



People.Health.Care.

# BEING ACTIVE COUNTS.

**Sustainability report**  
2015/2016



# People.

Our point of interest.  
We place the well-being of our employees, customers, medical professionals and patients at the heart of everything we do.

# Health.

Our field of expertise.  
The foundation of our vision and values.

# Care.

We provide solutions.  
We make problems of our customers, employees, medical professionals and patients our own and take care of them.

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Anja Gasteiger, Head of International Communication/  
Director of Corporate Communication

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# 04

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## OUR SUCCESS



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A 100-year old tree processes 6.3 tonnes of carbon dioxide and filters up to one tonne of particulate matter per year. The college site is 11,760 m<sup>2</sup> in size, and some of the trees in the park are more than 100 years old.



# A sustainable difference.

**“As the L&R Corporate Group, we have always been aware of our responsibility to our employees and society. That is why the company acts on the conviction that ideally we must pass on the earth to the coming generations in a better condition.”**

During the past few years, the issue of sustainability has grown to become a mega-trend at an incredible pace. This mega-trend is impacting all areas of our lives, all departments and all industries, we find it in our professional and also private lives. Even if we sometimes feel weary of the subject, it is of enormous importance for us, our society and our planet: climate change, scarce resources and demographic changes are just some of the aspects that will have a dramatic impact on our lives and which are already doing so in some cases.

We can almost certainly assume that the issue of sustainability, and in particular how we deal with it, will determine the future of our society and thus also, at the same time, of our company. That is why we have to accept this mega-trend and act in order to reduce the associated risks, but also to recognise the resulting opportunities and to position ourselves for the future.

Sustainable practices and entrepreneurial responsibility have a long tradition in a corporation such as the L&R Corporate Group. We think in terms of generations, not short periods of time. On the basis of our seven brand values, we reconcile commercial success with our responsibility to our environment, employees and society. We do not simply regard our company as being a business enterprise, measured by its revenue and earnings, but rather we always see ourselves also as a responsible unit within society.

During the course of our company's history, we have always implemented small and larger activities and projects for sustainable growth – long before the concept of sustainability achieved such importance. We act conscientiously. We do not take decisions in haste, just because a subject seems to be in vogue in the public eye. In this context, our brand's credibility is both an obligation and an incentive.

This sustainability report aims to offer for the first time an insight into how we understand sustainability, our associated sustainable activities and our social commitment. Our strategy is long-term, spans generations and saves resources, always with the aim of being a reliable partner for our customers, business partners and employees, both now and in the future.

Best regards,



**Wolfgang Süßle**  
President & CEO

# The L&R Corporate Group: People.Health.Care.

**L&R can look back on more than 168 years of experience with dressing materials and medical devices. A proud history which is reflected in our products, concepts and services – in their quality, their outstanding functionality and their therapeutic efficacy. Our recipe for success in our company’s long history is also: recognising changes and trends on the healthcare markets at an early stage and proactively integrating these in our business strategy.**

The basis is formed by two well-known, long-standing companies: The German company Lohmann Medical (founded in 1851) and the Austrian company Rauscher (founded in 1899). These two companies merged successfully in 1998 to form L&R. This resulted in the high-performance international L&R Corporate Group with headquarters located in Rengsdorf (Germany) and Vienna (Austria). We are a global, networked group, successfully meeting new challenges in international competition every day and continuing our international orientation.

Our excellent products and concepts are the result of consistent development work and a focus on the needs of our customers. L&R views itself not just as a product manufacturer, but also as a solution provider for future-oriented medical devices. Our customers and patients should always receive the best possible solution. Our medical and scientific teams do their utmost in this regard.

Making good products even better, developing and perfecting products and solutions together with our customers is a long-standing tradition at our company, and we are passionate about continuing to pursue this tradition. Our employees see themselves as their customers’ partners and specifically seek to exchange ideas and experiences with doctors and nursing staff in hospitals and practices. This means that not only truly practice-oriented product ideas are born, but also that a quality of service is developed that is unique on the market.

“The future interests me –  
I’m going to spend the rest  
of my life there.”

Mark Twain



Figure: revenue growth in €m

We reworked our mission statement and thus also our corporate philosophy in 2011 and embedded these at all of L&R's sites together with our employees.

We took the time required for this process, because EVERYONE in the company should understand and live this mission statement, using it in their area of work and thus permanently anchoring it at L&R.

The L&R vision and associated strategies govern our activities. However, we too are impacted by social and medical changes and market developments, and as a result we constantly review strategic projects and activities and adapt these as required. In contrast, the principles of management and conduct defined in the L&R philosophy are deeply entrenched and form the guiding principles for our corporate culture and our co-operation.

Sustainable business is firmly anchored in our company's history. Those in positions of responsibility have always attached great value to the sustainability of their entrepreneurial thinking and activities.

The L&R Corporate Group has been majority-owned by the forming families for more than 150 years and four generations. Continuity, sustainability and the values lived by a family-run company are key guiding principles in our corporate strategy. Over and above its business activities, the company endeavours to make a special contribution to society. In the age of globalisation, this responsibility also spans the company's sites in the various continents and countries.



Figure: employee development



>600

million Euros  
volume of sales 2016

>4,500  
employees worldwide



1

Advisory Board as  
controlling body

representation in all  
important markets

2

headquarters in  
Rengsdorf, Germany, and Vienna, Austria



12

production sites  
in 9 countries

> 130

select distribution partners

> 1,200

suppliers worldwide



44

group companies

3

core business areas:

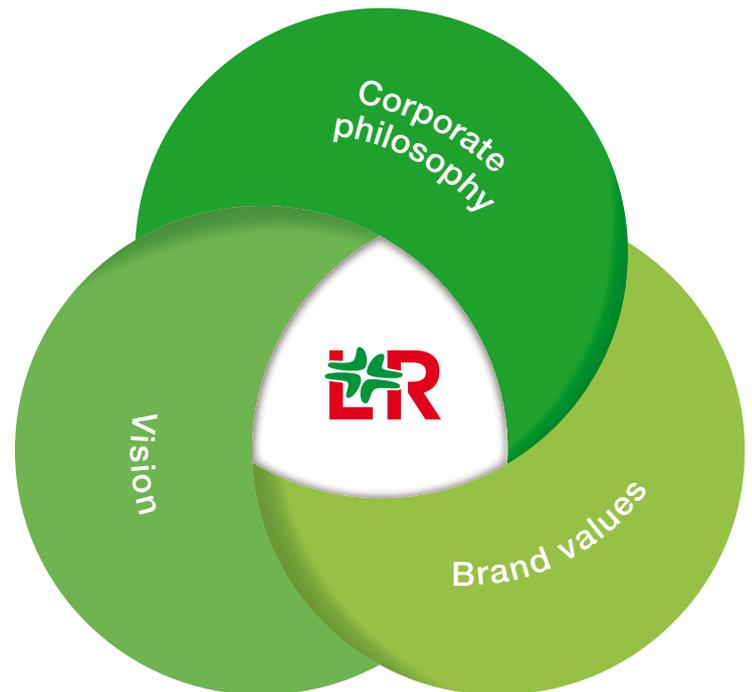
- Wound Care/Negative Pressure Therapy
- Bandages and Dressings
- Set Systems and Hygiene

> 16,000

products and solutions

# L&R

## People.Health.Care.



**If you want to improve human health, you have to deal with and face the associated duties. You have to create understanding, recognise new opportunities and drive effective solutions with both passion and enthusiasm. This mindset guides our actions, borne by the L&R Vision, our philosophy and the values on which the L&R brand is based.**

Our corporate motto “People.Health.Care” underscores our commitment and represents our approach as a company. It reflects what drives us, how we achieve our goals and how we communicate with our stakeholders.

In order for L&R to be successful, it is important that our employees have a common understanding of our corporate objective. A common vision and values that are actively lived create a feeling of belonging – and serve as a basis for everyday work. Our corporate culture links us together all over the world and makes it possible to use the full potential offered by our international structure and the diversity in our company.

Our vision sets our direction and our objectives. It reinforces our aspiration to be the best in everything we do. It forms the foundations of L&R, a company with common values. Our vision and our values guide our employees in all of the decisions they take in their everyday work.

### **Our vision:**

**L&R is the preferred solution provider and reliable partner for medical devices, nursing and hygiene.**

Living the L&R corporate philosophy is the aspiration that motivates us to constantly share experiences with users and to seek constructive exchanges with doctors, medical professionals, patients and hospital executives. Together we work to sustainably improve the health of people all over the world – thanks to more effective therapies, user-friendly products, product systems and safe work flows. Thanks also to efficient activities, high profitability and improved market opportunities, not to mention lower risks, improved treatments and shorter hospital stays.

L&R develops concepts and solutions in the form of processes, products and concepts which focus on people and the best possible medical care.

Our brand values and the L&R brand grow from the interaction between our vision, a lived philosophy and a tangible corporate culture.

# L&R

## The brand.

The L&R Corporate Group has grown further, and with it the corporate brand. The L&R brand essence was defined in 2015 through an in-depth process of exchanges with our customers and partners, workshops with employees all over the world and validation by international market research. The seven brand attributes which define the brand essence can be found throughout the entire company, together with the corporate vision, philosophy and culture.

The brand essence provides everyone in the company the opportunity and the duty to assess their daily activities, thus making a positive contribution to the L&R brand. Our brand understanding and promise are anchored sustainably within our company as a result of our everyday practice.

**innovative**

**customer-oriented**

**reliable**

**competent**

**trustworthy**

**quality**

**solution- and service-oriented**

**The L&R corporate philosophy and the 7 brand values form the basis for sustainable activity.**



Thomas Menitz, COO, at the L&R College park

Quantity (absolute consumption)	Unit	2013 acc.	Consumption/ min.	2015 acc.	Consumption/ min.	Deviation 15 vs. 13 abs. quantity	Deviation 15 vs. 13 cons./min.
Water	m <sup>3</sup>	201,690	0.000981	182,350	0.0008680	-10%	-12%
Natural gas	kWh	50,686,888	0.246512	49,811,146	0.2370110	-2%	-4%
Power	kWh	21,311,783	0.103648	20,891,752	0.0994070	-2%	-4%
Waste	t	2,786	0.000014	2,626	0.0000125	-6%	-8%
Use to capacity (sum of staff minute + machine minute)		205,616,466		210,163,819		2%	

Manufacturing base:  
Total (LRD, LRAS+RCP, LRSCZ,  
LRNCZ, RFF, LRHCN, MTA)

Chapter 2

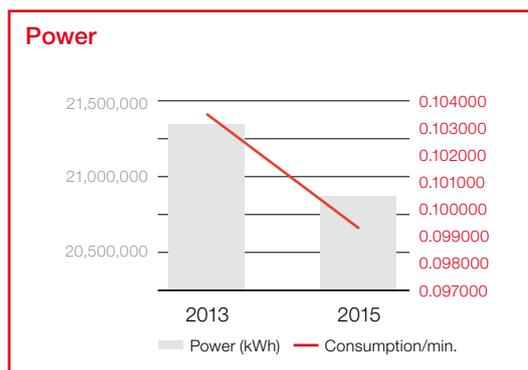
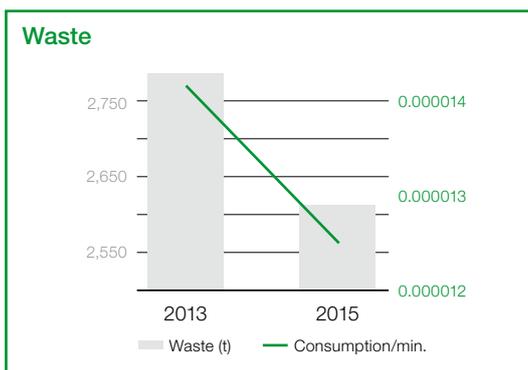
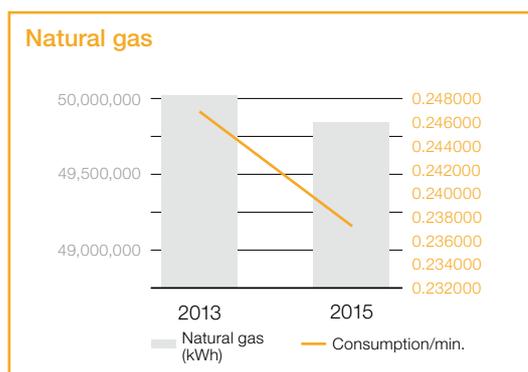
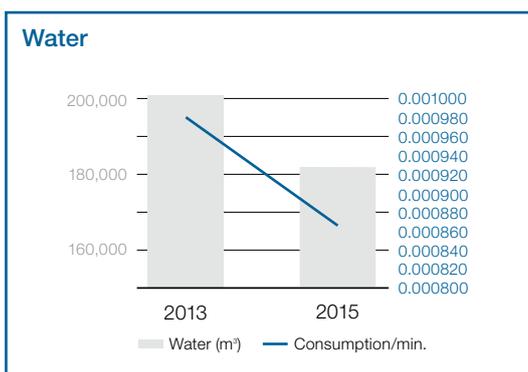
# Our focus areas

## Environmentally sustainable activity – saving resources.

An interview with Thomas Menitz, COO and responsible for environmental sustainability at L&R.

**Environmental sustainability is firmly anchored in L&R's environmental policy. That means that we assume environmental responsibility with our resource-conserving and environmentally friendly production and corporate organisation.**

L&R is committed to sustainable corporate growth and also to protecting the environment. The environmental policy is incorporated in the corporate philosophy and the 2020 Strategy. At L&R, environmentally aware, sustainable operations start with process development. We take care to use environmentally friendly materials and logistics that protect the environment and save energy. We review and redefine our environmental targets each year. That includes, for example, reducing fuel consumption, increasing recycling, proper waste separation and programmes to save energy.



## In this interview, Thomas Menitz explains L&R's commitment to the environment.

### Why does L&R publish a sustainability report?

We have set ourselves the target of being a transparent company, and we are already in regular dialogue with many of our stakeholder groups.

As a family-run company and international solution provider for products and services in the medical, nursing and hygiene sectors, we face a wide variety of issues every single day: environmental issues, certification, safety for patients and users, international markets, product development, long-term quality assurance, securing jobs as well as compliance – to name but a few.

We wish to clearly state our position in this regard in our sustainability report. What concrete sustainability projects and initiatives does L&R implement, where does the company stand and how do we want to act sustainably in the future?

### L&R is an international company with production facilities in Europe, the USA and Asia. Does the sustainability report cover the entire L&R Corporate Group?

Environmental considerations and responsibility are a common theme in our entire value chain, and at L&R these don't stop at national borders. The company-wide obligations and requirements apply to all of the companies in the L&R Corporate Group and are implemented at a local level.

We have nominated decentralised managers who are responsible for the defined environmental considerations at all of our sites. These include, in particular, national and international laws, directives, standards, policies and public obligations as well as license requirements and special requirements for equipment, buildings and activities. Jasmine Schweitzer is the CSR and Sustainability Manager at L&R and the contact person at the company for everything to do with sustainability.

The environmental officers at the different sites also compile and monitor the L&R-specific requirements and individual customer needs. In addition, we evaluate the environmental impact of our projects, over and above the criteria of cost and timing.

### Sustainability is a key environmental pillar. What best practice examples for sustainability can be found at L&R?

We have a wide variety of sustainability projects and initiatives. For L&R's Executive Board, every project which has been proven to conserve resources is an example of best practice.



For example, we have DIN ISO 50001 energy management certification for L&R in Germany, Austria and the Czech Republic. We are replacing light fittings with LED spotlights in our logistics centre in Schönau and at our plants in China, thus cutting the amount of electricity consumed by around 60% each year.

Two of L&R's major subsidiaries – the Chinese subsidiary L&R Hubei and its site in Xishui and L&R Czech Republic (in Slavkov, Stara Paka and Noval Paka) – obtained certification to the international environmental management standard DIN ISO 14001 at the end of 2015. L&R Austria was certified this year, and additional subsidiaries will follow in the coming years. These are just some examples of environmental management at L&R.



### What rules, agreements and standards form the basis for L&R's environmental policy?

As a company in the medical technology, nursing and hygiene sector, we have particularly high legal standards and industry regulations. On the one hand these concern safety for users and patients, and on the other environmental considerations such as raw materials, waste water/water, air/climate, energy, environmentally relevant substances, waste/disposal.

Of course we fulfill all of the statutory regulations for the markets in which we operate. The DIN ISO standards 14001 and 50001 are a top priority for our corporate group.

We are reviewed regularly in the course of audits – for example, L&R was awarded the bronze EcoVadis certificate in 2015.

L&R also participates regularly in standard industry tenders. Social, environmental and economic sustainability issues play an increasingly large role in these audits by potential clients, and L&R offers convincing performance with regard to all aspects of sustainability thanks to its continuous improvement.

### What issues are included in the binding environmental policies and principles and backed up by operational or strategic objectives?

As part of our environmental management, L&R pays attention to environmentally relevant criteria. Monitoring within the company provides the relevant facts and figures once a quarter, and these are used as the basis for monitoring compliance with our environmental policies. Let me give you some examples of some of these issues:



**Energy consumption and climate protection:** We use various measures to save energy, for example through HD humidification in Schönau, the HV charging stations Eurolager, the variable-speed compressor in Stara Paka, the use of LED lights in Europe and China. As a result, we have succeeded in cutting our energy consumption by 4%. L&R would like to cut its energy consumption in future by a further 1% per year and to progressively obtain ISO 14001 certification in all countries.

**Resource consumption:** We work with 3D printers as part of our innovation processes. We use these for iterative and flexible product development. For example, we use “rapid prototyping” while simultaneously saving resources. A further example is our transition to local sourcing at L&R’s site in Xishui, China. This helps us to reduce CO<sub>2</sub> emissions, as L&R previously imported raw materials from Europe to China.

**Waste and recycling:** In the production of bandages, we use remainders and edge off-cuts from the raw material for the necessary small parts. This conserves resources and reduces technological waste. L&R’s production sites aim to reduce the scrap rate by 5% per year.

**Logistics and transport:** We are optimising transport routes in Austria by doing away with set routes and using collective transport. This has allowed us to reduce CO<sub>2</sub> emissions. Our customers also benefit from the environmental and economic solution provider approach because we work with a certified logistics provider, use the most environmentally friendly fleet of lorries and deliver to our customers within 24 hours.

**Nature conservation and biodiversity:** L&R has added the issue of protection of historic buildings and monuments to this topic. Our L&R College is a villa previously owned by the Henkel family, one of Germany’s most famous industrial families, and this listed property has been gutted and completely

redesigned. We wanted to maintain the special charm of the property listed under monumental protection and at the same time create a contemporary environment. The college is located in a park of 11,760 m<sup>2</sup> which is subject to a conservation order. Some of the trees in the park are more than 100 years old, and the park can be used by employees, customers and college visitors for creative breaks.

**Equipment and transport security/noise protection:** L&R always operates in accordance with the statutory standards and guidelines at all of its production sites and plants. If required, the company would invest in suitable noise pollution-reducing technologies such as silencers if these were needed to protect neighbours.

**Products and services:** In 2017 we will be introducing Sentina single-use instruments. These are made of 99% recycled steel and are returned to the materials cycle after use. We are currently developing a sustainability component for Optiline that explicitly supports “Green Hospitals” to unite sustainability and efficiency in order to further develop medical quality for users and patients.



### Where does L&R stand in regard to environmental sustainability?

As part of our 2020 Strategy we have already launched a large number of projects and initiatives, and the following motto also applies to sustainability: “The journey is the reward.”

We work according to the Kaizen principle, with the aim of continuous improvement. Our team of sustainability officers is dedicated to making L&R a little bit more sustainable every day.

However, we also wish to constantly increase our employees’ awareness with regard to environmental protection and continue to expand the training sessions we offer in this regard. For example, there are already employees acting as energy scouts as part of their everyday work. They use our natural gas vehicles, form car sharing groups, avoid printing out documents etc.

My vision is to achieve CO<sub>2</sub>-neutral operations one day, as already achieved by some chains in Austria. My medium-term objective is to realise this goal for L&R at a pilot site.

# Our focus areas

Focusing on people.



# 11

years average  
staff membership\*



**We are convinced that L&R's employees are our company's most important resource. This conviction continues to characterise the corporate group with its long-standing traditions and forms the foundations of a corporate culture characterised by openness and dialogue. Values such as trust, reliability and honest dealings with each other form the basis for our management and conduct principles.**

Our business success is based on our employees' wellbeing. This is a top priority for us. We are dedicated to fair working conditions across the globe and co-operation that is characterised by mutual respect for all of those involved.

Holger Mägdefrau, Managing Director and responsible for Human Resources: "Highly qualified, passionate employees who offer top performance form the basis for our long-term

success. We are a responsible employer, and that is why we focus on people: we offer our employees a performance-oriented, exciting working environment and attractive opportunities for development, and we support them to balance the demands of their professional and private lives. In addition, demographic change means that we also believe that it is our strategic task to attract and acquire new, talented specialists for L&R."

# 49 nationalities are employed at L&R

## The world of work is changing: new demands and varied perspectives

The world of work is undergoing dynamic change, to which resilient organisations and companies have to respond with a great deal of flexibility. Successful companies are able to adjust to changing parameters and constantly adapt their structure without losing their cultural identity.

Holger Mägdefrau: "A key component in our HR development is reinforcing the resilience potential offered by our employees. In addition to their existing expertise, it is these new competences that result in sustainable success for international companies such as L&R."

That is why we place high demands on our employees: we allow, expect and require them to take the initiative, think outside of the box and accept responsibility. That is the only way we can fulfill our aspiration of enthusing our customers for L&R each and every day, both now and in the future.



## Corporate culture and values

At L&R we support and desire honest exchanges within our company – in particular spanning hierarchy levels –, thus creating a culture of trust which allows individual potential to develop. We open up opportunities for our employees to become actively involved in L&R's growth. We specifically promote collegiality, reliability and inventiveness to ensure that we all support each other in bringing the best ideas to our customers.

"Ten years ago, Peter Senge introduced the idea of the 'learning organization'. Now he says that for big companies to change, we need to stop thinking like mechanics and to start acting like gardeners."

Alan M. Webber, *Learning for a change*

An example of our transparent corporate culture is the way that we use social media. We reformulated our Social Media Guidelines for L&R in 2016 and encourage our employees to participate in social networks in line with the Social Media Guidelines to present themselves authentically and to communicate with our stakeholders.



A 100 year old tree produces about 4,500 kilogram of oxygen per annum – this is the amount of oxygen of which an adult can breathe for 13 years.





### Professional training and continuing professional development

Highly qualified employees and talented junior staff play a key role in our company's long-term success. That is why we focus on targeted advancement and continuing professional development in our L&R Academy. We help employees to enhance their abilities through more than 85 different offerings for training and continuing professional development. These include language courses, seminars for specialists and managers and offerings to promote professional and personal development. Here again, the focus is on people. Under the umbrella of the L&R Academy, we create not only the environment, but also the training to support professional and personal development.

L&R also meets its responsibilities with regard to training new employees. Most of the L&R subsidiaries act as training companies and provide a wide variety of apprenticeships in their role as developing, manufacturing and marketing companies. In 2015, 38 apprentices started an apprenticeship with L&R.

### L&R College

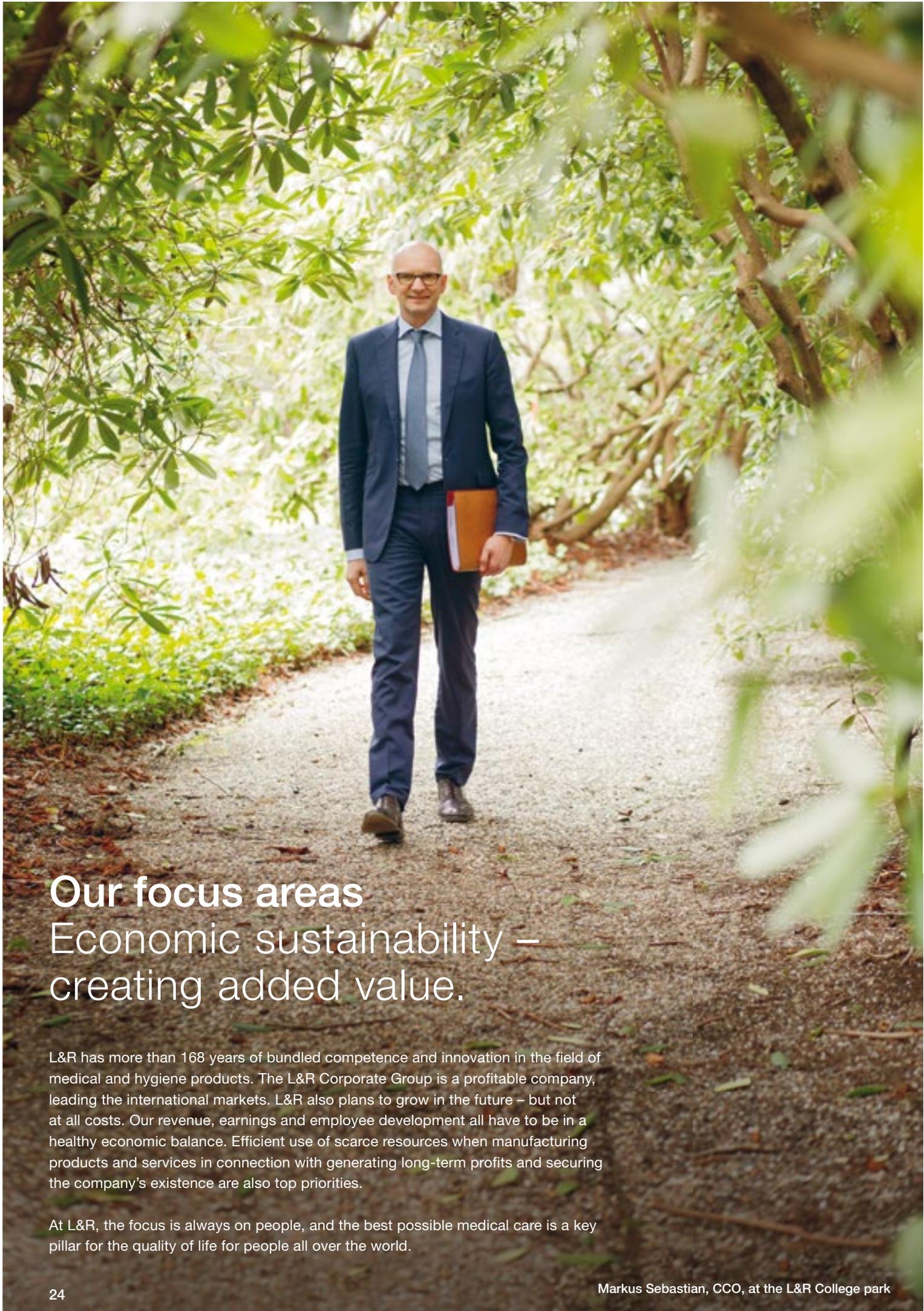
The Henkel Villa in Rengsdorf has been owned by L&R since 1986, and this historic building houses the training and conference facilities of the L&R Academy. After extensive renovation in 2015/2016, L&R opened the villa as the "L&R College" in May 2016.

The Henkel Villa and its landscaped grounds have been listed under monumental protection since 1985, and the planted areas in the garden are protected. During a period of slightly more than one year, the building was completely renovated and modernised in accordance with the guidelines for properties listed under monumental protection. The focus was, in particular, on creating an aesthetically demanding environment, a modern ambience and contemporary equipment for the wide variety of training sessions offered by the L&R Academy. Therefore, in addition to several meeting rooms, practice areas for the subjects plaster and cast, wound care and OR have also been installed. A state-of-the-art media lounge and offices have been created under the roof, in order to meet the constant increase in staff numbers resulting from the company's strong growth. The protected park on the 11,760 m<sup>2</sup> college site can be used by conference guests and employees.

Wolfgang Süßle: "The Henkel Villa offers us the perfect combination of a historic property and state-of-the-art design. The L&R College is a place to exchange experience and acquire knowledge. It meets next-generation requirements and at the same time it has maintained its historic charm. The training sessions held at the L&R Academy are even more enjoyable for our employees, customers and partners in these surroundings. The new L&R College is a key component of our corporate culture and staff development strategy."

# 38 apprentices in 2015





## Our focus areas

### Economic sustainability – creating added value.

L&R has more than 168 years of bundled competence and innovation in the field of medical and hygiene products. The L&R Corporate Group is a profitable company, leading the international markets. L&R also plans to grow in the future – but not at all costs. Our revenue, earnings and employee development all have to be in a healthy economic balance. Efficient use of scarce resources when manufacturing products and services in connection with generating long-term profits and securing the company's existence are also top priorities.

At L&R, the focus is always on people, and the best possible medical care is a key pillar for the quality of life for people all over the world.



**Markus Sebastian, Managing Director for Sales & Marketing, explains the challenges the industry and company are facing when it comes to ensuring added value in terms of quality for customers, patients and users through sustainable products, solutions and service concepts.**

L&R has published a sustainability report for the first time and has thus taken a key step – showing the company as a transparent and reliable partner for our customers and our business and negotiation partners. As a member of the board of the German Federal Association for Medical Technology (Bundesverband Medizintechnologie) I am also dedicated to initiating and designing a pro-sustainability initiative. There are already several sustainability projects in hospitals, for example the “Green Hospitals”. For instance, we are also considering a pilot project in the registered sector.

The healthcare sector is both conservative and also innovative. For example, L&R has developed products and therapy concepts that have been on the market for decades and are still being used successfully, stand up to inspection and offer hardly any scope for improvement. Of course, this is very satisfactory, as the industry and also L&R also benefit from top-quality, sustainable products that are in constant demand.

However, we also regard the company as a driver of innovation, and we have set ourselves the aim to dynamically develop the medical market in line with economic, environmental and social challenges. From 2017, we will offer single-use instruments for hospitals, doctors’ practices and home care with our Sentina brand.

I believe that social change, an aging population, sustainability, mobility and interconnectedness are trends with which companies in the healthcare sector in particular must come to grips. L&R has initiated innovation processes, not only with users, patients, customers and universities, but also with groups who are experts outside our core area of business.

Society is changing, and if we speak of sustainability and want to achieve milestones in this regard, then we, as a corporate group, have to constantly develop and produce initiatives, products and solutions that embrace these trends and issues:

- How can patients help to be responsible for ensuring that their therapy is a success?
- What training concepts are needed for users, patients and caregiving relatives?
- What concepts and services are required for home care by nursing services, patients and relatives in order to allow patients to live as autonomously as possible?
- Where do the target groups meet – in real and/or digital terms?
- Where do exchanges take place that we, as a company, can also follow and thus use to develop trends and common sustainability?

These are just some of the issues we deal with in our everyday work. We want to answer these and develop, produce and market corresponding product solutions. The focus is on people and their quality of life – and thus firmly on our agenda.

# Sustainability in strategy and practice.

Sustainability is the golden thread in our 2020 Corporate Strategy. For the first time, L&R is publishing a sustainability report describing a wide variety of social, environmental and economic projects and initiatives that we are implementing both regionally and internationally. We want to clearly show our company's current position with regard to sustainability, what our plans are for the coming 24 months and the KPIs we plan to use to measure our progress. Transparency, objectives and a vision drive our philosophy of sustainable corporate management in the L&R Group of Companies.

## Our sustainability statement

### Economic sustainability:

- We are committed to sustainable corporate growth and embracing social responsibility: economic, social, environmental, ethical and cultural responsibility.
- We sustainably ensure our business success on the basis of strategic growth and reasonable profits as an independent group of companies, and we live the values of a family-run company.
- Our products and solutions offer convincing quality based on constant optimisation, while considering the underlying economic and environmental conditions.

### Social sustainability:

- We are committed to embracing social responsibility with regard to our employees, customers, suppliers and society.
- This is based on internationally recognised social, cultural and ethical values, the applicable laws and standards and our internal compliance policies. Equal opportunity, irrespective of gender, religion, ethnic or social origins, is a key factor for L&R.
- The development and qualification of our employees is a crucial factor for L&R's long-term success. Our responsibility to society also extends to educating and training our customers in the direct and indirect environment of our products and services.
- Our employees' health and safety at their place of work as well as the safety of patients and users when using our products is of paramount importance.

- Over and above this, our social commitment is demonstrated by our attractive apprenticeship offering, rapid aid in the event of catastrophes and crisis and targeted support of selected social issues.

### Environmental sustainability:

- Our clear commitment to protecting the environment is a key guiding principle for our business activities. In so doing, we follow a long-standing tradition while simultaneously improving our competitive position.
- Environmentally sustainable operation already starts with product development, and extends through production and delivery to the use and disposal of our products.
- We pay attention in all areas of our company to ensure that our processes and production methods conserve resources, that our materials are environmentally friendly and that our logistics are environmentally friendly and energy-saving.
- Our active responsibility also includes systematic optimisations in defined areas, involving all of our employees and in cooperation with our customers, suppliers and service providers.

# 500001

As part of a large number of certification processes, such as energy management certification DIN ISO 50001 or the EcoVadis certificate, L&R has its sustainability commitment reviewed annually.

# 2015

Since 2015, L&R has been converting part of its vehicle fleet to natural gas as part of a pilot project. Within the framework of the current company vehicle regulations, L&R has put together a selection of possible vehicles.

# 2013

L&R and the Austrian Post AG have been working together more closely since 2013 to increase customer satisfaction, optimise shipping costs and cut CO<sub>2</sub> emissions.

# 168

For many years, L&R has been developing, producing and marketing pioneering medical and hygiene products. The company lives by the values of a family-run company and pursues a sustainable strategy of internationalisation in which people's quality of life is always the top priority.

# 99%

Safety and environmental considerations are central to the product development of single-use instruments. The composition of Sentina single-use instruments is 99% recycled steel, and they are returned to the materials cycle after use. In addition, they meet the particularly high requirements for hygiene and safety required in the medical and nursing environment.



# 10

L&R's social commitment was repositioned in 2015, and L&R is following new paths of social sustainability with its "L&R charity – we connect" programme. The company and its employees are taking on responsibility and supporting a large number of social projects. 10 projects were supported in 2015/2016.

# 1

A large number of employees at L&R's facility in Saint Genest, France, have been learning sign language in order to improve communication with their new deaf-mute colleagues in the department and to break down language barriers.

# 2011

L&R has been reducing its water and energy consumption annually since 2011 at its major production facilities in Germany, Austria, China, the Czech Republic and France. It has also been reducing the quantities of waste produced.

# 500

The group's own L&R Academy runs more than 500 training and continuing professional development seminars for employees in order to guarantee sustainable staff development and commitment.

# Safety for patients and users.

## Our solution – single-use products and recycling.

Patient and user safety is of key importance at L&R and is a top priority in everything we do. With our single-use lines Sentinex and Raucodrape, we produce and market single-use OR clothing and OR drape systems. From 2017, we will offer single-use instruments for hospitals, doctors' practices and home care with our Sentina brand.



Scissors today ...



99%  
recyclable

... forceps tomorrow.

**But how do single-use items and sustainability fit together, and can single-use instruments be economical and sustainable?**

The Sentina single-use instruments that L&R is launching on the market meet the particularly high requirements for hygiene and safety that the medical and nursing environment demands.

Increasing economic pressure and a lack of time call for products that offer patients and users safety, top quality and precise handling on the one hand, and on the other are economical with regard to time and also realise the potential for cost savings.

Sustainability aspects also play a major role in the production and use of Sentina single-use instruments, as the products are recycled after single use.

The use of new, sterile instruments with full functionality for every use not only minimises safety risks that can result from reprocessing. It also saves natural resources, because reprocessing using water, cleaning agents and energy is not required. It is not necessary to maintain and repair the instruments, and the single-use instruments can be clearly recognised thanks to their colour marking and the symbol for single use.



**Disposal of the used instruments is user-friendly:**

- Up to 99% of the steel used in Sentina single-use instruments can be recycled
- The instruments are collected in practical waste containers which are provided by L&R
- The waste containers are disposed of via the regional waste disposal system and are returned to the recycling process

**The economic and environmental advantages are clear to see:**

- High standards of safety and hygiene are maintained
- Reduced risk of injury and infection
- Guaranteed high practicability without additional expenses
- No environmental concerns as steel is removed separately in the recycling process by means of magnets and used to manufacture new products
- Single-use instruments are returned to the materials cycle
- Lower environmental impact as resources for reprocessing are saved



### One step further

Sustainability management at L&R includes processes to select our suppliers, regular supplier checks, material selection and re-using raw materials. Up to 99% of the steel used in Sentina single-use instruments can be recycled. Quality inspections of Sentina single-use instruments are performed both on site by the manufacturer and also by L&R as part of the incoming goods inspections in Europe.

Supplier checks also include a review of working conditions. Regular visits on site by our suppliers are mandatory. Our suppliers are required to comply with our binding Code of Conduct; it is a guiding principle and a prerequisite for all the alliances we enter into with suppliers around the globe.

### Single-use OR clothing and drape systems

With the Sentinex OR clothing and Raucodrape OR drape systems as well, the emphasis for L&R is on the greatest possible safety, sustainability and cost effectiveness.

In legal terms, OR drapes and OR gowns are considered medical devices. They are thus subject to the provisions of the Medical Devices Act (Medizinproduktegesetz, MPG). At the European level, fundamental requirements in this regard are set out in DIN EN 13795. This standard targets transmission of infection between patients, users and hospital staff during surgical procedures. In addition to DIN EN 13795, the standards promulgated by the Association for the Advancement of Medical Instrumentation (AAMI) can be used as a reference for product safety and quality. By setting standardised quality requirements for OR drapes and gowns, the standards allow all those involved in the supply chain to meet their respective responsibilities. L&R's single-use products meet or even exceed the requirements in these standards and thus make a significant contribution to safety in the OR.

Used textiles from healthcare facilities are generally regarded as being a potential source of infection – in contrast to single-use products. One in ten hospital patients in Europe contract an infection while in hospital, and every year around 3 million people develop nosocomial infections. 17% of nosocomial infections result from surgical procedures during a hospital stay. That corresponds to around 500,000 people. Throughout Europe, around 37,000 patients die as a result each year.\*

# 10%\*

of all inpatients in Europe become infected in a hospital.

# 17%\*

of all nosocomial infections arise out of operations.

37,000 patients pan-European die annually of nosocomial infections arising from operations.\*

Drapes can reduce these risks. All of the relevant components for the products are available at all times in new quality, meet the DIN EN 13795 standard and there is no risk from the textiles wearing. The safety, consistent quality, simple use and high comfort of the products are guaranteed at all times due to the single-use solution. Potentially infectious clothing can simply be disposed of; the water, electricity, cleaning agents and staff which would be necessary for reprocessing are no longer required.



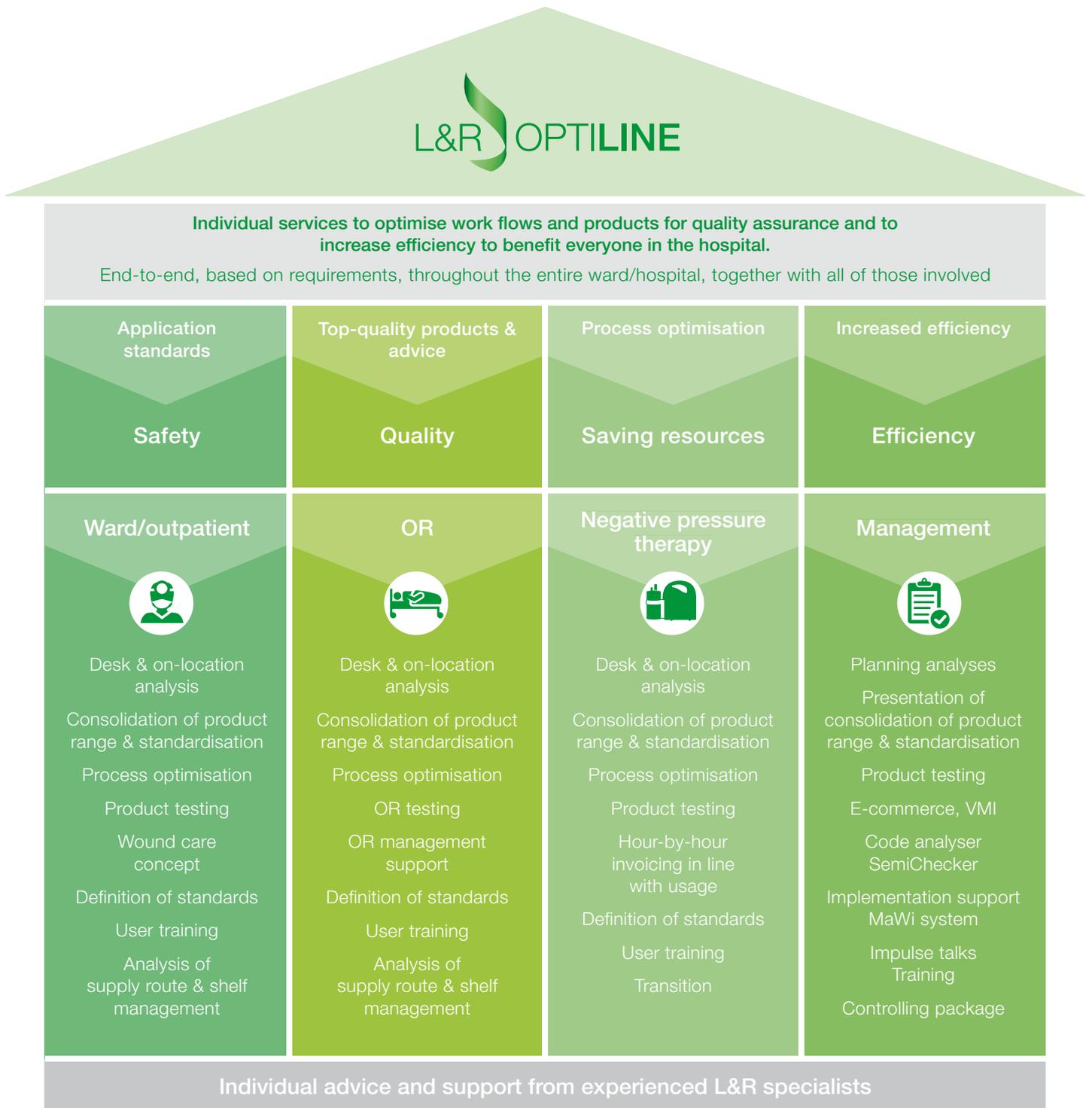
The solutions offered by L&R through its single-use product lines Sentina, Sentinex and Raucodrape guarantee the greatest possible safety for patients and users, even exceeding the legally required standards. Patients and users can rely on safety, efficiency and sustainability in the OR, in doctors' surgeries and for home care.

\* Sening W., Leeve J., p. 13, 2008.

# Future Hospital.

## L&R Optiline – top quality and individually developed service packages.

With its end-to-end concept, Optiline supports hospitals in dealing with the many current challenges and changing conditions. More than 400 customers are already benefiting from the individual advice provided by L&R's specialists. Tailored services constantly optimise processes and products in order to ensure quality assurance and boost efficiency for safe patient care.



“We have developed an end-to-end concept for advising hospitals and hospital groups in the form of Optiline. The tenders show us the great importance currently attached to sustainable business. The Green Hospital of the future should be more efficient, smarter and more sustainable. We believe that our job is to develop corresponding concepts and products and to offer these on the market.”

**Katja Nußbaum** Optiline national/international



With its end-to-end concept, Optiline supports hospitals in dealing with the many current challenges and changing conditions. More than 400 customers are already benefiting from the individual advice provided by L&R's specialists. Tailored services constantly optimise processes and products in order to ensure quality assurance and boost efficiency for safe patient care.

Our experience as a full-range provider with application expertise and as a partner in trans-sector care with specialists in all areas means that we qualify as a competent sparring partner and service provider for hospitals.

Doctors, nurses, purchasers, logistics employees, financial controllers and hospital managers value L&R Optiline's range of services and the related additional benefits for everyone in the hospital. For example, the use of therapeutic and product systems allow improved efficiency and quality assurance to be achieved in hospitals, thus achieving economic savings.

L&R's Optiline provides hospitals with experienced specialists and a programme that supports them to recognise and use their potential in all of the relevant areas of their business. From in-patient and out-patient care, CNP and the OR through to purchasing, logistics and financial controlling, Optiline offers customised solutions to individually optimise the cost of goods, processes and work flows for each customer. Every single area of the hospital can benefit, because it is Optiline's clear objective to secure optimum patient care by means of smooth work flows and processes.

This requires a conceptual approach which brings about long-term, sustainable improvements and which goes beyond pure material costs. The requisite changes are put in place together with us as an external partner. Hospitals can rely on us as an experienced partner and can react efficiently and sustainably to the changing conditions in the healthcare sector.

We are constantly further developing our range of services. In 2016, Optiline developed a wound care concept for hospitals, because across Germany only around 40% of patients for whom compression therapy is indicated are actually treated using this approach. Although earlier treatment and better care increase the costs at the start of the therapy, they are worthwhile over the long term due to the shorter treatment periods and prevention of relapses. As a result, for example in Germany's city states, the complex, networked structures comprising independent practitioners, hospitals, podiatrists, other therapists and medical suppliers have improved patient care.

#### **Expansion of the end-to-end L&R Optiline concept is continuing**

Based on the high level of success in advising and supporting hospitals, as part of L&R Optiline, L&R is looking into developing a module for advising and supporting "Green Hospitals".

# The “Green Hospital” concept.

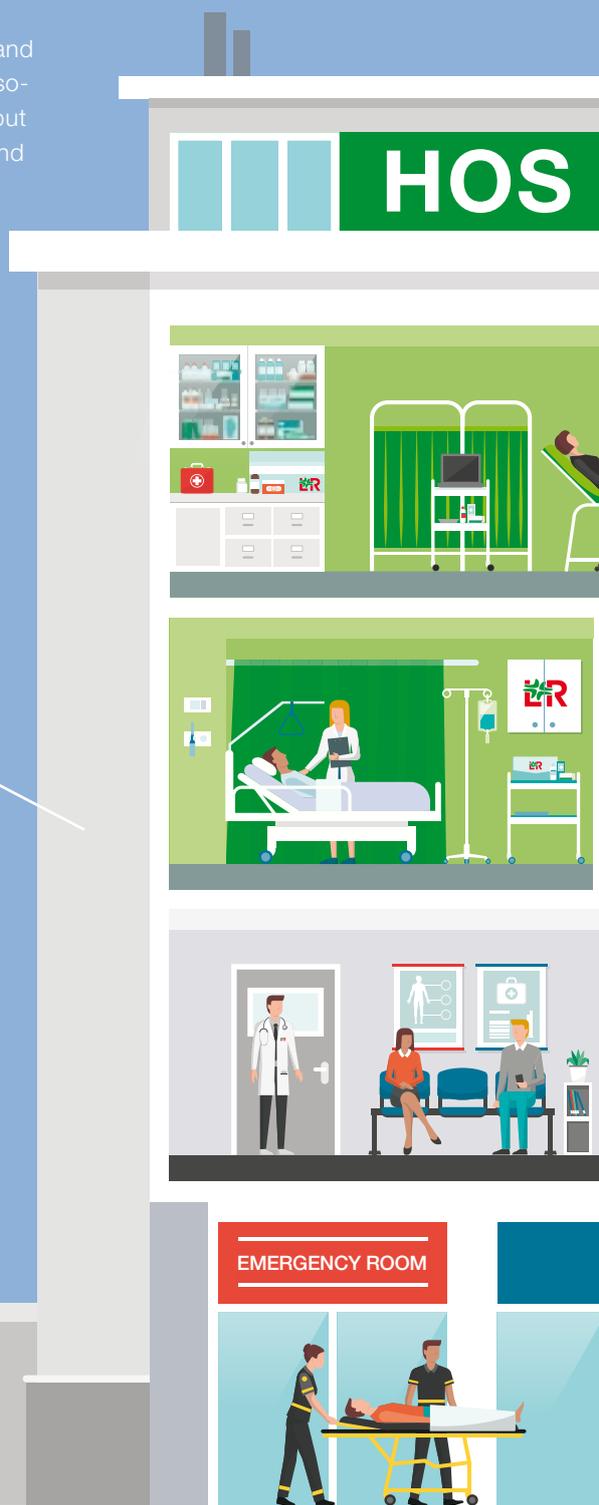
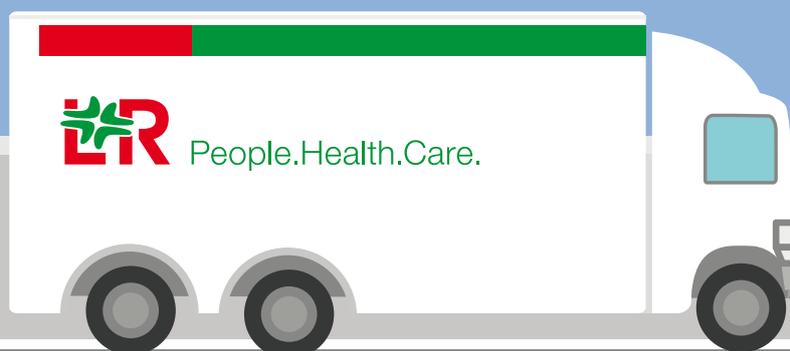
“Green Hospital” is a label which spans a large number of initiatives which focus on patients’ health and sustainable environmental management. Green Hospitals stand for economic sustainability, without losing sight of medical quality and patients’ well-being. The concept improves the medical care of patients and at the same time takes into account the hospital’s economic efficiency and environmental protection. This trend towards making hospitals of the future more efficient, smarter and more sustainable can be seen in many initiatives.

However, nowadays hospitals are also facing extreme economic pressure. Demand is increasing in all areas of hospitals, and it is often not possible to cover the associated cost increases. There are already many projects to optimise work flows, but this process often means that hospitals have to choose between cost savings and quality.

L&R offers support for hospitals with both Optiline and intelligent medical devices:

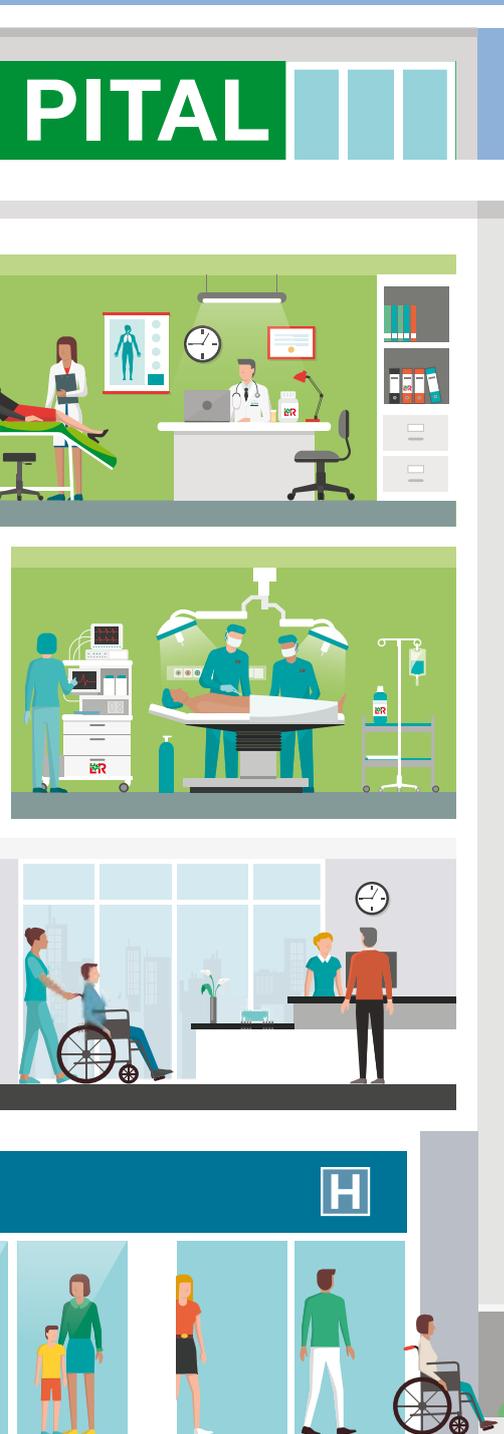


The Kitpack OR Custom Procedure Trays are provided individually in a wide variety of tailor-made versions for operations. Safety, cost effectiveness and doing without superfluous products help to aid sustainability.





L&R is currently working on further-reaching concepts so that we can support hospitals and also doctors' surgeries and wound centres in developing sustainability. This starts with sustainable product and therapy concepts, also includes delivery and logistics solutions that save resources and function effectively, and ends with training programmes for sustainable knowledge sharing for our customers on site.



L&R is reflecting the trend towards single-use instruments and single-use OR clothing and drape systems in its single-use product range. These products offer the greatest possible safety, sustainability and cost effectiveness.



L&R offers various contemporary logistics solutions for hospitals. For example, the company can store products, providing just-in-time deliveries. The products ordered can be handed over at the hospital's loading ramp, or they can also be placed directly onto the appropriate shelves.



## **The Debrisoft family – from Slavkov to the whole world: Securing jobs over the long term by bundling patent and production.**

L&R originally developed Debrisoft together with Danardo GmbH, a subsidiary of the ENJO group located in Altach, Austria, which initially manufactured the product for L&R. In the autumn of 2015, L&R acquired the Debrisoft family of patents from the inventors as well as the technology from Danardo GmbH, which meant that a large part of the value chain then

took place within the L&R Corporate Group. The Debrisoft Pad – the forerunner for the entire product family – was launched in 2011 and has now not only received NICE recommendation in the United Kingdom, but was also voted one of the most innovative products in the USA in 2015. It is now available in more than 30 countries on all five continents.

By bundling the patent and technology together, L&R was not only able to meet the increasing regulatory requirements: the integration of the special production machines at the existing L&R production site in Slavkov u Brna (CZ) also serves to secure jobs over the long term. This site now also supports further development of the Debrisoft product range, with growing demand and the expansion of the portfolio also making it necessary to increase capacity in line with international regulations.

L&R has thus secured its technology and production competence for a key strategic product family, and at the same time it has strengthened its Slavkov u Brna site, which currently employs around 650 staff.

Expansion of the Debrisoft family for mechanical debridement for additional indications is currently in preparation – these further developments will also be produced at our Czech site and from there will be distributed throughout the world.

#### **Debrisoft Pad: Monofilament fibre dressing to treat superficial wounds**

The Debrisoft pad allows rapid, effective mechanical debridement for superficial wounds and the skin surrounding the wound that causes the patient little pain, for example for diabetic ulcers, arterial and venous ulcers, decubitus ulcers or post-operative wounds. The easy-to-use 10 x 10 cm dressing with around 18 million fibres allows reliable removal of debris and exudate from the wound as well as the removal of skin flakes and keratosis from the surrounding skin: the flexible fibres penetrate the depths of the wound, and the angled tips actively loosen debris and exudate. The fibre composite absorbs and retains crusts and keratosis. Even newly formed granulation tissue and epithelial cells are spared. The virtually painless application can not only improve patients' quality of life, but also patient acceptance.

#### **Debrisoft Lolly: Innovative aid for debridement of deep wounds**

The Debrisoft Lolly has been specially developed for the debridement of deep, hard-to-reach wounds and offers easy access to deep wounds thanks to its break-resistant polypropylene handle. Its use is intuitive, and like the Debrisoft Pad it enables effective, virtually painless wound debridement. Precise fixation seams, an ergonomic handle and an X-ray detectable thread ensure a very high safety of use.

Further developing patient-oriented therapy concepts for wound treatment is one of our core competences. That is why L&R offers an end-to-end approach: from wound cleaning through correctly phased local therapy using moist wound management to the treatment of chronic venous insufficiency using compression if necessary.

Debridement is a key component of wound management, as a clean wound bed is a prerequisite for wound healing. For the debridement or cleaning of superficial and deep wounds and the skin surrounding the wound, L&R offers an innovative product family under the Debrisoft brand for highly efficient results.



## 18 million fibers

A good 18 million fibers allow a reliable removal of debris and exudate from the wound as well as the removal of dandruff and keratosis from the surrounding skin.

# Certifications, audits, tendering

In its company philosophy, L&R commits to resource-saving and sustainable corporate management, a stance which has increasingly become a relevant competitive factor.

Internationally active companies scrutinise themselves with regard to matters such as environmental and employee protection by means of elaborate certification programmes. The strict requirements apply not only to the company itself, but also to suppliers and distributors.

## DIN ISO 14001

The environmental management standard comprises globally accepted requirements for a company's environmental management system. This standard focuses on the improvement process with regard to "environmental performance" and monitors to what extent applicable national legal obligations and the obligations a company defines for itself are adhered to and evolved.

The Chinese L&R subsidiary L&R Hubei, located in Xishui, as well as L&R Czech Republic (sites: Slavkov, Stara Paka and Nova Paka) and L&R Austria (Vienna, Schönau, Graz, Dornbirn) have been certified according to DIN ISO 14001. Further subsidiaries will follow in the coming years.

## DIN ISO 50001

The L&R sites in Germany, Austria and the Czech Republic have been awarded certification according to the standard DIN ISO 50001 Energy Management System, which is applicable throughout Europe.



## Regular monitoring by the Sedex platform:

Sedex is the second CSR evaluation platform by means of which L&R submits its sustainability guidelines and projects to evaluation.

The Sedex criteria relate to economic, environmental and social sustainability and include, for example, issues of adherence to collective wage agreements, minimum wage and social security contributions, adherence to ILO core labour standards, advancement of women, Code of Conduct, compliance etc.

## – “Stress tests” for products and processes.

Wolfgang Süßle, CEO of the L&R Corporate Group: “Anyone who wants to operate internationally nowadays has to be able to demonstrate that they meet international standards. For example, more than 80 percent of our suppliers have also agreed in writing to the directives of our Code of Conduct, we carry out internal compliance audits twice a year and regular training in those markets in which we operate. Sustainability is a relevant factor in the competition for customers and employees and often the basis for decisions regarding the award of contracts.”

Nowadays there is a wide variety of audits, certification options and tendering platforms. While L&R naturally undergoes all the legally required certifications and registrations customary in this sector, for example through the FDA and the TÜV, in addition the company focuses on the ISO DIN standard and the ratings platforms EcoVadis and Sedex. “We have already achieved a great deal, but integrating sustainability issues into the course of business is a continuous process”, according to Wolfgang Süßle.

### EcoVadis Bronze Certificate:



EcoVadis is a leading provider of assessments in the field of CSR/ sustainability. EcoVadis operates the first collaborative CSR evaluation platform that enables companies to assess the performance of their suppliers with regard to CSR and sustainability.

The sustainability performance of companies is assessed across four categories according to 21 CSR and sustainability criteria from the areas of the environment, social issues, fair business practices and sustainable procurement. The methodology used by EcoVadis conforms to the international GRI/G4 and ISO 26000 guidelines.

The EcoVadis Bronze Rating received by L&R in 2015 was the first time the company had been distinguished for its CSR performance. L&R will undergo the EcoVadis assessment process again in 2016.

“Anyone who wants to operate internationally nowadays has to be able to demonstrate that they also meet international standards.”

Wolfgang Süßle

### Other relevant awards:

- “Award for Climate Protection Competence”: Klimaaktiv award 2014 for renewing the production of wound packing material
- L&R Energy Scouts distinguished in a Germany-wide competition
- CO<sub>2</sub>-neutral delivery: L&R and Austrian Post in collaboration have for a number of years focused increasingly on optimising freight costs and saving CO<sub>2</sub> emissions. For example, in 2012 Austrian Post offset 135,000 kg CO<sub>2</sub> for L&R, which arose through the delivery of around 361,000 consignments (letters, advertising mail, packages).



# Sustainability in quality, procurement and purchasing.

As a company in the healthcare sector, the quality of our products and solutions forms the basis for the safety of our customers, users and patients.

L&R operates on the basis of an internationally recognised and certified quality management system, ISO 9001. We work to defined standards with tested raw materials, bought-in parts, components and services.

Oliver Opitz, Director of Quality Management: "We also assume responsibility for our suppliers and distributors. Our customers can always rely on the safety of our products."

Of course we comply with and fully meet the specific international standards and laws which apply to the production and sale of medical devices. Only those products which meet international requirements receive CE marking and are released for marketing.

Over and above the statutory requirements, we have a comprehensive quality management system in place which spans the entire value chain. All of our products without exception are subject to extensive quality control; this forms part of the well-honed risk management system at L&R.

We are constantly developing our quality management system, and this system is a central component in the training concept in the company's own L&R Academy.

Oliver Opitz: "We believe that integrated sustainability management is a long-term process which has nothing at all to do with partial, stand-alone solutions within individual departments. We inspect new products with a view to CE marking and registration, work closely with Regulatory Affairs, initiate economisations in the production process, for example in order to reduce scrap rates, to name just a few examples."

## **Purchasing and procurement – a key component in the value chain**

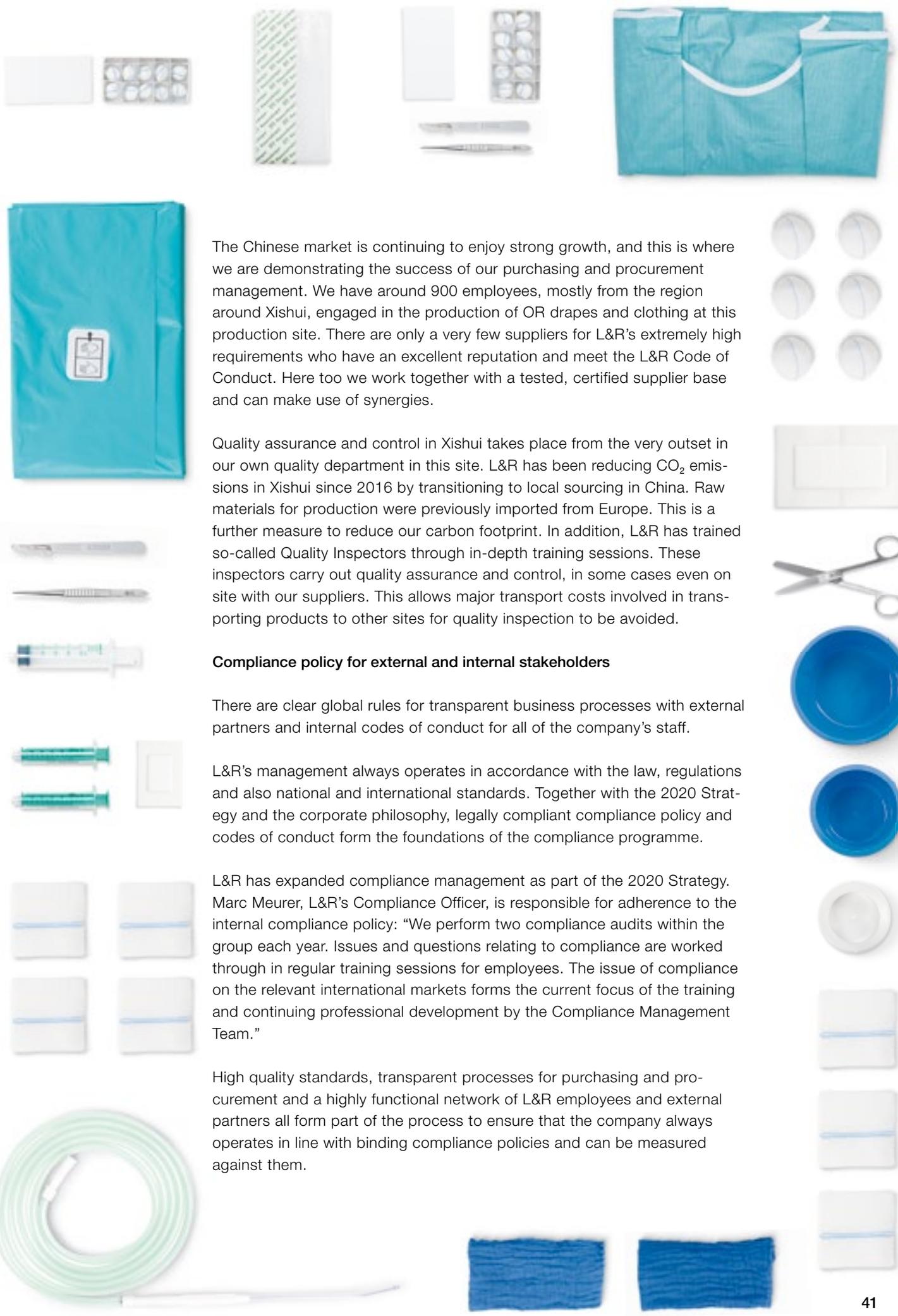
The use of high-quality products plays a key role in determining the quality of our products and solutions for medicine, care and hygiene. We choose and train our suppliers with particular care. We collaborate with high-performance, reliable suppliers who work together with the L&R Corporate Group to constantly improve products and processes. We use new technologies, innovations and strong cost awareness to create the conditions required to permanently optimise the relevant performance indicators in the value chain, namely product quality, costs, time and service.

Rolf Hieronimus, Director of Purchasing and Procurement: "We expect more from our business partners than simply providing top-quality products, raw materials and services. We also regard them as being key contacts on international markets and partners in joint, successful product development and constant improvement of our products and processes."

Our purchasers and lead buyers are responsible for enabling us to guarantee consistently high quality and global competitiveness as part of a sustainable corporate philosophy. That's why they are on the move worldwide.

"We consider social, environmental and economic procurement criteria for our product portfolio. In future, we wish to undertake to ensure even more transparency, because we see this as an investment in the future. We are bound by our quality standards and encourage our suppliers to view them in the same way."

Rolf Hieronimus



The Chinese market is continuing to enjoy strong growth, and this is where we are demonstrating the success of our purchasing and procurement management. We have around 900 employees, mostly from the region around Xishui, engaged in the production of OR drapes and clothing at this production site. There are only a very few suppliers for L&R's extremely high requirements who have an excellent reputation and meet the L&R Code of Conduct. Here too we work together with a tested, certified supplier base and can make use of synergies.

Quality assurance and control in Xishui takes place from the very outset in our own quality department in this site. L&R has been reducing CO<sub>2</sub> emissions in Xishui since 2016 by transitioning to local sourcing in China. Raw materials for production were previously imported from Europe. This is a further measure to reduce our carbon footprint. In addition, L&R has trained so-called Quality Inspectors through in-depth training sessions. These inspectors carry out quality assurance and control, in some cases even on site with our suppliers. This allows major transport costs involved in transporting products to other sites for quality inspection to be avoided.

**Compliance policy for external and internal stakeholders**

There are clear global rules for transparent business processes with external partners and internal codes of conduct for all of the company's staff.

L&R's management always operates in accordance with the law, regulations and also national and international standards. Together with the 2020 Strategy and the corporate philosophy, legally compliant compliance policy and codes of conduct form the foundations of the compliance programme.

L&R has expanded compliance management as part of the 2020 Strategy. Marc Meurer, L&R's Compliance Officer, is responsible for adherence to the internal compliance policy: "We perform two compliance audits within the group each year. Issues and questions relating to compliance are worked through in regular training sessions for employees. The issue of compliance on the relevant international markets forms the current focus of the training and continuing professional development by the Compliance Management Team."

High quality standards, transparent processes for purchasing and procurement and a highly functional network of L&R employees and external partners all form part of the process to ensure that the company always operates in line with binding compliance policies and can be measured against them.

# Focus: Ecology

## The model factory.

We manufacture medical products for regional and international markets at 12 locations across the world. Especially in manufacturing, we take care to employ resource-saving processes and manufacturing procedures, eco-friendly materials and environmentally friendly and energy-saving logistics.

### Optimisation of freight structures in Austria

Freight routes in Austria have been optimised by breaking down the fixed tours. Results:

- Lower CO<sub>2</sub> emissions
- Customers supplied within 24 to 48 hours

### Mexican production site in Acuna

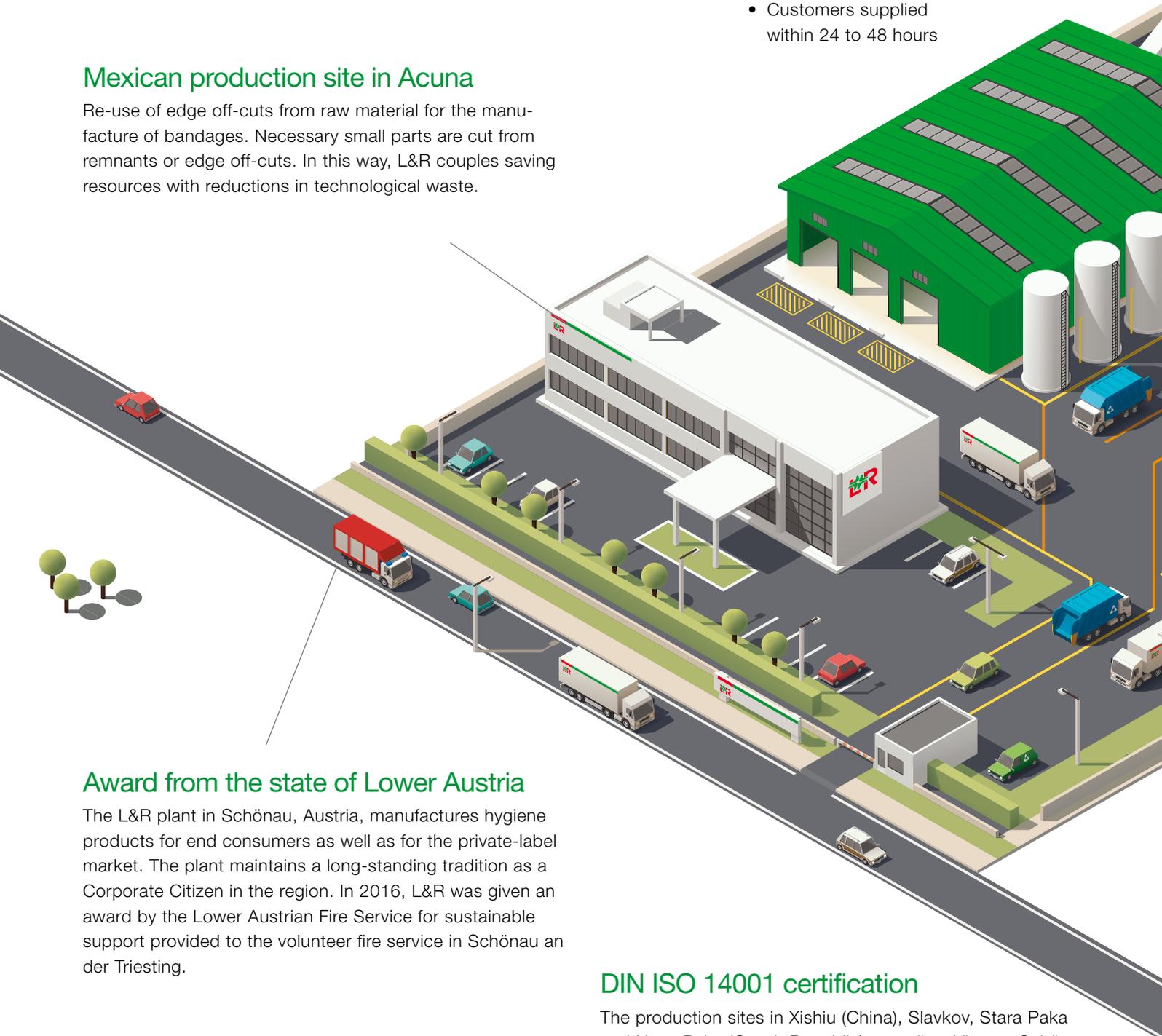
Re-use of edge off-cuts from raw material for the manufacture of bandages. Necessary small parts are cut from remnants or edge off-cuts. In this way, L&R couples saving resources with reductions in technological waste.

### Award from the state of Lower Austria

The L&R plant in Schönaun, Austria, manufactures hygiene products for end consumers as well as for the private-label market. The plant maintains a long-standing tradition as a Corporate Citizen in the region. In 2016, L&R was given an award by the Lower Austrian Fire Service for sustainable support provided to the volunteer fire service in Schönaun an der Triesting.

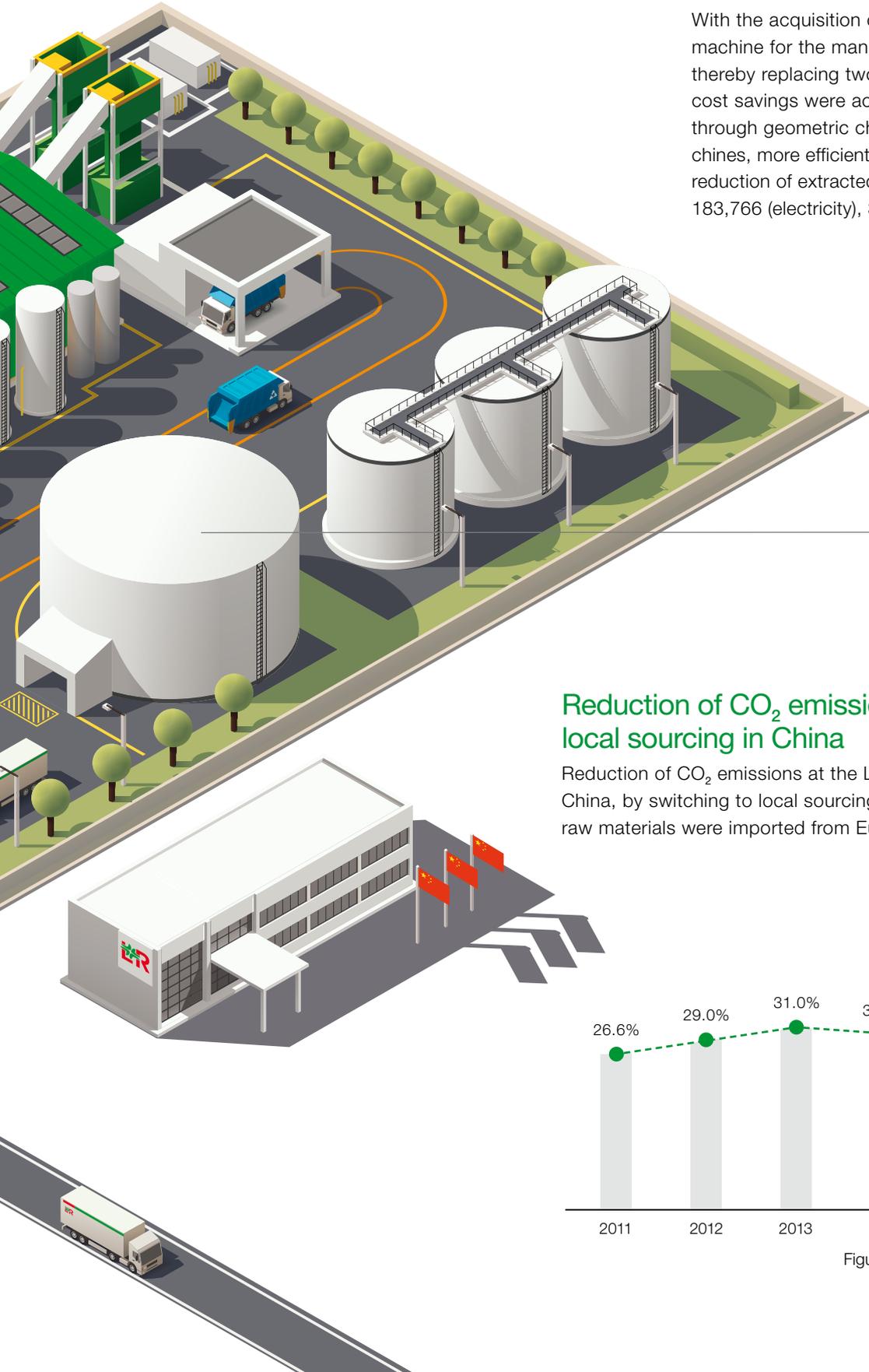
### DIN ISO 14001 certification

The production sites in Xishui (China), Slavkov, Stara Paka and Nova Paka (Czech Republic) as well as Vienna, Schönaun, Graz, Dornbirn (Austria) have been certified to the international environmental management standard DIN ISO 14001.



## Sustainable energy generation at low temperatures

At L&R's plant in Neuwied, Germany, free coolers support environmentally friendly water cooling in winter. In an alliance with a local engineering office, L&R has developed a method to use the low outdoor temperatures in winter to cool cold water. This environmentally friendly energy source will be used from the fourth quarter of 2016.



## Increased efficiency of carding

With the acquisition of a high-performance carding machine for the manufacture of packing material, thereby replacing two production lines, the following cost savings were achieved: Energy conservation through geometric changes in the production machines, more efficient drives, optimised control and reduction of extracted air. CO<sub>2</sub> savings in kg per year: 183,766 (electricity), 37,138 (gas).



## Reduction of CO<sub>2</sub> emissions through local sourcing in China

Reduction of CO<sub>2</sub> emissions at the L&R location in Xishui, China, by switching to local sourcing in China. Previously, raw materials were imported from Europe.

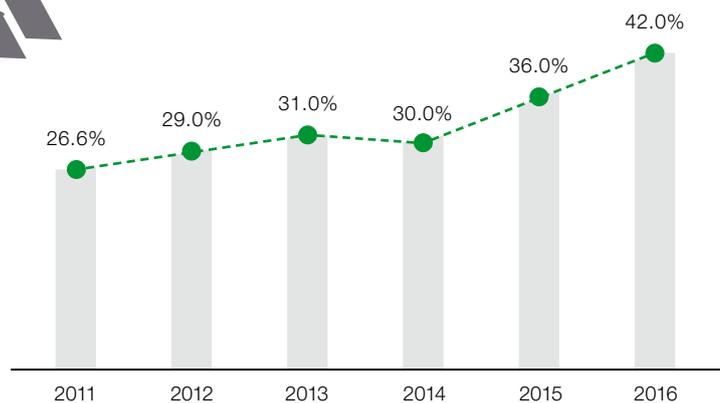


Figure: Local Sourcing Ratio LRHCN

# Focus on society Together – for each other. The corporate social sponsoring programme “L&R charity – we connect”.

L&R was created from two long-standing companies and continues to live the values traditionally held by family-run businesses, despite its international orientation. Consequently, we wish to fulfill our social responsibility by promoting communication and connection between people of different generations.



That is why we created the corporate social sponsoring programme (the CSS programme) “L&R charity – we connect” in September 2015. In particular this programme supports projects that connect different generations. The special feature: L&R wants to motivate employees to become socially involved by registering their own personal favourite projects for the programme. Any colleague can submit an idea – this is then presented to the CSS committee for approval. The project to be supported should be not only cross-generational, but also linked to L&R’s products or business environment and of a limited term. When implementing the project, the L&R project mentor may by all means be supported by an external partner organisation. A site close to an L&R office is desirable. A donation of between €500 and €50,000 is made available for each project approved by the committee.

**Ten projects have already been implemented in the first year since the CSS programme was put in place. We would like to present some of them here as examples.**

In Berlin, we supported singing and creative afternoons at the Elisabeth-Stiftschule and the neighbouring retirement home by financing musical instruments and creative materials. The afternoons were originally planned only for the summer of 2016 – but the children and older people enjoyed their time together so much that the gatherings were continued into the autumn of 2016 after the summer holidays. L&R project mentor Eva Ebert (Sales Germany, registered sector, Regional Sales Manager CNP) reports enthusiastically: “The afternoons resulted in a wonderful exchange between younger and older people. The children soon got over their fear of having to deal with the elderly, and now there are close ties between them.”



“We are very happy indeed to be able to allow these children to have three carefree weeks again this year.”

Christel Weißenfels,  
Friends of Belarus e. V.



Tomas Folkner (Sales Czech Republic) was involved in setting up first-aid courses for the elderly in Ostrava, Czech Republic. The focus here was on providing first aid for children or grandchildren in particular. The three courses in the spring and autumn of 2016 met with a great response and were each attended by around 40 elderly people. In addition, the city of Ostrava also supported communication for the courses, the teaching materials were created with the aid of additional experts, and the programme was even broadcast on Czech TV.

For the past 25 years, The Chernobyl Children Charity of the “Friends of Belarus” (“Freunde für Belarus”) has made it possible for children from contaminated regions in Belarus to have a holiday in the Neuwied region of Germany during the summer holidays. In its anniversary year, the scheme was provided with financial support by L&R. The project’s mentor, Fabian Jacobi (International Marketing, Digital Communication), has long-standing links with the association – even

his grandparents were involved in Friends of Belarus. The children from Belarus spent three weeks with German guest families and were cared for on week days by members of the association. However, the holiday was not just a pleasure trip: In addition to an annual visit to a dentist, many children have to see an optician, because the continuing contamination in their home country means that many children have eye problems. In addition, key purchases are made to make the children’s lives back home in Belarus easier. Buying winter boots has now become a tradition – even if the children don’t always enjoy trying them on, depending on the temperature during their visit. The association’s chairwoman, Christel Weißenfels, notes: “We have never received a donation of this magnitude before. As a charitable organisation of course we have to depend on support, and we are very happy indeed to be able to allow these children to have three carefree weeks again this year.”



Torchlight Concert,  
Deutsches Eck, Koblenz.



In Cuxhaven, L&R together with project mentor Karima Köppen (Sales Representative for Hospitals, Germany) is supporting the construction of a community playground on the site of the Kinderhospiz Cuxhaven-Bremerhaven e.V. This children's hospice offers outpatient care for terminally ill children and their parents as well as the relatives and siblings of ill children, grieving children or parents who have suffered a miscarriage or stillbirth. The services offered include not only bereavement services – the hospice also aims to create a wonderful, fun atmosphere for the children that is as “normal” as possible, to help them return to everyday life. The aim is for the playground to be used as a place to play and meet people of all ages who are similarly affected, and to serve as a common area for outdoor leisure time.

During the 2016 summer holidays, another CSS project in Tirol not only brought generations together, but also nations: elderly persons from Austria met refugees from Afghanistan, Macedonia, Syria, Nigeria, Iran and Georgia. They went on excursions together, played, hiked and exchanged experiences. Both young and old alike were delighted by a boat trip on Lake Achen – the youngest participant was just two years old, and the oldest was 83. The trip to Gramaialm with its petting zoo was also a hit. The aim was to have a good time together in a relaxed atmosphere, and of course to get to know each other and to provide a seeding ground for long-term contacts and friendships. CSS mentor Anja Gasteiger (Head of International Communication/Director of Corporate Communication) recounts: “After the first trip, four senior citizens had already become mentors for children.



Both young and old alike were delighted by a boat trip on Lake Achen.



Children and older people playing music together.



Three of these children had lost their parents while fleeing, which makes these ‘replacement grandparents’ even more important for them.” Over the long term, it is hoped that the leisure time spent together will help make the newcomers feel welcome in Tirol and to become integrated into the local community.

10  
CSS projects realised

# Being responsible – helping with product donations in crisis regions and following natural disasters.



**As a company in the healthcare sector, L&R is aware of its responsibility in supporting people who rely on aid for medical care in crisis regions or as a result of natural disasters.**

In its corporate philosophy, L&R states its commitment to social responsibility, and it supports aid projects worldwide by donating medical products to combat medical shortages.

Anja Gasteiger, Director of Corporate Communication and responsible for the L&R CSS programme: “An integral part of our Corporate Social Responsibility is rapid and unbureaucratic aid in the form of product donations. In co-operation with set partner organisations, which are not only certified but more importantly also have many years of experience in humanitarian aid, our product donations reach war zones and crisis regions all over the world – right there where they are most urgently needed.”

L&R works with recognised globally active aid organisations and relies on the expertise and competence of its well-known partner organisations to provide targeted support in line with need in the form of product donations.

#### **Product donation projects in 2015/2016 (extract)**

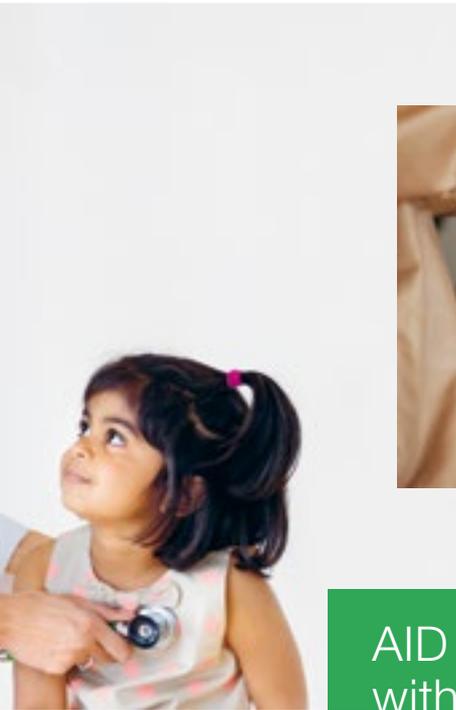
- Medical charity programmes in Honduras and Nicaragua
- Earthquake in Nepal
- Syria crisis, reception camp in northern Jordan
- Refugee camp in Idomeni
- Wound care in Tanzania
- Support for orphanages in China
- Medicine containers in the refugee facility in Neuwied
- Tornado in the Acuna region, Mexico

Anja Gasteiger: “We wish to continue to increase our involvement and are currently negotiating with organisations such as Doctors without Borders, Care Austria and Kindernothilfe in order to gain additional fixed partners. While our product donations are primarily driven by our headquarters in Vienna and Rengsdorf, in future our Executive Board would like to include all of our international sites in the programme.”

**Caritas**

 **HUMANITAS**<sup>®</sup>  
Der Dienst am Menschen

 **Deutsches  
Rotes  
Kreuz**



## AID WITHOUT BORDERS with certified partner organisations.

L&R regularly donates products for crisis regions. We work together with Internationaler Hilfsfonds e.V. and Humedica e.V. to help people in crisis regions or after natural disasters. In 2016, with the help of Humedica, we donated urgently required material such as bandages, swabs and adhesive elastic bandages to the regions of Syria hit by civil war and the refugee camp in Idomeni.

In Germany and Austria, L&R works together with certified partners such as Caritas, Ora Kinderhilfe International e.V. and the Johanniter Order, who receive donations such as dressing materials and hospital items.



# Sustainable corporate management.

## Conclusion and outlook 2017/18.

**The L&R Corporate Group is a global corporation in the healthcare sector which wishes to enjoy sustainable growth in the future. What L&R's corporate philosophy and vision mean for us is the development of effective products, concepts and solutions through constructive exchanges with our customers and partners, in order to protect and improve human health. In addition to innovation and efficiency, sustainability is one of L&R's central corporate values.**

We are working for people's health. Constantly improving and allowing people access to an advanced healthcare system is the top-level responsibility for our company and all of L&R's employees.

The L&R Corporate Group's way of working is characterised by transparency, trust, esteem and sustainability.

We wish to remain an independent company, as has been the case to date, growing organically in line with the market thanks to our own innovation. The L&R Executive Board, Advisory Board and owner families have undertaken to pursue

this aspiration over the long term. Maintaining independence offers employees a long-term perspective, with success being measured in terms of their commitment and creativity. This allows us to ensure reliability and security for our partners and customers.

The L&R Corporate Group's sustainability report is being published for the first time in this form with this edition.

We are now an international company with more than 4,500 employees, operating in one of the most highly regulated industries. Compliance and ethically correct behaviour form a key pillar and benchmark for our activities. As a company which lives the values of a family-run enterprise, we wish to strengthen our position in the public discussion around sustainability and be accountable for our activities. The L&R Company Group's sustainability report is an initial step in this process. It contributes to making our wide range of activities transparent and to document this using systematically recorded data.

**“You may never know what results come of your action, but if you do nothing there will be no result.”**

Mahatma Gandhi

Increase investment in research and development by more than 20%

Growing staff numbers to more than 5,000 worldwide

Recycling of 80% of non-hazardous waste in Germany and Austria

At least 10 implemented CSS projects as part of “L&R charity – we connect”

Reducing energy costs by 1% each year

## Our objectives for 2017/18

Care staff and doctors in more than 40 countries to learn about the optimum use of medical devices in the L&R Academy

Middle-term: 1 site in the L&R Corporate Group to be CO<sub>2</sub>-neutral

More than 1,000 training sessions worldwide in the L&R Academy



People.Health.Care.