



Sustainability report

October 2020

Laerdal

Helping save lives

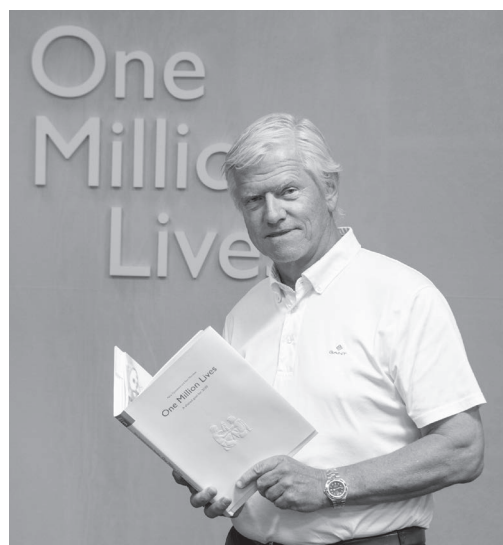
For more than 60 years, our mission has been helping save lives. The key word is “helping”. Our role is to develop educational and therapy solutions and services that help train and equip both healthcare professionals and lay people to save lives.

To have the greatest impact on our mission, we work with partners in professional associations, NGOs and governments to develop actions for widespread implementation. And we have set a bold goal for the next decade: Helping save one million more lives. Every year. By 2030. How this goal will be achieved is described at <https://one-million-lives.com/>

Our guiding stars are the United Nations’ Sustainable Development Goals (SDGs), specifically SDG3, Good Health and Well-Being. Our focus is on reducing maternal, neonatal and child mortality, and improving survival from accidents and non-communicable diseases like sudden cardiac arrest.

Doing business that contributes to a better world goes beyond our contributions to SDG3. We also impact other SDGs by setting clear targets for 2030 on emissions, materials use, and social responsibility. We are not only committed to achieving our goal of helping save one million more lives but doing so in a sustainable manner.

Tore Lærdal
Chairman and CEO



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A vision with action

In this report, we outline ambitious goals to become carbon neutral, develop more circular solutions, and adhere to the UNGPs and OECD guidelines throughout our business and supply chain by 2030. We describe how we will work towards achieving them and our 2021 ambitions and actions including the purpose behind them.

Carbon Neutral, Circular Solutions and UNGP adherence throughout Laerdal's business and supply chain by 2030.

Measure to Improve

Carbon neutral

Achieve a 70% reduction in carbon emissions by 2030 across:

- facilities
- transport and travel
- supply chain.

Offset any residual emissions.

Circular solutions

Circular Materials throughout the value chain:

- Reduce, Reuse, Recycle
- Design sustainability into new products, solutions and sales models.

Social responsibility

Implement UNGP and OECD guidelines throughout our supply chain and cascade to the next level from the largest suppliers.

Even though our business is driven by SDG 3, and our operations are important in the work towards our one million lives goal, it is our responsibility to operate in a manner that has minimal negative impact in the process. We know that accounting for own operations is not enough. We must look more broadly and take responsibility for other elements of our value chain. By accepting this obligation, we will work with partners to find better and more sustainable solutions for the future.

We hope this report will inspire customers, partners, and employees to innovate and generate new initiatives to create a better future - together.

*“Vision without action is a dream.
Action without a vision is chaos.”*

Japanese Proverb



Measure to Improve

2030 goal: Measure all direct and indirect emissions generated as a result of our economic activity across the three emission scopes in a proven, methodical manner.

Current Focus Area/Theme

- Anchor methodology for estimating emissions in the organization.
- Develop framework for prioritizing areas for emission reduction initiatives.

2021 ambition to action:

Incorporate environmental reporting in our corporate financial reporting system.

We are a “measure to improve” focussed company with strong emphasis on real impact. When setting targets for 2030, it has been important for us to assure that we understand the realities in own operations and in our value chain so that we can focus on the right areas. Considerable time has been spent to define the best possible tool to monitor the development in the years to come.

Since 2010, we have been reporting on our Scope 1 and 2 emissions plus our Scope 3 emissions related to logistics and travel (see box). Our reporting has been based on a simplified version of the principles outlined in the Greenhouse Gas Protocol www.ghgprotocol.org. In 2019, we initiated a project together with external consultants, Klimakost/Asplan Viak and Material Economics, to assess emissions in reporting on scope 1, 2 and 3.

<https://laerdal.com/globalassets/images--blocks/themed-images--blocks/sustainability/klimakost-report-on-laerdal-june-2020.pdf>

Emission scopes

Scope 1 – Direct Emissions, including fuel combustion on site such as gas boilers, fleet vehicles.

Scope 2 – Indirect Emissions from electricity purchased and used by the organization.

Scope 3 – All Other Indirect Emissions from activities in the value-chain of the organization: including emissions associated with business travel, procurement, waste and water.

Evaluating all three scopes gives the total CO₂ equivalent (CO_{2e}) emissions relevant for the company’s accountabilities. This represents a major shift and stems from a growing realization that a large portion of our CO_{2e} emissions originates in our value chain but is nevertheless impacted by our decisions. If we want to change those decisions, we need to know their impact.

We have in our screening process learned about alternative reporting methodologies that will enable us to estimate our total CO_{2e} emissions. By combining two these, we can see the full picture of the emissions from operations, a quantification of CO_{2e} emissions from materials, and the impact of different decarbonization initiatives. Moving forward, we will use 2019 as our base-line being the first year we implemented the new methodology.

Approach 1: Input-output analysis based on financial reporting (Klimakost/Asplan Viak)	Approach 2: Assessment of embedded carbon in products (Material Economics)
<p>Input-output analysis is a method to study the interrelations between sectors in the economy. This method has been extended with environmental information to estimate the direct and indirect emissions from economic activity. By calculating and tracing the interconnected demand between sectors in the economy it is possible to estimate the emissions from the spend in any sector.</p> <p>For our analysis, financial data were processed through the multiregional input-output (MRIO) model EXIOBASE 3 https://www.exiobase.eu/index.php/about-exiobase to estimate the total emissions for the company.</p>	<p>The assessment of embedded CO_{2ev} is a top-down assessment of the materials in finished products based on sales volumes and estimation of the composition of each product.</p> <p>The analysis is based on the estimated materials composition for 70% of our sales volumes (by weight) and includes the four main material types (plastics, electronics, steel, and paper/cardboard). The emission factors consider the embedded emissions from selected materials, i.e. the emissions from extraction and production of the raw materials. Emission factors are based on average European values, e.g. for plastics overall.</p>
<p>Advantages</p> <ul style="list-style-type: none"> • Provides an understanding of total emissions from our operations. • Possible methodology for further monitoring of emissions. <p>Disadvantages</p> <ul style="list-style-type: none"> • Provides a good overview of total emissions but does not provide details on each material. • Pricing and currency fluctuations could impact details and elements in the results. 	<p>Advantage</p> <ul style="list-style-type: none"> • Enables quantification of levers to reduce the CO_{2e} footprint of materials to provide a high-level understanding of how to cut emissions from materials. <p>Disadvantage</p> <ul style="list-style-type: none"> • Based on European data, whereas we are a global company.

We believe there is an advantage by combining the two methods and then cross checking the results with our external partners.

For many emission categories the solutions to reduce emissions are often relatively straightforward - e.g. shifting to renewable electricity in production sites. In this regard, an estimation of the total CO_{2e} footprint based on the input-output analysis gives enough information to make informed decisions. By using this type of methodology, it is also possible to monitor and compare emissions from year to year.

For emissions from a company's materials use the assessment is usually much more complex: the CO_{2e} footprint depends on the material composition of the products and the share of recycled vs virgin materials. The opportunity to reduce emissions is usually also larger, ranging from circulating products to a larger extent, recycling materials internally and externally, and shifting to renewable energy in the supply chain.

Becoming carbon neutral

2030 goal: Achieve a minimum 70% reduction in carbon emissions by 2030 across: facilities, transport, travel and supply chain. Offset any residual emissions.

Reductions based on 2019 levels

Current Focus Area/Theme

- Renewable energy in all offices and factories.
- Lasting change in travelling habits.
- Optimize logistics network.

2021 ambition to action:

Reduce absolute emissions by 10% from 2019 level by:

- reducing air freight by 25% from 2.1 to 1.6 million ton-kilometres;
- reducing business travel cost by 20% through travelling less and smarter;
- while still growing the business, reducing total weight shipped to customers from xx to yy;
- only working with freight forwarders who have a focus on emissions reduction.

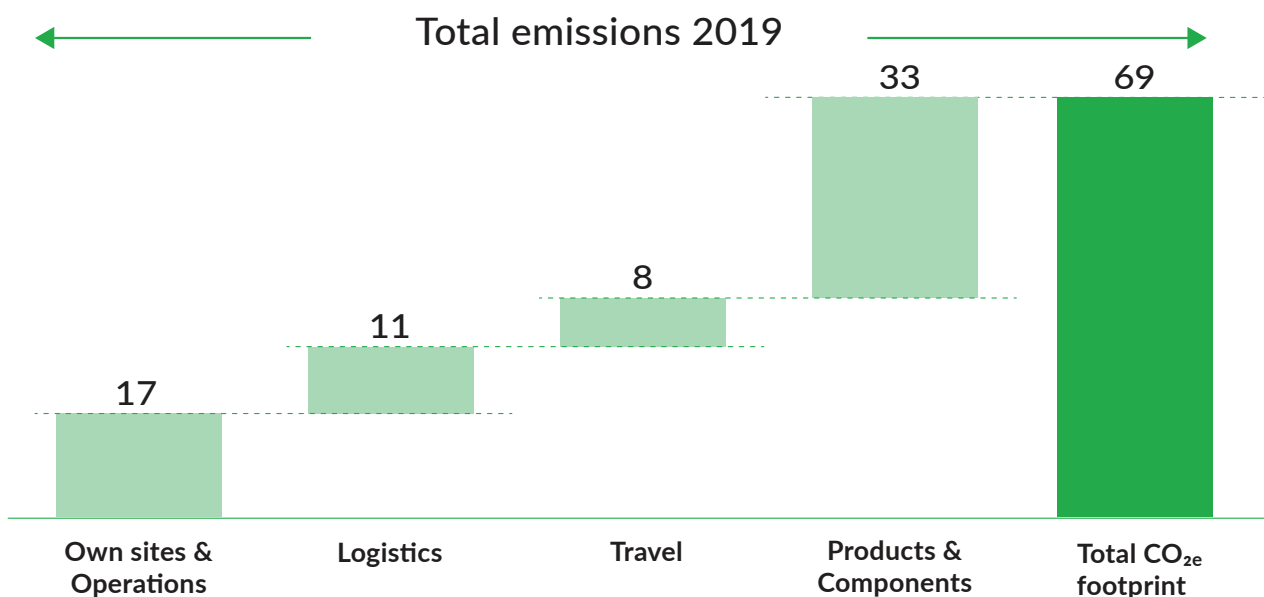
Total emissions 2019

Based on the methodology described in the previous section, we have estimated our total emissions and have identified four main levers that drive our emissions:

- Products & Components - covering the emissions embedded in the materials, components and products that we offer.
- Travel - the emissions generated by our business travels.
- Logistics - covering inbound logistics for our raw materials, components and finished products plus the distribution of our products to our customers.

- Own sites & Operations - made up of a range of contributions such as onsite energy consumption, consultancy services, facility maintenance, tools, hardware, and office equipment.

Our total carbon footprint in 2019 was estimated to be 69 kilotonnes CO_{2e}. Our efforts to reduce our emissions will be shaped around these levers and are detailed on the following pages.



Absolute reductions needed

According to the UN Emission Gap Report (2019), global emissions need to be 55% lower in 2030 compared to 2018 to put the world on the least-cost pathway to limiting global warming to below 1.5°C compared to pre-industrial temperatures.

We recognize this and accept our share of accountability. We are charting out a pathway based on a minimum 70% reduction of our CO_{2e} emissions.

We have a shared dedication and commitment with our shareholders, the Laerdal Board, senior management and employees to follow through on the reduction initiatives that will stem from the ambitions set out in this document.

“The greatest danger to our planet is the belief that someone else will save it.”

Robert Swan, OBE, FRGS
Polar Explorer

Cooperation for change

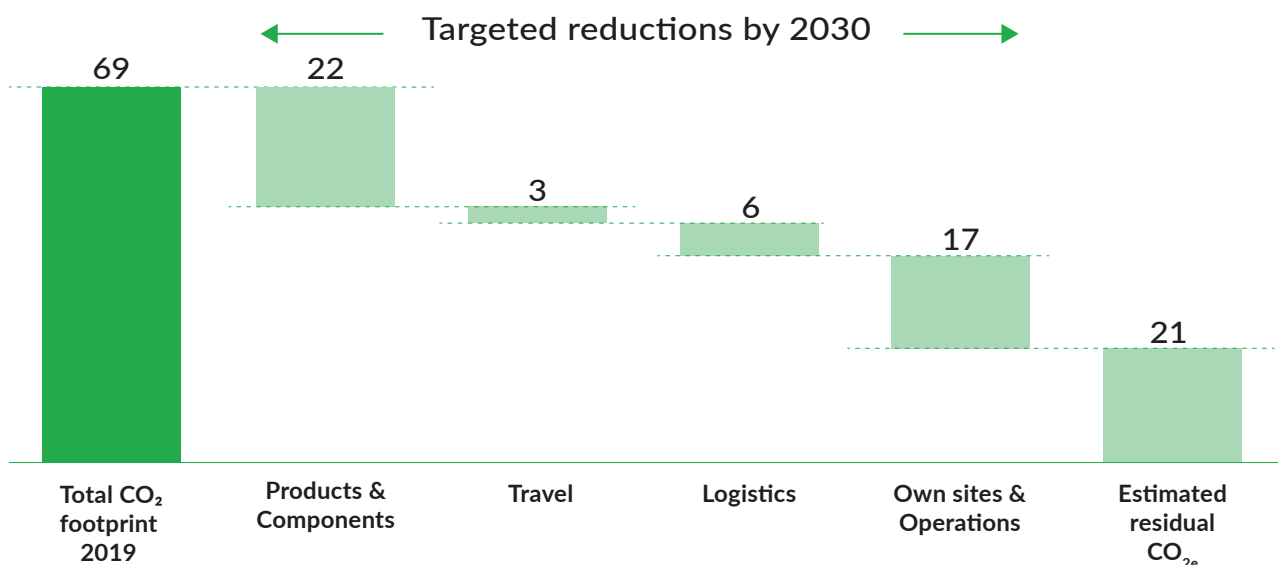
Laerdal is joining forces with several prominent companies across sectors to reduce CO_{2e} emissions and to increase use of circular materials in the value chain. In doing so, we accept the challenge to:

- adopt targets to reduce CO_{2e} emissions in a “science-based” manner so that they can be assessed by others and are in line with the level of decarbonization required to keep global temperature increase below 1.5°C compared to pre-industrial temperatures;

- set interim targets to be reached in the coming 1 to 5 years, not only a long-term target; and
- cover Scope 1, 2 and 3 emissions.

Skiftnorge

Laerdal has joined Skiftnorge which is an initiative to accelerate the transition to a low-carbon economy and support the Norwegian Government in delivering on its national climate commitments by 2030.



Targeted reductions by 2030

Achieving our ambitions will take time and require systematic and long-term efforts. We will initiate and fund projects within four levers -Products and components, Logistics, Travel and Own sites and operations - every year during the next ten years to enable us to reach our targets. The results will be achieved based on our ability to mobilize all employees to work throughout the entire value chain to identify opportunities for improvements so that we can accelerate the impact we have for a more sustainable future.

Logistics

We will reduce the emissions from our inbound logistics and distribution from eleven to five thousand tons of CO_{2e} per year by 2030.

This will be achieved in part by optimizing our logistics network and in part by actively selecting freight forwarding options with proven low CO_{2e} emissions.

To help us, we have built a reporting solution that enables us to assess the emissions from our global flow of goods. This tool helps us to identify the emissions from our different trade lanes. We do this by analyzing our transactional data to model what we have shipped from A to B. This is combined with emission factors to provide a detailed overview of the emissions from our logistics activities.



Product and components

We will reduce emissions from our products and components from thirty-three to eleven thousand tons of CO_{2e} per year by 2030.

These reductions will be achieved by initiatives undertaken at our manufacturing sites as well as in cooperation with suppliers in our value chain.

By introducing more recycled and bio-based material into our products we will achieve a reduction in both CO_{2e} emissions and usage of raw materials. As we transition to using more circular and shared user models, complemented by digital solutions, we will see a decrease in resources and energy needed and, at the same time, an increase in usage of our solutions. Ultimately, we will be helping save more lives using less resources.

Starting now, we will plan for solutions internally with total emissions in mind and will work with partners that share our commitment to achieve an overall reduction in emissions.





We will reduce our emission from travel from eight to five thousand tons of CO_{2e} per year by 2030.

We believe in being close to our customers and some travelling is necessary. However, we need to be smarter in how we optimize these contacts.

With the increased digital communication necessary during the time affected by COVID-19, we have developed our digital software and skills.

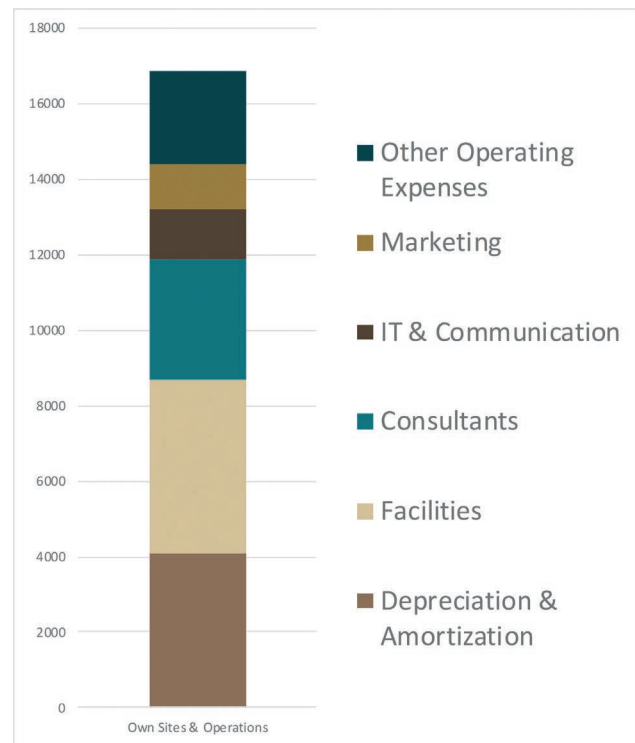
With customers and partners, we see this as an opportunity to continue a transition to a more digital-based sales and communication system on an ongoing basis.



We will reduce emissions from our own sites and operation from seventeen thousand to zero tons of CO_{2e} by 2030.

This is a very ambitious target bearing in mind the complexity and diversity of emissions sources included in this category. As can be seen in the graph to the right, this category includes diverse levers such as outsourced services, IT, and depreciation of machinery. In setting such an ambitious target, there is a recognition that to reduce our emissions we must start early. We will take initiatives in many areas in parallel to achieve our goal.

Reducing the emissions for this category will be a truly global effort with activities undertaken across all disciplines and all locations. We have already introduced usage of renewable energy at most manufacturing sites and more actions will be taken within 2021 for further improvements.



Estimated residual emissions to be offset

Our current estimates show that in 2030 we will be generating 21 kilotonnes of CO_{2e} emissions that will need to be offset.

Currently, the most promising carbon capture technology is the approach of planting trees. Research shows that ten years after planting, an average tree will absorb about 21kg of CO_{2e} per year from the atmosphere.

This means that one million trees planted within 2021 will offset the potential residual emissions of 21 kilotonnes CO_{2e} per year from 2031 onwards.

We will by mid-2021 investigate if further emission reductions can be achieved and other solutions for removing our emissions from the atmosphere, but we are now planning for offsetting the current estimated residual emissions by planting one million trees.

One million trees planted to help save one million lives.

Carbon reduction initiatives in different functions

The carbon reduction program goes across all units in Laerdal, and many initiatives are underway or will be started shortly. Some are based on specific plans others based on developments in the market. In dialogue with 3 corporate leaders we learnt their perspective on the situation:

Ambitious partners in logistics and services

“On logistics, we have proactively addressed the CO_{2e} emissions footprint and selected our transportation partners with the commitment to be carbon neutral by 2030. We select partners who can complement and support efforts for reductions in freight/distance travelled by our products, reductions in emissions from using low-emissions vehicles and reductions in energy consumption at our distribution centers. We have increased the concept of cross-docking, meaning, the products are distributed directly from our factories to end-customers with marginal handling and storage time at our central

Distribution Centers (DCs). This reduces the square footage needed in our facilities and our central DCs are located as close as possible to final delivery destinations in Asia Pacific, Americas and Europe.

On services, we will continue our digital-first customer service strategy. This includes delivering information and updates to our customers on educational and technical services proactively via an online portal. We will also do more remote diagnosis and online video-based support.”

Petra Ellen Hansen. Director Operations.

Sales and Services and COVID 19 in 2020

“From March to August 2020, travelling to customer sites essentially stopped. We worked remotely with our customers to support them during these very special circumstances. Development in video conferencing and teamwork software made it possible to do business with minimal on-site meetings. This has created alternative perspectives on how to cooperate and to present the value we can offer through virtual demonstrations. We believe the “new normal” after COVID 19 will look different with increased use of virtual tools to assure our solutions cover users’ real needs.”

Tor Bryne. VP Sales, Marketing & Services.

Selection and partnering with our suppliers

“When selecting suppliers, we are looking for partners who live up to international standards and who can align their ambitions on sustainability with ours. We realize that the 2030 goals can only be achieved in partnership and collaboration with our suppliers. The sustainability ambitions and geographical locations are dimensions when identifying and selecting suppliers that will become even more important than before.

BB Electronics in Suzhou in China is one of several suppliers who share our values and ambitions. They are working on many sustainability-related initiatives in parallel, including changing from single use to reusable boxes when sending us “Work in Progress” components locally. They have also installed insulating curtains around machines to reduce power usage.”

Sjur Gausel. Director of Strategic Sourcing.



Developing Circular Solutions

2030 goal: Circular materials throughout the value chain - “Reduce, Reuse, Recycle” and design sustainability into new products.

Reductions based on 2019 levels

Current Focus Area/Theme

- Implement ZeroAim sustainable design tool.
- Initiate pilot projects for a circular business model and recycled plastic in our products
- Set up recycling schemes in our supply chain.

2021 ambition to action:

- 50% of packaging material in our products will come from recycled material.
- Start including recycled material in products with internal/non-visible plastic components.
- 25% reduction in virgin plastic material in newly developed products.
- Develop a methodology for collecting end-of-life products.
- 10% of single use (non-medical) products and components replaced by reusable, recycled or bio-based solutions.

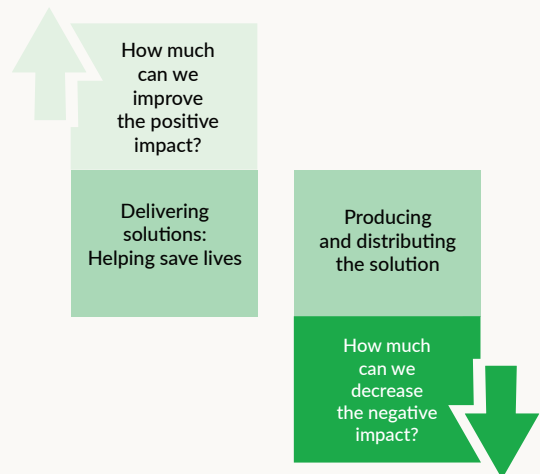
In order to ensure long term sustainability in our own operations, we need to rethink the way we deliver our solutions. Our ambition is to deliver more circular solutions driven by both circular use of materials and more circular and dematerialized user approaches.

The transition towards a more circular approach is driven by a “Reduce-Reuse-Recycle” mindset that is integrated throughout the organization. To integrate sustainability into everything we do, we have developed the Laerdal Future Fit model using elements from the Future-Fit Benchmark Model used by Novo Nordisk.

The Laerdal Future Fit model will help us to assess:

- the positive impact of the new solutions or new way of working **DOING MORE GOOD;**
- environmental risks and how alternative solutions can help to limit the potential harm we create by the solutions we deliver **DOING LESS HARM.**

The model is an integrated part of our product development process



In working towards this ambition, we will deliver on our commitment of helping save lives while using less and more sustainable materials. We will ensure that our equipment is used in an efficient manner e.g. by developing sharing models, digital solutions and by building eco-systems to allow

organizations requiring healthcare training to connect to equipment already in the field. The shift towards a circular business model is not only vital to deliver sustainable solutions, it is also key to achieving our ambition of carbon neutrality.

Laerdal Circular Model

Raw materials

We are minimizing our input of raw materials through a combination of using circular material and creating circular solutions.

Recycling

We are recycling material internally and externally, through partnerships with eg IVAR.

Residual waste

We are minimizing waste through further developing our take back schemes and increase our assembly options.

Services

We are improving our services through an increased use of cloud-based support systems and additional services.



Raw materials

We will minimize our input of raw materials through a combination of recycling material and components and by developing more solutions that increase productivity. Our materials team are continually investigating new solutions to increase the sustainability of our material use. They have over the last year reviewed bio-based solutions as alternatives for plastic in our products.

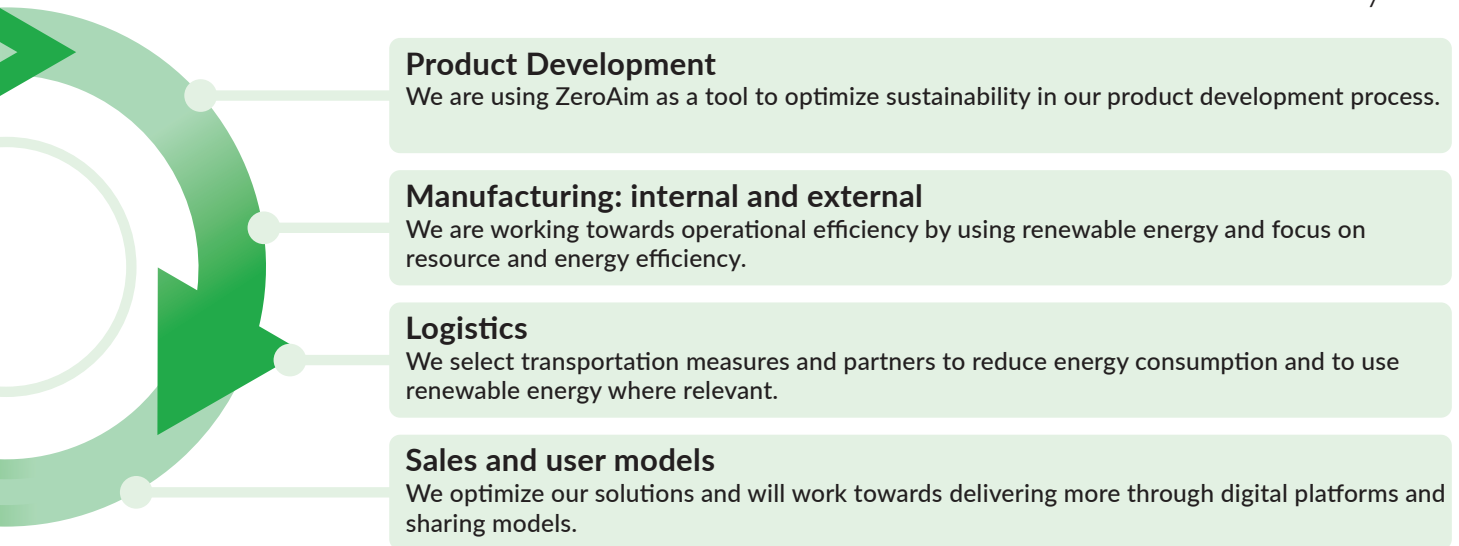
The findings suggest that even though new technologies and solutions are emerging, there are so far limitations to its durability, which for Laerdal is a key factor for sustainability. We are moving towards more use of such solutions but need to ensure that product durability is not compromised. Enhancing sustainability of our long-life products through changing the user models will increase user productivity and decrease the material needed to deliver the solution.



Product Development

Designing for more circular and dematerialised user models are key aspects of the product development process. Using the Laerdal Future Fit model, our development teams are focusing on design solutions which lead to a more sustainable product. They are finding alternative ways to reduce the amount of plastic used, making good choices on plastic types, including using non-virgin plastic where possible, and ensuring the products are designed to be easy to service and upgrade. But sustainability is not just about the product; it is also about reducing the amount of packaging material necessary and choosing sustainable packaging.

We have developed the ZeroAim Sustainability Guide to aid us in providing relevant direction to designers and engineers. Its purpose is to help to evaluate and compare multiple concepts and design more sustainable products. The guide also helps us to think about the impact of our decisions throughout the lifetime of products. Through integrating this tool, sustainability is not an add on, it is a core development feature.



Manufacturing: internal and external

In the approach towards a circular solution delivery, the manufacturing process is important. We have internal initiatives in place and planned to achieve operational efficiency through elimination of waste, recycling, using renewable energy, and enhancing resource and energy efficiency. A large part of our production is done by external suppliers, and it is key to collaborate in this change.

We will work with our suppliers to exchange knowledge and learn from each other in a health and safety focussed manner. We have already started using the OECD guidelines on environmental impact as a framework to assess our own production and are expecting the same from our suppliers.



Logistics

Closing the loop in our supply chain is dependent on an increased use of logistics to optimize our circular product services, both in our take-back systems, and in our new sales models.

In this transition we will use our transportation tool to optimize our logistics and use transportation driven by renewable energy where possible.



Sales and user models

A vital part in our transition towards more circular solutions are the changes that we are making to our sales and user models. We are transitioning from linear models to circular models through developing shared, digital and service-based solutions. These solutions will not only help us decrease our environmental impact through dematerialization and productive use, they will also enable us to enhance our goals of helping save lives.

We will be able to increase the access to our solutions and train more people using less resources in doing so.

In Laerdal we have always had a great focus on durability and quality, which are key in delivering more circular solutions. The durability of our products will be enhanced with an increased focus on services and maintenance in a more sustainable manner.



Services

Circular solutions require effective service and maintenance programs. Durability and quality have always been a key priority for Laerdal, and we already have a good infrastructure in place through our deployed field engineers and our well-established Service Centers available for all markets. In addition, we have digital maintenance and services for connected solutions. We are continuously optimizing the durability of our solutions through providing easily accessible upgrade services.

We will continue to optimize our service and repair options, and we will have an increased focus on the assembly/disassembly opportunities that will further enhance our durability approach. Our digital services are also expanding and improving as we deploy new platforms and knowledge through the acquisition of B-Line Medical, the leading provider of video debriefing and simulation center management solutions (see later).



Residual waste

We are minimizing our internal waste by focusing on efficient manufacturing and by recycling our scrap and waste. We are also reducing waste linked to our products by delivering solutions that are circular, shared and dematerialized through digital platforms and are increasingly using materials that are widely recyclable and encouraging our users to recycle at the end of the product lifecycle.

We are also developing take-back schemes and increasing our assembly-disassembly options. The increased focus on services, repair and durability will also help us reduce our waste.



Recycling

Sustainability in our solutions are first and foremost promoted by durability and productive use. Our focus is to first reduce, then reuse and lastly recycle when the product no longer serves a purpose. For us, recycling is especially important with our single-use products or products with a short lifespan. We are determined to expand use of recycled and

recyclable material in these products and in our long-life products when technology evolves and does not affect the durability of the solution. We will recycle scrap and post-consumer material internally or by using local partners. We are currently investigating collection systems that can close this loop in our supply chain.

Our journey towards circular solutions and materials

Resuscitation Quality Improvement (RQI)

We have partnered with the American Heart Association to create and deliver the RQI program - an example of combining resources and knowledge in a “shared model”. The program uses a self-directed methodology, combining both online learning and stand-alone resuscitation skills stations.

This approach increases accessibility and utilization and improves resuscitation quality at healthcare institutions, whilst decreasing the amount of equipment required per healthcare provider.

Program implementations are now being completed remotely via online & digital support, significantly reducing the amount of travel and overall emissions.



Cloud-based solutions from B-Line Medical

In 2019 we acquired B-Line Medical – the leading provider of video debriefing and simulation center management solutions – as a part of our strategic effort to enhance our portfolios through the use of enabling technologies. SimCapture, a key part of B-Line’s portfolio is fully cloud-based and allows us to more rapidly develop and remotely implement new features and trouble-shoot and support customers without having to physically be onsite – and thus reducing the need to travel significantly while at the same time increasing our responsiveness. Over time, the cloud-based solution will also require less hardware reducing the use of materials and electronics.

Partnering for recycling

We have started a partnership with the public recycling company for the Stavanger Region, IVAR.

We are exploring the opportunity for using their advanced plant for working specifically on the Laerdal waste plastic. We are early in the process, but we are seeing promising initial results for them to clean and separate out different types of plastic using the 22 machines they currently have in place. They could also clean and work on the different Laerdal waste on a dedicated machine if /when required.

We are also investigating whether we can use waste plastic from IVAR in some of our products. Quality is everything to us and we will ensure that our high standards are maintained and that our products meet all relevant material compliance requirements.



3D printing

With our growing knowledge of sustainable technologies, we are in the process of developing 3D-printing initiatives for producing parts. This will enable us to reduce the unnecessary waste stemming from unused spare parts. In addition, we have started making our own 3D printing filament using recycled plastic scrap from our production.



Reducing packaging waste

To help reduce our environmental footprint generated from waste when unboxing, we are in the process of removing / reducing plastic and cardboard from our packaging.



Developing recycled skins

In order to reduce our reliance on virgin plastic, we are developing experimental skin using recycled materials. Take-back schemes will need to be established to collect these materials for recycling.

There will likely be challenges, for example with consistent colour quality. However, as one customer responded: *“No one is without blemish, so, if possible, we would like this alternative solution.”*

It will be an opportunity for us to take bold initiatives to reduce use of virgin plastic.



Offering a sustainable Manikin Face Shield

Our material team has over the last year investigated alternative materials for our Manikin Face Shield. After comparison of multiple concepts bearing in mind the specific use of the product and the strict hygiene requirements, we found that recycled and recyclable materials will be the best solution.



Committed to Social Responsibility

2030 goal: Implement UNGPs and OECD guidelines throughout our supply chain and cascade to the next level from the largest suppliers.

Current Focus areas/Themes

- Implement UNGPs and OECD processes at our manufacturing sites.
- Cascade same methodology to key suppliers.

2021 ambition to action:

- Implement UNGPs and OECD guidelines with at least 25% of our key suppliers.
- 40% female leaders.

An important part of delivering on our 2030 goals is to have processes and systems in place to ensure that we deliver on international principles for sustainable development. Laerdal is committed to support and follow the UN Global Compact <https://www.unglobalcompact.org/library/2> principles on human rights, labour, environment and anti-corruption. This commitment is reflected in the way we operate and in what we expect from our suppliers and partners. We became a member of Global Compact in 2015.

Laerdal has a strong commitment to the SDGs, specifically SDG3 Good Health and Well-Being, and in 2019 we committed to the UN Guiding Principles on Human Rights (UNGPs) and the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises. https://www.oecd-ilibrary.org/governance/oecd-guidelines-for-multinational-enterprises_9789264115415-en

By having a strong focus on human rights, reducing environmental harm, and anti-corruption, we are in good position to partner with international organizations and to deliver on other relevant SDGs.



Implementing the UNGPs and OECD guidelines

Based on a framework developed by the sustainable business consultants, GLOBAL CSR, we have established a methodology to implement the UNGPs and OECD guidelines, which for us is a way to ensure we conduct business in a responsible manner. We are committed to respect the human rights of others, minimize our negative impact on the environment and ensure anti-corruption. We assess and address any potential adverse impacts using this framework. We expect our suppliers and partners to do the same.

This requires us to:

- avoid causing or contributing to adverse impacts on human rights, the environment and anti-corruption through our own activities but addressing such impacts when they occur; and
- seek to prevent or mitigate adverse human rights, environment and anti-corruption impacts that are directly linked to our operations, products or services through our business relationships.

We have in addition, in alignment and partnership with an external human rights lawyer, developed policies and processes relevant for our operational risks and global reach. This includes implementation of and follow up on:

- a CSR policy commitment;
- a Human Rights due diligence process; and
- establishing grievance mechanisms to enable access to remedy.

“We are proud to assist Laerdal in implementing the UNGPs and OECD guidelines. By using our newly developed cloud-based Due Diligence tool, regular impact assessments are facilitated for both Laerdal and key suppliers.

In 2019, Laerdal with our support developed capacity and conducted the first operational level impact assessment with key Laerdal representatives from their corporate office and their factories in Monterrey (Mexico) and Suzhou (China). The tool will enable both their own operations and key suppliers to conduct and document regular impact assessments - the key element of the UNGPs.”

Sune Skadegaard Thorsen
Human Rights Lawyer
GLOBAL CSR
<https://globalcsr.net/>



Our business relationships

Laerdal collaborates with carefully considered, reputable partners to create long-lasting business relationships. To assure continuous alignment, we conduct regular assessments. We will move towards a continuous process engaging our suppliers and partners to assure we all meet the UNGPs and assess any impact on human rights while increasing transparency and trust.

We expect our partners and suppliers to:

- meet the globally agreed minimum standard for responsible business conduct as referenced in our Policy on Corporate Social Responsibility and outlined in our Code of Conduct for Business Relationships;
- manage risks of adverse human rights impacts that they may cause or contribute to;
- communicate promptly to us any severe adverse impacts that our relationships cause, contribute or are linked to; and
- ask the same from their business relationships.

This is a new approach for due diligence, where partnership and transparency are key elements. We will share our risks and our strategy for mitigating them and expect our suppliers and partners to do the same. In this way we will learn from each other and work together to ensure responsible business conduct. We believe that a collaborative approach to ensure responsible business is more effective than a controlling one.

Diversity and inclusion

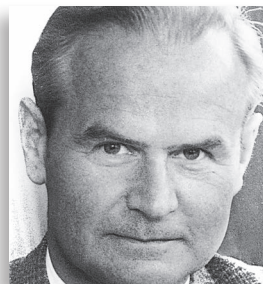
In addition to managing risks of adverse impacts on the right not to be subjected to discrimination, we believe that diversity and inclusion from entry level to top management help us drive better decision-making. Fostering diversity, enables us to build cultural awareness, a broader competence base and to understand better our customers across cultures. We have a diversity and inclusion policy that builds on the prohibition of discrimination or harassment of any kind. <https://laerdal.com/about-us/working-at-laerdal/diversity-and-inclusion/>

Over the last two years, we have increased our workforce to over 1500 permanent employees. There has been a slight decrease in the percentage of female workers due to lower ability to recruit women for our growing software activities, but we have increased the percentage of female team leaders to 38%. Today 31% of the senior management group are females.



The Laerdal extended Executive Management Team celebrate the SDGs at Utstein Abbey, outside Stavanger.

“If we can create value to the society at large, and do our job well, satisfactory economic results will follow – and allow us to build a stronger company with time.”



Åsmund S. Lærdal