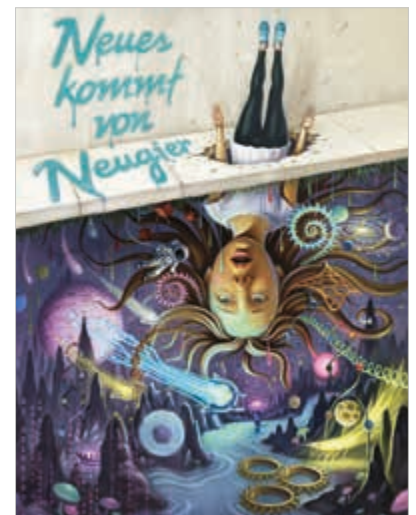
“Jugend forscht“ is Germany’s best-known competition for young scientists. It aims to raise adolescents’ interest in mathematics, IT, natural sciences, and technology as well as to discover and nurture young talent. Nationwide, more than 100 regional competitions are held each year. Participants range in age from 4th grade through age 21. (Source: <http://www.jugend-forscht.de/>)

“Looking for the researchers of tomorrow“ was the motto of the first Jugend forscht event in 1965, initiated by the publisher Henri Nannen.

This year’s Jugend forscht competition (2015) was held under the motto “Es geht wieder los” (Here it goes again). This was the 50th round of Germany’s most successful youth competition, which celebrated this important anniversary in 2015. Regional competitions were held throughout Germany as they are every year, and the winners qualified for the next round in state and federal competitions. After the regional premiere in 2014, the second competition for the “Donau-Hegau“ region was held in Tuttlingen in 2015.

The sponsors of the competition, KARL STORZ GmbH & Co. KG and the City of Tuttlingen, were very excited about the successful competition. In February 2015, 85 participants presented their abilities and knowledge with 44 projects in the fields of technology, work environment, physics, chemistry, biology, mathematics and computer science, and geosciences and space research. In addition to benefiting from the experience of having participated in Jugend forscht, young researchers gain skills that will be great assets in their future.

The competition’s sponsors are already looking forward to the next Donau-Hegau regional competition, which will be held in late February 2016: “Novelty originates from curiosity” is the motto of the 2016 “Jugend forscht” youth research competition. The next regional competition will again be organized by the sponsors KARL STORZ and City of Tuttlingen and held at the KARL STORZ Visitor Center. For 2016, we expect a total of 112 participants and around 53 projects in seven disciplines (as of 10th December 2015).



Dr. h. c. mult. Sybill Storz **Managing Partner of KARL STORZ GmbH & Co. KG**

“As a company, securing future success by promoting the talents of the next generation is important. There is no future without today’s young people! Those who want to be ready for the future therefore invest in the young. Our youth has unprecedented ideas, impressive talent, and great curiosity. KARL STORZ is happy to provide children and adolescents with a platform where they can test and prove themselves.”

Michael Beck **Mayor of Tuttlingen**

“We want to turn the Jugend forscht competition into a tradition; the excitement the event generated in 2014 and 2015 motivates all of us. I was inspired by the participants’ projects and ideas. As a global center of medical technology, our city particularly depends on the talents of young people.”

KARL STORZ Group – Subsidiaries' Initiatives

USA: Forster technical interest in young girls

The production site KARL STORZ Imaging in Goleta (California) was a major business donor in 2015 to support Tech Trek. The program is held at a number of locations in California, including the Santa Barbara area.

Tech Trek is a science and math camp designed to develop interest, excitement, and self-confidence in young women who will enter eighth grade in the fall. It features hands-on activities in math, science, and related fields. All sleeping, eating, instructional, and recreational facilities are located on a university campus where camps are held. Tech Trek is a project of the American Association of University Women. (© <http://aauw-techtrek.org/>)

Support of the Tuttlingen student calendar [Tuttlinger Schülertimer]

Since 2003, KARL STORZ has now for the 13th time supported this project, in which students research topics for a student calendar, write texts, and design the calendar under the leadership of the City of Tuttlingen and the Youth Culture Center.



Presentation of the 2015 student calendar (photo: © City of Tuttlingen)

In 2015, students from all Tuttlingen secondary schools worked together on this project and chose the calendar topic "respect". Independently designing the calendar particularly stimulates students' creativity and increases their media competence. Since KARL STORZ paid for the printing costs, the student calendar could again be distributed free of charge to interested children and adolescents this year.

V. Donation of medical technology products for sustainable development

This year, KARL STORZ once again supported numerous medical aid projects in various countries worldwide. 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 2015, we supported projects in the following countries:

- Brazil (ENT)
- Burkina Faso (Anesthesia)
- Cambodia (Gynecology, Laparoscopy, Urology)
- Congo (Laparoscopy)
- Georgia (ENT)
- Ghana (Anesthesia, ENT)
- Guatemala (Urology)
- Namibia (ENT)
- Niger (Anesthesia)
- Peru (Lap)
- Senegal (HNO)
- Tajikistan (Anesthesia)
- Tanzania (HNO)
- Uganda (Urology)
- Ukraine (Laparoscopy, Thorax)
- Vietnam (ENT, Laparoscopy))



Support of medical training in Africa

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 volunteer programs to meet our employees' needs:

- Flexible work time models, 12% of workforce has a part-time contract
- Flexible job reintegration for working mothers
- Financial participation in the company's success
- Voluntary extended benefits
- Support of continued education and professional development

According to a study of the University of Hohenheim published in 2012, women hold less than 20% of German technical jobs (MINT = mathematics, informatics, natural sciences, and technology). At KARL STORZ, women represent **37.4%** (2014: 37.2%) of workers in manufacturing and **26.9%** (2014: 26.4%) of those in Research & Development. The company is happy about this stable and positive conforming result. This is considered the result of consistent human resources policies that focus on abilities rather than gender roles.

I. Support of working parents



In 2015, KARL STORZ again increased its long-term commitment to supporting working parents. For the **sixth consecutive year**, KARL STORZ has expanded its cooperation with the local child care facility "Haus der Familie" [House of Family]. Our commitment has further expanded to a cooperation with another childcare facility in Neuhausen ob Eck (Tuttlingen county). The KARL STORZ family company has now reserved a total of 25 child care places for use by employees with young children. The cost of care are sponsored by the company.

Overview of child places – development since 2009

	Total number	Full-day places	Half-day places
2009	8		
2010	10		
2011	12	10	2
2012	14	13	1
2013	19	16	3
2014	20	15	5
2015	25	20	5

Due to continued high demand, the company now decided to create 15 additional childcare places in a mixed-age group (0-6 years of age) at Neuhausen industrial park, where the KARL STORZ logistics center – that opened in 2013 – is located. The cost of these places will be fully covered by KARL STORZ, and therefore the places are reserved for the children of our employees, but children of employees of other companies located in the industrial park may benefit from the places as well if capacities are available.

A contract was concluded between KARL STORZ and the child-care center “Denk mit!”, and the mixed-age group will be established starting in January 2016. An official opening and public presentation of this expanded childcare offer will be held in early 2016.



Child-care center „Denk mit!“ in Neuhausen (photo: © Denk mit!)

Dr. h. c. mult. Sybill Storz
Managing Partner of KARL STORZ GmbH & Co. KG

“With this expansion, we want to offer young parents in particular another way of continuing working while knowing that their children are well cared for. The expanded daycare availability in Neuhausen now for the first time provides daycare places for children older than 3 years at that site. The availability of childcare in Tuttlingen and Neuhausen helps us to live up to our standard of being a family-friendly employer. We thank the City of Tuttlingen, the municipality of Neuhausen, and the Take Off Industrial Park Association for the opportunity to engage in this cooperation.”

II. Support of education and apprenticeship training

Following up on our 2011 and 2014 Progress Report, we want to highlight our efforts in the area of education and apprenticeship training. We are happy to report that we have been able to successfully continue all initiatives.

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 2015, we hired 42 trainees and 18 university students** who are enrolled in a practice-oriented program at the Baden-Württemberg Cooperative State University (DHBW). In addition, 42 trainees and students successfully completed their training or university degree and we offered **100%** of them an unlimited employment. Currently, there are a total of **190 young people who are in training or enrolled in university studies.**

Since 2006, KARL STORZ has also been inviting interested parents of first-year apprentices. At an afternoon event, the parents receive a company tour and the opportunity to talk with representatives of the Human Resources department.



June 2015: Rainer Ulmschneider (Training Manager, Industrial Vocations) guides a group of parents through the KARL STORZ training workshop.

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 since 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.

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

In collaboration with an association for people with 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 co-workers, 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 KARL STORZ management 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.

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. Between 2008 and 2015, we have already been able to provide apprenticeship positions to **eleven program participants**.

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
- 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

III. University cooperation projects

Collaboration with the Tuttlingen university campus

In 2009, the Tuttlingen university campus was established; it is a model institution of higher education that differs from existing universities in terms of trusteeship, organization, and teaching. This idea was developed and implemented with joint commitment of the industry, Tuttlingen city and county, the Furtwangen University of Applied Sciences, and the state of Baden-Württemberg. Tuttlingen now offers a cutting-edge international university based on the public-private partnership model. With its innovative approach, the Tuttlingen university campus aims to recruit additional engineering students.

Offering the five Bachelor programs Automation & Mechatronics, Manufacturing, Materials Engineering, MedTec, and Virtual Engineering and the Master program Mechatronic Systems, the Tuttlingen university campus perfectly responds to the needs of the economy of the region and beyond. During their studies, students already familiarize themselves with the companies, use their laboratories, and develop social networks. The public-private partnership between the regional industry, the city of Tuttlingen, Tuttlingen county, and Furtwangen University of Applied Sciences makes the Tuttlingen campus a novelty in the German university landscape. The Förderverein Hochschulcampus Tuttlingen e.V. [University Campus Tuttlingen Association], whose membership includes more than 100 regional companies, has a voice and decision-making rights regarding the university's teaching: This model concretely implements the companies' demand for practice-oriented university education.

Because we strongly believe in this idea, the company KARL STORZ has been a founding member of the sponsoring association founded in 2009. KARL STORZ and 100 other partners from the association have agreed to support this unique university concept with 2.5 million euro annually for 10 years:

KARL STORZ additionally supports the Tuttlingen university campus as follows:



Premium semester: In 2014, KARL STORZ introduced the "US Premium Semester". In the context of a competition, university students receive a technical task. The solved task and complete application documents are submitted to and evaluated by KARL STORZ. A student with excellent results and documents is awarded a six-month work experience semester at a KARL STORZ development site in the US (Massachusetts or California). KARL STORZ pays for the travel cost, lodging, and internship pay. This attractive program is intended to particularly promote the professional and personal qualifications of participants through the experience abroad.

In 2015, Matthias Gass was awarded the Premium Semester, which allowed him to gain insights in the development and production site KARL STORZ Imaging in Goleta, California, for six months. After his return in October 2015, he summarized his experience as follows:

Matthias Gass

Student at Tuttlingen university campus – field of study Industrial MedTec

"This international internship was a great opportunity for me, particularly professionally, but in terms of language and culture as well. I have learned a lot about technology and I was able to gain useful knowledge for future courses as well."

KARL STORZ additionally supports the Tuttlingen university campus as follows:

- **Freshman meeting:** Introductory event for first-semester students to get to know the company through a presentation and factory tour.
- **Mentoring program:** KARL STORZ employees from R & D, Production, and Product Management serve as mentors to students in their 2nd and 3rd semesters.
- **Internship positions for 6th semester students.**

Award of the Germany Scholarship [DeutschlandSTIPENDIUM]

Through the Germany Scholarship initiative, the federal government and private sponsors support tomorrow's leaders. Together, sponsors want to ensure that top university students reach their full potential and thereby invest in Germany's future.



© Deutschlandstipendium

Until 2017, the project aims to support up to 2% of students at each German university. Germany's wealth, positive economic development, and innovative strength are primarily the result of the many excellently trained professionals working here. Their extensive knowledge, ideas, and motivation ensure our country's global competitiveness. But we must not rest on our laurels. In view of the demographic changes in Germany and the growing global competition, it is increasingly important to specifically support top talents. (Source: <http://www.deutschland-stipendium.de/de/1748.php>)

KARL STORZ has been supporting this initiative since 2011. In the year 2015, the company grants a total of **six scholarships** to students at the following universities:

- Since 2011: Charité Berlin (1 scholarship), University of Ulm (1 scholarship)
- Since 2012: Pforzheim University (2 scholarships)
- Since 2013: Reutlingen University (1 scholarship), Regensburg University (1 scholarship)

Support of the “Medical technology” study program cooperatively offered by the universities of Stuttgart and Tübingen

Through the Medical Engineering Foundation [Förderfonds Medizintechnik], various medical device manufacturers are supporting university students, particularly those starting into their first year of studies. Provided they maintain good grades, their scholarship continues for the program's regular study period. Through this program, KARL STORZ supported one student in 2015.

“Endoscopy” lecture series – elective at Furtwangen university

In October 2015, KARL STORZ offered for the second time an elective at Furtwangen university that was open to Medical Engineering students in the 3rd semester or above. In 14 teaching units (1.5 hours each), KARL STORZ product and marketing managers teach the essentials of endoscopy. The lecture series particularly covers the fundamentals of anatomy, indications, methods, and technical instruments. Further teaching units deal with devices, cameras, molecular imaging, integrated operating rooms/OR management, and hygiene. To enhance their new knowledge, students receive hands-on training using endoscopy training stations. At the end of the lecture series, presenters and students discuss professional opportunities in medical technology.

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. At KARL STORZ, environmental protection and resource conservation are important criteria in business decisions.

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.

I. Environmental protection through innovative medical devices

LED light sources in endoscopy eliminate lead and mercury

In many different devices, KARL STORZ has switched to LED technology to achieve a longer product life and to eliminate lead and mercury, which are typically used in other light sources.

LED light source with integrated gas insufflation for gastroenterology



First-class LED technology hand in hand with air or CO₂ insufflation:

The CO₂mbi LED is a unique cold light fountain with integrated CO₂ or air insufflation. The unit is perfectly harmonized with endoscopes of the SILVER SCOPE® series and the IMAGE1 SPIES™ FULL HD camera platform.

LED illumination technology is distinguished by its high performance and long service life. With an average lamp life of 30,000 hours, almost no lamp changes are required. This lowers running costs and allows an unhindered workflow. In addition to high energy efficiency, the CO₂mbi LED is very environment-friendly as LEDs are free of lead and mercury.

CO₂ or air insufflation:

The CO₂mbi LED unit allows easy switching between air and CO₂ insufflation so that the insufflation mode can be selected according to individual user requirements. Particularly in colonoscopy and complex interventions, CO₂ insufflation increases patient comfort. CO₂ gas is more quickly absorbed by the body than air and better tolerated. This minimizes post-operative pain and raises the acceptance of colonoscopies. CO₂ gas is non-combustible and thus raises patient safety.

In addition to CO₂ insufflation, the CO₂mbi LED also features a separate air insufflation mode. This enables the medical practitioner to choose the desired insufflation medium before and during the endoscopic examination. To facilitate the economical use of CO₂, the unit features intelligent CO₂ management. Here CO₂ is only insufflated during the insufflation phase. By switching to the air mode during the pause phase CO₂ can actively be saved.

POWER LED 175 light source for multidisciplinary use



LED Technology Special Features:

- The best of both worlds: Performance of Xenon technology combined with the durability of LED technology
- Extremely long average lamp life time of 30,000 hours: Almost no lamp change required
- Very high energy efficiency with the latest LED technology
- Energy saving operation due to adjustable brightness control
- Extraordinarily quiet operation
- High environmental performance! Neither lead nor mercury are manufactured in the LED lamp
- High serviceability

KARL STORZ TELE PACK X LED – Compact All-in-One System with LED Light Source



The TELE PACK X LED continues the tradition of the portable all-in-one systems from KARL STORZ. It can be used for a wide range of applications from the doctor's office through to the operating room in various disciplines such as ENT, plastic surgery, anesthesiology, cardiovascular surgery, gynecology, urology as well as proctology.

The powerful all-in-one device combines all that is needed in endoscopic imaging: Monitor, camera and light source. Integrated data management enables comprehensive recording of surgical interventions. Multiple USB ports and an SD card slot are available to store the data.

The highlights of the TELE PACK X LED are its integrated LED light source and the new LED backlight monitor. This ensures an improved image display with enhanced brightness. The LED light source provides a higher light output than the metal halide light source of the previous model and has an average service life of 30,000 hours. Furthermore, noise and heat generation is lower with the TELE PACK X LED. In addition to high energy efficiency, the TELE PACK X LED is very environment-friendly as LEDs are free of lead and mercury.

Battery-operated headlight KS70 with LED technology



KS70 Special Features:

- No separate light source is needed, which means that no additional light cable and no power grid are necessary. The headlight is therefore also excellent for use outside the hospital
- Low energy consumption and hence lower charging intervals
- LED technology eliminates lamp replacements, resulting in lower lifecycle costs and reduced maintenance
- Higher light yield and light power for optimal illumination of the working field
- Low heat development for comfortable wear even in longer procedures
- Use of LED technology also eliminates the use of lead and mercury

D-PORT – A new, reusable platform for transanal laparoscopic surgery



Development of reusable access ports for colorectal surgery (D-PORT). So far, only single-use products are commonly found on the market. The KARL STORZ product, in contrast, can be reused multiple times and therefore leads to more efficient resource consumption by the medical user.

II. Conversion of warehouse and logistics floor space for use as office units

The multifunction building constructed in 1999 as a logistics center now serves as the headquarters of the KARL STORZ company. In 2015, one floor was added to the central section of this building, and the floor space of the previous logistics operation was converted into a modern, flexible use office building offering training and conference rooms. In 2013, logistics processes were moved into a new complex of buildings in Neuhausen, 10 km away from Tuttlingen.

In the current renovation of our headquarters, we took into account the following aspects:

- The existing building was used smartly, and the retrofit employed a simple materials use concept, completed by the most advanced energy recovery and generation systems – as the direct result of the KARL STORZ company's sustainable thinking and actions.
- In the user-oriented new layout, open-plan and group work areas were placed along the windows. This means that employees benefit from daylight and a view. Managerial offices and meeting rooms received glass fronts and were moved to the center of the building. These rooms were comfortably equipped with a special ventilation and air conditioning concept (combined ventilation-exhaust system).
- Air exchange rates were intentionally kept low, but they achieve a comfortable environment for the predominantly sedentary work performed here. Excessive air movement can be largely eliminated in this way.
- The building is moderately cooled during warm months. The temperature inside the building is not kept on a constant level as generated by an air conditioning but rises or drops depending on the outside temperature. AC cooling is achieved with a highly efficient ammonia system and not with an energy-consuming air conditioning.
- In the winter, the basic heating for the rooms is generated by a cogeneration plant, in which the generation of useful heat produces free electricity at the same time. The resulting electrical power is used directly at KARL STORZ headquarters, and any excess is fed into the network of the Tuttlingen municipal utilities.

Author:

Aries AT GmbH, Tuttlingen, Felix Aries

Oeko-Cool GmbH, Schaffhausen, Beat Gasser



The former logistic department with warehouse and picking was converted to modern office units.



New user-oriented office units.

KARL STORZ Group – Subsidiaries’ Initiatives USA: Innovative Employee Work Space

In the second half of 2015, KARL STORZ El Segundo opened a distinctive new work area for use by all company employees. The facility, called the EpiCenter was designed to offer a comfortable atmosphere where project teams could brainstorm and individuals could focus on complex projects with fewer distractions, or groups could have a meeting in a relaxed environment. The EpiCenter is intended to achieve a goal of inspiring creativity through alternative think spaces. The room does this by combining highly functional design characteristics, such as special paint on the walls that allow use as chalkboards, ample light from outdoors, and an array of seating and working spaces.



III. “Climate workshop“ education project – winners include KARL STORZ apprentices

The nonprofit organization “myclimate Deutschland“ (Reutlingen) held the fifth apprentice project competition “Climate workshop“; projects could be submitted by schools and companies located in Baden-Württemberg. The competition challenges participating apprentices to invent products or start projects that reduce CO₂ emissions, are energy-efficient, or can be used for raising awareness. This year, Fritz-Erler School located in Tuttlingen participated with a total of 15 different projects, of which two project ideas were developed in part by KARL STORZ apprentices, who worked in a team with apprentices of other companies.

From among the total of 52 projects submitted by participants from all over the state of Baden-Württemberg, ten particularly interesting projects were selected and presented in Stuttgart in July 2015. In the final evaluation of the category “Energy and Planning“, the project of KARL STORZ apprentices Kristina Weizel and Ramona Weber (second-year industrial clerk apprentices) was awarded first place. The project presented a practical concept for converting paper approvals to a digital form. In the “Innovation“ category, the project of Rafael Flaig – another KARL STORZ apprentice (second-year industrial clerk apprentice) – took first place. His team worked on the topic of electromobility and described a project for inductive power transmission to reduce CO₂ emissions and improve the infrastructure for electric cars. The EUR 1000 awards were presented by Martin Eggstein, Assistant Secretary at the Baden-Württemberg Ministry of the Environment, Climate Protection, and the Energy Sector.



KARL STORZ apprentice Rafael Flaig presents a project on improving electromobility (photo: © myclimate))

Dr. h. c. mult. Sybill Storz
Managing Partner of KARL STORZ GmbH & Co. KG

“Our sincere congratulations go to our KARL STORZ apprentices as well as to all other participants. Apprenticeships not only mean learning professional skills but also require creativity, the ability to work in a team, responsibility, and commitment. This has been impressively demonstrated by our apprentices. We also thank the Fritz-Erler School for providing optimal guidance and support in this project.”

IV. School project to establish a photovoltaics system

Students of the Ferdinand-von-Steinbeis School located in Tuttlingen have been engaging in energy conservation since 2011. Every year, the project is attended by students of the 12th grade (technical upper secondary school) and by 3rd-year electronics apprentices. The students and apprentices have now worked for more than four years on developing a concept for setting up an efficient photovoltaics system on the roof of the school and have been collecting the funds needed for this purpose.

In addition to using the electricity for the school's power needs, excess electricity is fed into the local power grid. Proceeds will be used for new energy-saving projects as well as to support welfare organizations.

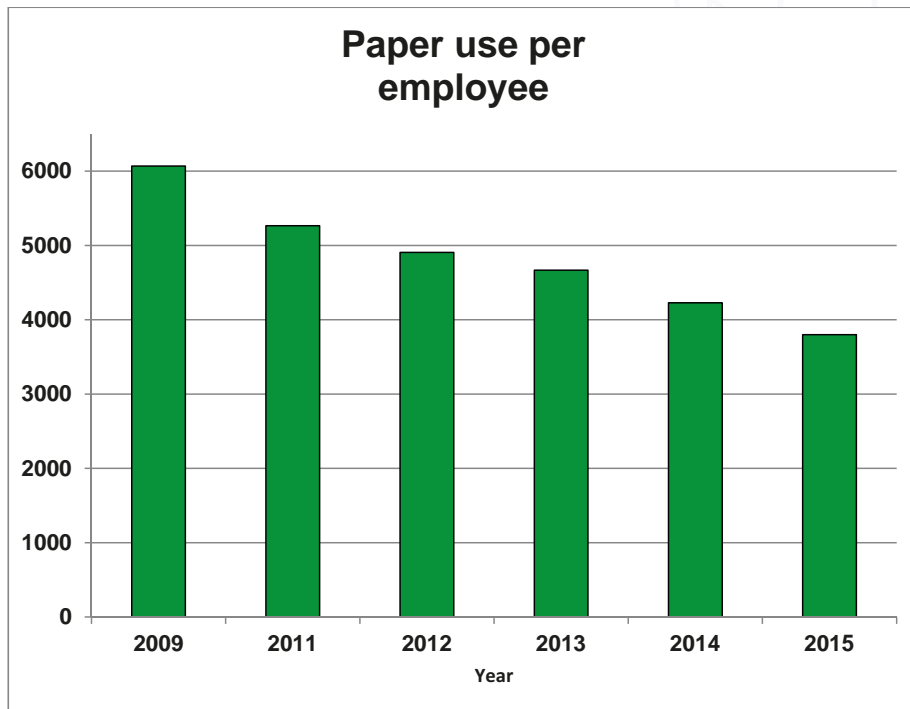
The school principal summarized the project's benefit and educational value as follows: Since the photovoltaics system becomes an integral component of their schooling, apprentices and students benefit and simultaneously establish contact with sponsor companies that might be interesting as potential future employers. He states that the project is sustainable in multiple respects: The school's energy footprint is improved, and the project allows adolescents to educationally and technically learn about and help shape developments in the energy sector.

In July 2015, the photovoltaics system was taken into operation. KARL STORZ is one of the main sponsors of this exemplary school project.



Involved students with principal Hartwig Hils (second from the left) and head of the schools department Diethard Bernhard (3rd from the left) (photo: © Ferdinand-von-Steinbeis-Schule).

V. Reduction of paper use



KARL STORZ pursues the long-term goal of continuously reducing paper use by improving processes and thereby sustainably contributing to resource conservation. Since 2009, our average paper use has dropped from initially 6,100 sheets per employee to 3,800 sheets (-37%) in 2015. Compared to last year (4,330 sheets), this corresponds to **a reduction of 12% per employee**.

Reduction of paper use in daily business

Digital media library on the KARL STORZ website

With the launch of the new KARL STORZ website in October 2014, the newly designed media library was introduced. Unlike its predecessor, the new website offers users the opportunity to view or digitally download a large variety of product and information brochures. This improves customer service and reduces printing and shipping needs.

Digital media tables at medical congresses

Since 2014 KARL STORZ has been using “media tables” at medical congresses that allow visitors to view KARL STORZ publications in electronic form. They reduce the total need for printed materials as well as the transport volume for the conference booth.

Switch to a digital approval process

Ideas developed in an apprentice project for CO₂ conservation (see III. Climate workshop) were aligned with the daily requirements arising for specific approval processes. On this basis, we created a digital forms system with an electronic workflow and approval option for various marketing processes in loans management in 2015. After the procedure was implemented in real operations in the New Applications department, additional departments joined in the pilot operation. This test phase will be completed at the end of 2015, so that real operation can start in Product Marketing Europe, Product Management, Technology Platform, OR1™, and Sales Administration in January 2016.

KARL STORZ Group – Subsidiaries' Initiatives

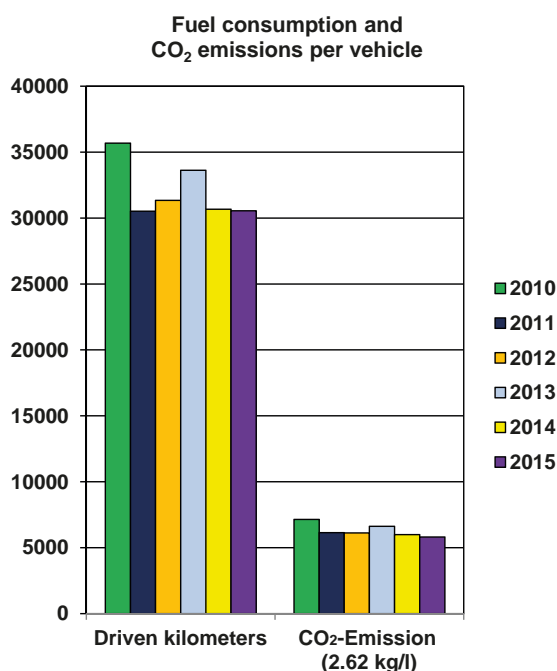
France: Recycling of waste paper

In October 2015, our subsidiary KARL STORZ France established a process for better separating waste paper from residual waste and to then send it to be recycled. This process raises awareness of the economical handling of paper and in the long term will save the resources required for paper production.

VI. Company fleet: Fuel consumption and CO₂ emissions

Company fleet	2010	2011	2012	2013	2014	2015
Total kilometers driven	6,494,594	6,256,525	7,051,607	7,127,941	7,085,096	7,057,877
Kilometers driven per vehicle	35,684	30,519	31,340	33,622	30,671	30,554
Average fuel consumption (liters / 100 kilometers)	7.63	7.67	7.45	7.51	7.46	7.26
Total CO ₂ emissions (2.62 kg/l*)	1,298,955	1,257,333	1,376,070	1,403,128	1,383,900	1,342,415

*Ministry of the Interior of the state of Baden-Württemberg: Average CO₂ emission per liter of diesel: 2.62 kg



In late 2008, we introduced a fuel card system at our Tuttlingen headquarters that allows us to analyze the fuel consumption of company cars. Thanks to its consistent use since 2012, many more cars could be analyzed than in 2011 – which is the primary reason for the significant increase in driven kilometers.

Since 2013, the average fuel consumption per car has dropped, and in 2015, it reached the lowest average so far, at 7.26 liters per 100 kilometers.

With energy-efficient company cars, we were able to reduce the average fuel consumption as well as CO₂ emissions per car by another 3% compared to last year, after already reducing CO₂ emissions per car by some 9% in 2014.

The total kilometers driven with the same number of company vehicles remained nearly constant with 7,057,877 km (-0,4%).

KARL STORZ Group – Subsidiaries' Initiatives

France: CO₂ emissions of company cars

Since 2012, the subsidiary has consistently chosen models with low CO₂ emission values when purchasing new company cars. In this manner, the subsidiary will save resources in the long term, and the company acts as a positive example for employees and society.

Global Compact Principles 10: Anti-corruption

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

I. Continued dedication with information and training

Transparent Statement on the KARL STORZ website

To KARL STORZ and our employees, observing anti-corruption guidelines as well as compliance requirements is not a project with a start and end date but an integral component of all business activities that is being considered at all times and that we consistently need to strive for anew. Under “Compliance”, visitors to the KARL STORZ website can find out anytime about the basic principles we practice, with references to the Global Compact, the KARL STORZ anti-corruption guideline, and environmental and resource conservation.

KARL STORZ Website – Compliance Statement

“The KARL STORZ family company is committed to legal compliance, honesty, loyalty, transparency, sustainability, and fairness in everyday business operations. These values are not abstract requirements but essential guidelines for our corporate activity. Our company founder, Dr. med. h. c. Karl Storz, already practiced these values and recognized them as the key to long-term, sustainable success. Following laws and company-specific rules and principles of conduct is referred to as “compliance”. To KARL STORZ, this means that each and every employee, all supervisors, and the management board continuously ensure that our business activities are always conducted respecting the law and ethical rules. For this purpose, the company management in Tuttlingen put in place global compliance standards in the form of a code of conduct and associated guidelines. At our worldwide sites, these standards are bindingly implemented through local instructions or expanded if national law requires.

Throughout recent decades, our company has worked hard to gain an excellent reputation for quality and innovation in endoscopy. Therefore, each and every employee is responsible for maintaining this excellent reputation and for further promoting it through positive action, for strengthening our customers’ confidence placed in us time and again and for safeguarding the company from any illegal or unethical actions. The compliance guidelines created for this purpose offer employees clear orientation, and to our customers and suppliers, they promise partnership in a fair and transparent business process.”

Employee anti-corruption training

In 2015, KARL STORZ again held employee anti-corruption training sessions to specifically inform employees who are in contact with customers and suppliers about this topic and to teach them to reliably and consistently apply anti-corruption rules in daily business dealings.

Global KARL STORZ Code of Conduct

In December 2014, the globally valid code of conduct, which was developed by an international working group, was introduced for all KARL STORZ sites worldwide.

Advancement of the international compliance structure

- Appointment of local compliance officers for every KARL STORZ legal entity
- For each KARL STORZ unit, roll-out of local harmonized compliance assessments, which the local compliance officer generates quarterly, reports to the local site manager, and forwards to German headquarters
- Development of a harmonized e-learning training document on our code of conduct, which is to be distributed to local site managers worldwide in early 2016
- Establishment of a consistent procedure for recording and investigating potential compliance violations



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