

# CORPORATE SOCIAL RESPONSIBILITY REPORT 2021





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# FOREWORD

Timo Martin, COO HEINE Optotechnik



# FOREWORD

Timo Martin, COO HEINE Optotechnik

Dear Ladies and Gentlemen,

The year 2021 was again characterized by various challenges that Covid-19 brought with it.

As a company, the containment of the pandemic presented us with numerous challenges, first and foremost ensuring the protection of our employees' health, but also continuing to fully supply the medical device market with vital medical devices for endotracheal intubation, among other things.

We managed both in the best possible way: as an employer, we expanded our home office options, took hygiene and safety measures early on, and built up testing and vaccination capacities. We also maintained our ability to deliver and added accessories to our product portfolio to protect users of our medical devices from virus transmission.

Through all these measures, we were able to play our part in containing the pandemic. I would like to take this opportunity to thank the entire HEINE team for their commitment to meeting our demand for the best possible service and uncompromising quality orientation – whether in home office or on site – in these difficult times.

Despite Covid-19 with all its challenges, we have managed not to lose sight of the issue of sustainability. Climate change is one of the biggest challenges of our time and every company has a responsibility to reduce its CO<sub>2</sub> emissions.

We too are working on this in many areas, for example by developing products that comply with the principle of a circular economy through the reuse of plastics. Our pursuit of ecological product design can save the environment many tons of CO<sub>2</sub> every year. We are well on our way to further improving our eco-balance through the innovative use of such products.

In general, we continue to drive forward our sustainability strategy in all areas. The following pages document our efforts to firmly anchor the ten principles of the Global Compact in our corporate culture in order to share responsibility for a better world through this commitment to sustainability.

Stay healthy and motivated to make your own contribution to a sustainable future,

Your



Timo Martin  
COO HEINE Optotechnik GmbH & Co. KG



# HEINE OPTOTECHNIK: THE COMPANY

Tradition. Quality. Vision.



The 5 HEINE plants in Herrsching am Ammersee before relocating the company to Gilching.



The new HEINE company building in Gilching: On the left the 3-storey administration building, on the right the production building.

# HEINE OPTOTECHNIK: THE COMPANY

Tradition. Quality. Vision.

## **We make Made in Germany.**

HEINE Optotechnik is a developer, manufacturer and worldwide leading exporter of primary medical diagnostic instruments.

Production in Germany is part of our identity. All HEINE instruments are developed and manufactured exclusively in production facilities located in Germany. In this way, we keep all critical production steps within the company, and check for quality already during the production process. Manufacturing in Germany allows for fast development times of new and improved products. We source over 90 percent of our vendor parts from Germany, and nearly half of our suppliers are located in Bavaria.

## **75 Years old – and we are still growing.**

HEINE Optotechnik was founded in 1946 by Helmut A. Heine, a passionate physicist and scientist. His mission was to significantly improve the diagnostic capabilities of physicians. In addition, only the best product should be allowed to bear his name. With this goal in mind, he built HEINE Optotechnik into a world-renowned company over a period of 40 years before handing it over to his son Helmut M. Heine in 1986. Since 2006, Oliver Heine, grandson of the company founder, has managed the company.

And in 2021, the round anniversary could now be celebrated with three quarters of a century. Whereby, for the known reasons, the celebration will probably not take place before 2022. And despite the pandemic, HEINE had one of the most successful business years ever in 2021.

## **We have been burning for quality for over 75 years. There is no improvement in sight.**

If something can be improved, we do it. And that's how we keep perfecting each of our more than 300 devices. And again. That's how the best quality is created. That makes us happy and satisfied for a brief moment. Until the next improvement.

HEINE Optotechnik employs more than 500 people worldwide, about 400 of them in Germany.

With three HEINE subsidiaries in the USA, Australia and Switzerland as well as sales partners in over 120 countries, HEINE Optotechnik is a globally active company.

At Lake Constance, ZORN GmbH & Co. KG (a HEINE company) manufactures high-precision light bulbs and LED lamps for the high-quality HEINE diagnostic instruments as well as for manufacturers of spectral analysis devices used in medicine and technology.

## **HEINE Optotechnik – a success story. To be continued.**

# PRODUCTS

Function. Performance. Durability.



General Medicine



Anesthesia



Dermatology



Loupes and Headlights



Ophthalmology/Optometry



Veterinary

Every day, HEINE quality instruments touch the lives of millions of people during examinations – always with the HEINE quality promise that our instruments will enable early and reliable diagnosis. In a large number of medical examinations, the aim is to detect diseases in good time and then to implement the right therapy with the most accurate diagnosis possible. Take skin cancer screening, for example – where accurate and early diagnosis can save lives.

## Discover more. With less weight.

The HEINE OMEGA 600 is the lightest indirect ophthalmoscope in the world, yet we have retained the best. And perfected everything at the same time. The OMEGA 600 is particularly comfortable and also defines a new class technologically: among other things with the new and unique visionBOOST for significantly better diagnosis even in advanced cataracts. The fact that the new OMEGA 600 is light years ahead of competitor products can also be seen from the outstanding market success already in the year of its launch in 2021.



# PRODUCTS

Function. Performance. Durability.

## **GOOD DESIGN® Award 2021 for the HEINE OMEGA 600**

Award in the „Medical“ category. The most innovative and modern industrial, product and graphic designs produced worldwide are selected for this award.

We are very pleased to receive this award and are proud that our instruments not only meet the highest quality and functional standards, but also feature a modern and award-winning design.

Our extensive product portfolio includes a variety of other high-quality diagnostic instruments for the fields of ophthalmology, anesthesiology, general medicine and dermatology. All products impress with their technical maturity, precision and ergonomic design.

To ensure that we can translate user requirements into high-precision instruments, our in-house research and development department is in constant and close contact with physicians, universities and medical professionals.

## **When it comes to tolerances, we are extremely intolerant.**

We manufacture all HEINE instruments 100 % in Germany. At our site in Gilching, south of Munich. And this will remain so in the future. Because instead of outsourcing production steps, we prefer to do it ourselves. This is the only way to achieve exactly the perfection we want.

Housings, handles, cables, lamps and much more are manufactured at our company. We also finish surfaces and carry out printing ourselves. To ensure optimal diagnostic performance, all HEINE products undergo intensive testing procedures. A HEINE BETA 200S ophthalmoscope, for example, is subjected to 74 testing steps during its manufacture before it is used by physicians.

## **HEINE products were already sustainable when the Greens were still called hippies.**

Long-lasting products are sustainable products: If a HEINE instrument is treated properly, it will function as well after many years as it did on the first day – with the same performance and reliability. It is not for nothing that HEINE offers a 5-year warranty on materials and workmanship on all products (except the HEINE Cube) – far beyond the statutory warranty.

## **Trust HEINE quality!**

# INTERVIEW WITH OLIVER HEINE

## What Makes HEINE Optotechnik Unique as a Company?

Oliver Heine, President and CEO of HEINE Optotechnik, explains what sets his company apart from its competitors on the market – HEINE makes all the difference!

### ***Mr. Heine, what is the difference between HEINE Instruments and other instruments?***

HEINE Devices should help people. With a HEINE Instrument, the health care professional must be able to make the earliest and most accurate diagnosis for his patients. The following three criteria are crucial for us. First: The instrument must provide the best diagnostic performance on the market. The instrument has to be easy and intuitive to use and lead to the best diagnostic result.

Second: Functionality. The instrument must allow the user to make the necessary adjustments to optimize the diagnostic performance in any examination situation or environment. Third: Durability. This is how we define HEINE Quality.

### ***Everybody claims to have top “Quality” nowadays. No manufacturer says: We are building an instrument of inferior quality; therefore, it is reasonably priced.***

But some say they are cheap and their quality is more than sufficient. As I described, we define quality in terms of performance, function and durability. Diagnostic performance is our top priority. Nobody would say that a HEINE Instrument is not the best for making a diagnosis – you could miss something with it. When customers look through one of our instruments, they see a crisp, clear image with beautiful resolution and absolute accurate colour rendering. This is not the case with the instruments of other manufacturers. The feedback we receive from our users is always the same: With a HEINE Instrument I can see better, I can see more.

### ***What do you understand under functionality in your instruments?***

That a device has functions, which allow the user to adjust it in such a way, that it provides optimal results in every examination situation. When examining the eye, it makes an enormous difference whether the pupil is dilated or small. Our instruments can be adjusted in such a way, that they offer the best performance regardless of pupil size.

### ***How do you define durability for your understanding of quality?***

If a HEINE Instrument is used properly, it must work exactly the same way after 10, 15 or 20 years as it did the first day you took it out of the box. And not just ‘almost’ or ‘similar’, but with exactly the same diagnostic performance and the same reliability. After 75 years of company history, several million HEINE Devices are used worldwide on a daily basis. Every now and then, we find instruments dating back to the 1960s or 1970s that are still in use.

### ***What do these quality standards mean for your product development?***

Our aim is to develop something that creates additional value in the diagnosis. The doctor should say: The HEINE Instrument has to offer more. All of this defines our development strategy. The strong ambition to always build the best runs in our blood. All HEINE employees live this philosophy: It has to be a Quality Instrument.

### ***HEINE is not exactly renowned for being an innovation leader on the market.***

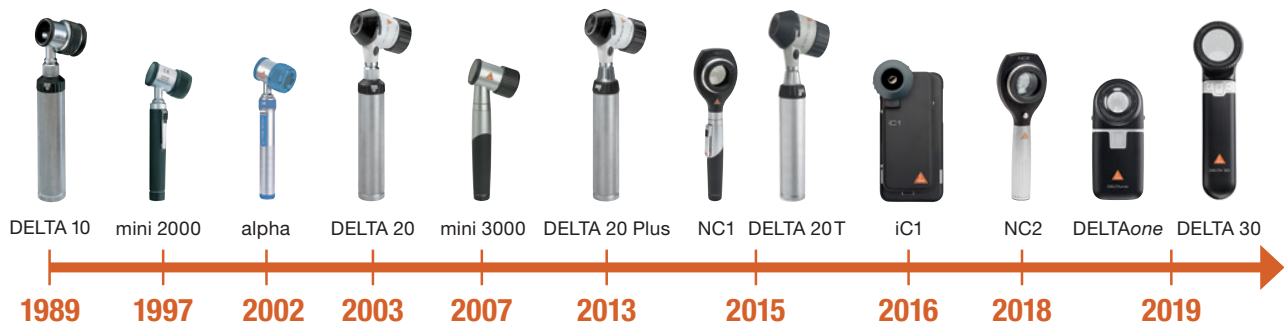
For us it is not necessarily important to be the first with a new development. But we are always the ones that optimally implement new technologies for their application and the diagnosis. We do of course evaluate many new technologies intensively, often very early in their development, but only use them in our instruments when it really makes sense. Innovation means for us, to use new technologies in such a way, that they offer additional value for the doctor and the application. This is where we make no compromises.

### ***Could you give an example?***

A good example is LED illumination. For about five years, we were criticized in the market for not replacing halogen illumination with LED illumination. We did not do that for a very simple reason: At that time, LED illumination could not be compared to a halogen lamp in terms of illumination quality and diagnostic features. When you looked through an LED Ophthalmoscope from other companies who integrated the

# INTERVIEW WITH OLIVER HEINE

## What Makes HEINE Optotechnik Unique as a Company?



LED technology very early on, the fundus was not brilliant red, and the important nuances in different structures and colours on the fundus were not visible. The fundus looked grey and without contrast. We do not make any compromises when it comes to diagnostic accuracy just to be able to offer the 'new' technology of the day in a device. With HEINE LED<sup>HQ</sup> however, we were the first to develop and launch a LED platform on the market, which fulfils specific quality features that are absolutely necessary for a medical device.

### **HEINE built the world's first dermatoscope in the 1990s ...**

... yes and with it created the complete market segment of Dermatoscopy. There are indeed times where we are the first with introducing new technologies. In 1989 my grandfather accompanied my grandmother to a dermatologist to get a conspicuous skin lesion professionally examined. The dermatologist had a rough look at it and said: everything is okay. This left my grandfather speechless. How could the doctor possibly come to this diagnosis without a precise examination? The accuracy of a diagnosis with the naked eye is app 55 %. This was not good enough for Helmut A. Heine. In cooperation with the Dermatology Department of the University of Munich he learned that the structures lying underneath the epidermis contain a lot more information that would allow a much more reliable diagnosis. Together with Prof. Dr. Braun-Falco, HEINE developed the first dermatoscope DELTA 10 which raised the accuracy of skin diagnostics to 90 %.

### **Is HEINE still working together with health care professionals and universities today?**

Yes, quite a bit. We are in continuous dialogue with our network of Key Opinion Leaders of different medical specialities. We are very interested in

observing the professional in their daily tasks. We want to know everything: Why do you do this? How do you do this? What do you not like in the procedure? How could we improve this? What is the next step? How can I examine something else with this product? What can we do to improve the examination procedure or the diagnosis? Feedback on the use of our devices is of huge importance to us.

### **What resources do you provide for the HEINE Development Department?**

We reinvest 10 percent of our turnover into the development of new products. This is rather unusual. Normally, this number is about four to five percent. We have 25 employees in our development department and five in the design engineering department.

### **HEINE produces its instruments in-house. Does this bring any advantages or benefits in the development phase?**

Enormous. Manufacturing almost everything in-house is one of our special strengths. We combine 75 years of experience in production with 75 years of experience in product development. If our development engineers urgently need a new part, our in-house tool manufacturing department can produce it within three hours. Or they quickly get a surface treated in our in-house electroplating facility to see if there are any reflections, for example. The results are then directly implemented in the development process. For us, development is a fusion between technical expertise, product experience, market experience and of course, user-tests. I call this quality advantage the HEINE Difference.



## SIDE NOTE

The Inventor of Sustainability and Interesting Facts about Family-Run Businesses





## SIDE NOTE

### The Inventor of Sustainability and Interesting Facts about Family-Run Businesses

#### **A trip into the past and the world of family-run businesses.**

Let's head back to the year 1713 to witness the birth of the corporate social responsibility (known as CSR for short) that we're striving to achieve today.

In his role as chief mining administrator to the Saxon King August the Strong, Hans Carl von Carlowitz published a book entitled "Sylvicultura oeconomica". The reason he wrote it was because of the energy crisis prevalent at that time, when ore mines and smelters were devouring vast quantities of wood. Strong population growth and urban expansion meant that forests were disappearing. So von Carlowitz called for forest management, consistent reforestation and "sustainable use", which quickly became a technical term as sustainable forestry. He demanded that nature and its resources be handled with care.

So it could be said that the man went down in history as the mastermind behind sustainable management – and rightly so.

In today's business world, family-run businesses in particular have a marked tendency to act responsibly. According to the definition issued by an EU expert group, family-run businesses are all companies in which the decision-making powers are held by the founders or their family members.

Unlike in companies where investors' expectations have to be met, the managers of family-run businesses focus on long-term success, with their own convictions or personal values often forming the basis of this.

A study conducted in 2011 by the Bertelsmann Foundation and the Foundation for Family Businesses summarizes the findings thus: "They assume their social responsibility of their own accord due to their desire to make a difference. Quick wins and expansive growth are of secondary importance. Consistency takes center stage."

HEINE Optotechnik has also been a family-managed, independent company for three generations, and celebrated its 75th anniversary in 2021. The company has not depended on an investor since it was founded, and no shareholder interests have to be respected. In fact, the aim of achieving further organic, sustainable growth and long-term corporate development in Germany forms the basis of all the decisions the company makes for this very reason.

Additionally, the inheritability aspect and the associated responsibility for future generations plays a decisive role for family-run businesses.

HEINE Optotechnik is no different. Consideration of how the company's activities will affect future generations has a major influence on how the company's management team acts. The long-term, sustainable security of the company is therefore guaranteed at all times.

#### **HEINE Optotechnik – a sustainable family-run business.**



# CORPORATE GOALS

The HEINE Strategy.



# CORPORATE GOALS

The HEINE Strategy.

## **Building on the Company's Leading Position on the International Market**

The overarching objective is to build on HEINE Optotechnik's leading position on the international market. This is being achieved by means of the following strategic cornerstones:

### **Manufacturing Premium Products**

An uncompromising focus on quality – and therefore particular responsibility – forms part of HEINE Optotechnik's corporate strategy. The products cut a convincing figure due to their performance, function and durability.

### **A High Level of Vertical Integration**

Strategic investments are continuously being made in the production facilities to ensure a high level of in-house vertical integration. This forms the basis of the visionary sophisticated technology, world-leading precision and ergonomic design of all HEINE instruments. Our production operations stand for perfection and effectiveness.

### **Innovation as a Driving Force**

High-quality, innovative and trend-setting primary diagnostic solutions are independently developed for an increasingly complex and challenging medical environment. Due to its extremely high level of vertical integration, the company is independent, precise, flexible and fast when it comes to new developments and manufacturing.

## **Quality Made in Germany**

The company will maintain and continue to build on Germany as a business location. In the future, too, HEINE products will still be made by highly qualified and committed employees exclusively at the production site in Germany. In 2018, the sustainably growing company is investing in relocating its Herrsching headquarters to the well-connected Gilching Süd industrial estate near Munich. In the new building, which will be occupied in April 2020, all previous company divisions will be united in an area of more than 14,000 square metres based on the latest production technology and equipment.

## **Remaining Independent**

HEINE Optotechnik will remain a family-run, independent business in the future too. All decisions are made with the aim of safeguarding and further reinforcing the long-term independence of the family-run business.

## **Promoting Staff Development**

As far as HEINE's employees are concerned, the company focuses on the long term here too. Special expertise and qualifications are needed to manufacture the products, which is why we are constantly putting our team through training and further training. The HEINE team is committed to ensuring that the company can live up to its uncompromising quality standards and is thereby making a key contribution to the company's success.

**HEINE Optotechnik – continuously investing in a sustainable future.**

# COMPANY POLICIES

This is what all HEINE Optotechnik Employees are Responsible for.



# COMPANY POLICIES

This is what all HEINE Optotechnik Employees are Responsible for.

The values and policies that we maintain are firmly rooted in the company's long-standing tradition. They are part and parcel of the company's identity and personality, which determine how goals are achieved, how joint cooperation is structured and how HEINE Optotechnik presents itself to the outside world. Knowing that every employee shares the same values and acts consciously in line with the policies anchored in the company (HEINE Code of Conduct) promotes team spirit and a willingness to bear entrepreneurial responsibility.

## Focus on Performance

The HEINE brand is a quality promise. Every employee shares responsibility for this quality promise, as well as an ambitious focus on service in which they make personal contributions so that the company can provide the best-quality diagnostic instruments combined with excellent service. The pursuit of perfection is what unites all of our employees.

## Focus on Functionality and Patient Benefits

All HEINE products are designed to meet the user's requirements and enable an early and reliable patient diagnosis due to the unique HEINE quality.

## Team Spirit and Openness

All HEINE employees are part of a team where everyone listens to one another, questions things and supports one another with all their strength.

## Treating Employees and Partners with Respect

All HEINE employees are respectful toward one another and the company's external partners.

## Using Company Resources and Property Sustainably

All employees use HEINE property and resources responsibly and sustainably.

## Company Interests before Private Interests

All employees separate their private interests from the company's interests to avoid conflicts of interest. Teamwork and achieving goals always take priority over personal ambitions.

## No to Corruption

HEINE employees distance themselves from corrupt practices. The company secures its competitive edge simply by striving to make the best-quality diagnostic instruments.

## Handling Sensitive Data Confidentially

All employees guarantee that they handle confidential, secret or personal data responsibly.

## The HEINE spirit – commonality and commitment.

# HUMAN RIGHTS

## The UN Global Compact

### UN Global Compact Initiative

The United Nations Global Compact is the world's largest corporate responsibility initiative.

By way of his signature, Oliver Heine confirms that HEINE Optotechnik and each individual employee takes responsibility for all business activities and recognizes and implements the UN's Ten Principles in the areas of human rights, labor standards, environmental protection and corruption prevention.

We will issue an annual progress report on our activities starting in 2018.

The demands we place on ourselves must also be reflected in the HEINE supply chain. To ensure this, we have included numerous social sustainability aspects in our terms and conditions of purchase in addition to ecological ones.

### Principle 1

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

### Principle 2

Businesses should make sure that they are not complicit in human rights abuses.





# HUMAN RIGHTS

## Self-Image in HEINE Optotechnik as a Family-Run Business.

### Terms and Conditions of Purchase – HEINE Supply Chain Code of Conduct

With our HEINE Supply Chain Code of Conduct, we require our suppliers to source their materials from environmentally friendly and socially acceptable sources.

We require our suppliers to treat all people with respect and dignity and to protect the environment and health. With regard to social aspects, for suppliers this means that:

- ▶ It must be ensured that there is no harassment, harsh treatment, violence, intimidation, physical or psychological coercion or verbal aggression in the workplace.
- ▶ Child labor is prohibited (definition according to ILO Conventions 138 and 182).
- ▶ Any form of forced labor is prohibited.
- ▶ Equal opportunities and equal treatment should be promoted. No employee may be discriminated against based on their gender, age, skin color, culture, ethnic origin, sexual identity, disability or religious affiliation.
- ▶ In accordance with national legislation, employees' rights to join or not join a legal association must be respected. Freedom of association must be guaranteed.
- ▶ The applicable national working time legislation must be complied with.
- ▶ Remuneration must comply with national legislation and ensure an adequate standard of living. If there are no legal or collective agreement regulations, remuneration is based on the sector-specific, local remunerations set down in collective agreements.
- ▶ The national standards for a safe and hygienic working environment must be complied with. Sufficient measures must also be taken to ensure safety in the workplace.
- ▶ In addition to occupational safety measures, efforts must be made to ensure health in the workplace so as to ensure healthy employment conditions.

### Conflict Minerals

We share the public concern that metals such as tin, tantalum, tungsten and gold – some of which are mined in the Democratic Republic of the Congo under severe human rights violations – are entering the electronics industry's supply chain.

However, we are trying to manufacture products based on metals sourced from conflict-free zones by ensuring maximum transparency in the supply chain. Our suppliers commit themselves as follows:

- ▶ In order to comply with legal requirements, the supplier will also, upon request by HEINE, disclose whether its contract products contain the raw materials tantalum, tin, gold and tungsten (hereinafter referred to as "conflict minerals") and, if so, whether these originate from the DR Congo or a neighbouring country.
- ▶ If this is not the case, the supplier will describe its procedure for checking and accepting the origin.
- ▶ If this is the case, the supplier will inform HEINE of measures taken to comply with the duty of care, the industrial processor (smelter/melting plant), the country of origin and the products which are not "conflict-free". In addition, the supplier will inform HEINE of the specific mine or at least the place of origin of the conflict minerals with the greatest possible accuracy.

**HEINE Optotechnik – we respect human rights.**

# OCCUPATIONAL STANDARDS

## The UN Global Compact

### **Principle 3**

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

### **Principle 4**

Businesses should promote the elimination of all forms of forced and compulsory labor.

### **Principle 5**

Businesses should advocate the effective abolition of child labor.

### **Principle 6**

Businesses should stand up for the elimination of discrimination in respect of employment and occupation.



# OCCUPATIONAL STANDARDS

Employees are HEINE Optotechnik's Most Important Success Factor.

Cooperation within the company is characterized by trust, transparency and appreciation.

Many employees can look back on a long employment history with HEINE. 25 percent of our team has worked for the company for more than 20 years. The average length of employment across all divisions is more than 12 years and is therefore above average when compared to other German companies of the same size. These are numbers that speak for themselves.

In 2021, 86 percent of our team was employed on permanent contracts.

The ratio of male to female employees was 60 percent to 40 percent. In management positions (Divisional Manager level), the female share amounted to 33 percent.

We are committed to and passionate about attracting and further developing qualified employees. If it is to remain successful, the company needs the right employees in the right place and the best conditions for a motivated workforce.

## General Working Conditions

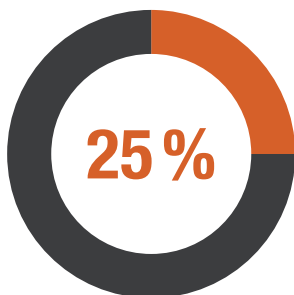
It goes without saying that we adhere to labor and social standards stipulated by legislation. We also offer our team extensive and health-promoting additional social benefits.

## Employee Representation

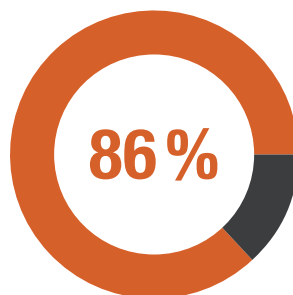
The HEINE works council is the company's interest representation body which is elected by the employees and entitled to rights of co-determination and co-consultation in line with legal regulations. We respect these rights and work in cooperation with the works council.

## Equal Opportunities

The HEINE Code of Conduct states that discrimination against employees based on their gender, age, ethnic origin, disability, religion or ideology, social origin or gender identity will not be tolerated within the company. Any violations against this Code of Conduct will be taken seriously.



**worked for the company  
for more than 20 years**



**employed on  
permanent contracts**



**ratio of employees  
male - female**

# OCCUPATIONAL STANDARDS

Employees are HEINE Optotechnik's Most Important Success Factor.

## Inclusion

For us as a family-run business, it goes without saying that we fulfill our social responsibility to allow people with disabilities to have a professional future. In 2021, we had 27 employees with severe disabilities working in our company. We are therefore contributing to the successful inclusion of people with disabilities in the workplace.

## Occupational Safety

It goes without saying that the company meets all of the legal occupational safety requirements.

But because occupational safety is especially important to us as a manufacturing company, we decided in 2016 to voluntarily obtain OHRIS certification. This certificate acknowledges that HEINE Optotechnik uses a management system for occupational and plant safety.

We pay particular attention to creating an ergonomic workplace so as to minimize work-related illnesses. To this end, risk assessments are carried out regularly within the company to immediately identify any need for action.

## Training and Continuing Education

The company has offered training for several decades and can therefore draw upon many years of experience. This includes a structured working environment and close cooperation with expert trainers and training officers who are on hand to assist the trainees in any way they can with passion and commitment.

The training is practical and encourages the trainees to take on responsibility and to think and act in a cross-divisional manner.

In 2021, the number of trainees amounted to 20. A total of nine different skilled occupations and one dual study program in International Business Management are available to choose from.

Our commitment to this cause is bearing fruit, as a large number of our employees decide to pursue a career with HEINE after completing their training in the company.

HEINE invests just as sustainably in the continuing education of its employees. Lifelong learning is part and parcel of the company's self-image. By having our employees attend seminars and training courses, we are continuously developing our team and are thereby ensuring the company's success in the long term.

# OCCUPATIONAL STANDARDS

Employees are HEINE Optotechnik's Most Important Success Factor.

## New Building – Relocating the Company Headquarters in April 2020 – Planning with a View to Promoting Employee Health

HEINE Optotechnik's management team focused on employees and their wellbeing right from the building planning stage.

To offer the team as a whole a workplace with as much daylight as possible, we didn't just plan one building for all divisions. Instead, the volume was split into two structures connected by passages to generate more window areas and thus more daylight. The new building provides very good working conditions for the approximately 400 employees on site. The building complex is cooled and heated in an environmentally friendly manner and automatically supplied with fresh air. The office workplaces have back-friendly, height-adjustable desks, and the bright, spacious company restaurant offers employees a choice of freshly prepared lunches and snacks every day which are subsidized by the company management. Many spacious, open zones support joint work and interdepartmental exchange.

The open-air site includes common areas and plenty of greenery. It's a proper plus in terms of employee wellbeing and health!

## Additional Corporate Benefits

HEINE Optotechnik has put together and is constantly expanding a comprehensive package of additional voluntary services for its workforce:

We offer a number of voluntary benefits in addition to fair remuneration, including the likes of vacation pay and Christmas bonuses, company pension schemes and transport allowances. We naturally don't let anniversaries, weddings, births, birthdays or Christmas pass by unnoticed either.

On numerous festive occasions such as the HEINE Autumn Festival and the HEINE Christmas Party – which we put a great deal of effort and love for detail into planning and holding – all of our employees have the opportunity to exchange ideas in a social setting. During the Corona pandemic, we unfortunately had to do without these festivities. But postponed is not cancelled...

As a family-run business, we feel that we have a particular commitment to our employees. All of these benefits make a valuable contribution to promoting a sense of solidarity within the company.

## HEINE Optotechnik – we are family!



HEINE Firmenfeste



# ENVIRONMENTAL PROTECTION

The UN Global Compact

## Principle 7

Businesses should support a precautionary approach to environmental challenges.

## Principle 8

Businesses should undertake initiatives to promote greater environmental responsibility.

## Principle 9

Businesses should encourage the development and diffusion of environmentally friendly technologies.



# ENVIRONMENTAL PROTECTION

Sustainability to Protect the Environment.

We are aware that economy and ecology aren't opposites; rather, they are a holistic challenge to be overcome in the interest of future generations. The main task of HEINE's environmental protection efforts is to minimize the company's environmental impact and to continuously improve environmental sustainability. HEINE Optotechnik's appointed environmental officer is entrusted with these tasks and is the direct contact for all issues relating to environmental protection.

## Company building

We are taking advantage of state-of-the-art technology to further improve our environmental performance by using advanced monitoring and control systems. The two buildings are built in accordance with the latest requirements of the EnEV (German Energy Saving Regulation) and in some cases even exceed the specified requirements. The buildings do not consume any fossil fuels, are cooled in the summer via a groundwater-based geothermal heat-exchange system and are heated in the winter by reclaiming the heat generated by our many machines. Almost half of our property, including the roof area, is covered by vegetation. So the building may look white, but it is actually green!

## Sustainable Production Concept

The cornerstones of the HEINE production concept are extremely ambitious quality standards as well as highly efficient production avoiding rejects and unnecessary processes.

Our technical plants and processes are regularly monitored and further developed in an environmentally friendly manner.

All of the materials that we use to make our products, auxiliary and operating materials, packaging materials and cleaning agents – for many years we have been selecting all of these materials with their environmental compatibility in mind.

Our internal material flow is based on reusable boxes; no disposable packaging items are used here.

## Establishment of the HEINE Environmental Management System

Some milestones in connection with the establishment of the HEINE environmental management system, which we are planning in accordance with the requirements of the international ISO 14001 standard, had to be rescheduled due to the pandemic.

# ENVIRONMENTAL PROTECTION

Sustainability to Protect the Environment.

## Ecologically Sustainable Supply Chain – HEINE Supply Chain Code of Conduct

As a manufacturer operating in the healthcare sector, HEINE Optotechnik places particular requirements on its suppliers – not only with regard to quality, but also in terms of respect for human rights and environmental protection.

By signing the HEINE Supply Chain Code of Conduct, our suppliers make a commitment to comply with all environmental protection legislation, including legislation governing the handling of hazardous substances, wastewater, solid waste and air emissions. Every effort should be made to conserve the environment and minimize the impact of business activities. The aim of this is to ensure that both resources and energy are used efficiently and that emissions are minimized. These obligations also extend to the subcontractors that our suppliers engage. Compliance with our HEINE Supply Chain Code of Conduct is a decisive criterion for us when selecting suppliers. All of the materials in the supply chain that we process have therefore been selected with eco-friendliness in mind for many years.

Our suppliers are also obligated in our Quality Assurance Agreement to take responsibility when selecting and sourcing all of the materials, components, production equipment and testing devices supplied for making HEINE products.

Suppliers must therefore fulfill their obligations under Regulation (EU) No. 1907/2006 (REACH Registration, Evaluation, Authorization and Restriction of Chemicals). In particular, they must continuously check the ECHA Candidate List of Substances of Very High Concern (SVHC) and confirm to HEINE Optotechnik that the materials they supply are safe to use.

Moreover, our suppliers undertake to ensure that the materials supplied comply with the European Union Directive on the Restriction and Use of Certain Substances in Electrical and Electronic Equipment and are therefore produced in compliance with the ROHS II Directive 2011/65/EU and the delegated directives EU 2015/863 and EU 2018/740.

Suppliers must submit the respective EU Declarations of Conformity to HEINE Optotechnik. Through our requirements in the supply chain, we thus ensure that our products are made in compliance with the ROHS Directive and we can fulfill our duty to inform according to Art. 33 of the European REACH Regulation.

## Electroplating – Wastewater, Waste, Exhaust Air

HEINE invested in a completely new electroplating plant for surface coating.

Compliance with all legal wastewater discharge and air pollution control requirements, and the avoidance, reduction, recycling and disposal of waste associated with HEINE, take top priority in the company.

To ease the burden on the environment in the best way possible, we are constantly striving to minimize the use of resources such as chemicals, water and energy. Wherever possible, we use environmentally friendly substances and sophisticated water-based processes. We use the water we need sparingly and operate our active baths at low temperatures.

We believe we have an obligation, not a duty, to handle chemicals carefully. Employees are given regular training in electroplating in view of their important job. We pay particular attention to the water used in the electroplating process – firstly with regard to conserving resources by reusing the materials used and secondly with regard to the environmentally friendly quality of the wastewater produced.

The water needed for the process passes through a closed circuit with numerous filter stations. The chemicals filtered out during this process are reused where possible.

Substances that are no longer used are collected in line with legal requirements and disposed of in an environmentally friendly manner.

The wastewater produced is neutralized in various processes until it meets official quality requirements, before being fed into the public wastewater cycle.

# ENVIRONMENTAL PROTECTION

Sustainability to Protect the Environment.

## Long-Life Cycle Products are Sustainable Products

We develop and manufacture quality products that are fully functional and repairable, even after many years of proper use. Spare parts are available for at least ten years, but we actually also repair equipment that has been in use for three, four or five decades, subject to the condition that the required spare parts are available.

Durability spares the environment from the need to extract new materials, consume additional energy and dispose of used substances. The use of high-quality materials in the manufacturing process is what makes this possible. Our instruments therefore have a sustainable product lifecycle. Disused or defective instruments are disposed of in an environmentally friendly manner in compliance with legal requirements.

In recent years, many of our instruments have undergone a switch to LED technology. The HEINE LED's high level of efficiency and low power consumption extend both the product service life and the battery life, thereby making a valuable contribution to our instruments' ecological balance.

## New Developments

In our company, we are increasingly working to develop reusable as opposed to disposable products and are therefore helping to conserve more resources. The HEINE EasyClean LED laryngoscope handle system is one result of these efforts. Reusable instruments in anesthesia are significantly cheaper and more environmentally friendly than disposable products.

At the same time, we are also busy to develop products that comply with the principle of circular economy by reusing plastics. Our pursuit of ecological product design can save the environment many tons of CO<sub>2</sub> every year. We are well on our way to further improving our eco-balance through the innovative use of such materials.

## Disposal

Legislators are attaching increased importance to environmental protection and sustainability at both national and international level.

The basic principle in disposal is recycling management. If possible all raw materials are supposed to circulate in material cycles in order to reduce the use of natural resources and avoid waste to the greatest possible extent. Recycling and material utilization have first priority before disposal.

To meet our product stewardship as a manufacturer in Germany, we hold registrations in compliance with the respective German acts to ensure the environmentally compatible disposal of our products and packaging material.

All waste materials generated within the company are disposed of in an environmentally responsible way in compliance with all legal requirements.

**Environmental protection made by HEINE – we take this responsibility very seriously!**



# COMBATING CORRUPTION

The UN Global Compact

## Principle 10

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



# COMBATING CORRUPTION

HEINE Code of Conduct: “No to Corruption”.

Being a family-run business, HEINE Optotechnik attaches a great deal of importance to open communication and honesty when implementing its compliance goals. The HEINE Code of Conduct says a clear “no to corruption”.

Our products enjoy an excellent reputation worldwide based on our unique HEINE “Made in Germany” quality.

We distance ourselves from corrupt practices and secure our competitive edge by striving to make the best-quality diagnostic instruments.

HEINE Optotechnik is committed to complying with the legal requirements for fair competition.

## German Act on Fighting Corruption in the Healthcare Sector

Corruption in the healthcare sector affects competition, makes medical services more expensive and undermines patients’ trust in the integrity of healthcare decisions.

Patients should be able to be confident that the doctor’s independence is guaranteed in all medical decisions. This independence is at risk if the doctor is deriving a financial advantage from a particular method of treatment, prescription or referral.

To effectively fight corruption and its effects, the legislator has made corrupt conduct a punishable offense.

HEINE Optotechnik supports this idea in all respects – the patient has a right to the product, which is used legally.

Corrupt practices conflict with our self-imposed goal of fair and purely performance-based competition.

**HEINE Optotechnik – a global fair player.**



# SOCIAL COMMITMENT

## Fundraising and Sponsorship.

Making a valuable contribution to society was a major driving force behind the foundation of HEINE Optotechnik.

This is why, at various levels, the company management team has been shouldering a great deal of social responsibility for several decades and supports a multitude of regional and international initiatives and projects.

**In many countries, people have very limited access to medical care and treatment, which is why we support aid projects and doctors who volunteer in this field:**

### Karibu Project

Our long-standing involvement in the “Karibu” project run by Trusetal Verbandstoffwerk GmbH is one example of how hand-held ophthalmological instruments can be used to promote the further training of doctors in the field of ophthalmology. This project in Kenya was launched in 2007 and aims to detect childhood eye diseases early on and provide treatment in a timely fashion. In many cases, early diagnosis and treatment can prevent blindness.

### Doctors without Borders

HEINE is a partner company of the organization “Doctors without Borders”. Through our financial support we contribute to emergency medical aid in around 70 countries, thus providing valuable help for people in need.



# SOCIAL COMMITMENT

## Fundraising and Sponsorship.

### **Aktion Volta Augenklinik e. V.**

The clinic was founded in 2014 by Professor Spitznas, the long-time director of the University Eye Hospital in Bonn, to promote ophthalmology in Ghana. The equipment of the eye clinics and small eye outpatient departments is very poor, especially in rural areas. The latest project is the Saint Luke's Clinic. This small hospital in a completely underserved area between the two arms of Lake Volta in the north of the country is responsible for a population of about 100,000 people. Until now, there was no ophthalmic care of any kind in the entire region. We have helped to equip the eye department through a donation of ophthalmoscopes.

### **Aktion Chernobyl-Hilfe e. V.**

Here we support the regional children's hospital in Luzk in the northeast of Ukraine. In Ukraine, medical care is sometimes very poor: the hospitals are barely equipped for operations, the doctors helpless. Corona pushes the doctors to the limit. In recent years, we have supported them with laryngoscopes and stethoscopes for the intensive care units and, most recently, with loupelights for the eye department.

### **Further commitment**

We also regularly support the Bavarian Red Cross and humedica e. V. in Kaufbeuren with donations, as well as some smaller projects such as a mission facility in Albania with sphygmomanometers and stethoscopes or an organization that helps street animals in Turkey with otoscopes.

**We specifically involve our employees in our charitable activities, which greatly promotes their identification with the company's social commitment:**

### **Christmas Fundraiser**

Every single employee is involved in deciding how the five-figure sum the company donates each year ought to be distributed among the organizations Save the Children, Doctors Without Borders, Verein Lebenslinien [Lifelines Association], Verein Seestern [Starfish Association] and the Children's Eye Cancer Foundation.

**Donations to contribute to climate neutrality – we're letting trees grow!**

### **Plant-for-the-Planet**

The foundation, established based on a student initiative in 2007 by Felix Finkbeiner who was 9 years old at the time, is practically on our doorstep. It all started with a school report. Inspired by Wangari Maathai, who has planted 30 million trees in Africa in 30 years, Felix formulates his vision: while the grown-ups simply talk about it, children could plant one million trees in every country on Earth and thereby offset CO<sub>2</sub> emissions of their own accord. After all, every tree planted removes CO<sub>2</sub> from the atmosphere. It was clear that we at HEINE could do only one thing: get planting too! HEINE trees are now growing every year on the Yucatán Peninsula to offset CO<sub>2</sub> emissions.

**“Everything great in the world only happens when someone does more than they have to!”**

Albert Einstein





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