

**ottobock.**


**Sustainability  
Non-Financial Report  
2023.**



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# **1. General information (ESRS 2).**

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## 1.1. Basis for Preparation.

### 1.1.1. General basis.

We have published an annual sustainability report based on the principles of the UN Global Compact since 2016. The 2021 and 2022 reports were prepared in line with the Core option of the Global Reporting Initiative (GRI) Standards.

This Non-Financial Report has been prepared voluntarily in accordance with the European Sustainability Reporting Standards (ESRS). It is complemented by a Sustainability Highlight Report.

Both consolidated reports relate to the 2023 financial year of Ottobock SE & Co. KGaA. The reporting period is 1 January to 31 December 2023 unless otherwise stated. The editorial deadline for the reports was 06.02.2024.

The coverage (e.g. policies, targets, actions, metrics, contextual information etc.) does not extend to the upstream and downstream value chain unless otherwise mentioned. Additional deliberate omissions or limited scopes of reporting are clearly marked.

The reports have not been reviewed externally.

All beforehand mentioned reports are available in German and English on our [corporate website](#).

### 1.1.2. Specific circumstances.

In 2023, we revised our materiality analysis in accordance with the CSRD and the methodology outlined in ESRS 1 and ESRS 2. This report is based on the result of this materiality analysis. The respective disclosures represent the identified material topics.

However, as policies and processes as well as action plans and targets now need to be revisited or defined – especially for new topics – the report also includes information on the formerly defined initiatives and KPI that have been reported in 2021 and 2022.

Unless otherwise noted, value chain data is not included in this report. Estimations, sources of uncertainty as well as underlying assumptions are mentioned accordingly throughout the respective chapters.

## 1.2. Governance.

 Ottobock is a partnership limited by shares and is not listed on the stock exchange. Näder Holding GmbH & Co. KG holds 80 % of Ottobock SE & Co. KGaA. The holding company is wholly owned by the Näder family, and thus the direct descendants of company founder Otto Bock. Since 2017, the Swedish private equity company EQT has held 20 % of Ottobock SE & Co. KGaA. The international activities of the company are coordinated from its headquarters in Duderstadt (Lower Saxony).

### 1.2.1. The role of the administrative, management and supervisory bodies.

The  Management Board is responsible for running the business of Ottobock SE & Co. KGaA. Chairman of the Board is Professor Hans Georg Näder. The Management Board determines the company's basic orientation and strategic direction. It consists of five Non-Executive Directors and two of the four Executive Directors (CEO/CSO and CFO) at present.

The  Supervisory Board of Ottobock SE & Co. KGaA is subject to European co-determination and consists of six shareholder representatives and four employee representatives from Germany and abroad. It monitors the activities of the Management Board, which conducts the business of Ottobock SE & Co. KGaA. Dr Bernd Bohr, long-standing head of the automotive division at Bosch, is Chair of the Supervisory Board.

The  Executive Board consists of four Executive Directors: CEO/CSO, CFO, CXO and COO/CTO. They manage Ottobock's operations, continue the company's growth strategy and carry out our mission according to the strategic direction of the Management Board. Oliver Jakobi, who has been with the company for over 30 years, assumed the role of Chief Executive Officer (CEO) in mid-December 2022.


**Composition and diversity**


Details about the experience, qualification and background of the members of the Management, Supervisory and Executive Board are publicly available on our [corporate website](#).

ESRS 2 / GOV-1: The role of the administrative, management and supervisory bodies		2021	2022	2023			
<b>Management Board</b>	<b>GRAND TOTAL</b>	<b>6</b>	<b>7</b>	<b>7</b>			
	<b>Male - Total</b>	<b>5</b>	<b>83%</b>	<b>7</b>	<b>100%</b>		
	30 – 50 years old	3	2	1			
	over 50 years old	2	5	6			
	<b>Female - Total</b>	<b>1</b>	<b>17%</b>	<b>0</b>	<b>0%</b>		
	30 – 50 years old						
	over 50 years old	1					
	<b>Diverse - Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>		
	30 – 50 years old						
	over 50 years old						
<b>Supervisory Board</b>	<b>GRAND TOTAL</b>	<b>9</b>	<b>10</b>	<b>9</b>			
	<b>Male - Total</b>	<b>6</b>	<b>67%</b>	<b>7</b>	<b>70%</b>	<b>5</b>	<b>56%</b>
	30 – 50 years old	2	2	2			
	over 50 years old	4	5	3			
	<b>Female - Total</b>	<b>3</b>	<b>33%</b>	<b>3</b>	<b>30%</b>	<b>4</b>	<b>44%</b>
	30 – 50 years old	3	3	4			
	over 50 years old						
	<b>Diverse - Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
	30 – 50 years old						
	over 50 years old						
<b>Executive Directors</b>	<b>GRAND TOTAL</b>	<b>5</b>	<b>4</b>	<b>4</b>			
	<b>Male - Total</b>	<b>4</b>	<b>80%</b>	<b>4</b>	<b>100%</b>	<b>4</b>	<b>100%</b>
	30 – 50 years old	4	4	2			
	over 50 years old			2			
	<b>Female - Total</b>	<b>1</b>	<b>20%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
	30 – 50 years old						
	over 50 years old	1					
	<b>Diverse - Total</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>	<b>0</b>	<b>0%</b>
	30 – 50 years old						
	over 50 years old						



### Roles and responsibilities in exercising oversight of IRO management

The  Management Board sets the objectives and monitors the sustainability strategy and performance.


The  Supervisory Board oversees the execution of the sustainability strategy as well as compliance with regulatory and reporting requirements.

The members of the  Executive Board have global responsibility for specific sustainability issues. The respective initiative owners at the global or local level are in charge of the implementation of the defined goals including training and evaluation.

The Chief Financial Officer assumes responsibility for sustainability throughout the company. The Global Sustainability reports directly to the CFO. It specifies the strategy and objectives, including the KPIs, manages and monitors the implementation of policies and initiatives as well as related trainings and bears responsible for reporting, communication, ratings and audits in the non-financial field.

### Expertise on sustainability matters

All members of the  Management Board are familiar with sustainability matters and the respective implications for strategy and business model.

The composition of the  Supervisory Board ensures that its members have the knowledge, skills and professional experience required to properly realise its advisory and supervisory function. The approved model of skills and expertise, developed in accordance with the German Corporate Governance Code (section C.1) defines ESG-knowledge as a general personal quality that each member of the Supervisory Board shall meet. Beyond that, certain members of the Supervisory Board, especially members of the audit committee, have special expertise on sustainability matters.

The Executive Directors have expertise in their field of responsibility and the respective sustainability topics. In addition, the CFO holds in-depth knowledge about sustainability reporting and regulation.

### 1.2.2. Information provided to and sustainability matters addressed by the administrative, management and supervisory bodies.

Global Sustainability has established a quarterly so called sustainability roundtable where information about sustainability matters is shared with all initiative owners. In 2023 five roundtables have been conducted. Especially the process and results of the materiality analysis have been discussed intensively with these cross-functional teams of subject matter experts.

Moreover, the Global Sustainability department reports directly on a bi-weekly basis and as needed to the CFO. He updates the other members of the Executive Board regularly. All Executive Directors are also informed about specific sustainability matters by the respective department within their field of responsibility.

Management, Supervisory and Executive Board are informed at least once a year about the status of the sustainability strategy implementation. The Supervisory Board was updated on sustainability matters three times in 2023.

The sustainability reporting is approved by the Executive and Supervisory Board.

### 1.2.3. Statement on sustainability due diligence.

Our commitment to sustainability is not only a principle but an integral part of our corporate DNA. We recognize the importance of embedding sustainability due diligence in our governance, strategy, and business model.

In line with this commitment, we engage with affected stakeholders or suitable representatives at crucial junctures of our due diligence process. Our goal is to ensure that their perspectives and concerns are considered in all key steps of our diligence.

Our sustainability due diligence involves a process of identifying and assessing adverse as well as positive impacts associated with our activities, products, and supply chains. This approach allows us to understand potential risks and opportunities, enabling us to take swift and decisive actions to address adverse impacts and reinforce positive ones.

To reinforce our dedication to sustainability, we track the effectiveness of our efforts. Regular assessments and evaluations help us refine our strategies and enhance our performance continually.

Communicating transparently about our sustainability initiatives is a priority. We believe in sharing not only our successes but also our challenges and the lessons we have learned. By doing so, we contribute to the broader conversation on sustainable practices and inspire positive change within our industry and beyond.

Our sustainability due diligence extends beyond compliance; it is a dynamic process that shapes our corporate culture and values. We are committed to not only meeting regulatory requirements but exceeding them to make a meaningful and lasting impact on the environment, society, and our stakeholders.

### 1.3. Strategy, business model and value chain.

Ottobock develops innovative fitting solutions for people with reduced mobility and takes care of the full treatment cycle all over the globe. As the Human Empowerment Company, we promote freedom of movement, quality for life

and independence. With innovative power, outstanding technical solutions and services we enable people in more than 140 countries to live their lives the way they want to.

#### 1.3.1. Products & services.

##### Prosthetics.



Upper and lower limb prosthetics and accessories.

##### NeuroMobility.



Innovative and holistic solutions for neurological induced mobility impairments.

##### Ottobock.care.



Treatments, support and services for our users in 400+ owned Patient Care Centers worldwide.

##### Exoskeletons.



Motion-powered exoskeletons for commercial applications.

##### Digital O&P solutions.



Digital treatment and production processes/business solutions.

### 1.3.2. Market & customer groups.

Worldwide more than 560 million people have a potential need for human mobility solutions. Of those, more than 160 million need customized orthotic or prosthetic solutions.

We serve people in more than 135 countries with our subsidiaries and global Patient Care Network that offer customised orthopaedic treatment and rehabilitation solutions with harmonised quality standards in over 400 fitting centres worldwide. In countries in which we do not have own locations, we offer comprehensive assistance via our Ottobock Export department.

Detailed information on our locations can be found online at [Ottobock worldwide – locations and clinics.](#)

### 1.3.3. Headcount of employees.

Please refer to chapter [3.1.6. Characteristics of employees](#) for detailed information.

### 1.3.4. Sustainability-related goals.

For over a century, our company has seamlessly integrated responsible governance and economic prosperity. Our dedication to sustainability is uniquely manifested in the positive social impact of our products and services as well as the values-based corporate governance upheld by the family of owners. Placing people at the forefront has been a constant in our actions, and it will persist in the future. We help people maintain or regain their freedom of movement – we are The Human Empowerment Company.

Since 2015, we have proudly been a member of the UN Global Compact. Following a comprehensive analysis of our key sustainability priorities, values, and strategies, we have pinpointed seven SDGs that hold the utmost relevance for Ottobock. These selected goals have been seamlessly integrated into [our sustainability strategy](#) and strategically allocated to specific areas of action where we believe we can exert the most significant influence to accomplish these objectives.

Information about our goals and objectives for each [material topic and focus area](#) can be found in the relevant section of this report and the corresponding Sustainability Highlight Report for the year 2023.

## SUSTAINABLE DEVELOPMENT GOALS



### 1.3.5. Upstream and downstream value chain.

As a global company, we are aware of our entrepreneurial responsibility to customers, employees, investors, business partners, the public and the environment.


The performance of our suppliers around the world is particularly important for the satisfaction of our customers and the users of our products. Efficient service processes in the supply chain are of crucial importance here. Hence, we place great emphasis on the  [selection of our business partners](#).

### 1.3.6. Stakeholders.

Our most important stakeholder groups are:

- Patients/users
- Customers and medical professionals
- Employees
- Investors and analysts
- Paying parties and decision makers in politics & industry

We collaborate with these stakeholders at various levels. Our subject matter experts in the specialized departments are in constant contact with their most relevant stakeholder groups fostering an open dialogue to understand their expectations of our company while keeping them informed about our initiatives.

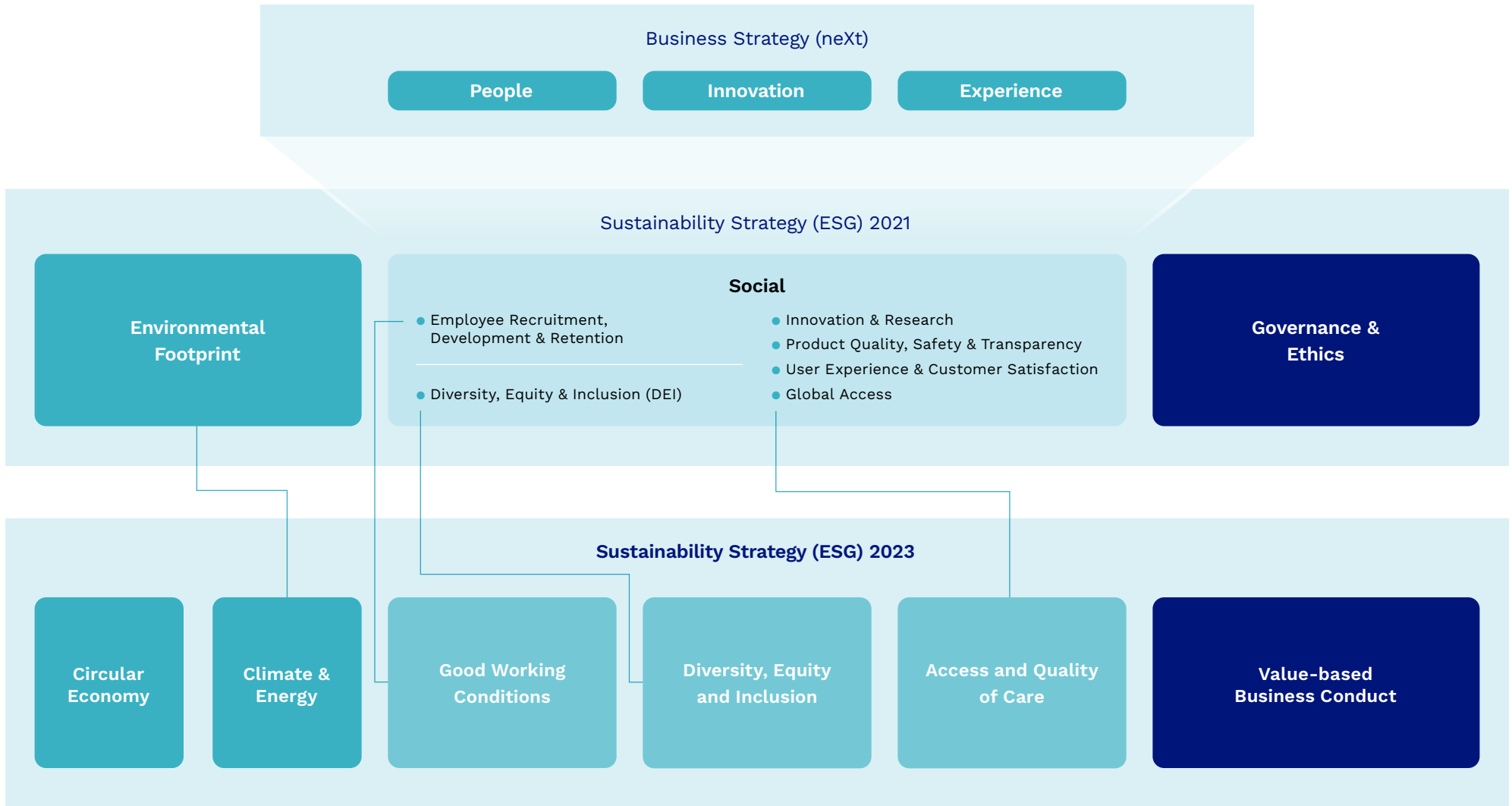
Our  [corporate website](#) is updated regularly and contains transparent and holistic information about our strategy, business model and activities.

### 1.3.7. Material impacts, risks and opportunities and their interaction with strategy and business model.

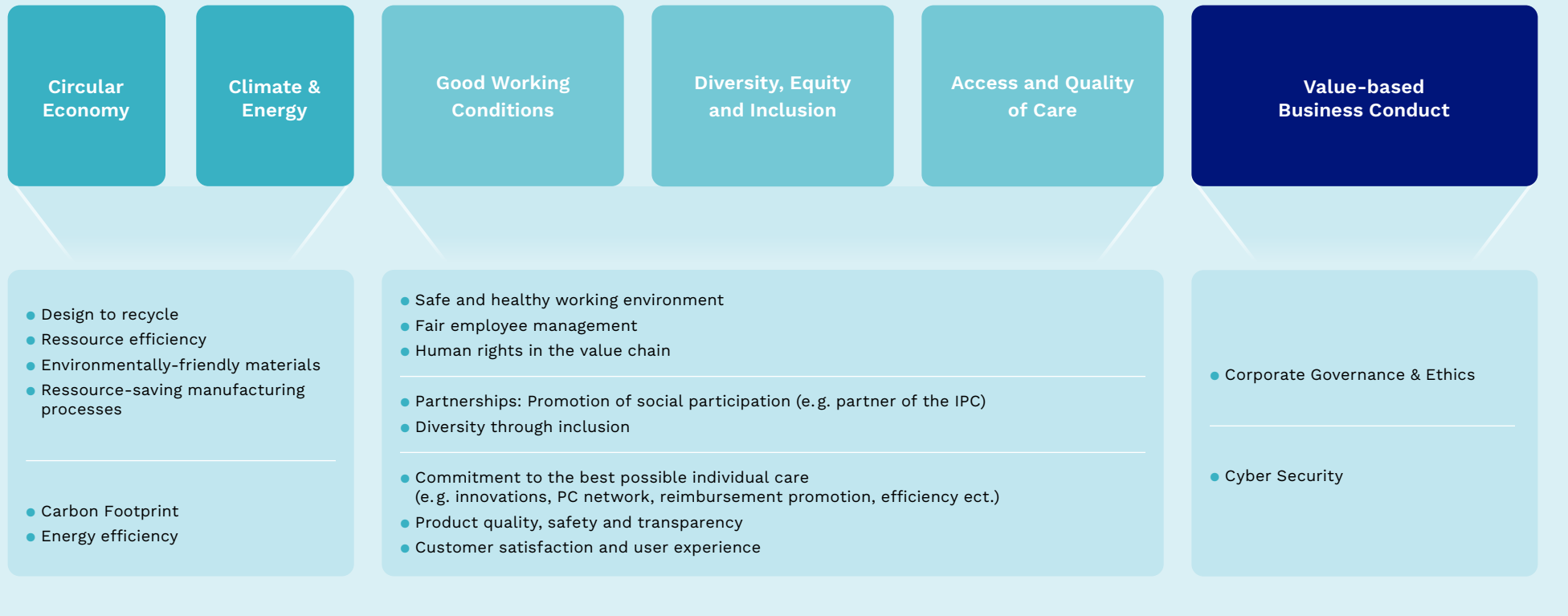
Based on our materiality analysis and fully aligned with our neXt business strategy, eight focus areas were identified in 2021 that are of paramount importance for Ottobock and our internal as well as external stakeholders.

The updated materiality analysis conducted this year confirmed the findings from 2021 but refined some aspects and identified new topics. The core topics have remained, but political and climate-related influences also affect us and are thus reflected in the results. We have clustered and prioritized the impacts and material issues for greater focus. The below listed, now six focus areas reflect our holistic approach on sustainability-related matters.

For 2024, our task is to establish initiatives with measures and goals behind the focus areas. We have already begun discussions with the departments and will finalize the defined initiatives with the management in the first quarter of 2024.



Sustainability Strategy (ESG) 2023 – Focus areas & Material topics



## 1.4. Description of the processes to identify and assess material impacts, risks and opportunities.

While Ottobock is not required to report under the CSRD based on current business activities yet, we have chosen to proactively engage with the new requirements and conduct a materiality analysis in accordance with ESRS 1 and ESRS 2 in 2023.

In preparation, we deliberated on sustainability aspects that could be essential for Ottobock. As a basis for creating the long list of potential impacts, risks and opportunities, we utilized the framework of the ESRS standard, the Sustainable Development Goals, various sustainability ratings, competitor information, stakeholder concerns, and the focal points from our previous analysis. Each topic underwent a comprehensive examination across the entire value chain, considering that negative and positive impacts, as well as risks and opportunities, can arise not only in our direct

business activities but also in the supply chain or during the product usage phase.

Experts from various departments prioritized and evaluated the individual topics using a predefined matrix in a total of eight workshops involving representatives from HR, Finance, Legal, Marketing, and Operations. The financial materiality was assessed separately involving the CFO.

Before the assessment, a materiality threshold had been established. All topics surpassing the set threshold are highlighted and extensively addressed in the report in accordance with ESRS standards. This includes information on strategy and governance related to the topic, details about implemented measures, as well as goals and key performance indicators.



## 1.5. Disclosure Requirements.

Details about the material impacts, risks and opportunities relating to the before-mentioned focus areas and topics will be reported in accordance with the following ESRS topical standards:

	Focus area	Material topic	Topical ESRS standard	Corresponding SDGs
<b>Environmental</b>	Circular Economy	<ul style="list-style-type: none"> <li>● Design to recycle</li> <li>● Resource efficiency</li> <li>● Environmentally friendly materials</li> <li>● Resource-saving manufacturing processes</li> </ul>	E5	9, 10 & 12
	Climate & Energy	<ul style="list-style-type: none"> <li>● Energy efficiency</li> <li>● Carbon Footprint</li> </ul>	E1	7 & 13
<b>Social</b>	Good Working Conditions	<ul style="list-style-type: none"> <li>● Safe and healthy working environment</li> <li>● Fair employee management</li> <li>● Human rights in the value chain</li> </ul>	S1 & S2	3, 8 & 10
	Diversity, Equity & Inclusion	<ul style="list-style-type: none"> <li>● Partnerships: Promotion of social participation (e.g. partner of the IPC)</li> <li>● Diversity through inclusion</li> </ul>	S1 & S4	10 & 17
	Access and Quality of Care	<ul style="list-style-type: none"> <li>● Commitment to the best possible individual care</li> <li>● Product quality, safety and transparency</li> <li>● User experience</li> </ul>	S4	3, 10 & 17
<b>Governance</b>	Value-based Business Conduct	<ul style="list-style-type: none"> <li>● Corporate governance &amp; ethics</li> <li>● Cyber security</li> </ul>	G1	8

Not material according to our analysis are the following ESRS topical standards:

- E2 Pollution
- E3 Water & marine resources
- E4 Biodiversity & ecosystems
- S3 Affected communities



## **2. Environmental information.**

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## 2.1. Climate Change (ESRS E1).

### 2.1.1. Climate change mitigation.

#### Transition plan

As a company engaged in product manufacturing, we acknowledge our responsibility to safeguard the planet, particularly concerning the release of carbon dioxide emissions.

We aim to decrease our GHG emissions in line with the 1,5°C goal of the Paris Agreement. Over 90% of our emissions fall under Scope 3, encompassing upstream and downstream supply chains. Purchased materials and semi-finished products contribute to about 85% of the Scope 3 emissions. As a result, our efforts are concentrated on incorporating renewable energy throughout the entire value chain. Initiatives also involve transitioning to biogas, prioritizing electric vehicles, and shifting from air to sea freight.

We are currently updating and refining our transition plan placing great emphasis on alignment with the overall business strategy and financial planning.

#### Material impacts, risks and opportunities

We have identified the following climate-related physical **impact** through our materiality analysis:

- Energy consumption through:
  - Use of virgin materials

We have identified the following climate-related **opportunities** through our materiality analysis:

- Energy efficiency through:
  - Modernization of plant technology
  - Implementation of a global energy management system
- Emissions reduction through:
  - Purchase and generation of renewable energy

#### Policies

Our comprehensive stance on environmental impact avoidance is reflected in a company-wide directive on [Energy, environmental and occupational health and safety policy](#) as well as our [Energy efficiency & renewable energy deployment statement](#).

We have also decided to employ the applicable standards for environmental (ISO 14001) and energy (ISO 50001) matters to oversee future objectives and measures and to track the attainment of goals. The mentioned ISO management systems will be introduced in all significant production facilities according to a rollout plan extending until 2026. Our plant in Tongzhou (China) has been ISO 14001 certified since 2020. The production plants at the company's headquarters in Duderstadt (Germany) were certified for [ISO 14001](#) and [ISO 50001](#) in 2022, followed by a successful ISO 14001 certification in our plant in Königsee and ISO 50001 certification for our facilities in Vienna in 2023.

Our top 50 suppliers, responsible for more than 50% of emissions from acquired goods and materials have been required to adhere to well-defined emission reduction goals.

**Actions: GHG emission reductions**

The total emissions output for the reporting year amounts to 268,394 tons. (Refer to the detailed overview of our [2.1.3. GHG emissions](#) at the end of this chapter for more information.)

Over the last twelve months, there has been a decrease of approximately 4,300 tons in Scope 1 and 2. The gradual reduction in emissions is attributed to energy savings and the growing adoption of carbon-free and carbon-reduced electricity.

Scope 3 has seen a slight increase of around 1,500 tons of CO<sub>2</sub>. However, 2023 marked a growth-oriented year for Ottobock. In the first half alone, the company achieved a 17 percent revenue growth. Despite the acquisition of patient care centers and the associated rise in purchased goods and services, the overall CO<sub>2</sub> emissions output experienced a comparatively modest increase.

Our objective is to further align business growth with decarbonization. For this reason, we are collaborating with various departments to develop solutions for reducing our ecological footprint.

**Targets: GHG emissions reduction targets**

To adapt to the altered framework conditions, we thoroughly examined all previously established and reported GHG reduction measures in 2023 and conducted a comprehensive analysis of Scope 1 & 2 to uncover additional opportunities for reduction. A similar analysis for our Scope 3 emissions is scheduled for 2024. Our objective is to achieve SBTi validation for the resulting targets and initiatives. We will then comprehensively communicate these ambitions.

Our baseline year for all targets is 2021 (unless noted otherwise).

Initiative	Ambition	Progress 2023	Person in charge	SDG
<b>GHG emissions Scope 1, 2 &amp; 3</b>	SBTi compliant by 2031	See contextual information	COO	13
<b>Share of renewable energy</b>	100% in 2023	14.9% See contextual information		

**2.1.2. Energy consumption and mix.**

ESRS E1/ E1-5: Energy consumption and mix related to own operations (in MWh)		Description	2021	2022	2023
<b>Total energy consumption</b>	<b>GRAND TOTAL</b>		<b>109,260,159.58</b>	<b>101,331,350.29</b>	<b>79,576,695.96</b>
Total energy consumption from <b>fossil sources</b>	<b>TOTAL</b>		<b>53,490,958.99</b>	<b>48,001,695.85</b>	<b>33,426,982.75</b>
	Diesel		25,621,761.05	19,849,399.49	9,884,400.06
	Fuel Oil		245,755.86	222,924.90	788,975.83
	LNG		1,176.03		
	LPG			22,566.38	1,900.00
	Natural Gas		20,637,259.25	18,205,361.72	13,580,347.00
	Petrol		6,985,006.81	9,615,174.37	9,171,359.86
	Welding gas mixture			86,269.00	
Consumption of purchased or acquired electricity, heat, steam, or cooling from <b>fossil sources;</b>	<b>Total</b>		<b>36,335,154.55</b>	<b>45,213,217.12</b>	<b>34,303,535.34</b>
	Electricity		24,927,462.55	33,346,532.35	29,301,101.57
	Heating		11,407,692.00	11,866,684.77	5,002,433.77
	Cooling		n.a.	n.a.	n.a.
	Steam		n.a.	n.a.	n.a.
<b>Total energy consumption from nuclear sources</b>			n.a.	n.a.	n.a.
<b>Total energy consumption from renewable sources</b>	<b>TOTAL</b>		<b>19,434,046.04</b>	<b>8,116,437.32</b>	<b>11,846,177.87</b>
	fuel consumption from renewable sources (incl. biomass, biofuels, biogas, hydrogen from renewable sources etc.) *		2,861,559.70	1,262,732.00	720,205.08
	energy consumption from purchased or acquired electricity, heat, steam, and cooling **				11,022,028.79
	energy consumption from self-generated non-fuel renewable energy ***				103,944.00

\* Wood chips

\*\* Heating purchased from Biogas Duderstadt GmbH &amp; Co KG as well as "green electricity"

\*\*\* Photovoltaic systems at patient care facilities: Pohlig GmbH

ESRS E1/ E1-5: Energy consumption and mix related to own operations (in MWh)		Description	2021	2022	2023
Total energy production	Total		23,745,750.83	19,713,584.99	15,195,371.91
	non-renewable		20,884,191.14	18,450,852.99	14,371,222.83
	renewable		2,861,559.70	1,262,732.00	824,149.08
Energy intensity (= total energy consumption per net revenue)			n.a.	n.a.	n.a.

The annual financial statements for 2023 had not yet been prepared at the time of writing this report.

**Entities in scope 2021 & 2022:** Aktiv Ortopedteknik I Sverige AB; John & Bamberg GmbH & Co KG; OBI Italia S.r.l.; OOO Otto Bock Service Moskau; Otto Bock Adria D.O.O.; Otto Bock Equipment B.V.; Otto Bock France Les Ulis; Otto Bock Health Care Canada Ltd.; Otto Bock HealthCare Limited Partnership; Otto Bock HealthCare; Limited Partnership; Otto Bock HealthCare LP; Otto Bock Healthcare plc; Otto Bock Healthcare Products GmbH; Otto Bock India Pvt. Ltd.; Otto Bock Manufacturing Königsee GmbH; Otto Bock Mobility LLC; Otto Bock Polska Sp. Z o.o.; Otto Bock Scandinavia AB; Otto Bock Suisse AG; Ottobock (China) Industries Co.,Ltd; Ottobock Manufacturing Bulgaria EOOD; Ottobock SE & Co. KGaA (Berlin); Ottobock SE & Co. KGaA (Duderstadt); Ottobock Soluzioni Ortopediche S.r.l.; Ottobock Vinhedo Mobility; Pohlig Austria GmbH; Pohlig GmbH; Respecta OY; VIGO NV; Vigo-Ortho Polska Sp. Z o.o.; ZAO Otto Bock Orthop. Tech. Moskau

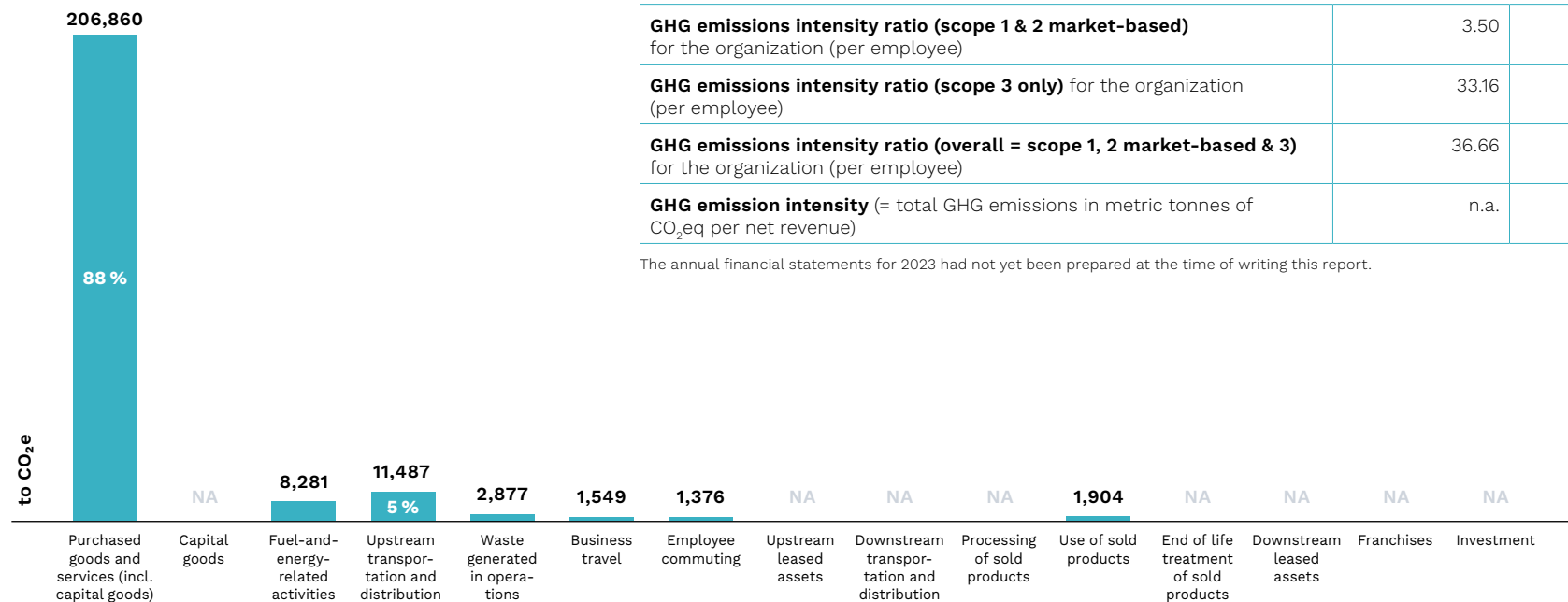
**Entities in scope 2023:** A4 Access LLC; Active Life Health LC; Active Life LLC; Active Life Orthotics and Prosthetics Corporation; Aktiv Ortopedteknik i Sverige AB; Albatros Son Holding B.V.; AS Otto Bock Estonia; Bilimop Ortopedi Anonim Şirketi; Brillinger Verwaltungs GmbH; Carolina Orthotics & Prosthetics LLC (MI); Carolina Orthotics & Prosthetics LLC (SC); Cascade Orthopedic Supply LP; Clínica de Reabilitação Ottobock Sao Paulo Ltda.; Demolder Orthos NV; Dorset Orthopaedic Company Limited; Eilandsgracht B.V.; G.M. Medical Bracing B.V.; Herakles GmbH; Independent Disablement Services Limited; Industria Ortopedica Otto Bock Limitada; IOT Gesellschaft für innovative Orthopädie-Technik mbH; John + Bamberg GmbH & Co. KG Ortopädietechnik im Annastift; John + Bamberg Verwaltungs GmbH; La Prothese Generale SA; Livit Orthopedie B.V.; Medifix Healthcare Limited; OOO Otto Bock Service Moskau, OOO Otto Bock St. Petersburg; OOO Otto Bock Yekaterinburg; Orthomed BV; Orthopädie Brillinger GmbH u. Co. Kommanditgesellschaft; Orthopedie Investments Holding B.V.; Orthopraxis SAS; Ortoped ULC; Otto Bock - Orthopedic Technique LLC; Otto Bock Adria d.o.o.; Otto Bock Adria d.o.o. Sarajevo; Otto Bock Algeria EURL; Otto Bock Argentina S.A.; Otto Bock Asia Pacific Limited; Otto Bock Australia Pty Ltd; Otto Bock Benelux B.V.; Otto Bock Bulgaria Ltd.; Otto Bock Chile SpA; Otto Bock ČR s.r.o.; Otto Bock de Mexico S.A. de C.V.; Otto Bock do Brasil Tecnica Ortopedica LTDA; Otto Bock Equipment B.V. ; Otto Bock France SARL; Otto Bock HealthCare Andina SAS; Otto Bock HealthCare Andina SAS; Otto Bock HealthCare Andina SAS; Otto Bock HealthCare Besitz- und Verwaltungs GmbH; Otto Bock HealthCare Beteiligungen GmbH; Otto Bock HealthCare Canada Ltd.; Otto Bock HealthCare Deutschland GmbH; Otto Bock HealthCare India Private Ltd.; Otto Bock HealthCare Limited Partnership; Otto Bock HealthCare North America Inc.; Otto Bock HealthCare PLC; Otto Bock Healthcare Products GmbH; Otto Bock HealthCare U.S. Inc.; Otto Bock HealthCare US Management Inc.; Otto Bock HealthCare US Participation LP; Otto Bock Holding B.V.; Otto Bock Holding South East Asia Co.Ltd.; Otto Bock Hungaria Kft.; Otto Bock Iberica S.A.; Otto Bock International (Beijing) Co. Ltd.; Otto Bock Italia Srl; Otto Bock Japan K.K.; Otto Bock Korea HealthCare Co. Ltd.; Otto Bock Manufacturing Königsee GmbH; Otto Bock Maroc SARL; Otto Bock Medikal Hizmetleri Ltd Sti.; Otto Bock Middle East FZ-LLC Dubai; Otto Bock Mobility LLC; Otto Bock Mobility Solutions GmbH; Otto Bock MP B.V.; Otto Bock Orthopedic Services LLC; Otto Bock Ortopedi ve Rehabilitasyon Tekniği LS; Otto Bock Patient Care LLC; Otto Bock Polska Sp. z o.o.; Otto Bock Romania SRL; Otto Bock S A Holding (Pty) Ltd.; Otto Bock Sava d.o.o.; Otto Bock Scandinavia AB; Otto Bock Servizi Ortopedice S.R.L.; Otto Bock Slovakia s.r.o.; Otto Bock Soluzioni Ortopediche Srl; Otto Bock South Africa (Pty) Ltd; Otto Bock South East Asia Co.Ltd.; Otto Bock Suisse AG; Ottobock (China) Industries Co. Ltd; Ottobock GP LLC; Ottobock Group Holdings LLC; OTTOBOCK INDUSTRIA COMÉRCIO IMPORTAÇÃO E EXPORTAÇÃO DE PRODUTOS ORTOPÉDICOS E CADEIRAS DE RODAS LTDA; Ottobock Kenya Limited; Ottobock Manufacturing Bulgaria EOOD; Ottobock MedicalCare GmbH; Ottobock Prosthetic Group Corp.; Ottobock Prosthetic Group Holdings LLC; Ottobock Prosthetic Holdings LLC; Ottobock Prosthetics LLC; Ottobock Reseau Ortopédie et Services; Ottobock SE & Co. KGaA; Ottobock Uruguay S.A.; plus medica OT GmbH; Pohlig Austria GmbH & Co. KG; Pohlig GmbH; Polior Industria e Comercio de Produtos Ortopedicos Ltda.; Pomme Holdings Corp.; Proklinik Sağlık Hizmetleri Sanayi ve Dış Ticaret Anonim Şirketi; Prosthetics Consulting Services LLC; Prosthetics/Orthotics Consulting Service; Respecta OY; Southern Prosthetics & Orthotics Pty. Ltd.; SUITX GmbH; suitX Inc.; VIGO International NV; VIGO NV; Veldink Rolstoeltechniek B.V.; Wright & Filippis. LLC; Wright & Filippis. Southeast LLC

**Deviations from previous reportings:** The utilized energy conversion factors, i.e., the factors for converting specific quantity units into heat units, have been adjusted to comply with the specifications of the German Federal Office for Economic Affairs and Export Control (BAFA) as of 2023. The values from previous years have been retroactively adjusted accordingly, resulting in minor deviations in the absolute values reported in previous years. Nevertheless, these differences are so minimal that they can be considered virtually insignificant in the overall evaluation.

**2.1.3. GHG emissions.**

ESRS E1/ E1-6: 1, 2, 3 and Total GHG emissions (in metric tonnes of CO <sub>2</sub> eq)	2021	2022	2023
<b>gross Scope 1 GHG emissions</b>	15,520.03	12,352.00	8,524.00
<b>gross location-based Scope 2 GHG emissions</b>	12,308.00	14,208.00	14,225.00
<b>gross market-based Scope 2 GHG emissions</b>	14,364.67	13,032.00	12,511.00
<b>gross Scope 3 GHG emissions</b>	282,899.00	245,409.00	234,334.00
<b>total GHG emissions</b> (from the underlying Scope 2 GHG emissions being measured using the <b>location-based method</b> )	310,727.03	271,969.00	257,083.00
<b>total GHG emissions</b> (from the underlying Scope 2 GHG emissions being measured using the <b>market-based method</b> )	312,783.70	270,793.00	255,369.00
<b>GHG emissions intensity ratio (scope 1 &amp; 2 market-based)</b> for the organization (per employee)	3.50	2.82	2.16
<b>GHG emissions intensity ratio (scope 3 only)</b> for the organization (per employee)	33.16	27.22	24.04
<b>GHG emissions intensity ratio (overall = scope 1, 2 market-based &amp; 3)</b> for the organization (per employee)	36.66	30.04	26.19
<b>GHG emission intensity</b> (= total GHG emissions in metric tonnes of CO <sub>2</sub> eq per net revenue)	n.a.	n.a.	n.a.

The annual financial statements for 2023 had not yet been prepared at the time of writing this report.



Significant Scope 3 categories.



### Preliminary note on the methods and conversion factors used to calculate CO<sub>2</sub> emissions

The CCF's calculation methodology is based on the Greenhouse Gas (GHG) Corporate Carbon Accounting Standard and the complementary "Corporate Value Chain (Scope 3) Accounting and Reporting Standard". Calculations refer to the relevant greenhouse gases, namely carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>) and nitrous oxide (N<sub>2</sub>O), and all emissions are expressed in metric tons of CO<sub>2</sub> equivalents (tCO<sub>2</sub>e),

### Scope 1 & 2 emissions

#### Accounting Scope

- The organizational boundaries where set based on "operational control" of locations.
- The CCF accounts for 342 Ottobock sites across 52 countries, collectively embodying ~8,400 Full-Time Equivalents (FTEs).
- Activity data (energy + refrigerants) has been provided by 259 sites, while projections have been employed for 86 sites in lieu of unavailable primary data.
- The overall quality of the underlying data can be considered as reasonable.

### Data Collection Period

- With the ambition of reporting the 2023 emissions data promptly at the onset of 2024, primary data collection commenced in October 2023. The foundational primary activity data spans a **comprehensive 12-month interval**, from October 2022 to September 2023. In instances where data from 2023 was not yet procurable due to variances in billing cycles, representative figures from 2022 have been judiciously employed.

### Extrapolation Methodology

- **Projection of requisite data is founded on the average electricity (2.156 kWh per annum) and natural gas (888 kWh per annum) consumption per FTE.** These average consumption figures have been calculated based on primary data from 38 sites. Although these extrapolations correspond to 24% of Ottobock's sites, they merely **reflect only 6% of the total energy demand.** In scenarios where only cumulative data was obtainable for a certain cluster of sites, this aggregate was apportioned among the sites congruent with their FTE distribution, as exemplified by the gasoline demand in the USA.

### Used globally acknowledged databases:

- **Scope 1:** IPCC 2019 Refinement to 2006 IPCC Guidelines
- **Scope 2 Emission data source:** IEA 2023
- **GWP(100)** data based on IPCC AR5 dataset

### Scope 3 emissions

#### Accounting Scope

The following categories were identified as relevant for ottobock:

#### Upstream categories:

- 3.1** purchased goods and services
- 3.2** capital goods (included in 1, purchased goods and services)
- 3.3** fuel and energy related activities
- 3.4** Upstream Transport & distribution
- 3.5** Waste generated in operations
- 3.6** Business travel
- 3.7** employee commuting

#### Downstream categories:

- 3.9** Downstream Transport & Distribution (grouped with upstream transport)
- 3.11** Use of Sold products
- 3.12** end-of-life treatment of sold products (discussed, but not included due to negligible impact).

The inventory's activity data, which initially had gaps, were supplemented with projections, estimates, and assumptions. These were collaboratively developed and adopted, following a conservative approach in line with the GHG Protocol standards. Bosch Climate Solutions undertook the calculation of the emissions.

## 2.2. Resource use and circular economy (ESRS E5).

### 2.2.1. Material impacts, risks and opportunities.

We have identified the following **impacts** through our materiality analysis:

- Environmental pollution through:
  - Treatment of products at end of life
  - Generation of microplastic from Ottobock products
  - Inorganic pollutants
  - Disposal of hazardous substances
  - Use of plastic in packaging and products
  - Use of wood in packaging and products
  - Use of substances of concern/ very high concern in the production process (waste)

We have identified the following **opportunities** through our materiality analysis:

- Use of environmentally friendly or biological substitute substances
- Increase in reuse, recycling and recovery operations
- Resource-saving manufacturing processes, e.g. iFab (centralisation/digitisation)

### 2.2.2. Policies.

We recognize our duty to protect the environment, especially in terms of using natural raw materials. Our aforementioned company-wide directive on [Energy, environmental and occupational health and safety policy](#) outlines our strive for safe working conditions and environmentally friendly products. We pay special attention to the conscious use of national resources along the entire life cycle of our products and review technologies that reduce consumption in production processes on an ongoing basis.

Waste management adheres to legal regulations in all countries where Ottobock operates.

Continuously improving the environmental performance of our supply chain is one of our top priorities. Environmental aspects such as compliance with legal requirements, management of non-renewable natural resources and handling of hazardous substances are part of our [Supplier Code of Ethics](#).

We have integrated environmental criteria into our supplier assessment process. Business partners are expected to cooperate with Ottobock and provide background information for integrity and compliance checks.

We support the transition to a circular economy in line with the EU's Green Deal. However, a considerable portion of our product portfolio is subject to stringent requirements, necessitating certification and/or official approval before reaching users. Consequently, the use of recycled materials faces limitations when safety and/or functionality are at stake (Medical Devices Act). In response, we increasingly consider the potential recyclability of the materials used in our products during the development and design process. Our requirement list (R&D Duderstadt) incorporates general criteria for sustainable resource use and principles of circular economy in product design, specifically for new product developments. Implementing changes to existing products, however, is a more challenging process.

The same holds true for the shift away from utilizing virgin non-renewable resources. We have initiated tests involving the use of recyclates in the development of new products. However, due to the aforementioned regulations, this is currently not a viable option for products already in the market.

### 2.2.3. Actions.

We are consistently engaged in efforts to render our production processes sustainable. This involves the sensible use of natural resources with a specific focus on plastic, wood, and paper, along with the corresponding waste reduction.

In our commitment to sustainability, we strive to adopt more environmentally friendly packaging solutions (e.g. higher rates of use of secondary raw materials) whenever feasible. Additionally, we are dedicated to an ongoing reduction in resource use from packaging on an annual basis.

The logistics center in Duderstadt, for example, completely avoids the use of bubble wrap or similar plastic materials. Also, the strapping and banding of packages have largely been eliminated. While approximately 1.2 tons of plastic straps were consumed in the year 2016, this figure has reduced to around 150 kilograms in 2023 (-88%).

Our product category  GreenLine comprises materials that are environmentally friendlier than traditional products and have a reduced impact on the health of the O&P professionals who work with them. Substituting carbon with flax fibers or replacing plastic components with wood represents a stride towards a more environmentally conscious utilization of resources.

As part of our efforts to embrace circular business practices, we are currently exploring the reprocessing of hydraulics.

Our running blades and prosthetic loaners, which are not consistently used as everyday prostheses, are now being utilized based on the actual duration of use rather than adhering strictly to the recommended product life (e.g., 6 years for prostheses). This approach ensures that these products are not discarded after the typical recommended product life but are instead retired based on the actual time they have been in use.

As part of our activities to ensure compliance with The Act on Corporate Due Diligence Obligations in Supply Chains (Lieferkettensorgfaltspflichtengesetz), we have identified suppliers with a potentially higher risk of violations against environmental protection based on the products they supply or regions they operate in. These suppliers have been asked to complete a thorough self-disclosure form. The evaluation of these questionnaires is currently underway and, if need be, will lead to further investigations and deep dives in justified cases of suspicion.

### 2.2.4. Targets.

We are dedicated to fostering a culture of sustainability and innovation, and a key aspect of this commitment is our eagerness to enhance circular product design. Recognizing the importance of minimizing environmental impact, we strive to reevaluate our product lifecycle and introduce measures that promote reparability, reuse, refurbishment, and recycling. Corresponding initiatives will be set up and the goals and ambitions as well as our progress will be communicated accordingly.

Our commitment extends to various aspects of our operations, encompassing the avoidance of hazardous substances, the recycling of reusable materials, and the expansion of digitalization processes.

While our production processes undergo continuous analysis and improvement, waste generation is an inherent aspect. In 2021, we set a target to reduce production scrap by 10 % annually.

Scrap reduction objectives were not achieved due to the inability to utilize a significant portion of components supplied by a third-party supplier, resulting in the necessity to discard them. Adjusted for this effect, the rate is 8 %.

Initiative	Ambition	Progress 2023	Person in charge	SDG
<b>Reduction of production scrap</b>	10 % YoY	0.8 %	COO	12

## 2.2.5. Resource inflows.

Ottobock Group has a highly diversified supplier base that comprises of approximately 2,700 suppliers worldwide for direct material.

To date, we can only provide data for product and transport packaging. Exact data to distinguish between non-renewable and renewable materials is not available for the year under review.

ESRS E5 / E5-4: Resource inflows (in kilo)	Description	2021	2022	2023
<b>Total weight of product and transport packaging *</b>	<b>GRAND TOTAL</b>	<b>938,014.63</b>	<b>986,663.55</b>	<b>919,794.16</b>
<b>Product packaging</b>	Wood	972.00	40.50	0.00
	Plastics	16,205.36	17,159.96	18,872.38
	Paper, cardboard, carton	118,723.67	118,865.08	128,163.38
	Absorbent materials	428.31	396.91	446.65
	Tinplate	22,905.33	22,637.21	19,957.19
<b>Transport packaging</b>	Wood	183,838.00	189,974.25	139,586.50
	Plastics	56,225.98	59,575.85	54,540.45
	Paper, cardboard, carton	522,579.09	562,940.79	539,052.22
	Absorbent materials	16,077.41	15,045.79	19,165.61
	Tinplate	59.49	27.20	9.79

\* Locations in scope 2021, 2022 and 2023: Duderstadt, Königsee, Blagoevgrad, Wien, Salt Lake City and Tongzhou

## 2.2.6. Resource outflows.

ESRS E5 / E5-5: Resource outflows (waste)	Description	2021		2022		2023	
		in metric tons (t)	in m <sup>3</sup>	in metric tons (t)	in metric tons (t)	in metric tons (t)	in metric tons (t)
<b>Total amount of waste generated</b>	<b>GRAND TOTAL</b>						<b>8,428.94</b>
	Acid, alkaline or salt wastes						0.18
	Batteries and accumulators wastes						12.67
	Chemical wastes						120.35
	Combustion wastes						6.05
	Common sludges (excluding dredging spoils)						3.00
	Discarded equipment						10.23
	Dredging spoils						0.04
	Glass wastes						0.63
	Health care and biological waste						127.59
	Household and similar wastes						4,608.01
	Industrial effluent sludges						25.58
	Industrial effluent sludges						8.35
	Metallic wastes, ferrous						102.94
	Metallic wastes, mixed ferrous and non-ferrous						57.31
	Metallic wastes, non-ferrous						272.55
	Mineral waste from construction and demolition						1,279.01
	Mixed and undifferentiated materials						96.64
	Other mineral wastes						42.97
	Paper and cardboard wastes						905.97
	Plastic wastes						364.27
	Rubber wastes						0.06

ESRS E5 / E5-5: Resource outflows (waste)	Description	2021		2022		2023	
		in metric tons (t)	in m <sup>3</sup>	in metric tons (t)	in metric tons (t)	in metric tons (t)	in metric tons (t)
	Sorting residues						14.33
	Spent Solvents						17,229
	Textile wastes						31,261
	Used oils						114.82
	Used oils						45,693
	Vegetal wastes						23,436
	Wood wastes						137.79
<b>Hazardous waste and radioactive waste</b>	<b>Total</b>	<b>434.40</b>	<b>0.00</b>	<b>208.08</b>			<b>324.47</b>
> diverted from disposal (by recycling)	<b>Sub-total</b>	<b>274.28</b>		<b>123.00</b>			<b>129.53</b>
> directed to disposal	<b>Sub-total</b>	<b>160.12</b>	<b>0.00</b>	<b>85.08</b>			<b>42.81</b>
	Incineration;	62.17		20.21			23.05
	Incineration (with energy recovery);						
	Incineration (without energy recovery);	0.24					
	Landfilling	89.56		49.38			
	Other disposal operations	8.15		15.49			
<b>Non-hazardous waste diverted from disposal</b>	<b>Total</b>	<b>1,670.38</b>	<b>1,887.67</b>	<b>1,241.37</b>			<b>481.47</b>

ESRS E5 / E5-5: Resource outflows (waste)	Description	2021		2022		2023	
		in metric tons (t)	in m <sup>3</sup>	in metric tons (t)	in metric tons (t)	in metric tons (t)	in metric tons (t)
<b>Non-hazardous waste directed to disposal</b> by waste treatment type	<b>Total</b>	<b>3,374.66</b>	<b>6,165.74</b>	<b>5,138.63</b>	<b>563.39</b>		
	Incineration;	676.82	1,214.30	1,058.15	556.49		
	Incineration (with energy recovery);	58.62					
	Incineration (without energy recovery);						
	Landfilling	482.11	1,140.42	423.22	6.05		
	Other disposal operations	2,157.13	3,811.02	3,657.26	0.85		

**Entities in scope 2021 & 2022:** Aktiv Ortopedteknik i Sverige AB; John & Bamberg GmbH & Co KG; OBI Italia S.r.l.; OOO Otto Bock Service Moskau; Otto Bock Adria D.O.O. ; Otto Bock Equipment B.V.; Otto Bock France Les Ulis; Otto Bock Health Care Canada Ltd.; Otto Bock HealthCare Limited Partnership; Otto Bock HealthCare; Limited Partnership; Otto Bock HealthCare LP; Otto Bock Healthcare plc; Otto Bock Healthcare Products GmbH; Otto Bock India Pvt. Ltd.; Otto Bock Manufacturing Königsee GmbH; Otto Bock Mobility LLC; Otto Bock Polska Sp. Z o.o; Otto Bock Scandinavia AB; Otto Bock Suisse AG; Ottobock (China) Industries Co.,Ltd; Ottobock Manufacturing Bulgaria EOOD; Ottobock SE & Co. KGaA (Berlin); Ottobock SE & Co. KGaA (Duderstadt); Ottobock Soluzioni Orthopediche S.r.l.; Ottobock Vinhedo Mobility; Pohlig Austria GmbH; Pohlig GmbH; Respecta OY; V!GO NV; Vigo-Ortho Polska Sp. Z o.o.; ZAO Otto Bock Orthop. Tech. Moskau

**Entities in scope 2023:** Aktiv Ortopedteknik i Sverige AB; Aktiv Ortopedteknik i Sverige AB Ottobock Scandinavia AB EXONEURAL NETWORK AB; Clínica de reabilitação Ottobock SP; IOT Gesellschaft für innovative Orthopädie-Technik mbh; La Prothèse Générale; Livit Ottobock Care The Netherlands; OOO Otto Bock Service Moskau; Orthopädie Brillinger GmbH & Co. KG; Otto Bock ČR s.r.o.; Otto Bock Healthcare Products GmbH; Otto Bock International (Beijing) Co., Ltd.; Otto Bock Manufacturing Königsee GmbH; Otto Bock Manufacturing Königsee GmbH & Otto Bock Mobility Solutions GmbH; Otto Bock Mobility LLC; Otto Bock Mobility Solutions GmbH; Otto Bock South East Asia Co., Ltd; Ottobock (China) Industries Co. Ltd.; Ottobock do Brasil Técnica Ortopédica Ltda; Ottobock Equipment B.V.; Ottobock France; Ottobock Healthcare Canada; Ottobock Healthcare, LP; Ottobock Industria, Comercio, Importação e Exportação de Produtos Ortopedicos e cadeira de rodas ltda; Ottobock Italy; Ottobock Manufacturing Bulgaria EOOD; Ottobock Scandinavia AB; Ottobock Schweiz AG; "Ottobock SE & Co. KGaA; Ottobock Health Care Deutschland GmbH; Ottobock Slovakia s.r.o.; Respecta Oy; Veldink4kids; ZAO Otto Bock Orthop. Tech. Moskau

**Waste categories 2023:** According to "Guidance on classification of waste according to EWC-Stat categories".

In preceding years, a distinct category system was employed, making a direct comparison unfeasible. Consequently, the waste breakdown for 2021 and 2022 is not included in this year's report but can be found in the publicly available GRI reports for those respective years.

**Deviations from previous reportings:** In the process of gathering data for 2023, we gave heightened priority to evidence-based reporting. This signifies that only figures substantiated by concrete evidence were considered, with no inclusion of estimates or extrapolations in the 2023 data. This methodology, while enhancing accuracy, does present challenges in making comparisons with data from previous years in certain instances. This is especially relevant to information concerning waste treatment (whether directed to or diverted from disposal) and the various treatment methods (such as incineration). This data, with the specified level of quality, was not consistently available for the entire quantity of waste reported by the relevant entities.





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## 3.1. Own workforce (ESRS S1).

### 3.1.1. Material impacts, risks and opportunities.

We have identified the following **impacts** through our materiality analysis:

- Working conditions in our own workforce, i.e.:
  - Social protection (e.g. continued payment of wages in the event of illness)
  - Family related leave
  - Fair compensation procedure
  - Right to collective bargaining

We have identified the following **risks** through our materiality analysis:

- Consequences of
  - Sick days/absence
  - Insecurity/fear among employees through changes/reorganizations
  - High fluctuation
  - Conflicts in the workplace

We have identified the following **opportunities** through our materiality analysis:

- Employee satisfaction/engagement
- Individual development plans
- Internal staffing of management positions

- Support for employees in care situation of children and relatives in need of care
- Positive effects of good working conditions (e.g. adequate pay)
- Diversity through inclusion (e.g. corporate integration management)

The above-mentioned impacts, risks and opportunities are generally valid and widespread. However, the individual scale and scope is dependent on the specific country or geographical area as well as the type of operation (e.g. manufacturing, patient care etc.) the employee is working in. Certain impacts (e.g. family-related leave) affect specific groups (e.g. women) in particular.

The project on supply chain due diligence (LkSG) revealed an elevated risk of forced labor within our patient care facilities in Kenya. The matter has been appropriately addressed. There are no operations at significant risk of incidents of child labour.

Our policies apply company-wide and globally (unless otherwise noted). Initiatives, actions and targets, however, are tailored to the specific need of the affected group.

### 3.1.2. Policies.

Ottobock has evolved dynamically into a leading global healthtech company, and this significant growth affects various aspects of our relationship with our employees and our role as an employer. Our dedicated Ottobock team is the foundation of our business success, and therefore, we aspire to enhance our appeal as an employer.

We are committed to respecting human rights, including labour rights, and taking responsibility for the company's business activities. Our commitment is detailed in our global [Declaration of Principles on Respect for Human Rights](#). The declaration is aligned with internationally recognised standards (incl. UN Guiding Principles on Business and Human Rights). Ottobock provides all internal and external stakeholders with online reporting channels for complaints and reports of human rights violations: The [whistleblowing unit](#) and [external ombudsman's office](#) are open to all employees and business partners.

The [Statement on Modern Slavery and Human Trafficking](#) compliments the above mentioned declaration and

expresses our zero-tolerance approach to modern slavery.

Our [Code of Conduct](#) orients itself on the universally recognised principles of the United Nations Global Compact, with special consideration of international standards for human rights and labour standards. The values and principles of our [Code of Conduct](#) must always be observed by all employees. Every Ottobock employee assumes responsibility for their own actions and manner of conduct.

Our [HR Compliance Policy](#) outlines the regulations that employees, managers, and the HR department must adhere to in order to ensure legal and ethical practices within our organization. This policy covers a range of topics including equal employment opportunity, working hours, freedom of association, minimum wages etc. It serves as a comprehensive document to guide employees and the HR team in maintaining compliance with applicable laws and fostering a fair, respectful, and secure working environment.

We view diversity within our teams as a unique strength, bringing together individuals with varied experiences, beliefs,

and perspectives. Our understanding of diversity spans across multiple dimensions, encompassing factors such as gender, age, ethnicity, skin color, religion, ideology, sexual identity, disability, and social background. Our company-wide [Diversity, Equity and Inclusion \(DEI\) Policy](#) as well as the [Global Anti-Discrimination Policy](#) are binding to ensure that no employee is subject to any kind of discrimination whatsoever.

A company-wide [Equal Opportunity Policy](#) as well as our [Recruiting Policy](#) underline our commitment to treat all employees fairly and equally and make qualifications, skills and experience the basis for the recruitment, placement, training and advancement of workers at all levels. Our globally accessible [career platform](#) as well as our internal Ottobock Academy provide up-to-date records on recruitment, training and promotion that provide a transparent view of opportunities for employees.

Our [Freedom of Association Statement](#) recognizes the right to collective bargaining as a universal right and one of our sustainability goals.


The health and protection of our employees as well as workplace prevention are of utmost importance to us. Our guidelines for health and safety are described in our [Energy, environmental and occupational health and safety policy](#). In our production plant in Duderstadt an occupational health and safety management system was established and certified in 2022 in accordance with the requirements of the international standard [ISO 45001](#). This encompasses conducting risk assessments (Gefährdungsbeurteilung) for all positions and activities and, as required, adjustments to the physical environment to ensure health and safety for workers, customers and other visitors with disabilities.

All beforementioned policies are accessible on our global [website](#). The [Declaration of Principles on Respect for Human Rights](#) and our [Code of Conduct](#) have been actively communicated to all employees. All other policies have been distributed and, where needed, trained, with a special focus on upper and middle management and/or those who are expected to implement them (e. g. HR).


**3.1.3. Processes.**

We place high importance on the input from our employees. Therefore, we actively promote continuous, open, and transparent communication at all levels. Engagement takes various forms, both informal and formal, including annual performance reviews, employee surveys, and interactions with workers' representatives, such as the German Betriebsrat.

The responsibility for ensuring that this engagement takes place and that the outcomes are integrated into our approach lies with the CTO/COO, who oversees Global HR. Especially our employee survey (eNPS) allows the entire Executive Board to assess the effectiveness of our initiatives and their respective outcomes.

Our approach to providing or contributing to remedy where it is connected to a material negative impact involve our internal control system, the previously mentioned  HR Compliance Policy, and the findings of the supply chain due diligence (LkSG) concerning our own business.

**3.1.4. Actions.**

Our aim is to enable individuals with disabilities to actively engage in everyday life to the fullest extent possible. This commitment extends similarly to our employees and applicants with disabilities through the advancement of recruitment and training initiatives, the retention of these employees, and the promotion of accessibility throughout the company. One example for this commitment is our participation in the "Generation Valuable" initiative of  [The Valuable 500](#).

The "EmpowHERment" initiative, introduced by Georgia Näder, was initiated in early 2022. The network for female-identifying employees from Western Europe, North and South America as well as the UK, has become a truly global movement with more than 450 participants. Virtual sessions featuring inspirational talks, best practices, idea sharing, and networking opportunities are offered monthly.

A dedicated team within the HR function at our headquarters spearheads initiatives such as the implementation of a more gender-sensitive corporate

language. We intend to continually advance these initiatives with special focus on women in leadership as well as inclusion.

Once again, our CEO reiterated a stance of zero tolerance for any and all forms of discrimination and initiated additional training for the staff on non-discrimination policies and practices.

Our objective is to establish a working environment that genuinely satisfies and engages our employees. To comprehend their level of commitment and devise practical strategies for enhancement, we launched a global employee survey in 2022, encompassing 3,000 participants across seven countries. Their insights on various aspects of the work environment guided us in formulating actions to address specific issues, such as introducing a quarterly digital meeting format with the Executive Board to enhance communication and transparency.

Building on the success of the 2022 survey, we expanded the initiative in 2023, involving over 6,500 employees from nine countries. The positive results from

this survey serve as encouragement to reinforce the corporate culture within Ottobock. Concrete plans to address any identified negative impacts are currently in development. Additionally, we plan to implement the survey in even more countries next year, fostering continuous improvement and inclusivity across our global workforce.

**3.1.5. Targets.**

Initiative	Ambition	Progress 2023	Person in charge	SDG
<b>Employee engagement</b>	Combined NPS (employees, users & customers) > 50 by 2028	Employees: Improvement by 25 points Users & customers: 60* points	COO	8
<b>Internal promotion rate</b>	> 50 %	Approx. 35 % (only Germany and Austria)		

\* Countries in scope for the NPS score (users & customers):

APAC: Australia, China, India, Philippines, Thailand

EEMEA: Croatia, Poland, Turkey

LA: Brazil<sup>1</sup>, Colombia

North America: USA

WEUR: Austria, Belgium, France, Germany, Italy, Morocco, Netherlands, Finland and Sweden

Initiative	Ambition	Progress 2023	Person in charge	SDG
<b>Proportion of women in workforce</b>	Keep it > 40 %	42.48 %	CFO	8 & 10
<b>Proportion of women at 1st and 2nd management level (below Executive Directors)</b>	30 % by 2027	16 % (only Ottobock SE & Co. KGaA, Otto Bock HealthCare Deutschland GmbH and Otto Bock Mobility Solutions GmbH and Otto Bock Manufacturing Königsee GmbH)		

**3.1.6. Characteristics of employees.**

ESRS S1/S1-6: Characteristics of employees		2021	2022		2023	
Headcount	TOTAL	8.531	9.015	100.00%	9.749	100.00%
... by gender	Male		5.234	58.06%	5.600	57.44%
	Female		3.779	41.92%	4.141	42.48%
	Diverse		2	0.02%	8	0.08%
... by region	Asia Pacific		730	8.10%	748	7.67%
	EEMEA		860	9.54%	948	9.72%
	Latin America		257	2.85%	264	2.71%
	North America		1.155	12.81%	1.125	11.54%
	Western Europe		6.013	66.70%	6.664	68.36%
... by country	AE – United Arab Emirates				7	0.07%
	AR – Argentina				8	0.08%
	AT – Austria				628	6.44%
	AU – Australia				72	0.74%
	BA – Bosnia and Herzegovina				22	0.23%
	BE – Belgium				523	5.36%
	BG – Bulgaria				326	3.34%
	BR – Brazil				138	1.42%
	CA – Canada				62	0.64%
	CH – Switzerland				16	0.16%
	CL – Chile				6	0.06%
	CN – China				267	2.74%
	CO – Colombia				82	0.84%
	CZ – Czech Republic				31	0.32%
	DE – Germany				3.250	33.34%
	DZ – Algeria				4	0.04%
ES – Spain				38	0.39%	

<b>ESRS S1/S1-6: Characteristics of employees</b>		<b>2021</b>	<b>2022</b>	<b>2023</b>
<b>... by country</b>	FI – Finland			178 1.83%
	FR – France			507 5.20%
	GB – United Kingdom			226 2.32%
	HK – Hong Kong			30 0.31%
	HR – Croatia			67 0.69%
	HU – Hungary			24 0.25%
	IE – Ireland			54 0.55%
	IN – India			273 2.80%
	IT – Italy			219 2.25%
	JP – Japan			34 0.35%
	KE – Kenya			9 0.09%
	KR – South Korea			18 0.18%
	MA – Morocco			12 0.12%
	MX – Mexico			29 0.30%
	NL – Netherlands			591 6.06%
	PE – Peru			1 0.01%
	PL – Poland			170 1.74%
	PT – Portugal			2 0.02%
	RS – Serbia			21 0.22%
	RU – Russia			170 1.74%
	SE – Sweden			416 4.27%
	SK – Slovakia			19 0.19%
	TH – Thailand			54 0.55%
	TR – Turkey			60 0.62%
	US – United States			1.063 10.90%
	ZA – South Africa			22 0.23%



ESRS S1/ S1-6: Characteristics of employees		2021	2022	2023	
... by employee category	permanent employees			8.619	88.4 %
	temporary employees			533	5.5 %
	of non-guaranteed hours employees			597	6.1 %
... by type of employment	full-time			8.211	84.2 %
	part-time			1.538	15.8 %
<b>Breakdown per region</b>					
<b>Asia Pacific</b>				<b>748</b>	<b>100.00 %</b>
> permanent employees	Male			453	60.56 %
	Female			231	30.88 %
	Diverse			0	0.00 %
> temporary employees	Male			42	5.61 %
	Female			22	2.94 %
	Diverse			0	0.00 %
> of non-guaranteed hours employees	Male			0	0.00 %
	Female			0	0.00 %
	Diverse			0	0.00 %
<b>EEMEA</b>				<b>948</b>	<b>100.00 %</b>
> permanent employees	Male			485	51.16 %
	Female			404	42.62 %
	Diverse			0	0.00 %
> temporary employees	Male			26	2.74 %
	Female			21	2.22 %
	Diverse			0	0.00 %
> of non-guaranteed hours employees	Male			7	0.74 %
	Female			5	0.53 %
	Diverse			0	0.00 %

ESRS S1/ S1-6: Characteristics of employees		2021	2022	2023		
<b>Latin America</b>					<b>264</b>	<b>100.00 %</b>
<b>&gt; permanent employees</b>	Male				144	54.55 %
	Female				101	38.26 %
	Diverse				0	0.00 %
<b>&gt; temporary employees</b>	Male				11	4.17 %
	Female				7	2.65 %
	Diverse				0	0.00 %
<b>&gt; of non-guaranteed hours employees</b>	Male				1	0.38 %
	Female				0	0.00 %
	Diverse				0	0.00 %
<b>North America</b>					<b>1.125</b>	<b>100.00 %</b>
<b>&gt; permanent employees</b>	Male				261	23.20 %
	Female				288	25.60 %
	Diverse				4	0.36 %
<b>&gt; temporary employees</b>	Male				7	0.62 %
	Female				8	0.71 %
	Diverse				0	0.00 %
<b>&gt; of non-guaranteed hours employees</b>	Male				262	23.29 %
	Female				295	26.22 %
	Diverse				0	0.00 %

ESRS S1/S1-6: Characteristics of employees		2021	2022	2023
<b>Western Europe</b>				<b>6.664</b> <b>100.00%</b>
<b>&gt; permanent employees</b>	Male			3.674 55.13%
	Female			2.570 38.57%
	Diverse			4 0.06%
<b>&gt; temporary employees</b>	Male			229 3.44%
	Female			160 2.40%
	Diverse			0 0.00%
<b>&gt; of non-guaranteed hours employees</b>	Male			16 0.24%
	Female			11 0.17%
	Diverse			0 0.00%

### 3.1.7. Collective bargaining coverage and social dialogue.

For employees not covered by collective bargaining agreements working conditions and terms of employment are determined by both the individual job contract and binding company agreements (Betriebsvereinbarungen).

ESRS S1/ S1-8: Collective bargaining coverage and social dialogue		2021	2022	2023
<b>Percentage employees covered by collective bargaining agreements</b>	<b>TOTAL</b>			51.20 %
	in the European Economic Area (EEA)			65.50 %
	outside the European Economic Area (EEA)			12.60 %
<b>Global percentage of employees covered by workers' representatives</b>				38.30 %

**3.1.8. Diversity.**

ESRS S1/ S1-9: Diversity indicators	Description	2021	2022	2023
Age distribution amongst employees	<b>GRAND TOTAL</b>	<b>8.159</b>		<b>9.749</b>
	<b>Male - Total</b>	<b>4.909</b>		<b>5.600</b>
	under 30 years old	1.284		3.267
	30 – 50 years old	2.500		1.497
	over 50 years old	1.125		836
	<b>Female - Total</b>	<b>3.246</b>		<b>4.141</b>
	under 30 years old	1.024		2.321
	30 – 50 years old	1.573		996
	over 50 years old	649		824
	<b>Diverse - Total</b>	<b>4</b>		<b>8</b>
	under 30 years old	4		4
	30 – 50 years old	0		4
	over 50 years old	0		0

**3.1.9. Social Protection.**

ESRS S1/ S1-11: Social protection	Description	2021	2022	2023
Number of employees entitled to take family-related leaves (i.e. maternity, paternity, parental, carers' leave)	<b>TOTAL</b>			<b>9.068</b>
	Male			5.160
	Female			3.900
	Diverse			8
				<b>93.01 %</b>
				92.14 %
				94.18 %
				100.00 %

### 3.1.10. Persons with disabilities.

ESRS S1/ S1-12: Persons with disabilities	Description	2021	2021	2022	2022	2023	2023
		headcount	percentage	headcount	percentage	headcount	percentage
Persons with disabilities amongst our employees	<b>TOTAL</b>					<b>252</b>	<b>2.92 %</b>
	Male					152	1.76 %
	Female					100	1.16 %
	Diverse					0	0.00 %

Our North American subsidiary is legally prohibited from disclosing this type of information, and as a result, it is excluded.

### 3.1.11. Training and skills development.

ESRS S1/ S1-13: Training and skills development metrics	Description	2021	2022	2023
Percentage of employees that participated in regular performance and career development reviews	<b>TOTAL</b>			<b>89.1%</b>
... by gender	Male			89.3%
	Female			88.9%
	Diverse			87.5%
... by employee category	permanent employees			91.0%
	temporary employees			52.5%
	of non-guaranteed hours employees			94.0%

### 3.1.12. Health and safety.

ESRS S1/ S1-14: Health and safety metrics	2021	2022	2023
<b>Percentage of people in own workforce who are covered by health and safety management system</b> (As of 2022. specified in absolute employee numbers according to GRI requirements.)	n.a.	1.515	95.95 %
<b>Percentage of employees covered by a health and safety management system which is</b> <b>a) based on legal requirements and/or recognised standards or guidelines</b> <b>and</b> <b>b) internally audited and/or audited or certified by an external party</b> (As of 2022. specified in absolute employee numbers according to GRI requirements.)	n.a.	1.515	88 %

**Entities in scope 2022:** Duderstadt employees & temporary workers only

**Entities in scope 2023:** Aktiv Ortopedteknik i Sverige AB; Brillinger; Clinica de Reabilitação Ottobock São Paulo; Exoneural Network AB; HealthCare Deutschland GmbH; Herakles GmbH; IOT Gesellschaft für innovative Orthopädie-Technik mbH; La Prothèse Générale; Livit Ottobock Care The Netherlands; Mobility Production Brazil; OOO Otto Bock Service Moskau; Ortho-fix, LDA; Otto Bock Asia Pacific Limited; Otto Bock ČR s.r.o.; Otto Bock do Brasil Technicas Ort.; Otto Bock International (Beijing) Co., Ltd.; Otto Bock Manufacturing Königsee GmbH; Otto Bock Mobility LLC; Otto Bock Mobility Solutions GmbH; Otto Bock Products GmbH; Otto Bock South East Asia Co., Ltd.; Otto Bock St. Petersburg; Otto Bock Yekaterinburg; Ottobock (China) Industries Co. Ltd.; Ottobock Equipment B.V.; Ottobock France; Ottobock Health Care India Private limited; Ottobock Healthcare Canada; Ottobock Healthcare, LP; Ottobock Italia; Ottobock Manufacturing Bulgaria EOOD; Ottobock Scandinavia AB; Ottobock SE & Co. KGaA; Ottobock Slovakia sro; Ottobock Sp. z o.o; POLIOR LTDA; Respecta; Veldink4kids; ZAO Otto Bock Orthop. Tech. Moskau

<b>Number of fatalities as a result of work-related injuries and work-related ill health</b>	0	0	0
<b>Number and rate of recordable work-related accidents</b>	219	214	86

**Entities in scope 2021 & 2022:** Germany only (Duderstadt, Göttingen, Königsee, Berlin, Bad Oyenhausen)

**Entities in scope 2023:** Aktiv Ortopedteknik i Sverige AB; Brillinger; Clinica de Reabilitação Ottobock São Paulo; Exoneural Network AB; HealthCare Deutschland GmbH; Herakles GmbH; IOT Gesellschaft für innovative Orthopädie-Technik mbH; La Prothèse Générale; Livit Ottobock Care The Netherlands; Mobility Production Brazil; OOO Otto Bock Service Moskau; Ortho-fix, LDA; Otto Bock Asia Pacific Limited; Otto Bock ČR s.r.o.; Otto Bock do Brasil Technicas Ort.; Otto Bock International (Beijing) Co., Ltd.; Otto Bock Manufacturing Königsee GmbH; Otto Bock Mobility LLC; Otto Bock Mobility Solutions GmbH; Otto Bock Products GmbH; Otto Bock South East Asia Co., Ltd.; Otto Bock St. Petersburg; Otto Bock Yekaterinburg; Ottobock (China) Industries Co. Ltd.; Ottobock Equipment B.V.; Ottobock France; Ottobock Health Care India Private limited; Ottobock Healthcare Canada; Ottobock Healthcare, LP; Ottobock Italia; Ottobock Manufacturing Bulgaria EOOD; Ottobock Scandinavia AB; Ottobock SE & Co. KGaA; Ottobock Slovakia sro; Ottobock Sp. z o.o; POLIOR LTDA; Respecta; Veldink4kids; ZAO Otto Bock Orthop. Tech. Moskau

### 3.1.13. Incidents, complaints and severe human rights impacts and incidents.

The information comprises incidents and complaints that were reported through the official, publicly accessible channels referenced in this report.

ESRS S1/ S1-17: Incidents, complaints and severe human rights impacts and incidents		2021	2022	2023
<b>Number of severe human rights incidents</b>	Description	0	0	0
<b>Total amount of material fines, penalties, and compensation for damages for severe human rights incidents</b>		0	0	0
<b>Status of severe human rights incidents and actions taken</b>	<b>TOTAL</b>	0	0	0
	reviewed			
	remediation plans being implemented			
	remediation plans that have been implemented			
	incidents no longer subject to action			
<b>Number of severe human rights incidents where OBO played a role securing remedy for those affected</b>		0	0	0



## 3.2. Workers in the value chain (ESRS S2).

### 3.2.1. Material impacts, risks and opportunities.

We have identified the following **impacts** through our materiality analysis:

- Influence on suppliers to comply with human rights in the value chain

This impact is relevant to all types of workers (as defined in the ESRS S2) along our entire global value chain.

Our overarching approach for recognizing and addressing tangible and potential effects on value chain workers aligns with the provisions set forth in the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz).

Ottobock utilizes a diverse range of purchased components intricately linked to various technological processes, including metalworking, electronics, injection molding, textile production, and more, provided by approximately 3,600 suppliers globally. As part of our supply chain due diligence we pay special attention to those geographies (e.g. Asia), industries (e.g. textile) and purchased goods groups (e.g. rare earths) that have a more significant risk of child, forced or compulsory labour.

### 3.2.2. Policies.

Our commitment extends beyond our premises to encompass our entire supply chain as we hold our suppliers and business partners to the same high standards of responsibility. We are dedicated to upholding human rights, especially labor rights, and taking accountability for our company's business activities.

This dedication is explicitly outlined in the beforementioned global [Declaration of Principles on Respect for Human Rights](#). To ensure transparency and accountability we provide all external stakeholders with online reporting channels – [whistleblowing unit](#) and [external ombudsman's office](#) – for complaints and reports related to human rights violations.

Our [Statement on Modern Slavery and Human Trafficking](#) is another building block of our collective approach to protecting the rights of workers throughout our value chain.

Our [Supplier Code of Ethics](#) applies to all business relationships between external business partners and the Ottobock Group. Our overarching goal is to instill high sustainability standards throughout our supply chain, mitigating risks such as human rights violations. Hence, we request that our business partners shall comply with all relevant laws of the respective applicable jurisdictions for the protection of human rights. The [Supplier Code of Ethics](#) specifically covers:

- the prohibition of forced labour and slavery
- the prohibition of child labour
- equal opportunities and non-discrimination
- safety at work and maximum working hours
- fair compensation and adequate living wages
- freedom of association and right to collective bargaining
- legitimate use of private and public security force
- respect for land rights
- disciplinary measures and harassment

### 3.2.3. Processes.

Ottobock operates a centralized global procurement department, which streamlines the procurement activities of the Ottobock Group. This department is managed by a central lead responsible for overseeing the planning and equipment aspects related to products and services, as well as the procurement of required raw materials and components.

The approval of suppliers at Ottobock is overseen by Supplier Quality Engineers (SQEs) within the Global Procurement department. Complying with the [Declaration of Principles on Respect for Human Rights](#), as well as the [Supplier Code of Ethics](#) paves the way for successful long-term cooperation with Ottobock.

Moreover, [supplier obligations](#) are articulated in our supplier self-disclosure requirements, essential model contracts, and our Purchase and Delivery Conditions.

We approach supply chain due diligence in alignment with the German Supply Chain Act with a high level of seriousness. A specialized team conducts assessments to evaluate potential human and environmental risks associated with our suppliers. This team ensures the identification and management of both actual and potential impacts. In instances where a heightened potential risk is identified or when there are suspicions, in-depth analyses are initiated. To give persons or groups of persons the opportunity to issue notifications or complaints about risks to human rights we have published the [Rules of procedure concerning complaints in accordance with Section 8 of the German Supply Chain Act \(Lieferkettensorgfaltspflichtengesetz/LkSG\)](#) as an early warning system. Our Human Rights Officer oversees the operations of the purchasing and due diligence department.

All of the above-mentioned information is publicly available on our website. Responsible Ottobock employees are trained accordingly.

### 3.2.4. Actions.

Our most important and significant suppliers, as well as new suppliers, deemed to have a theoretical high potential risk of human rights violations, along with new suppliers brought on board this year, have been asked to complete a comprehensive supplier questionnaire. They are required to affirm their compliance with the aforementioned values and standards.

As of 2023, there have been no instances of non-compliance with human rights involving workers in the upstream and downstream value chain reported through our online reporting channels.

### 3.2.5. Targets.

In the event of any future human rights violations, we will take appropriate measures to minimize their impact. The executive board holds the overarching responsibility for human rights and is regularly briefed by the supply chain due diligence team, the Human Rights Officer as well as the compliance department on the matter. If necessary, we will also incorporate a focus on setting specific targets for addressing and preventing human rights violations.

## 3.3. Consumers and end-users (ESRS S4).

### 3.3.1. Material impacts, risks and opportunities.

We have identified the following **impacts** through our materiality analysis:

- Holistic patient care approach resulting in
  - Increased socio-economic benefit (i.e. relieve social systems)
  - Improved care and results for as well as satisfaction of end-users
  - Higher customer satisfaction
- Partnerships to
  - Promote social participation (e.g. Partner of the IPC)
  - Ensure the feasibility of sporting events (e.g. technical repair service for Paralympics)

We have identified the following **risks** through our materiality analysis:

- Consequences for consumer health through substances of concern/very high concern in products

We have identified the following **opportunities** through our materiality analysis:

- Improving access and quality of care through
  - Expansion of patient care clinics
  - Commitment to the best possible individual care (e.g. value-based measurement of results, promotion of reimbursement, lobbying)
  - High product quality, safety and transparency
- Customer satisfaction through
  - Cross selling and process efficiency (e.g. Life Lounge Pro)
  - Customer friendly complaint handling
- Access to quality information for end-users (i.e. ethical marketing, solution provider approach)
- Ensuring care through the qualification of professionals
- Getting more people into sport resulting in better mobility (e.g. Running Clinics)

The impacts, risks, and opportunities outlined above are pivotal to Ottobock's reputation and business prosperity. The accuracy and accessibility of product- or service-related information are crucial for our customers and users. This ensures the prevention of potentially harmful use of a product or service and mitigates adverse impacts from marketing and sales strategies. Additionally, there is a particular sensitivity to data privacy impacts. Nevertheless, the extent and magnitude of these impacts and risks are heavily contingent on the specific business relationship and the type of product or service employed.

### 3.3.2. Policies.

Trust is the cornerstone of the relationship between our customers and users of prostheses, wheelchairs, and other personal mobility aids. Users place not only their physical well-being but also their independence and confidence in our products. Ottobock's reputation is built on innovation, product quality and safety as well as customer- and user-centricity. Our products are designed with the user's needs, comfort, and aspirations in mind. We empower them to navigate the challenges of daily life with confidence, lead active lives, pursue their goals, and engage fully in their communities. This commitment to customers and users is not merely a mission statement but serves as the cornerstone for all our activities, intricately woven into every company-wide guideline.

We advocate for easier access to affordable treatment as a human right, regardless of whether a patient lives in the global north or south.

Enhancing worldwide availability of our products involves placing a greater emphasis on the treatment structure and the training of proficient workers. Our sustained success requires a holistic approach to healthcare. That is why we actively collaborate with private and governmental entities to deliver top-notch healthcare, ensure product accessibility, raise public awareness, and implement impactful access and reimbursement programs. A crucial aspect of this effort involves qualifying personnel in O&P technology and offering customized training for O&P professionals, both in developed and developing nations, through our global [Ottobock Academy](#).

Our [Emerging Technology Statement](#) underlines our dedication to continuous innovation with the overarching goal of shaping the future of the industry. It emphasizes the importance of user feedback in refining the technology.

Naturally, our dedication to human rights extends to our customers and end-users globally, as explicitly stated in the aforementioned global [Declaration of Principles on Respect for Human Rights](#). We offer accessible online reporting channels, including a [whistleblowing unit](#) and [external ombudsman's office](#), for the submission of complaints and reports regarding human rights violations. These channels are open to all internal and external stakeholders.

### 3.3.3. Processes.

Our global Research & Development (R&D) department, with primary locations in Germany, Austria, and the USA, leverages the proximity to leading global research institutes and universities. Equally vital is the feedback from customers and users, gathered through channels like our [Patient Care network](#), digital Communities such as [Movao](#), spotlight sessions, and other formats.

Proactive measures to address potential negative impacts are embedded in our research and development processes, which follow all necessary regulations, ensure ethical standards and practices and are in line with our commitment to effective prevention. We also pursue a zero-defect strategy.

All Ottobock R&D and production sites operate with a certified quality management system (QMS) based on the EU Medical Device Regulation, FDA or other regulations, including standards such as ISO 13485:2016 and ISO 14971:2019.

Our QMS is subject to regular audits by an independent certification organization. This is an important confirmation of our commitment to high product quality and safety and reflects not only compliance with legal regulations, but also our intrinsic values and ethical standards.

For quality monitoring throughout the life cycle of our medical devices, we have established a Post Market Surveillance system, enabling us to respond promptly if any device deviates from its intended performance.

In our [GreenLine](#) product category, we offer materials that are more environmentally friendly compared to traditional products. These choices not only benefit the environment but also prioritize the well-being of O&P professionals who use them.

Clear communication, transparent information, and responsive customer support are pillars of an exceptional customer experience. Our digital ecosystem,

Life Lounge, is revolutionizing customer relationships, placing users at the forefront by enabling them to navigate the healthcare system effectively and discover optimal offers for their mobility needs. We also empower our customers in navigating digitalization, providing them with the digital tools necessary for a heightened focus on patient care, ensuring precision in fabrication, minimizing errors, and saving both materials and time. Our responsive global customer support is the safety net that assures customers and their concerns will be heard and addressed promptly.

Through our dedicated treatment infrastructure, the [Patient Care clinics](#), we are merging high-quality products with optimal treatment and establishing a closer connection with users, thereby enhancing the quality of treatment for an increasing number of individuals. This direct closeness to our users provides immediate feedback on our products, allowing us to integrate these insights into the enhancement of our solutions.

To broaden access to our innovative solutions and new digital treatments, we place significant emphasis on demonstrating the socioeconomic benefits of our products and services. Therefore, we are pioneering a comprehensive, value-based approach to measure treatment results. Value-Based Health Care (VBHC) tackles healthcare challenges by fostering innovations that deliver outcomes that are most significant to patients throughout the entire care cycle.

2023 has been a noteworthy year in terms of both quantity and, more importantly, the impactful outcomes of our clinical studies. The year saw, for example, the publication of a relatively small study on the *Exopulse Mollii Suit*, which, however, fundamentally alters the evidence landscape. A total of 12 studies are actively ongoing for Exopulse. Efforts are also underway to leverage the results of the largest orthosis study conducted for *C-Brace* (involving 108 patients across 13 centers in 4 countries) and another study within the same domain. Notably, in Mexico, we received recognition for publishing a health economic study on *Kenevo* within a Swedish cohort and the *C-Brace* study was honored with the Thranhardt Award from the AOPA.

We view Ottobock not merely as a company but as an engaged member of society, which is why we actively contribute to ensuring sustainable development. Forming robust partnerships to champion inclusion and encourage an active lifestyle is of utmost importance to us:

- We have been supporting Paralympic sports for more than three decades. As a loyal partner to the athletes, we provide them with our services free of charge. Our passion for the Paralympics is an inherent part of our company's DNA. We take pride in supporting numerous athletes with disabilities, aligning with our motto [Passion for Paralympics](#), where we go the extra mile for their mobility needs.
- We aim to provide individuals with limited mobility the chance to share in our enthusiasm for sports. This led to the establishment of [Running Clinics](#) in collaboration with Heinrich Popow, a two-time Paralympic gold medalist from London 2012 and Rio 2016. In these clinics, amputees,

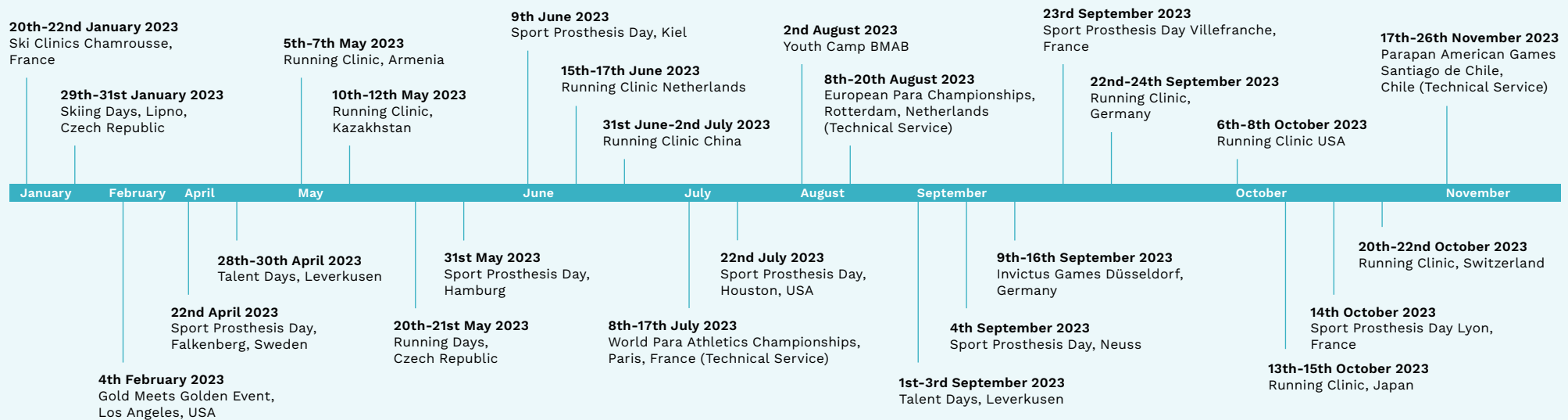
spanning from novices to seasoned runners, collaborate as a team to reach their individual objectives. Moreover, in partnership with our customers and leveraging our own [Patient Care network](#), we provide diverse experiences such as fitness days, skiing clinics, and trial sessions.

- Ottobock supports athletes worldwide participating in diverse sports across various levels. These athletes, who share our enthusiasm for the Paralympics, serve as dedicated [ambassadors](#) collaborating with us to advocate for sports and an active lifestyle among individuals with disabilities. Together with our [brand ambassadors](#), they reflect the diversity of our products.
- The [Ottobock Circle of Empowerment](#) comprises global and regional partners dedicated to fostering an inclusive and sustainable society that benefits everyone. We take pride in having companies from diverse sectors as our partners, spanning sports,

fashion, leisure, consumer goods, tourism, IT, mobility, health, and even space travel. The emphasis is on recognizing synergies, leveraging individual strengths, and fostering mutual learning. The central focus remains on people and society, recognizing that only through collective effort we can influence and shape the future.

### 3.3.4. Actions.

In 2023, our experienced team took part in a year filled with sports, providing technical repair services at numerous national and international events and attracting even more people to sports:



Furthermore, preparations for the 2024 Paralympic Games Paris are well underway.

We extended the reach of our [Patient Care network](#), spearheaded the implementation of the Ottobock “Life Lounge,” trained more O&P professionals than ever, and persisted in our endeavors to facilitate easier access and broader reimbursement. For more details on access projects and best practice examples from our subsidiaries worldwide, please consult our Sustainability Highlight Report 2023.

For details on our efforts to enhance the security of patient and customer data, kindly refer to the section [4.2. Cyber Security](#).

As of 2023, there have been no reports through our online channels indicating non-compliance issues regarding human rights in the downstream value chain involving consumers, customers and users.

		2021	2022	2023
<b>Total number of incidents of non-compliance with regulations and/or voluntary codes concerning product and service information and labeling</b>	resulting in a <b>fine or penalty</b>	0	0	0
	resulting in a <b>warning</b>	0	0	0
<b>Total number of incidents of non-compliance with regulations and/or voluntary codes concerning marketing communications, including advertising, promotion, and sponsorship</b>	resulting in a <b>fine or penalty</b>	0	0	0
	resulting in a <b>warning</b>	0	0	0



**3.3.5. Targets.**

Initiative	Ambition	Progress 2023	Person in charge	SDG
<b>NPS Score (Patient Care)</b>	Combined NPS (employees, users & customers) > 50 by 2028	Employees: Improvement by 25 points Users & customers: 60* points	CEO/CSO	3, 9, 10, 17
<b>Number of Patient Care clinics</b>	Leading global provider (in terms of countries covered)	294 Patient Care Clinics & 101 Satellite Clinics in 31 countries (as of 31.12.2023)		
<b>Qualifications of O&amp;P professionals (developed countries) &amp; Training &amp; qualification of personnel for O&amp;P technology in developing countries</b>	Leader in our industry	6,319 from 46 countries		

\* Countries in scope for the NPS score (users & customers):  
 APAC: Australia, China, India, Philippines, Thailand  
 EEMEA: Croatia, Poland, Turkey  
 LA: Brazil, Colombia  
 North America: USA  
 WEUR: Austria, Belgium, France, Germany, Italy, Morocco, Netherlands, Finland and Sweden

Initiative	Ambition	Progress 2023	Person in charge	SDG
<b>Number of Life Lounge users</b>	5 million user profiles by 2026	3.75 million user profiles	CXO	3, 9, 10, 17

Initiative	Ambition	Progress 2023	Person in charge	SDG
<b>Share of R&amp;D expenditure in turnover</b>	Leader in our industry	6.42 %*	CTO/COO	3, 9
<b>Registered patents</b>	Leader in our industry	See table below		
<b>Internal clinical studies</b>	Leader in our industry	34 ongoing projects		
<b>Number of product recalls</b>	Zero recalls	1		
<b>Number of field corrective actions</b>	Leader in our industry	2		
<b>Complaint rate (mechatronic prostheses and orthoses)</b>	20 % reduction from 2020 to 2025 (target annual complaint rate < 11.4 %)	10.8 %		

\* Preliminary (as of January 30, 2024). Final figure is expected following the audit of the annual financial statements.

Patents – Details	2021	2022	2023 (as of 15.12.2023)
<b>Priority applications (per year)</b>	43	37	27
<b>Patent families (overall)</b>	596	613	620
<b>Granted/validated patents (overall)</b>	1950	2024	2110
<b>Pending patents (overall)</b>	768	739	660
<b>Patents validated/granted (per year)</b>	170	212	240
<b>Patents filed/nationalized (per year)</b>	234	170	129



## **4. Governance information.**

<b>4. Governance information.</b>	<b>59</b>
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## 4.1. Business conduct (ESRS G1).

### 4.1.1. Material impacts, risks and opportunities.

We have identified the following **impacts** through our materiality analysis:

- Protection of whistleblowers (Confidentiality)
- Zero tolerance policy regarding corruption and bribery

We have identified the following **risk** through our materiality analysis:

- Disclosure of employee, customer or patient data (i.e. patient privacy and electronic health records, cyber security)

We have identified the following **opportunity** through our materiality analysis:

- Strong corporate culture based on values (e.g. code of conduct)

### 4.1.2. Role and expertise of the administrative, management and supervisory bodies related to business conduct.

Ottobock's administrative, management, and supervisory bodies play crucial roles in shaping and overseeing business conduct. Composed of experienced professionals and leaders, they are responsible for establishing and upholding ethical standards, ensuring compliance with relevant laws and regulations, and fostering a culture of integrity within the company.

Our Executive Board sets the overall tone for ethical behavior. They are responsible for the establishment of policies that guide business conduct. All management bodies, including departmental leaders, are responsible for implementing these policies and


fostering a culture that encourages ethical decision-making at all levels of the organization. They all have experience in areas such as corporate governance, legal compliance, risk management, and ethical leadership.

Our Supervisory Board as well as external auditors provide oversight and ensure accountability in business practices.

### 4.1.3. Policies and corporate culture.

#### Corporate culture

For more than 100 years, people have come first in everything we do.

 Ottobock's corporate culture is characterized by a deep commitment to innovation, compassion, and the well-being of individuals. Rooted in over a century of history, our culture is built on the foundational principle of empowering people with limited mobility to live life to the fullest.

At the heart of our ethos is a passion for excellence and a dedication to advancing prosthetics, orthotics, and medical technology. We encourage a collaborative and inclusive environment where employees are motivated to push the boundaries of what is possible. This commitment to innovation is not only reflected in cutting-edge products but also in a forward-thinking approach to healthcare solutions.

Compassion is a key element of our corporate identity. We recognize the human aspect of our work, understanding that each product is not just a piece of technology but a life-changing tool for individuals with unique needs. This empathy extends beyond products to outreach programs, community engagement, and support for initiatives that promote inclusivity.

Ottobock's corporate culture is also marked by a global perspective. With a strong international presence, we value diversity, fostering an environment where different perspectives contribute to the richness of ideas. Collaboration across borders is strongly encouraged, reflecting a commitment to addressing global challenges in healthcare.

Solidarity, strength, growth, courage, adaptability, and a sense of responsibility are the guiding principles that shape our actions. Grounded in our company values, these principles offer fundamental guidance for leadership and collaboration on a global scale.

### Code of conduct & training on business conduct

Our [Code of Conduct](#) aligns with the universally recognized principles of the United Nations Global Compact. All employees are expected to consistently adhere to the values and principles outlined. We strengthen the basis for integrity and honesty through our faithful, fair and respectful interaction with one another. Each Ottobock employee is accountable for their own actions and behavior, assuming responsibility for upholding our standards.

The [Code of Conduct](#) holds a mandatory status – all employees across the globe undergo corresponding training. In addition, global HR conducts regular trainings to address specific topics (e.g. discrimination) in certain entities.

Further policies pertaining to organizational culture can be found in the section titled Social information [Own workforce](#).

### Whistleblowing protection & procedure to investigate business conduct incidents

Ottobock's management actively encourages the reporting of identified legal violations, prioritizing the protection of whistleblowers. In cases where a whistleblower report pertains to a legal issue covered by locally applicable whistleblower protection laws (e.g., [§ 2 of the German Whistleblower Protection Act](#)), specific whistleblower protection measures are implemented based on the local legal context.

Whistleblowers from around the globe can submit their reports anonymously through the following channels communicated on our global [website](#):

- [External Ombudsperson](#): Ottobock has set up an external ombudsperson. This attorney will review the case and investigate it as comprehensively as possible. While maintaining the whistleblower's anonymity, he reports the case to the Compliance Department of Ottobock.

- [Digital Whistleblowing Unit](#): The Compliance Department of Ottobock will process the report professionally and with the utmost discretion.
- External Reporting Offices: Furthermore, whistleblowers may use the reporting office of the Federal Office of Justice as well as other external reporting offices for submitting reports.

### Animal welfare

Our [Animal Testing Statement](#) and the [Animal Testing Program](#) complement our Code of Conduct and describes our efforts to minimize potential harm to animals and the environment.

### Communication of policies

All policies and guidelines are publicly available on our [corporate website](#). They are also communicated through our internal channels.

#### 4.1.4. Management of relationships with suppliers.

Our global purchasing department is responsible for supplier management. They oversee standardized procedures such as a supplier questionnaire, supplier qualification activities and trainings on supply chain due diligence. Terms of payment are supplier-specific and subject to individual agreements.

Ottobock has also set up “local for local” programs (e.g. qualifying suppliers in Europe instead of China) wherever a change in the supplier base is possible despite the challenges for medical technology products.

The effectiveness of all these practices is evaluated by random samples and deep dives where needed

	2021	2022	2023
<b>Percentage of the procurement budget used for significant locations of operation that is spent on suppliers local to that operation (“local for local”)</b>	65.87 %	61.75 %	65.58 %

#### 4.1.5. Anti-corruption and anti-bribery.

Like any other company, Ottobock faces diverse compliance risks stemming from potential violations of statutory provisions, binding regulations for Ottobock, and pertinent internal company policies in compliance-relevant areas. Consequently, a comprehensive compliance risk analysis is routinely conducted for all compliance-related matters, with certain assessments being revisited throughout the year.

Clear standards and rules for corporate governance and collaboration are essential due to intricate requirements and the ever-evolving legal and normative frameworks. To adhere to these regulations encompassing laws, guidelines, standards, and agreements, Ottobock’s management has implemented a compliance management system (CMS) that relies on crucial elements such as the Code of Conduct, internal anti-corruption policy, and a compliance culture founded on trust. We consistently enhance and revise this system to align with societal values and stay in compliance with the latest legal prerequisites.

The structure of Ottobock’s CMS adheres to the auditing standard “IDW PS 980,” as issued by the Institute of Public Auditors in Germany.

The Compliance department at Ottobock SE & Co. KGaA is structurally positioned within the CEO’s portfolio, reporting directly to the CEO. It operates as part of the Legal & Compliance department. Additionally, Ottobock SE & Co. KGaA establishes standards for group-wide compliance initiatives. The Compliance Committee of Ottobock SE & Co. KGaA acts as an advisory body for compliance matters, with the CEO serving as Chairman, along with the CFO, the Head of Legal & Compliance, and the Compliance Officers. This committee assumes roles in supervision, planning, coordination, information dissemination, and decision preparation.

The CMS organization places particular emphasis on the following areas:

- Anti-corruption and anti-fraud
- Competition and anti-trust law
- Foreign trade law/economic sanctions
- HR compliance
- Finance compliance
- Facility management compliance
- Protection of industrial property
- Copyright
- Copyright for software
- Capital market compliance

To promptly identify and appropriately address compliance risks, it is crucial to equip all employees with the necessary skills. Ottobock provides relevant training sessions, including:

- Mandatory basic compliance training for all new employees as part of the onboarding program.
- Mandatory periodic training sessions covering the Code of Conduct, conflict of interest management, and anti-corruption for every employee.
- Mandatory specialized training designed for Compliance Officers/ Coordinators.
- Mandatory additional risk-based specialist compliance training on various topics relevant to compliance.

Initiative	Ambition	Progress 2023	Person in charge	SDG
<b>Training on Code of Conduct / Anti-corruption / Conflict of Interest</b>	100% of all employees	100 %	CEO	17
<b>Proportion of processed compliance cases</b>	100%	100 %		

ESRS G1/ G1-4: Incidents of corruption or bribery		2021	2022	2023
<b>Number of convictions for violation of anti-corruption and anti-bribery laws</b>		0	0	0
<b>Amount of fines for violation of anti-corruption and anti-bribery laws</b>		0	0	0
<b>Number and nature of confirmed incidents of corruption or bribery</b>	<b>TOTAL</b>			
	... in which own workers were dismissed or disciplined for corruption or bribery-related incidents	0	0	1
	... in which contracts with business partners that were terminated or not renewed due to violations related to corruption or bribery	0	0	0
<b>Public legal cases re. corruption or bribery brought against Ottobock and its own workers</b>		0	0	0



### 4.1.6. Political influence and lobbying activities.

The CEO oversees lobbying activities, with the Public Affairs department, situated within his organization, managing, coordinating, and supporting regional lobbying endeavors conducted independently by regional management. Our [Code of Conduct](#) establishes mandatory guidelines for political and lobbying activities, with more detailed information provided in the [Explanatory Declaration on Political Activities as a supplement to the Code of Conduct](#).

We engage with trade, business and industry organizations and groups that may be involved in political lobbying or other political advocacy. However, Ottobock does not favor any political party, group or individual. The company's funds and resources shall not be used to support any political campaign, party, candidate or organization.

Ottobock advocates for easier access to treatment solutions and holistic health-care as a human right. Consequently, lobbying activities primarily focus on regulatory conditions related to the

production of innovative medical aids and patient care services involving orthopedic devices.

Concerning the manufacturing of innovative medical aids, Ottobock advocates for improved data availability in research and streamlined certification processes for medical devices. Such enhancements would facilitate the development and release of advanced orthopedic products, ensuring the highest possible patient value and fostering greater inclusion.

Regarding patient care services, Ottobock supports efforts to reduce bureaucracy, promote digitalization in patient care processes, ensure a proficient educational level for technicians and expedite reimbursement for innovative assistive technologies. Simplifying the patient care process would broaden access to innovative mobility aids for a larger patient demographic. This option for high-quality provision also has the potential to enhance inclusion in both work and private life, contributing to long-term health cost savings.

Ottobock SE & Co. KGaA is listed in the German Lobbyregister des Deutschen Bundestages: R004422

ESRS G1 / G1-5: Political influence and lobbying activities		2021	2022	2023
<b>Lobbying expenses (financial or in-kind contributions) *</b>	<b>TOTAL</b>			385,743.81 €
	Total amount paid for membership to lobbying associations **			166,515.64 €

\* Lobbying expenses are determined by considering costs associated with personnel, travel, events, support, and memberships. In-kind contributions are estimated based on manufacturing or purchasing costs. In order to ensure the quality of data, the scope 2023 with regard to global market activities was restricted to the Business Development and Export division and the German Market company.

\*\* Memberships in national and international associations performing lobbying activities in any form.

## 4.2. Cyber Security.

### 4.2.1. Policies & processes.

At Ottobock, we prioritize the utmost security and protection of sensitive employee, customer and patient information through a comprehensive approach to cyber security and data privacy – outlined in our [Cybersecurity & Data Privacy Statement](#). Recognizing the critical nature of safeguarding both internal and external data, we have implemented robust measures to mitigate risks and ensure the confidentiality, integrity, and availability of information.

The cybersecurity strategy of Ottobock is founded upon the NIST Cybersecurity Framework, a set of recognized cybersecurity guidelines published by the US National Institute of Standards and Technology. The internal cybersecurity team, led by Ottobock's Chief Information Security Officer (CISO), receives support from external specialized suppliers.

Our commitment to cyber security begins with a continuously updated infrastructure. Since 2018, we have been actively enhancing our cyber defense capabilities, striving to surpass industry benchmarks in maturity levels. Employing cutting-edge technology and services, we continuously detect, contain, and eradicate cyber threats around the clock.

We maintain a proactive stance through continuous monitoring and threat detection and have instituted an operational process for security incident reporting (CERT) to diligently monitor and respond to data breaches and cyberattacks. By employing monitoring tools, we swiftly identify and respond to any potential security incidents, minimizing the impact on our operations and safeguarding sensitive data.

Access controls and user authentication protocols are meticulously enforced to ensure that only authorized personnel can access and manipulate sensitive information.

Adherence to data protection regulations is a cornerstone of our approach. Ottobock complies with global data protection standards and stays abreast of changes in legislation. Our commitment extends to ensuring that all processing of personal data is conducted ethically, transparently, and in accordance with applicable laws.

Recognizing that employees play a crucial role in maintaining cyber security and data privacy, we invest in ongoing training and awareness programs which include quarterly simulated phishing attacks to fortify our defenses as well as an annual Cybersecurity Week for all employees. Our workforce is educated on best practices, security protocols, and the importance of vigilance in safeguarding sensitive information.

In the event of a security incident, we have established robust incident response and business continuity plans. These frameworks are designed to minimize downtime, protect data assets, and ensure a swift return to normal operations.

#### 4.2.2. Actions.

As the core cybersecurity product suite, Ottobock relies on the Security Tech Stack of one vendor. Furthermore, Ottobock has enlisted the services of a third-party vendor to provide SOC services (Security Operations Center). The SOC diligently monitors anomalies within Ottobock Group's IT systems and network traffic, enabling the identification and containment of potential attacks at an early stage. The Surface Management is employed to detect and address vulnerabilities exploitable from external sources.

Identity and Information Leakage Monitoring, including asset discovery facilitated by specialized service providers, play a crucial role in identifying stolen credentials, data leaks, and vulnerable

assets owned by Ottobock. To ensure 24/7 support with forensic expertise in the event of cyber incidents, Ottobock has established a contractual incident response retainer.

Ottobock is committed to enhancing security awareness among its employees through regular phishing simulations and dedicated security events. The continuous validation and optimization of cybersecurity measures occur through Red Teaming exercises, penetration tests, and occasional findings from bug bounty hunters.

Additionally, Ottobock is in the process of introducing an internal vulnerability management system.

#### 4.2.3. Targets.

Given the ever-growing importance of data privacy and IT security, we are intensifying our focus on ensuring the security of both internal and external data. Our commitment extends to strengthening our networks and systems, safeguarding them against unauthorized access and malicious activities. In 2024, we will establish specific initiatives and targets pertaining to Cyber Security and consistently provide transparent reports on our progress.

		2021	2022	2023
<b>Total number of substantiated complaints received concerning breaches of customer privacy,</b>	from outside parties and substantiated by the organization;	0	0	0
	from regulatory bodies.	0	0	0
<b>Total number of identified leaks, thefts, or losses of customer data.</b>		n.a.	2*	3 minor incidents

\* The data protection authorities in Germany and Austria have completed their investigations into the incidents reported in 2022. No conditions or penalties were imposed.

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