



Lansinoh®

Communication on Progress for the United Nations Global Compact

Reporting Period: January – December 2021
Lansinoh Laboratories, Inc.

COMMUNICATION
ON PROGRESS



This is our **Communication on Progress** in implementing the Ten Principles of the **United Nations Global Compact** and supporting broader UN goals.

We welcome feedback on its contents.

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The United Nations Global Compact is a call to companies everywhere to align their operations and strategies with ten universally accepted principles in the areas of human rights, labour, environment and anti-corruption, and to take action in support of UN goals and issues embodied in the Sustainable Development Goals.

Launched in 2000, it is the largest corporate sustainability initiative in the world, with more than 14,500 companies and 3,800 non-business signatories based in over 160 countries, and nearly 70 Local Networks.

Business participants in the Global Compact make a commitment to integrate the Ten Principles in their strategies and operations. The Communication on Progress (COP) report is the fundamental mechanism to inform stakeholders of progress made in implementing the Ten Principles.



SUPPORTS
**THE UNITED
NATIONS
GLOBAL
COMPACT**



More than
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Over
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Nearly
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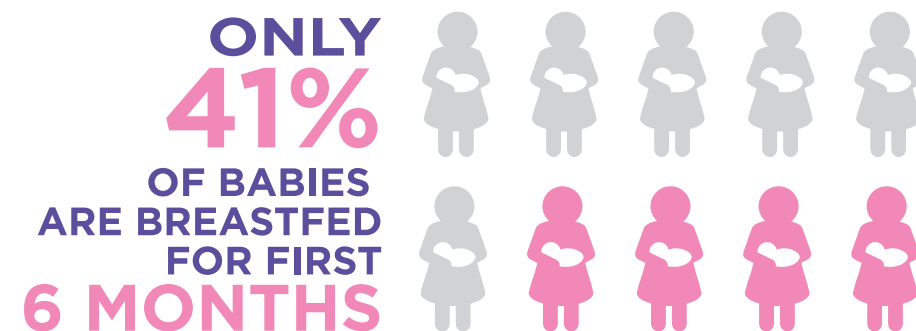
Our Story

Since our beginning nearly 40 years ago, in the kitchen of a new mother, Lansinoh® has been committed to the health and well-being of mothers and babies around the world. We serve families in more than 60 countries, offering effective and evidence-based education and products to ensure mothers and babies get the best possible start in their new lives together.

Since our beginning, we have advocated for breastfeeding mothers and their babies – our advocacy is rooted in our founder's own challenges and the societal obstacles she and millions of other mothers have encountered. In 1984, breastfeeding was rarely discussed and there were few options for women. There were no breastfeeding sections in stores, classes were difficult to find, and many mothers were challenged or shamed for choosing to feed naturally.

We have made a lot of progress since 1984, and we still have a lot of work to do. Although health professionals recommend exclusive breastfeeding for the first 6 months of a baby's life, **only 41% of babies around the world are breastfed for this period of time.**¹

In many countries, families lack the support and education they need to breastfeed for longer and we are driven to do our part to help them. We are committed to healthy families and to a healthy planet. We know that our work for both is key to future generations.



1. <https://www.illhi.org/2021-world-health-day-improve-global-breastfeeding-practices/>

Letter from our CEO

Dear Stakeholders,

I am struck by the sense of urgency we as leaders now feel as we look towards our future. We all envision a future that is full of hope and health, and we have an important role in ensuring that vision comes to life. As both a business and as citizens of the planet, we are committed to doing the right thing for the families we serve today, and those we will serve in the future. Their well-being depends on the steps we take now.



With great pride, we recently shared our commitment to become **Climate Neutral by 2030**. We are following a science and fact-based approach supporting the goals of the Paris Agreement. Our planning and analysis process is grounded in an unwavering commitment to do the right thing, and to do it the right way.

We are building a culture of integrity and responsibility, to both people and planet. This Communication on Progress demonstrates Lansinoh's commitment to sustainability: **Value today and commit to tomorrow.**

Corporate sustainability starts with a company's value system and a principles-based approach to doing business. As such, we support the United Nations' Sustainable Development Goals and the Ten Principles of United Nations' Global Compact in the areas of human rights, labour, the environment, and anti-corruption.

At our core, Lansinoh is a business that serves the youngest among us. We exist to support the well-being of people who will become adults in 20 years, and we must ensure there is a future for them. I personally feel a moral obligation to run a company that is serious about addressing the most important issues facing humanity. We are committed to making changes that truly have an impact, and I am proud of the leadership role Lansinoh has taken in our industry. I am pleased to confirm that Lansinoh reaffirms its support of the Ten Principles of the United Nations Global Compact.

Sincerely yours,

Kevin Vyse-Peacock
Chief Executive Officer

Activities and Outcome Measures

We established a dedicated Global Sustainability Department in October 2020 to focus on and strengthen our efforts for people and planet. This department is led by the Chief Officer of Global Corporate Planning, reporting directly to the CEO and supported by a committee of local champions at all our sites.

We take action by supporting the United Nations Sustainable Development Goals (SDG's), with an emphasis on seven of them:



Planet

Principle 7:

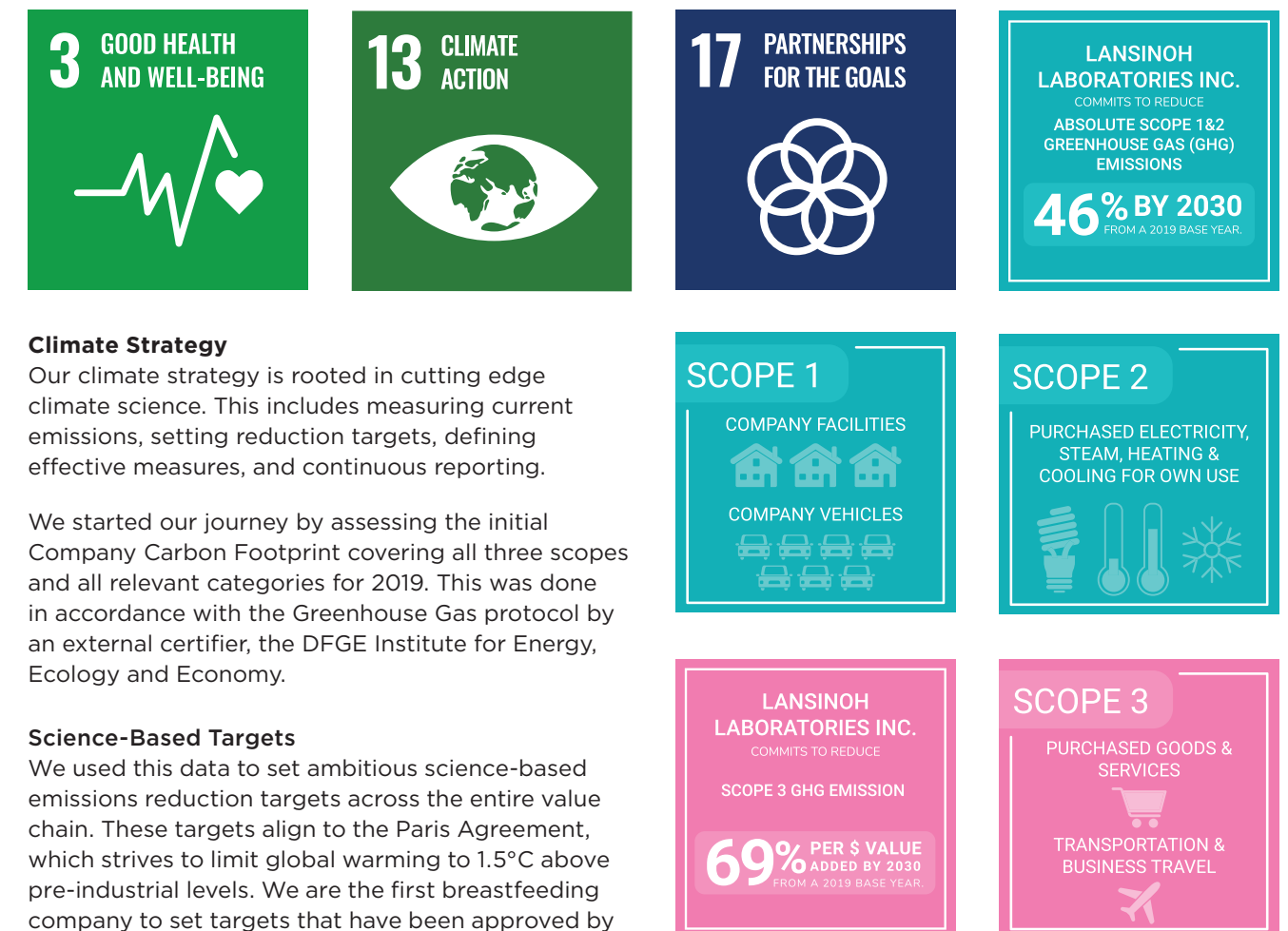
Businesses should support a precautionary approach to environmental challenges;

Principle 8:

Undertake initiatives to promote greater environmental responsibility; and

Principle 9:

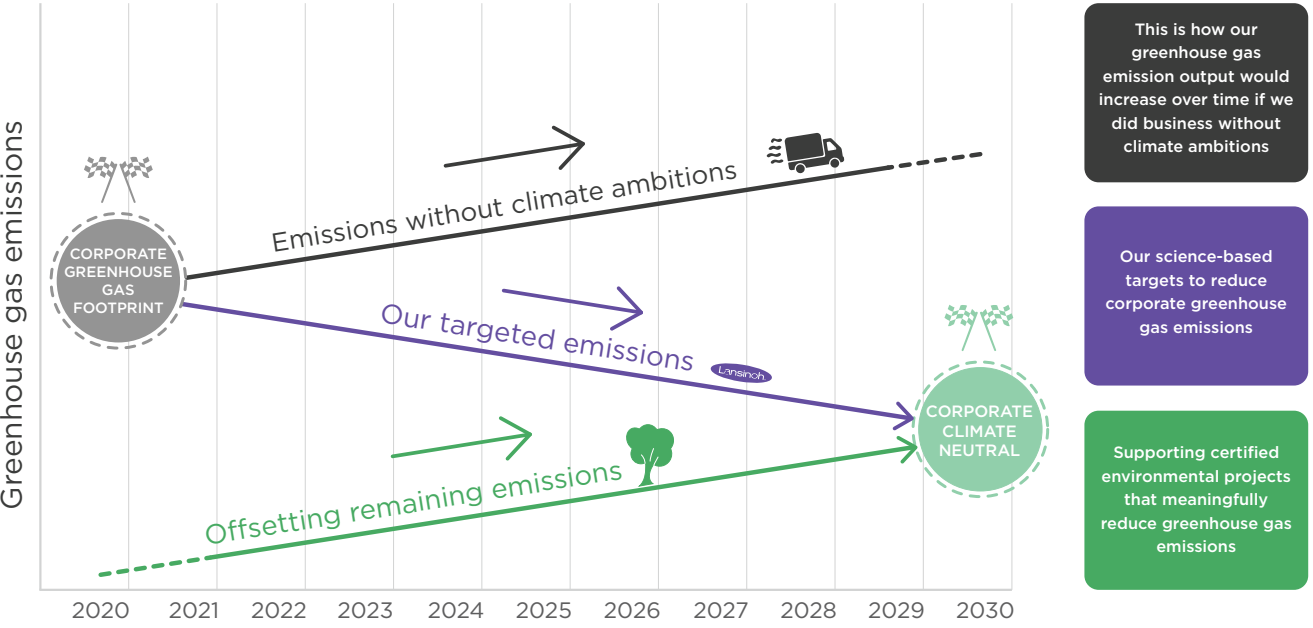
Encourage the development and diffusion of environmentally friendly technologies.



We've been named in the Science Based Targets Initiative's status report since November 2021, mentioning our role as one of 1,000+ corporate climate action leaders that are limiting global warming to 1.5°C.



This is just our starting point. **Our goal is to achieve climate neutrality by 2030 and we’re committed to net-zero no later than 2050.**



- This is how our greenhouse gas emission output would increase over time if we did business without climate ambitions
- Our science-based targets to reduce corporate greenhouse gas emissions
- Supporting certified environmental projects that meaningfully reduce greenhouse gas emissions

Action plans

Emissions decline is a constant process. To ensure our reduction targets are met, we will identify and take further reduction measures as warranted to ensure ongoing progress and improvement. We created action plans to curb our emissions in terms of products and operations in 2021:

We completed two energy audits – one at our production site and one at our single biggest office.

Measurement of Outcome

Numerous recommendations have been implemented post-audit, including **LED replacements, lighting control submetering, & HVAC optimization.**

We are giving preference to renewable over non-renewable electricity sources whenever possible.

Measurement of Outcome

All our sites, including our factory will be running on **100% renewable electricity by 2022.**

We established formal business travel policies that reduce greenhouse gas emissions and limit emissions from travel, company cars and improve energy efficiency in all our offices.

Measurement of Outcome

To reduce business travel, we have committed to **minimum 1/3 reduction** to personal meetings. Newly purchased or leased company cars met the implemented emission cap.

To better understand the impact of the Lansinoh product portfolio and find adequate reduction potentials, we have calculated the Product Carbon Footprint for a number of high-volume products (Disposable Nursing Pads, Lanolin Nipple Cream, Organic Nipple Balm).

Measurement of Outcome

We have adjusted our manufacturing process for Disposable Nursing Pads to ensure the final assembly is run on **100% renewable electricity.**



We’re running numerous projects to optimize our packaging. One area of focus is material reduction, removing packaging layers and right-sizing.

Measurement of Outcome

We reduced packaging in all Milk Storage Bag products, **removing 4 million dispenser bags per year & saving 39.4t of CO₂e.**

We are also eliminating all plastic windows in primary packaging to have mono-material cartons that are easier to recycle.

We are looking for ways to further improve logistics and have implemented slip sheet technology, replacing conventional pallets at our production warehouse.

Measurement of Outcome

4,000 pallets annually equalling 30t of CO₂e through less timber usage.

We are collaborating with suppliers and distributors to determine emission saving potential and to advocate for their use of renewable electricity.

Measurement of Outcome

Our **largest distributor** is following a plan to shift more of the **electricity** it uses in its operations to **renewable sources.**

We are reworking the bill of materials of selected products to lower emissions, primarily by eliminating non-essential parts.

Measurement of Outcome

To this end, we have **removed tote bags from our future breast pumps.**

We are switching cardboard packaging and raw materials to certified material.

Measurement of Outcome

Our high-volume Nursing Pads products including all cardboard packaging is **exchanged to FSC-certified material.**



Climate Neutral Products

We are building a third party-certified climate neutral product portfolio. Climate neutral products are one of the building blocks to meet our science-based emission reduction targets and to become climate neutral as a corporation.

For us, climate neutrality means taking responsibility for the climate effects of our activities. Avoiding and reducing emission always comes first. In our Product Carbon Footprints, we are assessing all greenhouse gas emissions generated by a product. We're taking a serious approach and measure the entire life cycle – from raw material through disposal. The goal is to reduce the impact of the products by targeting emission hotspots, either avoiding or eliminating them to improve year after year.

Any remaining emissions are offset. Offsetting means investing in certified climate protection projects that equal the impact made by the product. With this combined approach, the product's **net effect on the climate should be zero**. This effort is validated by the external certification institute DFGE and follows the Greenhouse Gas Protocol and PAS 2050 as well as PAS 2060 standards.

Measurement
of Outcome

We launched
three
climate neutral
products in 2021.



Three more products
will receive
Climate Neutral
certification in 2022



Source: South Pole

Measurement
of Outcome

Our offsetting project focuses on reducing GHG emissions by providing clean water access to rural families in Cambodia. Traditionally, communities purify their water by boiling it over open fires. By offering more modern water purification solutions, these communities no longer have to cut down trees for firewood and high-emission open fires. The project is certified by Gold Standard and supports the United Nations third Sustainable Development Goal of 'Good Health and Well Being,' one of the key goals adopted by Lansinoh.

We have
compensated
539t CO₂e
through supporting
this project related to
our climate neutral
product portfolio.

Corporate Carbon Footprint 2020

We conduct an annual assessment of our corporate greenhouse gas emissions, covering all three scopes and all relevant categories.

Measurement of Outcome

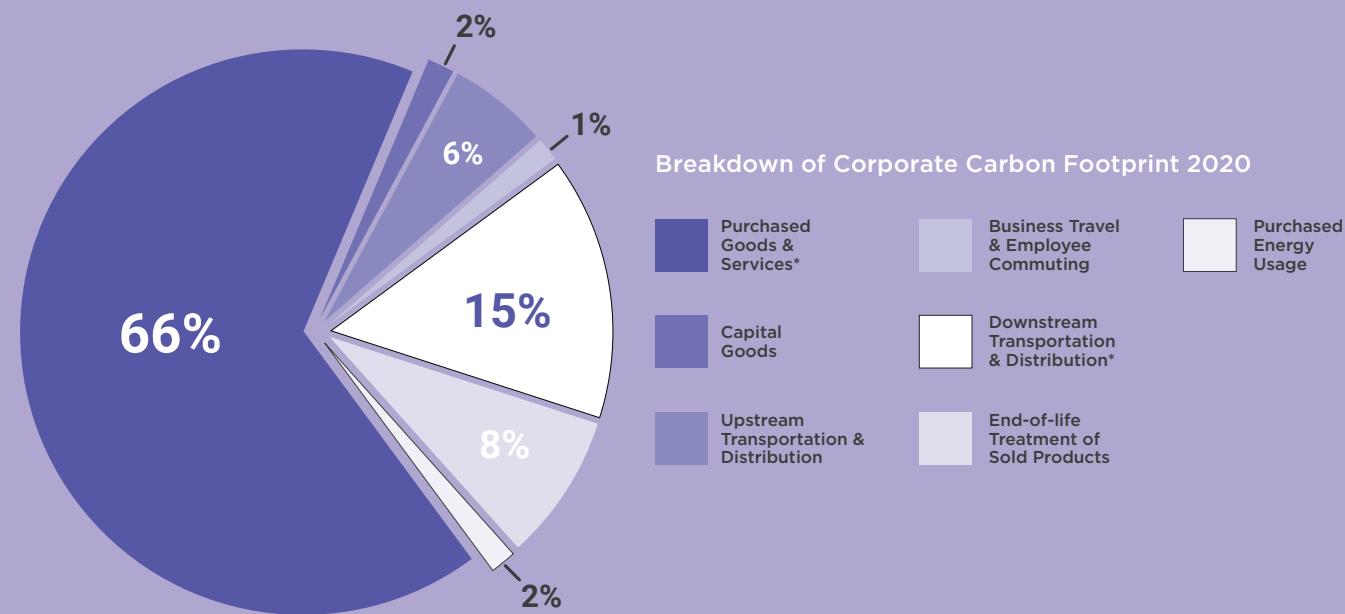
In 2020, our corporate carbon footprint assessment revealed emissions of **22,255t CO₂e.**

Our goal was to reduce Scope 1 & 2 emissions by **46% by 2030** and we have already exceeded that with

a reduction of 66%.

As a result, Scope 3 emissions now account for 98% of our total carbon footprint.

We are striving to maintain or further reduce our Scope 1 & 2 emissions and are prioritizing Scope 3 emissions abatement in 2022.



CDP Disclosure

In 2021, we completed our first professional full disclosure to CDP's climate change questionnaire. This is a continuous process and will help us to more precisely identify risks arising from the environment while building a more resilient value chain.

We ranked above the global average score of B-, the North American regional average of C, and the Medical equipment & suppliers average of C.

Measurement of Outcome

We are proud to be rewarded with a **'B' rating** on climate protection improving by two places compared with 2020.

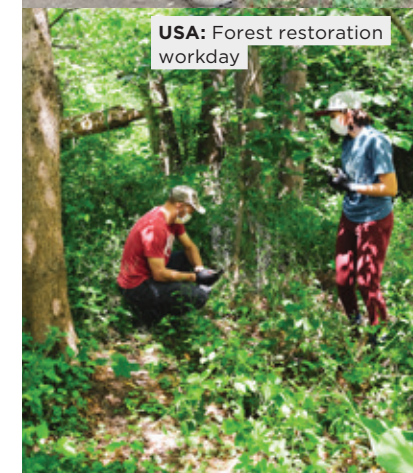
Environment



Engagement Within The Company

Lansinoh has established and follows its own Environmental Policy, which reiterates the company's commitment to behaving responsibly and protecting the environment. We strive for ongoing and continued improvement in our environmental performance in order to effectively reduce our impact.

Our employees play a vital role in this endeavor. In 2021, we conducted four company-wide trainings on environmentally related topics to build a common platform of understating and to drive awareness. Beyond that, we established a company-wide tree planting initiative, with local teams participating in several activities focused on forest regrowth. We also celebrated World Environment Day on June 5th. Each market took part in an activity that reflected the World Environment Day theme of ecosystem restoration:



Our manufacturing site holds the ISO 14001 for environmental management systems as well as meeting the standards of Good Manufacturing Practice. There were also several initiatives to address waste handling in 2021. We are targeting a decrease in industrial waste intensity of 1% year-on-year (base 2018). We are also addressing wastewater reduction. Our efforts culminated in reaching the Zero Waste Certification from the Turkish public authority. We are now building on this work by pursuing LEED certification.

PhD Sponsorship

Sustainable Development Goal 17 focuses on creating 'partnerships for the goals.' In the spirit of partnership, we have engaged beyond our own value chain, sponsoring a PhD scholarship at Leeds University. The scholarship enables research on the 'Co-benefits of a Low-carbon Economy: Improved Air Quality and Reduced Global Warming.' From this work, we will learn more about the health-related synergies between measures for reducing greenhouse gas emissions and reducing air pollution, with the aim of aiding policy decisionmakers.

Measurement of Outcome

The industrial waste intensity decreased from **1,23 kg/ Mio ¥ sales in 2020** to **0 kg/ Mio ¥ sales**, meaning we **overachieved our target.**

All wastes were going to either recycling or energy recovery despite of **only 2 kg being incinerated.**

All water was withdrawn from a municipal potable source and equaled the amount discharged to off-site water treatment. (Both results are based on Jan - Oct data due to availability at submission deadline)

Reached Zero Waste certification

by the Turkish Ministry of Environment and Urbanization.



Principle 1:

Businesses should support and respect the protection of internationally proclaimed human rights; and

Principle 2:

Make sure that they are not complicit in human rights abuses.

Human Rights

We have developed a set of policies reflecting the protection of internationally proclaimed human rights in line with the UN Guiding Principles.

We believe in doing business with partners that share our values and commitment to respecting human rights. To mitigate risks of human rights violations further down our supply chain, we will strengthen our ongoing due diligence and review process. We will include a thorough review of potential human rights considerations as part of that due diligence and use our leverage when partner-related risks are identified.

Human rights at Lansinoh are a part of our wider strategy and are implemented through a number of policies and procedures, including anti-corruption, company diversity, forced and compulsory labour, and prohibition of child labour.

These policies have been incorporated into the newly created Lansinoh Global Guidebook, which has been signed by all employees and workers.

5 GENDER EQUALITY



8 DECENT WORK AND ECONOMIC GROWTH



Principle 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4:

The elimination of all forms of forced and compulsory labour;

Principle 5:

The effective abolition of child labour; and

Principle 6:

The elimination of discrimination in respect of employment and occupation.

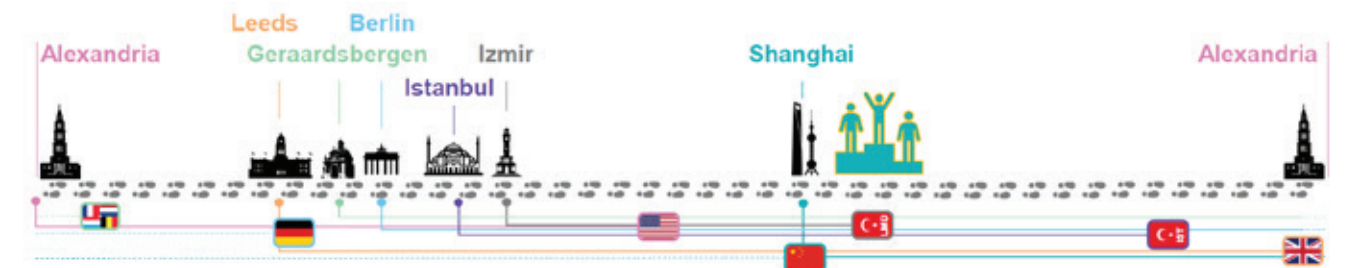
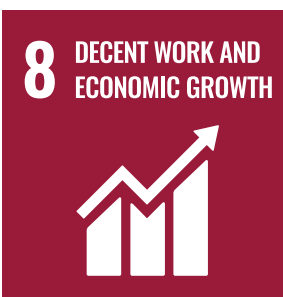
Labour

A policy on Forced and Child Labour recognizing the definitions provided by the ILO (International Labour Organization) has been developed and signed by all Lansinoh members.

As signatories of UN Global Compact, we are enrolling in a variety of the programmes offered. In the USA, we joined the 2021 Target Gender Equality Programme. We have attended the meetings and completed a self-assessment through the WEP (Women's Empowerment Programme). We have been classified as 'improvers'; a great starting point given the size of our company. We have applied to become signatories of the WEP (Women's Empowerment Programme).

We have developed a parental leave plan for our employees in the United States where any parent gets twelve weeks of paid leave after the arrival of a child. Moms will get an additional six weeks birth recovery time. This plan has been communicated and will be rolled out in our USA headquarters in 2022. We will look at our other markets and work on alignment plans where necessary.

Our Work-From-Home policy allows all employees to work from home up to 50% of the time. Our team members appreciate the increased flexibility and autonomy. The secondary benefit of this agreement is an **emission reduction due to less commuting**.



Our **step challenge** motivated our team members to get out and move. It was welcomed during a time when the pandemic resulted in closed sports clubs and gyms. All teams have 'walked' around the globe and virtually visited one another. In **total we walked 107,981,144 steps** (82,066 km / 51,127 mi) between April 1st and August 15th, 2021.

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In addition to environmental team activities, our employees have enjoyed the social and community engagement afforded by events like a charity walk in the UK. This fundraising walk supported Tommy's, a charity that is pioneering research into the causes of premature birth, still birth, and miscarriage, as well as supporting families during pregnancy. We also supported the 'In the Making' programme of the Enactus network in the UK. In France, our teams raised awareness for breastfeeding through the #Iwanttobreastfree campaign.



20
Lansinoh
employees

120
hours
training

Turkey - Istanbul & Izmir: The breastfeeding consultancy training won a **Bronze Stevie® Award - Workplace Health Promotion** In Women Employment



Our Turkish colleagues organized a voluntary breastfeeding consultancy training. A total of **20 Lansinoh employees** attended the **120-hour training**. At the end of training, they passed an exam and received certificates. Their goal was not to acquire a new profession, but to better understand the purpose of the work we do, and to equip them to help mothers in need in their families and community.

Many of our teams have organized charitable donations. Recipients have included: two Human Milk Banks and the Xi Chang Maternal and Children's Hospital in China, the Leeds Baby Bank in UK, the National Children's Museum in Washington D.C, and the Vitamin Angels Charity in the USA.

Measurement
of Outcome

65%

of our
senior leaders
at Lansinoh
are female.

Measurement
of Outcome

40%

of our
senior leaders
at our factory
in Turkey
are female.



Our factory in Turkey has been awarded with the **Great Place to Work® certification**. In addition to that they were awarded **1st place in the 100-249 employee** number category in the **'Turkey's Great Workplaces for Women'** list, where our egalitarian approach and understanding of inclusiveness were appreciated by our employees.

Principle 10:

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

Anti-Corruption

The Lansinoh Anti-Corruption/Anti-Bribery Policy is a zero-tolerance policy. All Lansinoh employees are committed to acting professionally, fairly, and with integrity in all our business dealings and relationships.

Trainings on Anti-Corruption/Anti-Bribery have been conducted for all Lansinoh staff through an eLearning platform, which provided the training in every language spoken at Lansinoh. Our HR team in Turkey has chosen a local supplier for their trainings.

In our 2022 vendor survey we will reach out to all of our suppliers and ask them to respect our anti-corruption/anti-bribery principles.

8 DECENT WORK AND
ECONOMIC GROWTH



17 PARTNERSHIPS
FOR THE GOALS



Measurement
of Outcome

We have identified
one case of fraud,
which is currently under
investigation.

**We will report the
outcome in our 2022
Communication
on Progress.**

Measurement
of Outcome

**Legal
duties**

defined by the respective
stock market supervision
(esp. JSOX) due to our
parent company being
publicly owned
are met.

Measurement
of Outcome

**Regular
audits**

show our internal
procedures are
**in line with
the legal
requirements.**

In 2021, we fielded our first supplier survey, covering the Global Compact's Universal Ten Principles. All our first-tier suppliers answered the questionnaire.

This survey will be extended in 2022 asking for a full self-assessment following the UN Global Compact Network Japan proposal.

Measurement of Outcome

Most of our first-tier suppliers policies are aligned with our labour and anti-corruption standards, but the survey identified some concerns that we are addressing.

- Two of our remote service companies lacked a formal discrimination policy and are now developing one at our request.
- One of our suppliers is missing an anti-corruption policy and we have requested its creation.
- Three suppliers were missing formal Human Rights Policies and these have been requested.
- Several suppliers lacked environmental action policies altogether or we rated the intended activities as insufficient or vague. Improvements in this area are under negotiation.



Lansinoh®

is committed to the **United Nations Global Compact** corporate responsibility initiative and its principles in the areas of **human rights, labour, the environment and anti-corruption.**



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