

Sustainability Report

2025

OTTO
CHEMIE
DICHTEN & KLEBEN

Quality creates cohesion
today, tomorrow, the day after tomorrow

OTTO
CHEMIE
SEALING & BONDING



Johann Hafner



Diethard Bruhn

Dear readers of the OTTO Sustainability Report,

For OTTO, 2025 was a year in which we made corporate management an even more integrated part of our day-to-day work. With the 2029 corporate strategy and the updated materiality analysis, we have refined our focus and set clear priorities.

Our main aim this year was to continue with our ongoing activities consistently, extend them and incorporate them into daily business. From the product carbon footprints, which allow us to measure the environmental impact of our products, to the BG Seal of Approval certification, which demonstrates our commitment to occupational health and safety, we have actively put measures into practice and once again shown that for OTTO, sustainability involves real change and not just words on a page.

One especially important milestone was being awarded the gold medal as part of the EcoVadis rating. This confirms that our continuous work in all areas – environment, social issues, governance and corporate management – is having an effect and is further proof that we are on the right track towards fulfilling our responsibilities to the environment, society and our staff.

We understand that sustainable transformation takes time. But 2025 showed us how much we can achieve when we deal with change proactively, explore new approaches and take responsibility together – within the company, throughout the value-added chain and in our region.

We invite you to read this report and learn all about the journey we have taken and what steps we have planned for the future.

Kind regards,
Your OTTO management

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01

General information

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Basis of the report

The OTTO Sustainability Report 2025 covers the reporting period from 1 January to 31 December 2025 and is a standalone company report. It concentrates on the company's own business division, and includes the upstream supply chain with the direct suppliers and the downstream supply chain with direct and indirect customers in relation to impact, risks, opportunities, concepts, actions, goals and key figures. The sustainability report is published every year in English and German. The editorial deadline was 31 March 2026. The report was checked for accuracy and completeness by the "Sustainable Corporate Management" steering group. No external review was carried out. The OTTO Sustainability Report was also approved by the shareholders.

As we are certified in accordance with ISO 9001, ISO 14001 and the BG "Sicherheit System" Seal of Approval, references to environment and quality management topics and occupational safety management will primarily be based on data from these certified management systems, where they cover the relevant reporting obligations.

Compared with the Sustainability Report 2024, some content and key figures have been further developed and refined and in some cases new information has been added. The subsection "integrated management system" has not been included in the 2025 report, as it does not fulfil any reporting requirements. A description of OTTO's integrated management system is provided on the website..

 We are building the future: Through optimised processes

This report contains forward-looking statements that are based on current assumptions and estimates. Although we assume that the forward-looking statements are realistic, they are not to be understood as guarantees, as the actual results depend on a variety of influences, some of which are beyond OTTO's control. The forward-looking statements in the OTTO Sustainability Report 2025 will not be updated. Updated information can be found in the next Sustainability Report.

For reasons of better readability, the simultaneous use of the language forms male, female, non-binary is dispensed with. All references to persons apply equally to all genders.

Contact person for the report



Melanie Pentz

Sustainability Officer

E-Mail

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Governance

Quality creates cohesion – for over 140 years

Hermann Otto GmbH (hereinafter referred to as OTTO) is a family-run company with production exclusively at the company's headquarters in 83413 Fridolfing, Bavaria, Germany.

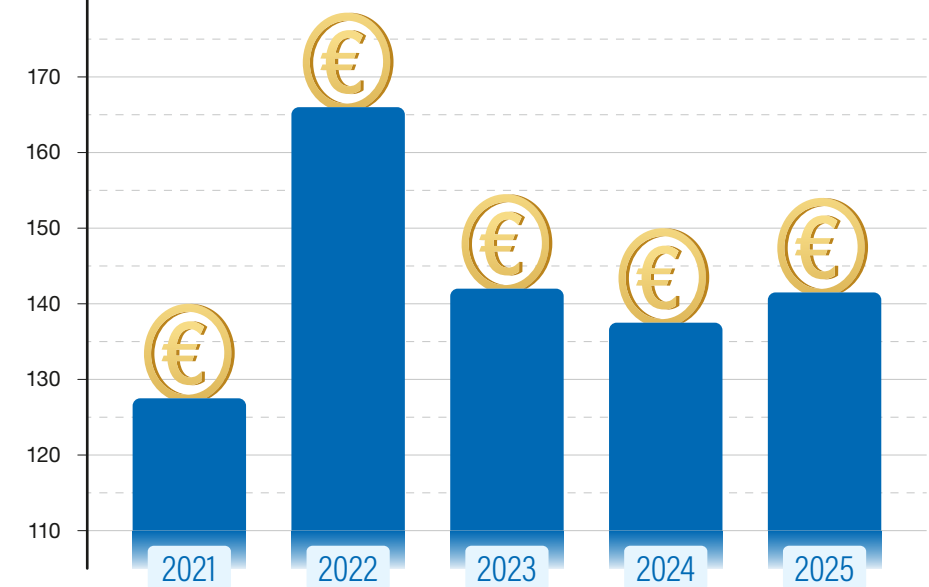
For special jobs in industry, trade and craftsmanship, we at OTTO have been offering uncompromising quality, the highest level of expertise and innovative solutions since 1881 – whether for sealing, bonding, potting or coating.

 About OTTO

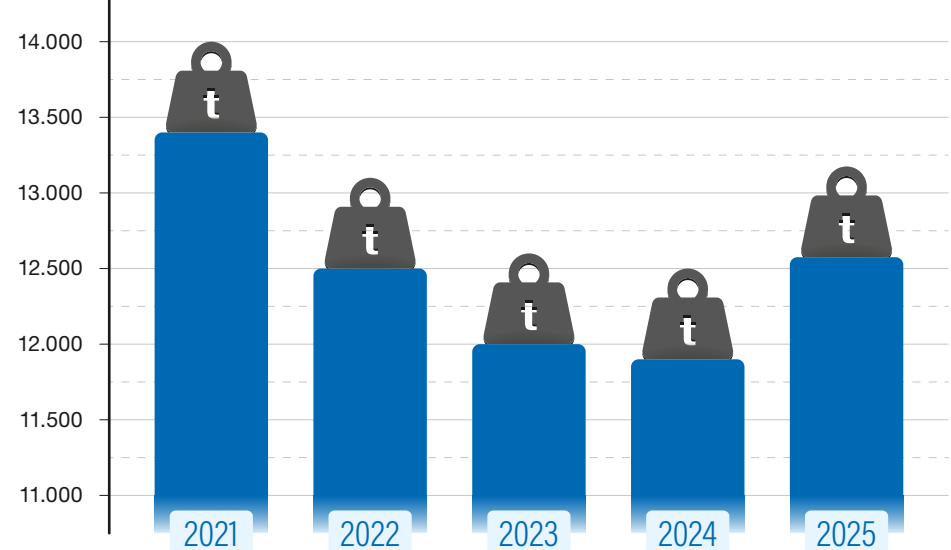
Key data

Industry	Manufacture and sale of chemical products of all kinds NACE-Code 20 – Manufacture of chemical products NACE-Code 46 – Wholesale trade, except of motor vehicles and motorcycles
Leading brands	OTTOSEAL® sealants OTTOCOLI® adhesives OTTOFLEX® system compound sealing OTTOPUR PU foams Novasil® adhesives & sealants/potting materials/coatings
Managing partners	Matthias Nath Claudia Heinemann-Nath
Managing Directors	Johann Hafner Diethard Bruhn
Employees	490 (FTE: 414.38)
Annual turnover	EUR 141.56m
Annual sales	12,580 tonnes

€ million Sales development in millions of euros

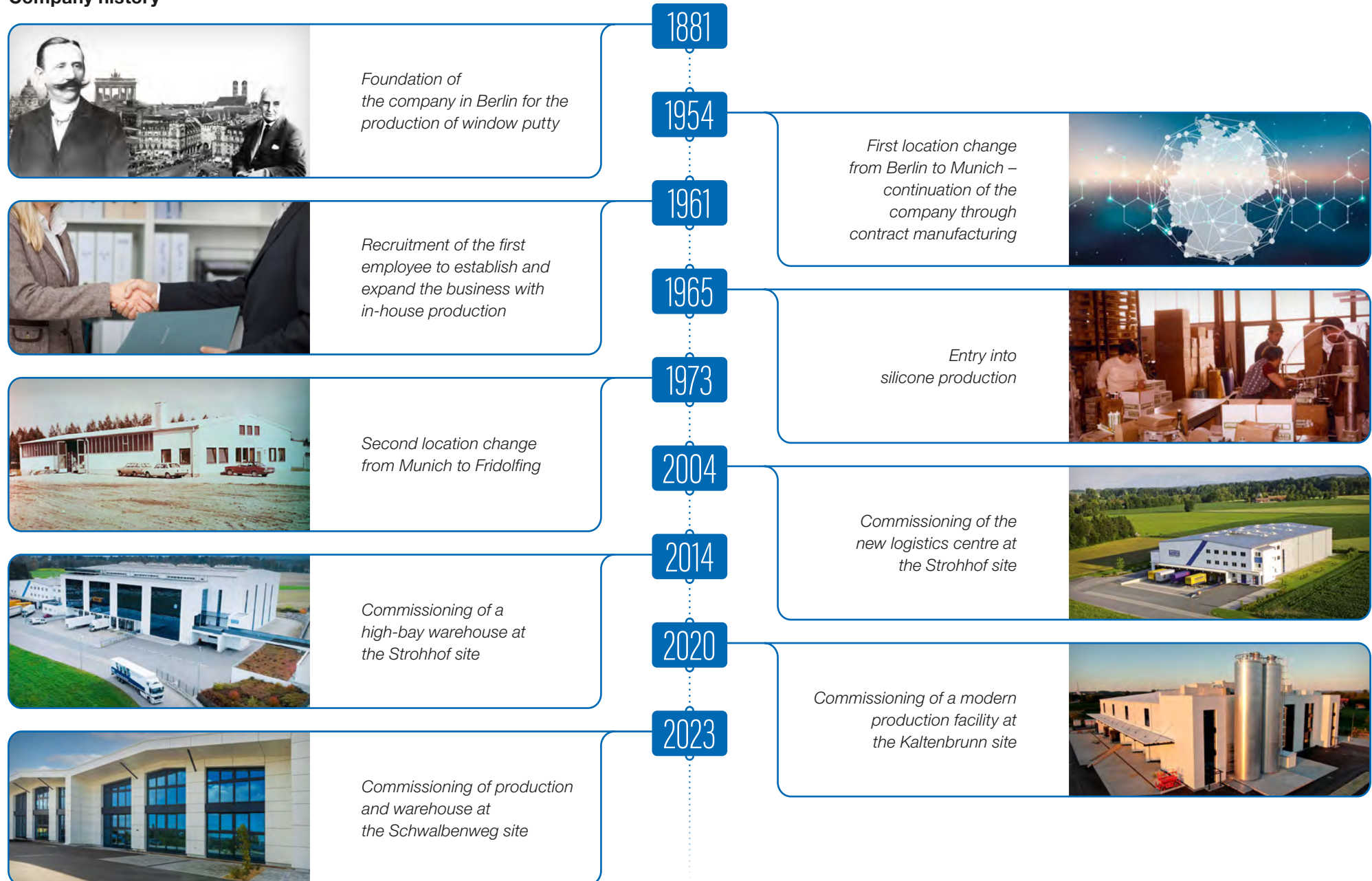


t Sales volumes in tonnes





Company history



Organisation

OTTO is managed by two managing partners and two operational managing directors.

The OTTO Advisory Board consists of Mr Herbert Nath (great-grandson of the founder Hermann Otto) and the former Managing Director and employee of the „first hour“ Jürgen Lohre. The Advisory Board serves to uphold the interests of OTTO as a family-run company. Together with the shareholders, it advises and monitors the management.

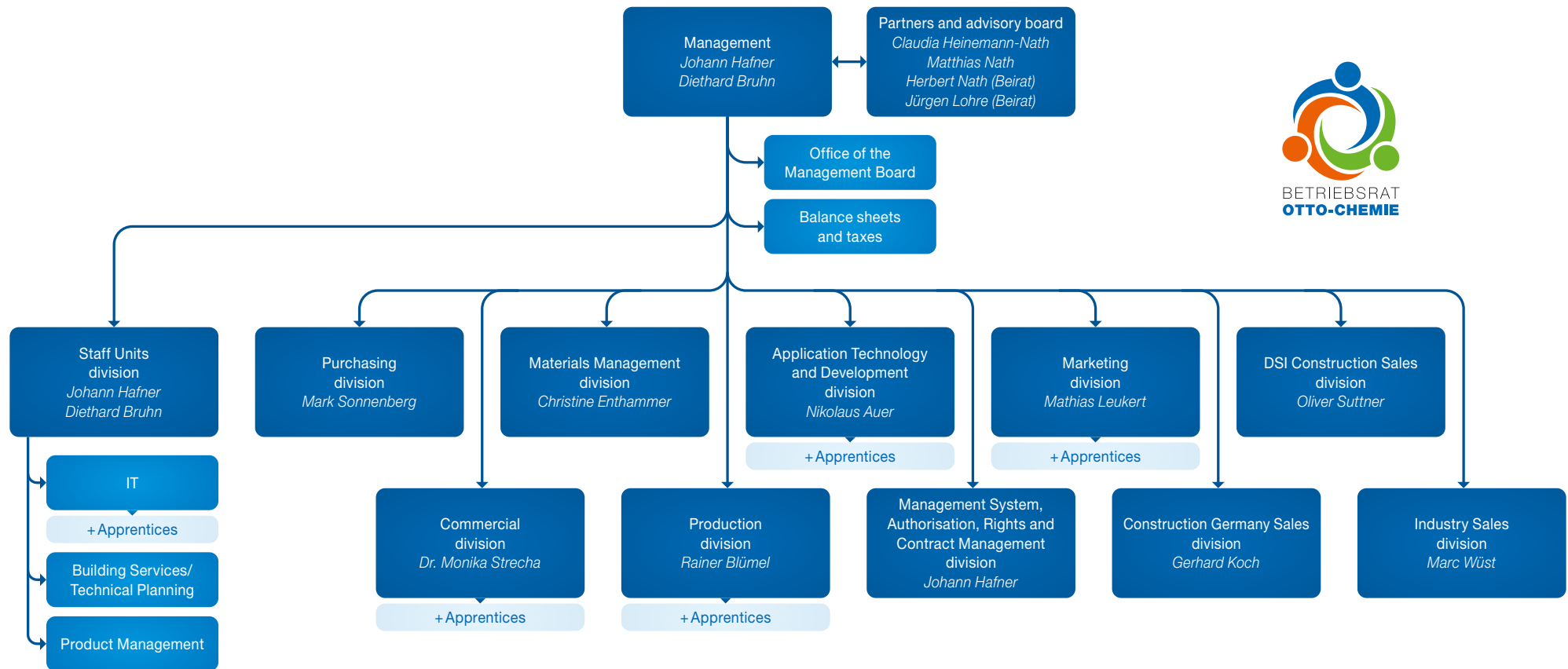
The management structure at OTTO is characterised by flat hierarchies, which enables quick and coordinated decisions to be made. The managing directors are supported in operational activities and decisions within the respective divisions by the highest management level, the nine division managers. The division managers are responsible for the management of impact, risks and opportunities in their individual divisions. Regular assemblies and division manager meetings are held to implement the strategy in day-to-day business and to monitor the management of impact, risks and opportunities. It also ensures that the measures harmonise with the company's strategic goals and guiding principles.

Financial decisions are made strictly in accordance with the principle of independence. As a family-run company, OTTO is independent of external investors and thus retains the ability to make free decisions in all areas. OTTO does not have a systematic sustainability-related incentives system or remuneration policy.

Conflicts of interest are prevented in that there is a structural separation of functions and tasks, officers and control functions are authorised to issue instructions within the company and are independent, and the management bodies monitor each other. Where necessary, external experts are called in to obtain an independent opinion and specialist knowledge.

Managers, authorised representatives and other experts are selected on the basis of their professional suitability. Officers are also appointed in accordance with legal and standard requirements and each officer has to compile an annual report. To update and expand on specialist knowledge, prescribed training is completed, accompanied by various other knowledge building formats as appropriate.

In addition to the shareholders, managing directors, the OTTO Advisory Board and the division managers, there are other groups of experts for economic, ecological and social decisions.



Claudia Heinemann-Nath

Managing Partner
As of 1 May 2019

Background

Magister degree course –
Qualification M. A. Magister Atrium
Abitur (approx. A-levels)

Division allocation

No operational activity

Johann Hafner

Operational Manager
As of 1 July 2000

Background

2000 – 2002

Study – Bachelor for Trade and Commerce

01.01.1993

Head of Material Management Division

01.10.1987

Started at Hermann Otto GmbH
as commercial assistant

01.10.1984 – 30.09.1987

Software developer (Allianz)

1983 – 1984

German Armed Forces

1982 – 1983

Fach-Abitur (approx. specialist A-levels)

1980 – 1982

Training – Wholesale and Export Trader

Training, followed by Abitur
(approx. A-levels)

Division allocation

Spokesperson of the Management Board

Commercial division

Production | Material Management

Application Technology and Development

Purchasing | IT | Building Services

Management System, Authorisation,
Rights and Contract Management

Matthias Nath

Managing partner
As of 1 January 2009

Background

Degree course in Economics –
Qualification: master

Degree course in Business Studies –
Qualification: bachelor

Training – bank clerk

Abitur (approx. A-levels)

Division allocation

No operational activity

Diethard Bruhn

Operational Manager
As of 1 January 2020

Background

16.08.2017

Started at Hermann Otto GmbH
as Head of Marketing

1988 – 2017

Hilti various tasks (incl. product manager, branch
manager, KAM)

1998 – 1999

Remote studies – Expert Merchant, Marketing

1989 – 1992

Qualification: Industrial Engineer

09/1983 – 10/1987

Training – Machinist

Division allocation

Marketing

Product Management

Sales

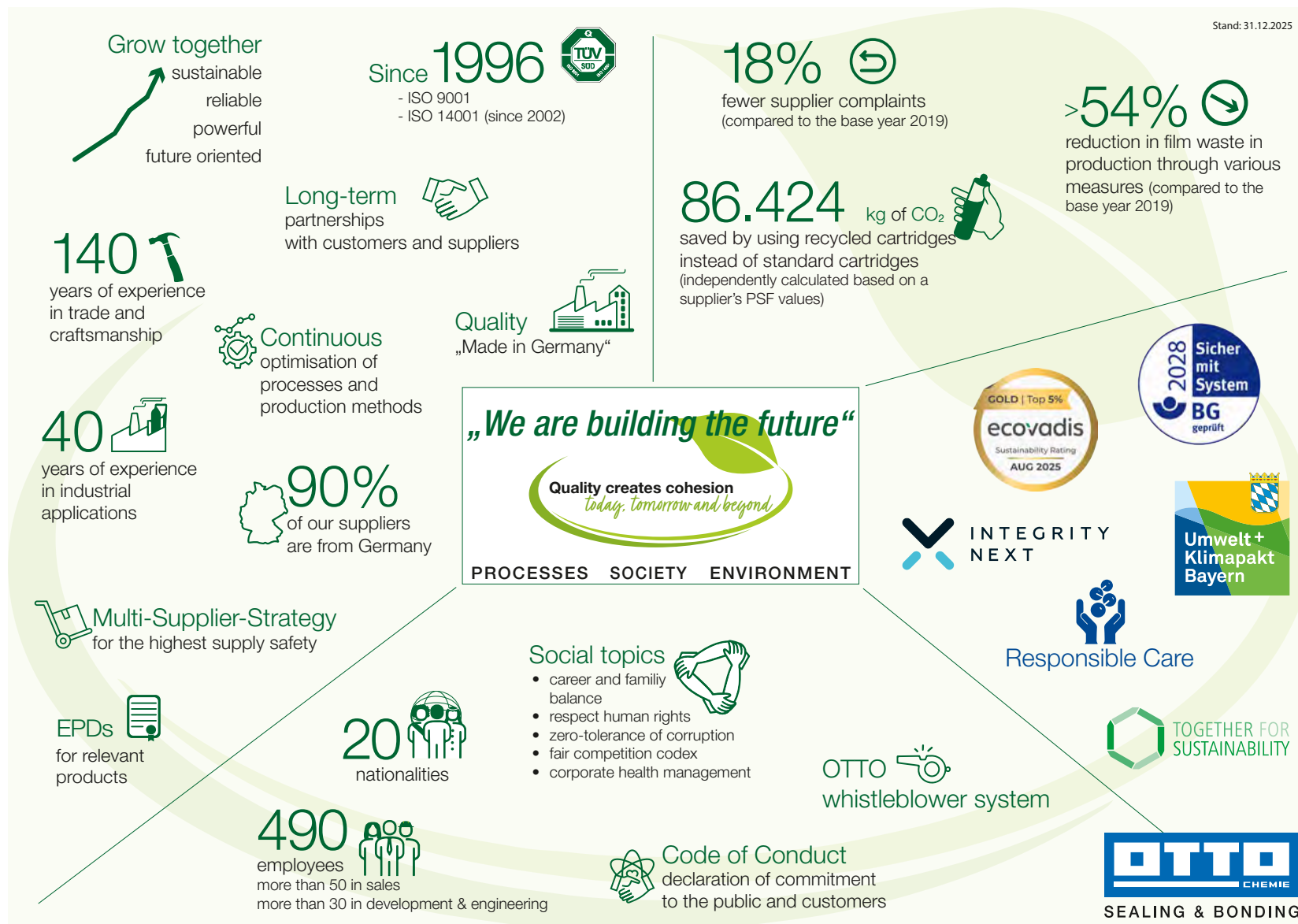
Groups of experts

	Task	Members, generally
Shareholders' meeting	Informing shareholders and advisory boards about day-to-day business, coordinating major projects, approving budget planning & Sustainability Report	Shareholders, managing directors, advisory boards
Division manager meeting	Harmonising and coordinating the implementation of the corporate strategy in day-to-day operations	Operational managing directors, division managers of the OTTO divisions
Management meeting	Annual review & outlook, overview and vote on the work at OTTO	Managing directors and executives
Officers	Compliance with the due diligence obligations of the respective assignment	Safety officer, waste officer, packaging officer, fire protection officer, data protection officer, hazardous substance officer, water conservation officer, CE coordinator, fleet officer, dangerous goods transport officer, information security officer, responsible specialist electrician, quality management officer, environmental management officer, risk management officer, innovation management officer, sustainability officer, customs officer, prepackaging officer, CE officer for products
Works Council with various committees	Personnel Committee, Health and Safety Committee, Data Security Committee, Economic Committee, Works Committee	Selected members of the Works Council
OHM-Team	Systematic creation and design of health-promoting structures and processes for all OTTO employees	Commercial division management, occupational safety officer, external OHM consultant, chair of the Works Council, company doctor
Health and Safety Committee	Regular dialogue on the further development of occupational health and safety	Operational managing director, company doctor, occupational safety specialist, Works Council, safety officer
ISMS-meeting	Discussion and decisions on fundamental and current topics relating to information security	External information security officer, data protection officer, risk manager, IT manager, members of the IT specialist group „IT Security“, operational management

The information and data provided in the Sustainability Report are subject to OTTO process control, which serves to ensure that they remain available and valid. To obtain consistent key figures, they are collected on the basis of a standardised form.

Strategy

Highlights



Vision & mission and the three pillars of OTTO sustainability

Quality creates cohesion – today, tomorrow, the day after tomorrow

Our aim is to serve as a reliable partner for our customers over the long term, work with them as equals. In order to do this effectively, we need uncompromising quality, sound expertise and innovative approaches. At the same time, we consider it essential to fulfil our due diligence obligations relating to human rights and the environment consistently, and continue to develop these obligations.

Doing business responsibly and sustainably is an integral part of OTTO's identity as a company. For many years, we have continuously implemented measures that cover all three dimensions of sustainability: ecological, economic and social aspects.

OUR VISION

„We are building the future“

We leverage our corporate culture and our scientific and technological expertise to enhance our performance while at the same time to safeguard our integrity. We offer our customers safe and forward-looking product and technology solutions. We integrate sustainability in our portfolio as well as in our business processes. We utilise various methods and tools to evaluate and manage our corporate sustainability and to measure the achievement of goals across the entire company and our value added chain.

OUR MISSION

„For OTTO, sustainability is a constant effort to combine environmental, economical and social aspects in the best possible way in order to improve the living conditions of today's generations as well as those of tomorrow. As an active member of society, we are working together continuously with all of our partners on a sustainable value-added chain“.

Johann Hafner, Managing Director of Hermann Otto GmbH, 2022

Our sustainability strategy follows the principle of "We are building the future" and is based on multiple central areas of action:

- ✔ We are building new processes that achieve new levels of sustainability.
- ✔ We are building on the work of our employees, who are held to high standards but given plenty of support.
- ✔ We are building on long-term partnerships with our business partners.
- ✔ We literally build things on our modern production sites.

Our products help construction customers to create healthier and longer-lasting buildings. At the same time, we help our industry customers by providing solutions they can use to successfully realise sustainable and future-proof products.



 OTTO Sustainability Strategy

With the **2029 OTTO corporate strategy**, which was adopted in 2025, sustainability is now firmly anchored in our strategic orientation as a top priority. We consider sustainability to be an integrated approach covering all areas of influence and implemented consistently across all divisions of the company. For us, it represents a key competitive advantage: sustainable practices strengthen our growth, create added value for our customers and all other **stakeholders** and also ensure that we remain future-proof in the long term. Furthermore, sustainability is a key component when it comes to continuously consolidating and expanding the resilience and the lasting market success of OTTO. The foundation of our activities is a comprehensive **materiality analysis** in which we have systematically assessed both the positive and the negative impact of our business activities on the economy, the environment and people and on OTTO itself.

We believe that the biggest challenges in the future will involve the recycling of products and production waste

The OTTO business model

We develop, produce and sell high-quality sealants and adhesives geared specifically towards the demanding requirements and applications of our target customers in the construction and industry sectors. Our mission is to set the market benchmark for product and service quality and to put sustainability into practice. Our product portfolio and our tailored customer solutions provide: above-average quality at reasonable prices, extensive product variety and special products, a unique range of colours, high availability for all OTTO products, fine craftsmanship, operating safety and extensive, tailored customer service.

We believe in fair and dependable partnerships that help everyone involved to achieve success. We respond to customer requests flexibly and work with our customers and users to find solutions tailored to their needs.

Our working relationships with key raw material suppliers enable us to provide a diverse range of products, in high quality. To ensure success, we use a multi-supplier strategy, ideally with suppliers based in Europe. Logistics partners ensure that our products are quickly available on site. Technology and innovation partners help us to optimise our internal processes and our services for our customers.

The most important resources for implementing our business model are motivated and qualified employees, raw materials, energy and capital, high product and application know-how, modern and safe laboratory, production and storage facilities and the latest digital equipment.

We invest in building and maintaining long-lasting customer relationships by providing good value for money, customised product solutions, top quality and a comprehensive range of services. We want customer relationships built on fairness and mutual trust, where we work together as equals.

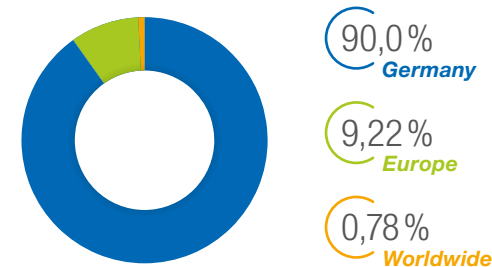
The OTTO supply chain

OTTO actively focuses on strong working relationships with regional suppliers and aims to maintain the percentage of regional suppliers in the long term. The required raw materials are largely procured from producers directly. All business relationships are based on collaborative partnerships with long-term prospects.

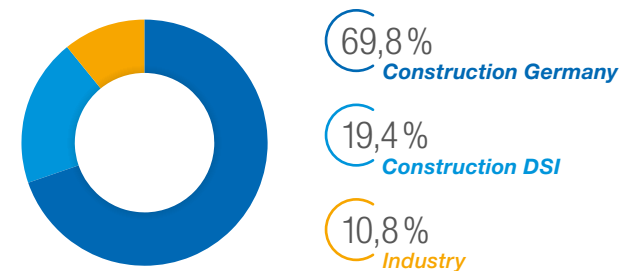
Our products are used internationally, although sales are focused on the German market. The exclusive location for our development and production is our site in Fridolfing. This enables us to guarantee high-quality products that we have manufactured ourselves and make a clear commitment to "Made in Germany" quality. Our varied product range is supplemented by our tailored consulting and service offers, based on the specific needs of our customers.

Our customer base is equally diverse. Our purchasers include major building materials suppliers, manufacturers from the household appliance industry or plant construction and a large number of small and medium-sized workshops and home improvement professionals.

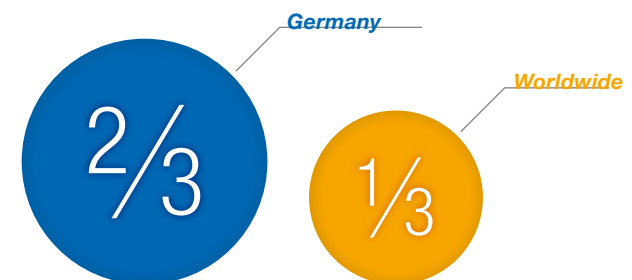
Product-related, direct suppliers

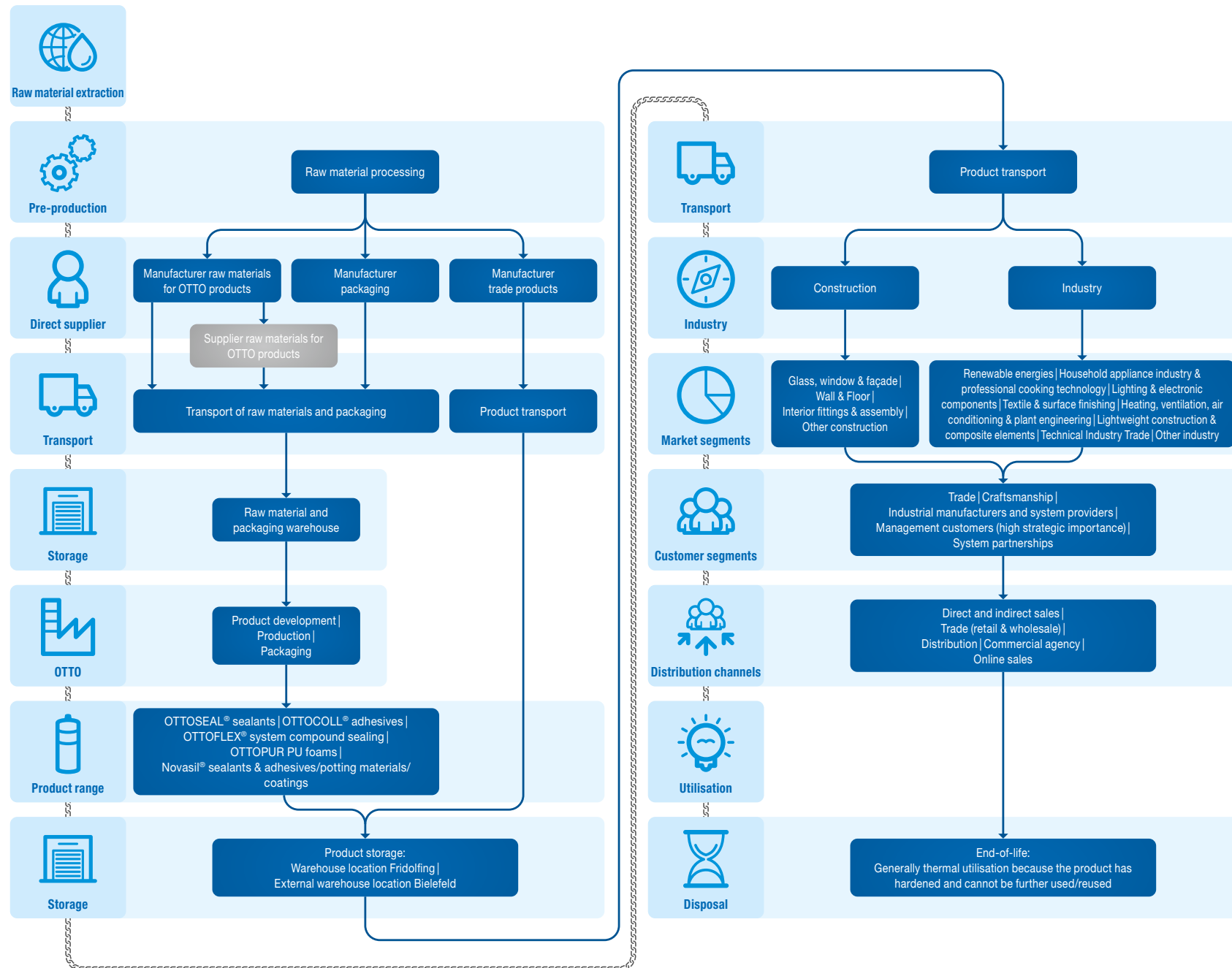


Customers



Sales markets in relation





Major products and services



Construction

Product groups

Changes
in the reporting period

OTTOSEAL® sealants	OTTOSEAL® A220 Turbo – new product launch
	OTTOSEAL® M360 – new colour: C8180 pebble grey 580 ml
	OTTOSEAL® M366 – new colours: C9033 fair grey 580 ml, C9035 dark grey 580 ml, C9034 fair middle grey 580 ml, C9063 middle grey 580 ml
	OTTOSEAL® M390 – new colour: C537 light greybeige 580 ml
	OTTOSEAL® S27 – shelf life increased from 15 months to 18; tested in accordance with the specifications of the silicone transition recommendation for use in contact with drinking water for C01 white and C00 transparent
	OTTOSEAL® S70 – new colour: C9207 transparent manhattan 310 ml & 400 ml
	OTTOSEAL® S110 – new colours: C9077 vintage 400 ml, C6331 sandstone 400 ml
	OTTOSEAL® S125 – new colours: C9208 transparent peanut 310 ml, C8725 matt buxy 400 ml, C8427 matt vintage 400 ml, C8165 matt sandstone 400 ml
	OTTOCOLL® M550 HiTack – cartridge facelift; switched to V-seam clip nozzle; ISEGA certification
	OTTOCOLL® M560 – cartridge facelift
OTTOCOLL® adhesives	OTTOCOLL® M595 – ISEGA certification

OTTOCOLL® S495 – cartridge facelift

Processing tools/
Accessories OTTO Standard nozzle for cartridges 107 mm – two more packaging units added: 100 pieces & 2,500 pieces; streamlining and simplification of dispatch in MFW

Tapes/Back-up foam rod OTTOTAPE E-40-I – discontinued

Services

Changes
in the reporting period

Application consultation	No changes
Tender documents for architects & planners	No changes
Demand-driven production (including small batches)	No changes
Brochures & guides	No changes
eProcurement & EDI connection, electr. billing, exchanges & returns	No changes
Colour recommendations & priming tables	No changes
Colour charts incl. colour charts for on-site use	No changes
Shop shelves, counter-top displays, guide cards, sealant samples for shelving bars	No changes
Custom colours	No changes
Adhesive compass	No changes
Free delivery for orders of EUR 100 or more; express delivery, delivery at an arranged time, job site delivery, drop-off authorisation, pick-up	No changes
Sealing gun rental service	No changes
OTTO app, media portal, automat. data transmission for online shop, OXOMI	No changes
OTTO retailer finder	No changes
QR code on the product cartridge	No changes
Coaching, training & videos incl. training documents: Basic & pro coaching and customised training courses	No changes
Requirements calculator for sealants & primer	No changes
Requirements calculator for OTTOFLEX® system compound sealing	No changes
Videos Application & products	No changes



Industry

Product groups

Changes in the reporting period

Novasil® Products

Discontinued products

Novasil® M-SP 7496 310 ml C00 transparent – product discontinued
 Novasil® S 15 310 ml C00 transparent – product discontinued
 Novasil® S 15 310 ml C223 dark grey – product discontinued
 Novasil® S 15 310 ml dark brown – product discontinued
 Novasil® S 15 SP 5629 310 ml C01 white – product discontinued
 Novasil® S 15 SP 5629 310 ml C04 black – product discontinued
 Novasil® S 15 SP 5629 310 ml RAL 9003 – product discontinued
 Novasil® S 21 310 ml C00 transparent – product discontinued
 Novasil® S 21 KG C00 transparent (20 l/20 kg) – product discontinued
 Novasil® S 31 SP 5384 90 ml C00 transparent – product discontinued
 Novasil® S 31 SP 5384 310 ml C00 transparent – product discontinued
 Novasil® S 31 SP 5384 KG C00 transparent (20 l/20 kg) – product discontinued
 Novasil® S 36 1000 ml C65 red brown – item adjustment
 Novasil® S 39 310 ml C02 grey – product discontinued
 Novasil® S 39 580 ml C02 grey – product discontinued
 Novasil® S 39 SP 5502 310 ml C02 grey – product discontinued
 Novasil® S 44 SP 6345 A 1000 ml – product discontinued

Novasil® S 46 310 ml C65 red brown – product discontinued
 Novasil® S 46 SP 1363 310 ml C65 red brown – product discontinued
 Novasil® S 46 SP 1363 1000 ml C65 red brown – product discontinued
 Novasil® S 46 SP 1363 KG C65 red brown (20 l/20 kg) – product discontinued
 Novasil® S 46 SP 5189 310 ml C65 red brown – product discontinued
 Novasil® S 46 SP 5189 KG red brown (20 l/22 kg) – product discontinued
 Novasil® S 46 SP 5272 KG C65 red brown (20 l/22,8 kg) – product discontinued
 Novasil® S 76 1000 ml C67 anthracite – removed from range
 Novasil® S 76 SP 6455 310 ml C67 anthracite – product discontinued
 Novasil® S 76 SP 6455 KG C67 anthracite (200 l/226 kg) – product discontinued
 Novasil® S 127 A KG C00 transparent (200 l/213,6 kg) – product discontinued
 Novasil® S 127 + S-CA 2415 A+B C95 translucent 490 ml 4-pc. pack – product discontinued
 Novasil® S 801 310 ml C00 transparent – product discontinued
 Novasil® S 821 A KG C04 black (20 l/23,7 kg) – product discontinued
 Novasil® S-SP 5530 310 ml C00 transparent – product discontinued
 Novasil® S-SP 5530 1000 ml C00 transparent – product discontinued

From prototype to standard product

Novasil® AS-SP 7740 and OTTOCURE AS-CA 5005
 ↳ Novasil® AS 426 and OTTOCURE AS-CA 5005
 Novasil® AS-SP 7803 and OTTOCURE AS-CA 5005
 ↳ Novasil® AS 425 and OTTOCURE AS-CA 5005
 Novasil® AS-SP 7817 and OTTOCURE AS-CA 5080
 ↳ Novasil® AS 421 and OTTOCURE AS-CA 5080
 Novasil® AS-SP 7913 and OTTOCURE AS-CA 5170
 ↳ Novasil® AS 422 and OTTOCURE AS-CA 5170

Services	Changes in the reporting period
Application consultation	No changes
Archiving of formulation & regular quality tests	No changes
Demand-driven production (volume, packaging forms, container sizes)	No changes
Brochures & guides	No changes
eProcurement & EDI connection, electr. billing, exchanges & returns	No changes
Joint development of product solutions	No changes
Free delivery for orders of EUR 100 or more; express delivery, delivery at an arranged time, drop-off authorisation, pick-up	No changes
Prototype consultation & industry trials	No changes
Process consultation for new systems & production automation	No changes
Coaching, training & videos incl. training documents: Basic & pro coaching and customised training courses	No changes

 Major products and services

Major markets and customer groups



Construction

Market segment	Changes in the reporting period
Glass, window & façade	No changes
Finishings & assembly	No changes
Wall & floor	No changes
Other construction	No changes

Customer segments	Changes in the reporting period
Management customers (high strategic importance)	No changes
Trade	No changes
Craftsmanship	No changes
Industrial manufacturers and system providers	No changes
System partnerships	No changes



Industry

Market segment

	Changes in the reporting period
Renewable energies	No changes
Household appliance industry & professional cooking technology	No changes
Heating, ventilation, air conditioning & plant engineering	No changes
Lightweight construction & composite elements	No changes
Lighting & electronic components	No changes
Technical industry trade	No changes
Textile & surface finishing	No changes
Other industry	No changes

Customer segments

	Changes in the reporting period
Management customers (high strategic importance)	No changes
Trade	No changes
Craftsmanship	No changes
Industrial manufacturers and system providers	No changes
System partnerships	No changes

Interests and views of stakeholders

For long-lasting working relationships built on mutual trust, it is particularly important to listen to the views of the **stakeholder**. We use a variety of communication channels to actively engage with our stakeholder groups so that we can be aware of their suggestions, wishes, praise and criticism. This allows us to establish enduring partnerships and benefit from shared advantages and synergies.

The views of our **stakeholder** are taken into account in our strategic and operative decisions and actions. At the same time, we gain valuable insight into short-term and medium-term sentiment and needs – of the **stakeholder** and of the market – enabling us to respond to them effectively.

CIRCULAR TALKS

New approaches – sustainable business

In September we held the Circular Talks #5 on the topic of carbon footprint assessment in connection with the project "Circular Rural Regions". After the keynote presentation, participants from the various sectors engaged in discussion, were able to experience different perspectives and gain valuable ideas for further development.

The Traunstein and Berchtesgadener Land districts form the joint model region for the project. Chiemgau GmbH is responsible for the project.

Management is always informed of all findings and developments directly and in due time. Larger social commitment activities are planned and realised in close collaboration with the managing directors.

Stakeholder group	Type	Relating to Sustainability Report	Social commitment activities	Internal representative	Key topics ✔ Sustainability topics
Customer/interested party CONSTRUCTION DE, INT, INDUSTRY	Direct	Directly affected/users	✔ Trade fairs ✔ Social media ✔ Website ✔ OTTOprofil ✔ Newsletter ✔ VAD visits ✔ Annual talks ✔ Audits ✔ Complaints management ✔ Customer surveys ✔ Training ✔ Other events ✔ Specific product information (NBD, EPDs, etc.) and much more.	Sales	✔ Consistently high and user-friendly quality ✔ Collaborative partnerships ✔ Accessibility of contacts ✔ Professional expertise of contacts ✔ Product availability ensured ✔ Fast processes that are effective/proficiently implemented ✔ Innovative, solution-oriented products and services ✔ Information kept confidential ✔ Compliance with agreements (e.g. conditions and specifications) ✔ Good value for money ✔ Reliable delivery ✔ Compliance with environmental, social and ethical standards, incl. certification ✔ Sustainability strategy incl. targets and progress ✔ Transparent communication and reporting ✔ Environmentally friendly/home-healthy/recyclable products; provision of PCF, LCA, EPDs etc.
Suppliers	Direct	Directly affected	✔ Trade fairs ✔ Annual talks ✔ Meetings with Purchasing ✔ Collaboration projects ✔ Supplier assessment	Purchasing	✔ Transparent communication and collaboration ✔ Solvency and prompt payments ✔ Long-lasting, future-proof partnerships ✔ Compliance with agreements; reliable order volumes ✔ Responsible handling of their product, particularly in relation to chemicals etc. ✔ Information kept confidential ✔ Environmentally friendly practices and compliance with social standards; energy efficiency, reduction of waste etc.

Stakeholder group	Type	Relating to Sustainability Report	Social commitment activities	Internal representative	Key topics
 Sustainability topics					
Service-providers	Direct	Directly affected	 Annual talks	Specialist departments dependent on specific service-provider	 Good communication and collaboration; clear briefings/requirements; honest feedback  Solvency and prompt payments  Access to required information  Long-term partnerships  Information kept confidential  Compliance with agreements  Environmentally friendly practices and compliance with social standards; energy efficiency, reduction of waste etc.  Work safety on company premises
Shipping companies	Direct	Directly affected	 Annual talks	Material management	 Compliance with packaging standards incl. labelling  Punctual delivery of goods  Good communication and collaboration  Use of sustainable options (low-emission vehicles, optimised routes, reduction of empty journeys, etc.)  Use of environmentally friendly packaging  Payment of carbon offset contribution
Politics/legislator/public authorities/official bodies	Direct	Users	 Dialogue with public authorities  Disclosure/transparency, in the form of our business and sustainability reports  Proactive compliance with regulations/directives/laws	Legal affairs & contract management/executive management	 Compliance with regulatory obligations, laws etc.  Protection of the general public  Compliance with industrial standards  Transparent communication and reporting  Sustainability strategy incl. targets and progress
Insurance/banks	Direct	Users	 Annual talks  Meetings (as needed)	Invoicing/executive management	 Avoidance of damage claims/bad debt loss  Compliance with agreements  Sustainable customers/investments  Transparent communication and reporting  Sustainability strategy incl. targets and progress

Stakeholder group	Type	Relating to Sustainability Report	Social commitment activities	Internal representative	Key topics
					✔ Sustainability topics
Employees	Direct	Directly affected	✔ Employee surveys ✔ OTTO Weekly Check ✔ Employee appraisals ✔ Employee meetings ✔ Team-building measures ✔ Summer party & Christmas party ✔ Various internal communication channels ✔ Internal audits ✔ Turtle analysis	Works Council	✔ Compliance with agreements ✔ Employees have a say and are involved in decision-making ✔ Safe work environment ✔ Opportunities for growth, e.g. flexible working hours ✔ Development opportunities; further training, career opportunities ✔ Good working atmosphere ✔ Good workplace equipment ✔ Competent managers ✔ Appropriate communication/information ✔ Fair working conditions ✔ Extensive health management ✔ Sustainable practices; sustainability strategy incl. targets and progress ✔ Promotion of environmental awareness at the workplace ✔ Compliance with work health and safety directives, social & ethical standards
Shareholders/owners	Direct	Directly affected	✔ Shareholder discussions ✔ Shareholders' meeting ✔ Participation in manager meetings ✔ Company walk-through inspection	—	✔ Safeguarding the survival of the company ✔ Reasonable returns ✔ Steady growth ✔ Risk governance ✔ Remaining competitive ✔ Good image – satisfied employees and customers ✔ Integration and implementation of sustainability goals – CCF/PCF, emission reduction etc. ✔ Transparent communication and reporting
Local residents/municipality	Indirect	Directly affected/users	✔ Information events ✔ Newspapers/press releases ✔ Sustainability Report ✔ OTTO whistleblower system	—	✔ Contribution to positive development of the economy/region ✔ No reduction in quality of life in the neighbourhood ✔ No reduction in value for adjacent properties ✔ Securing the region's economic future ✔ Promoting regional infrastructure ✔ Transparent & open communication/information on construction work/ environmental aspects etc. ✔ Protection & prevention of surrounding area and people ✔ Creation of jobs

Stakeholder group	Type	Relating to Sustainability Report	Social commitment activities	Internal representative	Key topics
					✔ Sustainability topics
Society/public	Indirect	Directly affected	✔ Communication and transparency regarding company activities & products via website/social media/press ✔ Sustainability Report ✔ OTTO <i>whistleblower system</i>	–	✔ Compliance with legal regulations and standards ✔ Transparent communication and reporting ✔ Responsible use of resources ✔ Reduction of emissions and environmental pollution ✔ Support of children and young people ✔ Support of associations ✔ Support of social institutions, non-profit organisations ✔ Support of medical institutions ✔ Voluntary work
Associations	Indirect	User	✔ Conferences & meetings ✔ Events, workshops, seminars ✔ Surveys ✔ Discussion platforms	–	✔ Active involvement (financial/non-financial) and sharing of information (questionnaires, key figures, etc.) for implementing or achieving the association goals in accordance with compliance requirements and the CoC ✔ Social responsibility/action/commitment ✔ Responsible members (incl. compliance with legal requirements and industry-specific standards) ✔ Assistance with the development and application of industry standards ✔ Promotion of sustainable practices in the industry ✔ Transparency regarding sustainability goals and progress
Competitors	Indirekt	User	✔ Association meetings ✔ Network meetings	–	✔ Compliance with fair principles and rules of fair play with regard to other market participants ✔ Combating corruption & bribery ✔ Extensive and transparent sustainability report ✔ Promotion of sustainable practices in the industry and potential collaboration on projects

Significant impact, risks and opportunities

In early 2025 we updated our **materiality analysis** in line with the principle of double materiality. This allowed us to consider our impacts, risks and opportunities more specifically and incorporate them into the design of the new corporate strategy. The goals that were set and the implemented and planned measures strengthen our ability to handle major impacts and risks and exploit significant opportunities.

In 2025 we predominantly focused on the following impacts, risks and opportunities (grouped by topic below):

🔄 Environmental pollution

We are constantly working to ensure that our products are compliant with regulations, environmentally compatible and home-healthy. Meeting the growing number of requirements without affecting the high functionality and quality of the products also involves high risks.

🔄 Climate change

For the adaptation to climate change, we see a wide range of opportunities across the entire value-added chain over the long term. Even in the upstream value-added chain, the production of sustainable raw materials provides OTTO with great potential for future-focused, sustainable product innovations. These innovations will form the basis for supplying high-quality and safe products in the downstream value-added chain that have been adapted to suit changing needs.

With their key impact, greenhouse gas emissions play a major role throughout the entire value-added chain. The indirect emissions from the upstream value-added chain are particularly high.

🔄 Circular economy

The recycling of production waste and end products is a central risk for OTTO and the downstream value-added chain, because of the product characteristics of adhesives and sealants and the technical limitations regarding their recyclability. In relation to sustainable procurement, the key issues for us are the availability and the volatile prices of (sustainable) raw materials.

🔄 Corporate management

The stability and security of our IT systems is of central importance when it comes to preventing interruptions to business processes. Failures or compromises could pose significant risks for operative performance and for the protection of sensitive data.

Furthermore, a solid financial basis is a key requirement for the company's long-term development. It enables long-term investment and has a positive impact on employees and other stakeholder groups.

🔄 The company's employees

OTTO has implemented a large number of measures in relation to working conditions, with a positive impact. This is reflected in the high levels of employee satisfaction and employees remaining with the company for many years. There is a downside to this, however, which is reflected in the growing dissatisfaction on the part of younger employees who are currently struggling to advance in their careers.

The following table shows, at sub-topic level, the significant impact, risks and opportunities and how they are distributed in our own activities and in our value-added chain

Where	Impact	Risks	Opportunities
Upstream value-added chain	⊖ Climate protection ⊖ Air pollution		Adaptation to climate change
Internal business unit	⊖ Climate protection ⊖ Equal treatment & equal opportunity for all ⊕ Working conditions ⊕ Corporate culture	Substances of high concern Digitalisation Resource inflows	Adaptation to climate change
Downstream value-added chain	⊖ ⊕ Climate protection	Waste	Adaptation to climate change

⊕ positive ⊖ negative

Goals and measures

We at OTTO view the **SDGs** as an opportunity and want to actively contribute to solving the global challenges of our time. Nine **SDGs** were prioritised as part of OTTO's Sustainability Strategy to which the greatest active contribution can be made. In this way, we embed our sustainability efforts in a globally recognised context, which promotes clarity, transparency and comparability.

OTTO's sustainability goals and measures are specified at three different levels. Long-term and medium- to long-term goals are part of the corporate strategy and are specified when the strategy is compiled, together with the corresponding measures. In addition, short-term to medium-term goals and measures are also set once a year at division and department level and in the OTTO sustainability programme, and at project level where appropriate. The progress made towards achieving the goals is monitored once a year in goal reviews and at the end of each strategy period.

What are the Sustainable Development Goals – SDGs for short?

The 2030 agenda of the United Nations (UN) with its 17 Sustainable Development Goals, (*Sustainable development Goals, SDGs*) and the associated 169 sub-goals addresses the current challenges our society is facing in the four areas of „Planet“, „People“, „Peace“ and „Prosperity“. The **SDGs** are primarily aimed at governments. However, they also address the economy as an important player and emphasise the central role that companies can and must play in this context. Because they influence their environment – people and nature – in many different ways.



We promote health and fitness for all of our employees.



We challenge and support our employees according to their skills and support lifelong learning in all forms of training and continuing education.



We assess all employees regardless of gender and value equal opportunities.



We rely on a responsible handling of the topic of energy and take advantage of the opportunities renewable energies offer.



We offer safe and fair working conditions and are committed to complying with human rights.



We stand for sustainable corporate development, relying on modern production facilities with an efficient use of resources, as well as the power of innovation of our employees.



We handle all resources carefully and reduce our environmental impacts.



As OTTO, we are striving to become a **climate-neutral** company and to optimise the environmental footprint of our products to protect the environment.



We enter into partnerships to promote a sustainable development of the company.

Environment

SDG	Strategic goals	GRI	Product/ company goal	Progress Goal	Measure	25	26	27	28	29	Progress Goal
13	Contribution to climate protection	Climate neutrality Scope 1 & 2 by 2030	305			Implementation of a climate management system based on ISO 14064 by end of 2026		●			
						Creation of a climate strategy including action plan by end of 2026		●			
		Climate neutrality Scope 3 by 2040	305			Expansion of available PCFs by end of 2026		●			
						Ongoing improvement of the data foundation for compiling PCFs		●			
						Full implementation of ISO 14067 by end of 2026		●			
7 13	Conversion to renewable energy	Purchase only green electricity (= electricity that comes from 100 % renewable energies) by end of 2026	302			Conclusion of a new electricity contract by end of 2025	●				
		Implementation of an energy management system in acc. with ISO 50001 and certification in 2027	302			Implementation of the missing standard points by means of software by certification		●			
						Installation of additional metering points for main power consumers for dedicated energy data logging in 2026		●			
		Installation of new PV systems and extension of existing ones	302			Concept development and installation of a battery storage system for increased use of own PV energy and atypical grid usage by end of 2027		●	●		



Company



Product



fulfilled/completed



overfulfilled



planned



in progress



ongoing



ongoing – annually

SDG	Strategic goals		GRI	Product/ company goal	Progress Goal	Measure	25	26	27	28	29	Progress Goal
12	Make production and logistics resource-efficient and recycling-oriented	By 2030, gradual transition to plastic cartridges and buckets with at least 40 % recycled content for all technically possible products	301			Transition for additional connection, expansion and floor sealants (OTTOSEAL® S 125, S 34, S 51, M 390, A 221, M 360, M 361, S 730 and S 115)						
						For business reasons, no products will be transitioned in 2026						
						Transition for selected adhesives (OTTOCOLL® M 500, M 530, M 550, M 560, P 85, P 340, A 265, S 16)						
		Stabilisation (or ideally reduction) of material loss	301			Implementation of a large number of tailored measures, with supplementation as needed						
		Stabilisation (or ideally reduction) of cleaning solvent consumption	301			Implementation of a large number of tailored measures, with supplementation as needed						
		Stabilisation (or ideally reduction) of production waste generation	306			Implementation of a large number of tailored measures, with supplementation as needed						
12	Development and expansion of a sustainable product portfolio	Waste optimisation and promotion of recycling models in material management	306			Regular review of optimisation opportunities for transitioning (where technically possible) to packaging and filling materials that are sustainable or reducing their use						
		75 % of products launch or improved in the year under review meet the OTTO definition of sustainable products	301			Implementation of planned new product developments and modifications						



Company



Product



fulfilled/completed



overfulfilled



planned



in progress



ongoing



ongoing – annually

Society

SDG	Strategic goals		GRI	Product/ company goal	Progress Goal	Measure	25	26	27	28	29	Progress Goal
8 9 17	Securing a sustainable and transparent supply chain	By end of 2029, 80 % of our strategic suppliers will fulfil the defined sustainability standards	308/ 414			Maintaining, and where possible increasing, the percentage of local suppliers						
						Expansion and consistent implementation of OTTO sustainability monitoring for suppliers						
8	Ensuring employee health and safety	Number of reportable workplace accidents per year and employee below the BG RCI industry average (comparison via the 1000 quota)	403			Uninterrupted continuation of the extensive workplace safety measures, with expansion as needed						
		Certification of the occupational health and safety management system in acc. with ISO 45001 in 2028	403			Implementation of the remaining points for certification in acc. with 45001						
		Achieving an annual short-term sick leave rate of max. 4 %	403			Uninterrupted continuation of the extensive Occupational Health Management (OHM) , with expansion as needed						
4 8	Ensure high employee satisfaction, motivation and development	Continuous development for our employees, in order to meet the workplace requirements to a very good extent	404			Development of knowledge databases in defined areas by end of 2029						
						Development and launch of company-wide learning platform by end of 2029						
		Employer Attractiveness Index of at least 80 over the next 3 evaluation cycles	404			Implementation of a large number of measures tailored to meet employee needs						
		Motivation Index of at least 70 over the next 3 evaluation cycles	404			Implementation of a large number of measures tailored to meet employee needs						



Company



Product



fulfilled/completed



overfulfilled



planned



in progress



ongoing



ongoing – annually

Processes & governance

SDG	Strategic goals		GRI	Product/ company goal	Progress Goal	Measure	25	26	27	28	29	Progress Goal
9	Further development of sustainability in OTTO processes	Implementation of a complete climate resilience analysis by end of 2027	2			Implementation of the first analysis for the Krankenhausstrasse site with the help of a service provider by end of 2026						
9	Achieve a strong external ESG rating	Maintain the EcoVadis Gold ratings every year until at least 2029	2			Implementation of the corrective measures from previous ratings						

Company Product fulfilled/completed overfulfilled planned in progress ongoing ongoing – annually

Awards & memberships

In 2025, as in previous years, instead of merely claiming to operate sustainably, we had our sustainability verified by the global standard for sustainability ratings. Following on from the silver medals we received in 2023 and 2024, we were able to celebrate success once again with a gold medal in 2025.



EcoVadis recognition page

Association memberships and activities help us to obtain information on company-relevant topics at an early stage and to represent our interests within the industry and vis-à-vis politicians. There is no other political influence or political donations.

Association **VCI German Chemicals Industry Association**
Topics Umbrella organisation of the DBC and the IVK
Type of participation Member

Association **DBC – Deutsche Bauchemie**
Topics Representation of the interests of the construction chemicals industry, regular and timely information in various areas of construction chemicals.
Type of participation Member of the Executive Board, member of Technical Committee 7 „Building Sealants“, participation in other working groups

Association **IVD – Industrieverband Dichtstoffe e. V.**
Topics Representation of the interests of sealant manufacturers; use of the IVD seal of approval
Type of participation Member of the Executive Board, clerk (hazardous substances), participation in various working groups

Association

IVK – Industrieverband Klebstoffe e. V.

Topics

Representation of the interests of adhesive manufacturers, hazardous substance labelling, standardisation, etc.

Type of participation

Member of the technical committee „Structural Bonding & Sealing“; participation in working groups and the main members' meeting

Association

GEV – Gemeinschaft Emissionskontrollierter Verlegewerkstoffe, Klebstoffe und Bauprodukte e. V.

Topics

Promotion of consumer, occupational and environmental protection in the field of construction chemical products and adhesives; application for and receipt of the **EMICODE®** licence

Type of participation

Member

Association

HOINKA – greenbuildingproducts

Topics

Annual fee for product declarations **LEED/DGNB**

Type of participation

Member

Association

VFF Verband Fenster + Fassade

Topics

Representation of interests as a trade association for the window and door industry; exchange of information and transfer of expertise and knowledge

Type of participation

Member; participation in technical working groups and committees

Association

Environment + Climate Pact Bavaria

Topics

Supporting and promoting sustainable management and corporate environmental protection; utilising and, if necessary, contributing to the creation of work materials

Type of participation

Member

Association

Responsible Care Initiative

Topics

Commitment to the German and international Responsible Care guidelines

Art der Mitwirkung

Member

Association

Wirtschaftsverband Landkreis Traunstein e. V.

Topics

Networking, implementing projects to support the local economy and representing interests in regional and national politics

Type of participation

Member

Association

Gütegemeinschaft Kunststoff-Fenstersysteme im Qualitätsverband Kunststofferzeugnisse e. V.

Topics

Representing the interests of sealant manufacturers

Type of participation

Member

Association

DIN – Deutsches Institut für Normung

Topics

Participation in the development of standards and standard revisions

Type of participation

Member

Milestones in sustainability

1996

Introduction of quality management system according to ISO 9001

2002

Introduction of environmental management system in accordance with ISO 14001

○

Conversion to process-orientated quality management ISO 9001:2000

○

First appointment of an occupational safety specialist

2008

Installation of the first exhaust air purification system at the Krankenhausstrasse site

2009

Connection of district heating (wood chips) at the Krankenhausstrasse site

○

Introduction of the OTTO Environmental Programme

2011

First product certifications according to **DGNB** and **LEED**

2012

Installation of the first photovoltaic system at the Krankenhausstrasse site

- 2013 First product certifications according to **EMICODE®**
- 2014 Publication of the first OTTO Code of Conduct
 - Introduction „Value-Orientated Leadership and Cooperation“
- 2015 Carrying out the first energy audit at OTTO
(since then every four years)
 - First flowering areas as compensation areas
- 2016 Conducting the first employee survey
 - Publication of the first sustainability data sheets for selected products
- 2017 Introduction of **occupational health management**
- 2019 Installation of a further photovoltaic system at the Strohnhof site



- 2020 Digitalisation of invoice dispatch to customers
(as of 2023: approx. 75 % of all customers)
 - Commissioning of the modern production plant at the Kaltenbrunn site
 - Introduction of Office 365 – strengthening internal communication and digital collaboration
 - Introduction of OTTO Ideas Management

- 2021 Introduction of the „SprechZeit“ individual counselling service for all employees – Employee Assistance Program (EAP)
 - Digitalisation of invoice processing
 - Acquisition of an upcycling system for used cardboard
- 2022 First e-vehicle in the OTTO fleet
 - Publication of the OTTO Sustainability Strategy
- 2023 Two trained conflict managers at OTTO
 - Publication of the **Environmental Product Declarations** for our products (EPDs)
 - Partial commissioning of the modern production facility at the Schwalbenweg site
 - Receipt of the first **EcoVadis**-certification (silver medal)
 - Realisation of the first **TfS** audit at OTTO
 - Connection of district heating (wood chips) at the Schwalbenweg site
- 2024 Installation & launch of new emission control system
 - Start of transition to cartridges made from recycled material
 - Publication of the first OTTO Sustainability Report
 - Start of the product line „MY GREEN HOME“
 - Installation of charging stations for company vehicles at OTTO sites
 - Completion of the **Corporate Carbon Footprints** (Scope 1–3)
- 2025 Certification of the occupational safety management with the BG "Sicher mit System" Seal of Approval
 - Creation of the first **Product Carbon Footprints** for selected products
 - Expansion of the photovoltaic system at the Kaltenbrunn site
 - Extension of the modern production plants at the Kaltenbrunn site
 - Receipt of the **EcoVadis** gold certification (gold medal)

Management of impact, risks and opportunities

Materiality analysis

To identify the material topics, we carried out our first **materiality analysis** on the principle on double materiality, which will be re-assessed on a yearly basis in future. It forms the basis of the OTTO Sustainability Strategy and the Sustainability Report.

In 2025, we began performing a climate resilience analysis. The results can be integrated into the DMA in 2026.

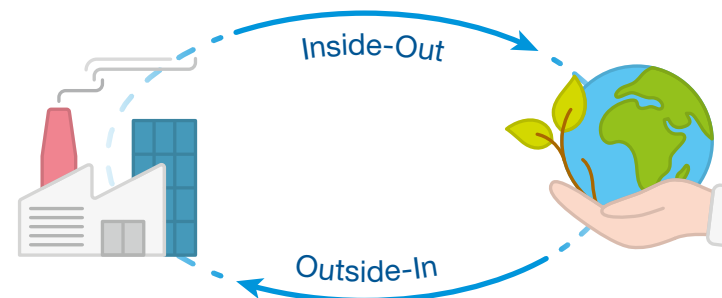
The term "double" relates to two perspectives:

1. Inside-out perspective (impact materiality):

What impact does the company itself have on the environment, society and human rights – i.e. on the world outside of the company?

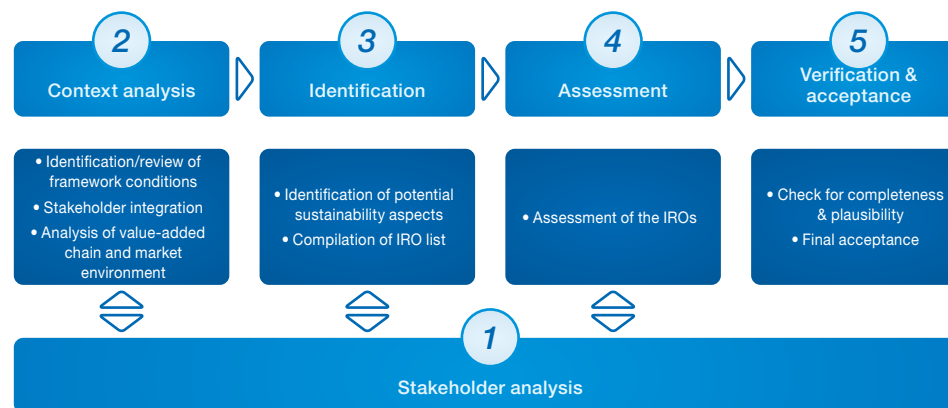
2. Outside-in perspective (financial materiality):

What external sustainability developments (e.g. climate change, resource shortages, social expectations) have a material influence on the company, its strategy, its financial situation or its business activities?



An accurate picture of the corporate responsibility and the related impacts, risks and opportunities can only be obtained if both perspectives are taken into account.

We have divided up the process for compiling the **double materiality analysis (DMA)** into five steps.



✔ Stakeholder analysis

Different stakeholder groups have different interests, needs and expectations and are affected by the impacts of business activities in different ways. In order to integrate these perspectives into the DMA systematically, a thorough understanding of the relevant stakeholders and their individual characteristics is needed. The stakeholder analysis involves collecting this information, combining it and preparing it in a structured way.

» Interests and views of stakeholders

21

✔ Context analysis

In the context analysis, the key framework conditions are determined, or reviewed. These include in particular the group of consolidated companies, the time horizons under consideration, limit values and assessment and scaling logics. Furthermore, business activities along the entire value-added chain and the market environment are analysed and updated as required. The type of stakeholder integration is then defined. Stakeholders can be integrated directly – for example by means of surveys or other formats for engagement – or indirectly via internal company representative functions. The large stakeholder groups CUSTOMER and EMPLOYEE are surveyed directly on a regular basis. Other stakeholder groups are integrated by means of internal representatives.

✔ Identifying impacts, risks & opportunities (IRO)

On the basis of internal and external sources, relevant sustainability aspects are identified, reviewed and added to as needed. This results in a comprehensive list of impacts, risks and opportunities (IROs). This list is then checked to ensure it is complete and up to date. Any missing IROs are added, and existing ones are made more specific or worded more clearly. In addition, aspects with content that overlaps significantly are combined in order to achieve a clear and consistent structure.

✔ Assessing impacts, risks & opportunities

For the assessment of the IROs, OTTO take a top-down approach. The assessment is performed centrally for the entire company by individuals who are able to make a sound appraisal both from company perspectives and from the view of the various stakeholder groups. At present, the assessment is still qualitative at present in many areas. Where possible and practical, the assessment methodology will be gradually developed to become increasingly quantitative in nature.

✔ Verification & acceptance

The final materiality analysis is consolidated by the sustainability officer and checked for plausibility. This is followed by the formal acceptance on the part of management.

Results of the double materiality analysis

The following topics have been identified as **material**:

Topics	Sub-topics	Materiality:	Material	Financial	Financial
		Potential & actual:	Impacts	Risks	Opportunities
Climate change	Adaptation to climate change		⊕	●	●
	Climate protection		⊖		
	Energy		⊖	●	●
Environmental pollution	Air pollution		⊖		●
	Substances of high concern			●	
Use of resources and recycling	Resource inflows, including resource use		⊕	●	●
	Resource outflows in connection with products and services		⊕	●	●
	Waste			●	●
Internal workforce	Working conditions		⊕ ⊖		●
	Equal treatment & equal opportunity for all		⊖	●	●
Employees in the value-added chain	Working conditions		⊕ ⊖		
	Equal treatment & equal opportunity for all		⊕ ⊖		
	Other employment-related rights		⊖		
Affected communities	Economic, social and cultural rights of communities		⊕ ⊖	●	
Consumers and end users	Information-related impacts for consumers and/or end users		⊕ ⊖		●
	Personal safety of consumers and/or end users		⊕ ⊖		●
	Social inclusion of consumers and/or end users		⊕		
Corporate policy	Corporate culture		⊕		●
	Protecting whistleblowers		⊕ ⊖	●	
	Management of relationships with suppliers, including payment practices			●	●
	Corruption and bribery		⊕		

⊕ positive impacts ⊖ negative impacts

The following topics and subtopics were assessed **as non-material**.

At topic level:

☑ Water and marine resources

No **IROs** could be identified for this topic. To validate this finding, a preliminary water risk analysis was carried out using the Aqueduct Water Risk Atlas. The result is an Overall Water Risk of Low (0–1).

☑ Biodiversity and Ecosystems

No material **IROs** could be identified for this topic. To validate this finding, a preliminary risk analysis regarding ‘Pressure on Biodiversity’ – covering the sub-themes ‘Land, Freshwater and Sea Use Change, Deforestation, Invasive Species, Pollution’ – was carried out using the WWF Biodiversity Risk Filter. The result is an overall biodiversity risk rating of Low–Medium. Furthermore, OTTO has no sites located near areas with biodiversity in need of protection.

At sub-theme level:

Water pollution, soil pollution, pollution of living organisms and food resources, substances of very high concern, microplastics, other labour-related rights (own workforce), civil and political rights of communities, rights of indigenous peoples, animal welfare, political engagement and lobbying activities





02

Environmental information

Contents

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Climate change

Climate protection is a dynamic area of action with key importance for OTTO. As a manufacturer of sealants and adhesives, we bear a special responsibility with regard to greenhouse gas emissions, energy efficiency and responsible use of resources. This topic is managed by Climate & Energy Management in close collaboration with Sustainability Management and various specialist departments. With a combination of technical modernisation, systematic energy management and step-by-step emission reduction, we are consistently working towards minimising OTTO's environmental impact while securing its economic stability over the long term.

In order to assess our impacts, risks & opportunities on a sound quantitative basis, in 2025 we began carrying out a climate resilience analysis in accordance with TCFD, which will be concluded in 2026. We are first concentrating on our Krankenhausstrasse site and will later extend the concept to our two other sites, Strohnhof and Kaltenbrunn.

OTTO carbon footprint

Higher-level climate protection goals have already been anchored in the sustainability strategy. They were confirmed during the revision of the corporate strategy in 2025 and are now also set out at the highest level. This once again highlights how relevant the topic is for OTTO.

Scope for quantification: *cradle to grave*

Quantification and reporting is based on the control approach (= i.e. all activities that OTTO has 100 % control over must be included) in accordance with ISO 14064/14067.

No removal or storage of GHG emissions is performed in connection with projects or by purchasing CO₂ certificates.

There is also no internal CO₂ pricing.

The original goal was to compile a climate strategy with reduction goals by mid-2025 and to back it up with corresponding measures. Unfortunately, we were not able to accomplish this goal on schedule. We are nevertheless working towards promptly finalising and publishing our strategy for mitigating climate change and adapting to its consequences.

In 2025 we once again calculated our *corporate carbon footprint*.

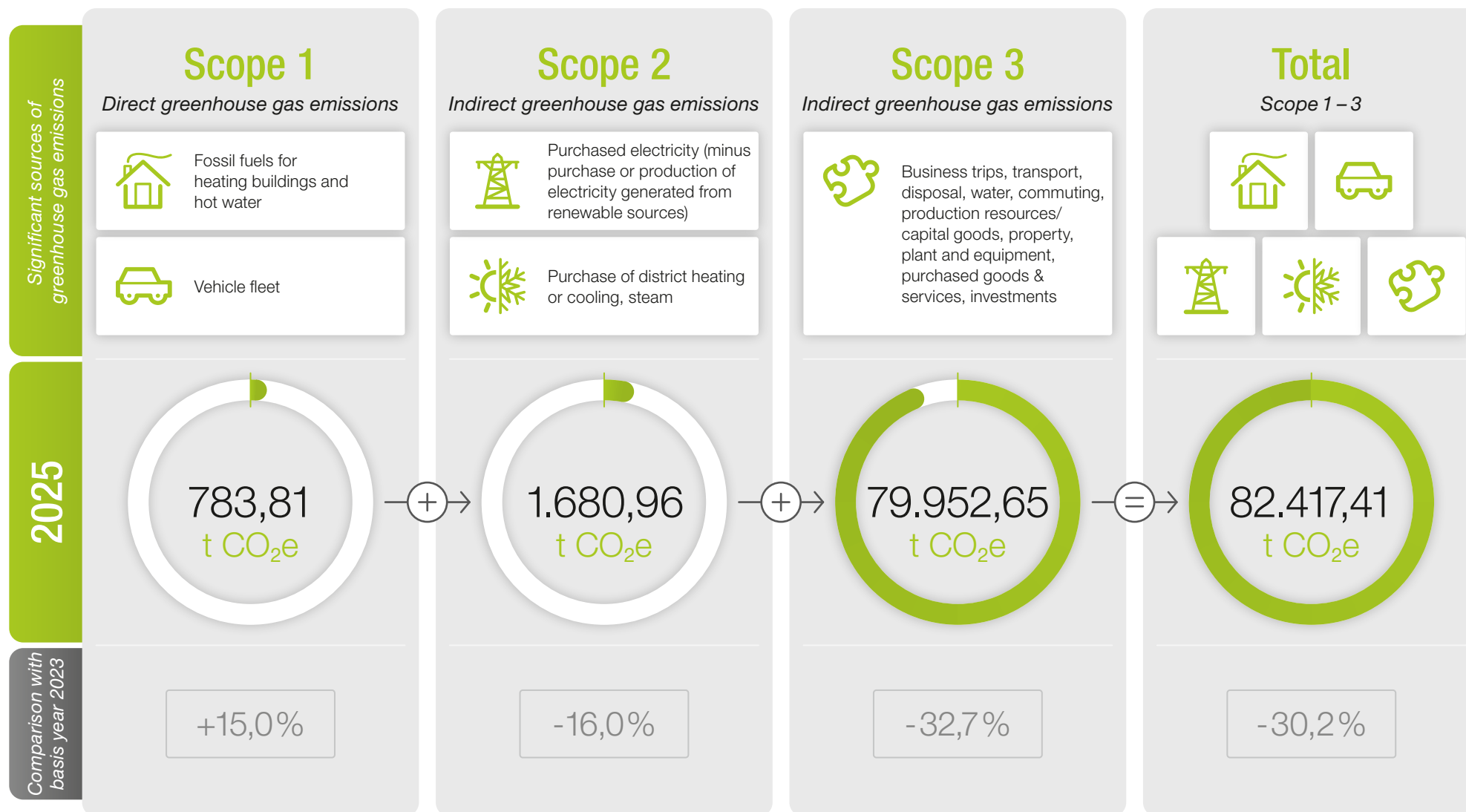
Product carbon footprint

In mid-2025, we began making the *product carbon footprint (PCF)* available for selected products on request. The PCF is calculated on a *cradle-to-gate* basis, taking into account all emissions, from the production of the raw materials to the product leaving our factory. Emissions from downstream stages of the value-added chain (*Scope 3*), which are predominantly under the influence of our customers, are not included. Our products themselves cause very low levels of direct emissions following delivery.

The calculation of the *product carbon footprint* is being extended to other products step by step.

Further environment-related information on our construction products is provided in our environment product declarations (EPDs) and in sustainability data sheets, which are provided for many other products.

 The OTTO Product Filter | OTTO-CHEMIE



Energy

Our energy management works towards continuously increasing OTTO's energy efficiency. In future, we aim to optimise our energy requirements with an energy management system certified to ISO 50001. We are currently preparing for the certification, which is due in 2027. In the year under review, we made particular progress in improving energy transparency, by installed additional metering points and compiling and implementing a metering point concept.

We implement small and large measures for increasing energy efficiency and reducing energy consumption every year by means of our sustainability programme. This means that we are achieving improvements step by step and that our work towards long-term strategic climate protection goals also includes the area of energy. In our new buildings and production facilities, we pay attention to maximum energy efficiency and optimisation right from the planning and construction stages, so that energy-related emissions are avoided right from the start. And this also applies to the refurbishment of the Krankenhausstrasse office building, which started in late 2025.

We made a major step in our transition to renewable energy sources in the year under review. Firstly, we set up additional PV systems at the Kaltenbrunn and Krankenhausstrasse sites, with a total installed capacity of 519kWp. The PV system in Kaltenbrunn was put into operation in April 2025, and the Krankenhausstrasse system will begin operation in early 2026. Thanks to the new installations, we have so far been able to increase our share of electricity consumption from self-generated electricity from 3.9% (2024) to 7.8% (2025). Secondly, we changed to a new electricity contract, which means that 100% of our electricity will come from renewable sources, as of 2026. This means that we will be starting 2026 with just a small amount of remaining fossil fuel energy. No additional measures are planned for transitioning the last small amount of fossil energy in [Scope 2](#).

Environmental pollution

Our aim in taking targeted environmental protection measures is to keep the ecological impact of our business activities as small as possible. We began implementing an environmental management system in accordance with ISO 14001 back in 2002. As a company in the manufacturing sector, we see environmental protection as an ongoing improvement process, with our environmental impacts being continuously reduced, and ideally avoided altogether, especially in the area of production. In order to achieve this, we focus on the continuous improvement of plant, process and transport safety, reducing – or ideally preventing – air emissions and reducing or substituting hazardous substances.

The following four key elements are fundamental parts of OTTO's environmental protection:

- ✔ **Responsible product design** including a review of alternative formulations and substitution of hazardous substances
- ✔ **Compliance with all chemical regulations** and provision of all safety- and environment-related information (safety data sheets, technical data sheets, sustainability data sheets)
- ✔ **Safe production processes** to minimise air & ground emissions
- ✔ **Employee training** including the topics of handling hazardous substances, safety regulations and guidelines for preventing noise & odour

Noise and odour

Although all our sites are classified as commercial land, with the exception of the OTTO Villa, which is used exclusively as an office building, two of our sites (Krankenhausstrasse and Schwalbenweg) are directly adjacent to residential areas. Protecting local residents is therefore a major priority for us.



The limits set out in the German Technical Guidelines for Noise Reduction (TA Lärm) are observed. External noise measurements are taken regularly to check compliance.

Noise barriers have been installed at all relevant points.

At the Schwalbenweg site, the construction of the new building and completion of the outdoor facilities have resulted in some noise emissions over the past years. Although we took extensive measures during the construction phase to keep the impact as low as possible, some temporary inconvenience could not be fully avoided.

With the completion of the new building, however, we have been able to optimise our operational processes and reduce noise emissions during operation. We expect these improvements to be reflected in the next regular noise measurement in 2026. If further measures are necessary, we will implement additional improvements where needed.

We are also conscious of potential odour emissions. Our employees are instructed to keep noise and odour pollution to a minimum at all times in their daily work. In this way, we ensure that our business activities are in harmony with the legitimate interests of our neighbours.

Air and soil

Individual production processes can lead to **VOC emissions**. We use suitable extraction and exhaust gas treatment systems to keep air emissions low and observe all the regulatory obligations of the **BImSchG** (Federal Pollution Control Act) approval notice.

Since OTTO has been in Fridolfing, there have been no incidents that have led or could lead to soil and wastewater contamination.

The storage and handling of chemicals poses a fundamental risk of soil pollution. Technical protective measures such as leakage monitoring and collection trays reduce these risks to a minimum.

Restricted products

Reducing and substituting hazardous substances and making optimal use of raw materials are very important factors for the quality and safety of our products. Because of their specific properties and modes of action, there is no way to avoid using ingredients in a small number of products that are restricted on certain

markets or not approved for certain markets. We are only able to make universal statements in this regard in relation to national restrictions in Germany, based on EU law. Statements regarding restrictions and prohibitions on other markets are made only in response to specific enquiries, to the best of our ability.

The OTTO Anti-Mildew Spray is our only biocide product and is only approved in Germany and Austria.

At time of going to press, OTTO had no products that are affected by the dual-use regulation. Products may be affected by special embargoes in individual cases. Currently, the embargoes against Belarus and Russia apply to certain products because of their customs tariff numbers.

Plant, process and transport safety

The safe operation of plants and consistent application of defined processes form the foundation for avoiding risks for employees, the environment and operation. This is only possible if all relevant workflows are described clearly, made known and implemented in a binding manner. To reduce accident risks, process disruptions and unplanned production stoppages, all technical equipment is inspected at set intervals. The inspections are performed systematically on the basis of approved maintenance and inspection concepts and accompanied by thorough and traceable documentation.

The effectiveness of the underlying processes is regularly assessed. Structured reviews are carried out in the form of standardised **turtle analyses**. This involves examining the processes to check they are up to date, implemented correctly and effective and to assess any potential for improvement.

► Dialogue & employee involvement

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All relevant employees in the laboratory, production and logistics divisions are given periodic training and qualification opportunities. This includes the safe handling of technical equipment, hazardous substances and chemicals and strict compliance with applicable work and procedural instructions. The aim of these measures is to minimise human error, detect safety-related irregularities early on and initiate corrective measures promptly.

To help with operational implementation, safety officers are appointed and given appropriate qualifications in the individual divisions. The safety officers support the specialist officers for occupational health and safety, hazardous substance management and hazardous goods management and are involved in particular in the implementation of safety measures, the monitoring of protective measures and the use of personal protective equipment.

The handling of hazardous goods is subject to national and international legal requirements. For products categorised as hazardous goods, all requirements for safe storage, labelling and transport are observed. Compliance with these requirements is monitored by the appointed hazardous goods officer, to ensure that these goods are dispatched to our customers correctly, safely and in compliance with regulations.

Use of resources & recycling

The promotion of recycling is a key element in the long-term conservation of resources and reduction of environmental impact. Continuous process optimisation and resource conservation are given high priority in OTTO's production. We are aware of the importance of decoupling economic growth from the use of finite, natural and fossil resources and following the general principles of the 9Rs.

With the waste flow analysis we compiled in 2024, we have a more precise overview of where each type of waste is generated and why, and where we

have the most potential to avoid, reduce or reuse waste. The "Recycling" working group implemented in 2025, made up of the Production, Application Engineering Maintenance, Workplace Safety and various officers, uses this detailed information to identify specific potential for improvement and develop measures for implementation.

We take a wide range of measures to push OTTO activities towards effective waste management:

- ✔ Continuous optimisation of production processes to increase resource efficiency,
- ✔ Measuring of the waste that is generated, with reporting in annual waste statistics,
- ✔ Reduction, introduction of alternatives that can be reused and recycling of the products, secondary packaging and transport packaging that is used for our products.

We train all affected employees on the content and implementation of the waste guidelines once a year.

Effective waste management is the discipline that poses the greatest challenge for OTTO. There are a variety of reasons for this. The first is that, unfortunately, sealant and adhesive waste from production or hardened products that have already been used cannot be reused due to their nature and are difficult to recycle. This waste is currently being sent for thermal utilisation.

On top of this, for certain types of waste generated in product development, the direct production process and indirect production workflows, no practical or technically feasible solution has yet been found in accordance with the 9Rs. One example for this is dust, which is generated by the filter system in production and currently has to be disposed of as hazardous waste in a complex process. The "Recycling" working group has developed two different potential solutions, which are currently being tested.

Resource inflows

OTTO's main resource inflows constitute raw materials for our products, packaging and merchandise. Our activities in this regard are concentrated on the following:

- ✔ Identifying raw materials and replacing them with sustainable alternatives, where this is possible with regard to product quality
- ✔ Increasing the percentage of packaging with secondary raw materials
- ✔ Reducing the amount of packaging material used to a minimum without impairing the quality, performance or safety of the products

Furthermore, strong focus is given to sustainable procurement. We set high standards for our suppliers and work towards developing a pool of suppliers that offer innovative, bio-based or recycled raw materials that we can then test for use in our products. Even though implementation is challenging at present, we are aiming to reduce the consumption of finite resources by using innovative raw materials, lower our carbon footprint and in particular decrease emissions along the value-added chain (Scope 3).

►► Suppliers

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Resource outflows

Because of the nature of the products we manufacture, they cannot be dismantled, repaired or reused at high rates as appropriate for circular waste management. In relation to circular product design, the only factor we have at our disposal is longevity. We know how to leverage this:

With high-quality products with functional durability, we ensure that the buildings and other products in which our sealants and adhesives are used are also durable. Replacement is necessary less frequently, which reduces the use of raw materials, avoids waste and minimises the ecological footprint.

In our product, secondary and transport packaging, we take care to make our packaging easier to sort and recycle, for example by using monomaterials. This means that the packaging can be handled optimally in waste management on the basis of the waste hierarchy. For product packaging such as cartridges or aluminium bags, material recycling is unfortunately not possible because of the contamination with product residue.

Waste

The top priority in the waste chain is waste avoidance. The processes at the site and in production are continuously improved to minimise waste. Where waste is nevertheless produced, we endeavour to reuse it. Waste that we cannot reuse is collected by type so that it can be sent to a suitable recycling plant for material recycling. Material recycling is not possible everywhere – this waste is sent for thermal recycling. Only waste for which no sensible recycling is possible or which cannot be used elsewhere is disposed of in a hazardous waste incinerator.



03

Social information

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The company's employees

We challenge and support! At the centre of it all are people, who find a family-friendly working environment at OTTO.

The OTTO family

Our employees are what makes OTTO thrive. For them, we create a working environment that provides safety, fairness and personal development in equal measure. Our personnel strategy is based on the principles of equal opportunity, fostering the skills and abilities of individual employees and retaining talent over the long term. This is why we rely on STABILITY, FLEXIBILITY and DIVERSITY. There are also multiple company agreements that apply for OTTO as a whole, concerning various areas of labour rights such as working hours, days off and company holidays or recruitment, transfers and termination of employment.

In 2025, we focused on enhancing recruitment, rolling out new personnel management software and certifying occupational safety management.

As support in production and to cover short-term staff shortages, temporary workers are regularly part of the OTTO family.

Stability

OTTO offers all employees security, reliability and longevity.

✔ Job security

OTTO's financial independence and stability and the organisation's consistent track record are what makes it a reliable employer. This is supplemented by how well we treat our employees in difficult and uncertain times, evidenced by our company's history. Redundancies and reduced working hours are avoided in favour of milder measures wherever possible. Further security is provided by the large number of additional & social benefits modules that are funded, subsidised or made available by OTTO. Every employee, whether full-time or part-time, has access and can choose freely.

✔ Open communication

All OTTO employees are provided with all information promptly and comprehensibly so that they are aware of OTTO's overall goal, the ways to achieve it, the market situation and also operational changes and innovations in processes and measures. The Works Council is always consulted on matters relating to employees and an employee meeting is held twice a year for all employees, in order to promote social dialogue.

✔ Fair pay

Our principles on remuneration policy, including additional benefits, are defined in a personnel guideline. In this way, we guarantee remuneration in line with the market and performance. The salary is based on the individual's function, competences and responsibilities and includes a seniority component. At management level in particular, there are also variable salary components that are linked to the achievement of targets. With the help of the Works Council, regional and inter-regional employee discounts and benefits were launched in 2024, as an additional advantage for employees.

Flexibility

Life is dynamic and characterised by increasing complexity. The work-life balance is very important for employee loyalty and satisfaction and for increasing employer attractiveness.

✔ Work-life balance

All office employees work in a flexitime model with fixed regular working hours, which may vary in different areas due to operational requirements. In the commercial areas (production and warehouse), unfortunately, you are not as flexible for operational reasons. However, work normally involves a two-shift model, without any overnight or weekend work, and the shift schedule and any schedule changes made available sufficiently well in advance. Individual wishes and needs are taken into account when determining working hours, especially for part-time employees. Where the field of activity permits, all employees can work from home on the basis of the relevant company agreement. Explicit rules apply for how overtime is handled. Paid days of special leave and of option of additional unpaid special leave for family and private purposes complement our rules on parental leave and partial retirement.



Diversity

We consciously value the individuality and diversity of our employees and design the work tasks, organisation and environment as well as the workplace, as far as possible, according to the wishes and needs of the employees.

✔ Gender equality, diversity and inclusion

We promote a culture of belonging and see diversity as an opportunity that makes us unique and contributes to creativity, innovation and business success. Decisions relating to employees are made independently of diversity characteristics in all situations. Where the type of activity permits, workplaces are accessible for disabled workers.

✔ Measures to combat violence and harassment

OTTO has a policy of zero tolerance towards violence and harassment, and this is one of OTTO's fundamental corporate values and part of OTTO Code of Conduct.

✔ Workplace design

We create appropriate and sensible workplace environments for optimum work results. The layout and furnishings of the offices are tailored to the employees and designed to optimise collaboration within and across departments. Examples include work islands, standing workspaces and silent boxes. The introduction of MS Office 365 tools such as SharePoint and Teams enables ideal digital collaboration across departments, in process and project teams, working groups and from the flex office.

Career & further training

Qualified and motivated employees are a key success factor for OTTO. We challenge and support the skills and knowledge of our employees. In this way, we increase expertise in a targeted manner, strengthen personality and help employees to realise their full potential. We tailor training and continuing education to suit individual needs, not just the requirements of the company but also personal interests and development expectations of our employees. In this way, we also want to encourage motivation, creativity and problem-solving and avoid over- or underchallenging employees in the workplace.

Work-study programmes at OTTO – study flexibly on site

As part of our support for young talent, we are currently offering three trainees a work-study programme in the subject areas of business studies, chemistry and IT. We are offering these programmes in collaboration with the local Rosenheim University of Applied Sciences, specifically with the Rosenheim and Burghausen campuses.

The joint degree programme combines IHK training with a bachelor's degree. The participants will acquire sound theoretical knowledge, which they will apply directly in their day-to-day work at the company. This will allow them to strengthen their technical and personal skills early on and gain a recognised IHK vocational qualification and an academic bachelor's degree.

This study model with in-depth practice enables the students to acquire extensive practical experience at OTTO during their study course, with support provided until they complete their academic training. This gives our company a change to interact closely with the university and the opportunity to develop qualified young talent in a structured way.

Our work-study placements are currently still in the pilot phase. In 2026, we will be compiling a concept for work-study programmes with OTTO, which will allow us to offer regular placements in future.

Satisfied and productive employees have managers who actively support, encourage and motivate them. To ensure that OTTO managers can live up to this responsibility in a modern and effective way, we provide in-house manager training every year. This promotes both technical knowledge and networking across departments in the company. Each manager should complete at least one training course per year. Furthermore, managers can also take advantage of additional external continuing education opportunities. This helps us to ensure that management is continuously developed and is able to meet the demands of a dynamic work environment.

Our goals for performance and growth can only be met if we are able to recruit and retain managers successfully. Germany's widespread shortage of skilled workers is exacerbated in the region where OTTO is located because of the high level of competition with other employers. We have upgraded our recruiting process to enable us to fill vacancies promptly and with the right people. The faster communication and more transparent processing benefit both internal managers and the applicants themselves.

Setting up an OTTO Academy

Life-long, continuous learning is possible in a variety of forms: internal training, classic further training, part-time study, workshops, seminars and webinars.

To allow our employees to keep their skills up to date and enhance them, we have set ourselves the goal of setting up an OTTO Academy by 2029. The Academy will contain a pool of mandatory and voluntary training courses with a modular design. The aim is for employees to be taught content in a practical and needs-based way in a variety of formats, from brief digital modules and online seminars to lectures and live events.

The roll-out of new personnel management software has made it easier for us to evaluate data for HR decisions and key figures. We have also managed to realise benefits from greater transparency, better integration and automated workflows.

The diversity of talents, attitudes, cultures, perspectives, characteristics and strengths makes OTTO unique. This enables us to take an innovative approach and helps to ensure easier and better market access. At the same time, we are aware that certain divisions suffer from "knowledge monopolies", as the result of extensive expertise or specific technical knowledge being concentrated in a few individuals, and that new monopolies could develop in future. We implement targeted measures to secure this knowledge strategically and to stop new monopolies from being created. Depending on the context, different tools are used – from qualification matrices and knowledge databases to deputy or two-person arrangements. This allows us to maintain long-term flexibility, provide targeted relief for employees and strengthen the resilience of the company.

In 2025 we supported five employees in their gradual transition to retirement with part-time working arrangements, supporting a socially responsible generational transition. In addition, in the year under review four more part-time working arrangements are concluded, which will be implemented starting from the first quarter of 2026.

Diversity & equal opportunities

We specifically promote diversity and tolerance within the company and value all people regardless of characteristics such as their ethnic origin, nationality, gender, age, sexual orientation, disability and religion. Discriminatory behaviour is not tolerated either in recruitment or in day-to-day dealings with each other or with business partners. For OTTO, diversity is more than just a social and political obligation. For us, it is the key to our financial success. The diversity of our employees enriches our teams and our company.

Employees are hired, evaluated and promoted solely on the basis of their skills, potential and performance, thus ensuring equal opportunities. Other work and employment conditions are issued solely on the basis of criteria that apply to everyone equally. Employees are given training and supplementary information on the topic of diversity and equal opportunity, like all other topics covered by the OTTO Code of Conduct, and directives and guidelines can be accessed at any time in the document handbook.

Dialogue & employee involvement

Each member of the OTTO family is integrated into the bigger picture and networked with each other in various ways. Via the **intranet**, our **digital communication channels** and **notice boards**, news, announcements and interesting facts from management, HR, IT, marketing and other areas are immediately passed on to all employees. In the **employee newsletter**, which is published twice a year, various authors provide deeper insights into day-to-day operations, news and information on important topics. A sustainability ABC is also integrated into the newsletter.

OTTO Ideas Management stands for continuous improvement across departmental boundaries. Whether it's about improving working conditions and day-to-day operations or optimising our products, services and processes, any employee can submit an idea. Trained idea managers must comment on every idea and always give reasons for rejecting it. This ensures that all ideas are considered in equal detail.

In 2025 a total of 84 ideas were submitted, 29 of which were accepted and implemented, with 31 rejected and 1 deferred. 28 further ideas are still in the pipeline.

Individual processes and the interaction between the processes at OTTO are also regularly analysed in **process teams** and **turtle analyses** and optimised where necessary. This allows employees to actively contribute to specific processes that will impact them and their work.

The mood and feedback of employees on various company topics are an important tool for identifying wishes and needs. In 2023, the second major **employee survey** took place at OTTO – with very good results. To ensure that employee satisfaction remains so high, we want to continue to develop as a company, close gaps and introduce improvements, which is why extensive follow-up meetings have taken place. Goals and measures that could not be implemented in the short term were added to the revised edition of the OTTO corporate strategy in 2025. The employee survey was repeated in 2026.

Large-scale employee surveys are carried out every three years.

Our employees are directly involved continuously and at specific times and via various channels so that impact can be managed with employee perspectives taken into account. Employees are indirectly involved in all HR-related topics through the OTTO Works Council. The two representatives for people with severe disabilities and equivalent status give special attention to the impact on sensitive employee groups. The results of OTTO Ideas Management and the feedback from the employee meetings and employee surveys can be used to assess the effectiveness of the working relationship between corporate management and OTTO employees and levels of satisfaction on both sides.

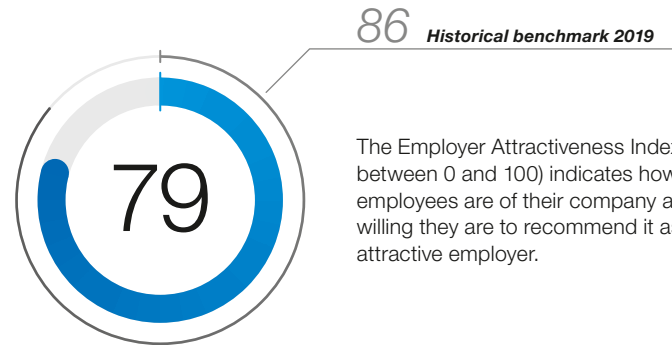
OTTO team events

We firmly believe that joint activities away from the workplace help to boost motivation and collaboration in day-to-day work. For this reason, OTTO provides a budget for team building for each employee every calendar year, which can be used as desired within the teams.



Employer Attractiveness Index

77% participation rate 2023

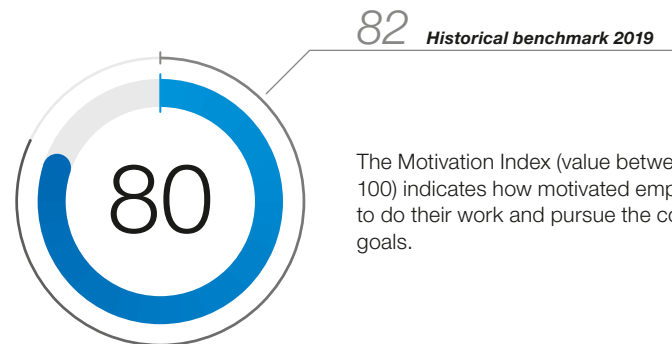


The Employer Attractiveness Index (value between 0 and 100) indicates how proud employees are of their company and how willing they are to recommend it as an attractive employer.



Motivation Index

77% participation rate 2023

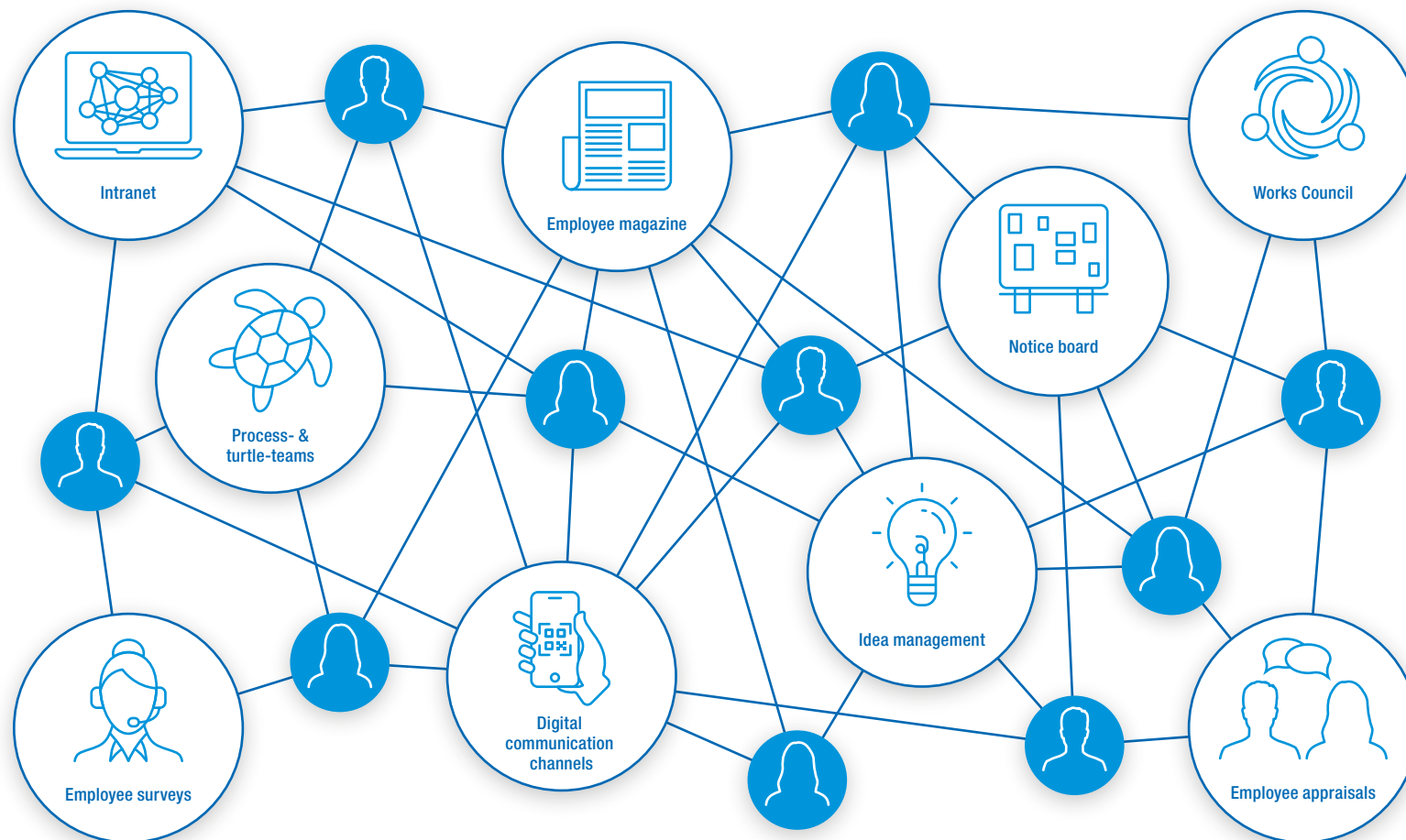


The Motivation Index (value between 0 and 100) indicates how motivated employees are to do their work and pursue the company's goals.

The **OTTO Works Council** always has an open ear for employees. With 11 Works Council members and 2 authorised representatives (youth representatives and representatives of the severely disabled), the Works Council represents the interests of the workforce. In regular council and committee meetings, as well as meetings with the management, current and upcoming topics are discussed and content is developed. Employees are kept fully informed via the Works Council newsletter, the Works Council podcast and at the works meetings.

„The Works Council can help. Our actions were focussed on all colleagues at OTTO.“

Guiding principle of the OTTO Works Council



Stable in life

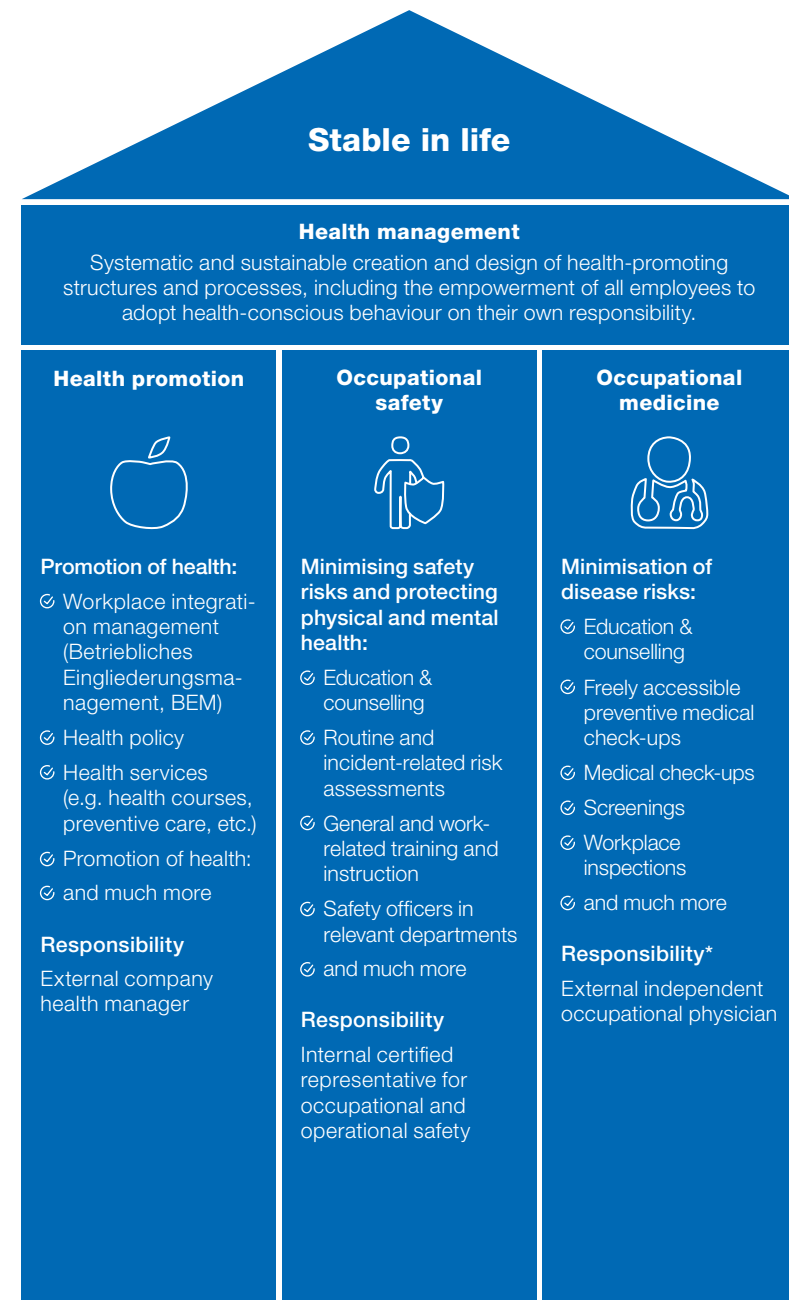
The comprehensive OTTO health programme "Stable in Life" was launched back in 2018. It is organised annually by our **OHM (Operational Health Management)** team consisting of the internal occupational health and safety officer, HR management, the chairman of the Works Council, the external company health manager and the external company doctor, and adapted to the needs of all our employees and to external circumstances.

Health, safety and personal well-being form the foundation for productive and motivated employees. For this reason, we use forward-looking strategies and preventive measures that go far beyond the legal requirements. Our aim is to minimise both work-related and general health risks and to prevent accidents effectively.

The integrated health management is based on three central pillars. The benefits it offers range from personal protective equipment and regular safety training to initiatives for improving physical and mental health, such as stop smoking and resilience seminars, HRV analysis or back and fascia courses. All mandatory and voluntary measures are depicted transparently on the intranet. If you have any questions on the "Stable in Life" programme or on individual health-related matters, please get in touch with the **OHM** team through any internal communication channel.

All employees have a certain level of social security, corresponding at least to the minimum legal protection in Germany, if they forego earnings because of:

- ✔ Sickness
- ✔ Unemployment
- ✔ Work accidents & incapacity to work
- ✔ Parental leave
- ✔ Retirement



*OTTO has no access to employees' health data

OTTO bike leasing

In mid-2025 we began giving employees that chance to lease a bike from OTTO. With this offer we are promoting a sustainable and healthy form of mobility in daily life. We are also supporting an environmentally friendly commute and combining ecological responsibility with individual benefits.

OTTO Challenges

Every year in spring and autumn, there is a fitness challenge that involves employees competing to win fun prizes. People can form teams and do something to benefit their mental and physical health. In the Teamfit app, you can work through video workouts, meditations and much more or log your sessions manually. There is something for everyone.

BG "Sicher mit System" Seal of Approval



In 2025 our occupational safety management system underwent an independent external review for the first time. The successful certification confirms the effectiveness of our structured processes and high standards in safety and occupational health. At the same time, we see the seal as an incentive to continuously develop our measures and to establish them in the long term. In 2028 we hope to be certified to ISO 45001.

In the chemicals sector, and in industrial companies in general, special requirements apply for occupational health and safety, in particular because of the physically demanding work and the handling of chemical substances. The specific risk is dependent on the task area, and employees in production, laboratory, storage and building services are most affected.

These employees receive regular training on the safe handling of equipment, chemicals and hazardous substances and on consistent compliance with work instructions. This aims to reduce human error, detect technical vulnerabilities early on and rectify potential defects in good time.

Despite our high standards in occupational health and safety, the provision of appropriate equipment and extensive protective measures, minor problems cannot be ruled out completely. There are some isolated cases of cuts or crushing injuries or skin irritation, for example as the result of wearing protective gloves as part of the personal protective equipment.

Risk assessments are carried out and work instructions drawn up in order to ensure the necessary level of safety defined in the processes, both technically and organisationally.

Partners

Our family-oriented and appreciate corporate culture form the pillars of a long-lasting and trusting cooperation with all our partners.

Employees in the value-added chain

We endeavour to make the positive impact of this type of collaboration available to employees in the value-added chain. These employees include all individuals involved in OTTO's value-added chain, in the value-added chain regardless of whether they have a contractual relationship with us. As depicted below, we try to

make the best possible use of our influence on our direct suppliers to ensure that our impact is solely positive. We have little insight into the parts of the value-added chain that are situated more higher upstream, where potential risks and negative impacts are a real possibility, and we cannot influence them at all.

As we prioritise quality over price, we ensure that the quality and manufacturing methods meet our standards when procuring our raw materials, packaging material and operating supplies. These standards include ethical, social and ecological aspects in relation to the production of our precursor materials. Many of the measures we implement in this regard – such as our multi-supplier strategy, local sourcing and sustainability monitoring for our suppliers – help us to reduce the risks in our supply chain effectively. These measures also ensure that potential negative impacts on the employees in our directly upstream value-added chain, such as unpredictable work schedules, hazardous working conditions or the violation of labour rights, do not materialise.

 Type of employees	 Description	 Value creation chain	 Geographical location
Service provider employees	Activities are carried out at the OTTO site, e.g.: Checking fire alarm systems	In internal business unit	Germany
Direct supplier employees	Dealers and manufacturers of our raw materials, packaging material, operating supplies and much more	Upstream value-added chain	Mainly in Germany and the rest of Europe
Indirect supplier employees	Manufacturers of precursor products for our raw materials, packaging material, operating supplies and much more	Upstream value-added chain	n/a
Service provider employees	Road haulage companies that transport OTTO goods to the customer, for example, and waste management companies that dispose of our waste	Upstream and downstream value-added chain	Road haulage companies: worldwide Waste management companies: Germany
Customer employees	From industry companies to distributors, retailers and tradespeople	Downstream value-added chain	Worldwide

Employees in our downstream value-added chain also benefit from our focus on quality, as it means that whenever we can we avoid working with hazardous substances and other substances that could have a negative impact during transport, working with OTTO products or disposal of waste.

So far, we have not observed any major negative effects resulting from our change to environmentally friendly and **climate-neutral** activities, in either the upstream or the downstream value-added chain. Workers in the value-added chain, like our workers, can be exposed to negative impact on their health and safety, because of the physical work and work with chemicals. The intensity of the impact depends on the type of work they perform. We take a variety of preventive measures, such as labelling products, providing information in the safety and technical data sheets and selling support tools like the compatible applicator guns, to keep the impact as low and as unlikely as possible.

Suppliers

Like all our divisions, our purchasing department has always symbolised what is important in sealing and bonding: cohesion. For healthy business relationships with our suppliers and strong supply chains, it is therefore not only classic procurement criteria such as quality and price that are important, but also the consistent consideration of sustainability aspects.

To promote responsible procurement and create more transparency in our supply chain, the OTTO Procurement Policy sets out clear guidelines on sustainable procurement and how to deal with suppliers. These guidelines are described in detail in the Management Handbook and can be accessed centrally.

When selecting suppliers, we ensure that they meet certain basic requirements. These include location-related criteria, compliance with regulatory standards and requirements relating to conflict minerals. In addition, all suppliers must have signed the Code of Conduct for Business Partners.



The Code of Conduct is based on internationally recognised standards and sets out corresponding expectations for suppliers and business partners of all kinds. It defines values and guidelines for conduct in the topic areas of "behaviour in the business environment, human & fundamental rights, labour standards, environmental protection and product responsibility". Partnership-based cooperation has always been one of the cornerstones of our supplier relationships. We place great importance on responsible and fair conduct and acting in accordance with moral and social principles – and we expect our business partners to do the same.

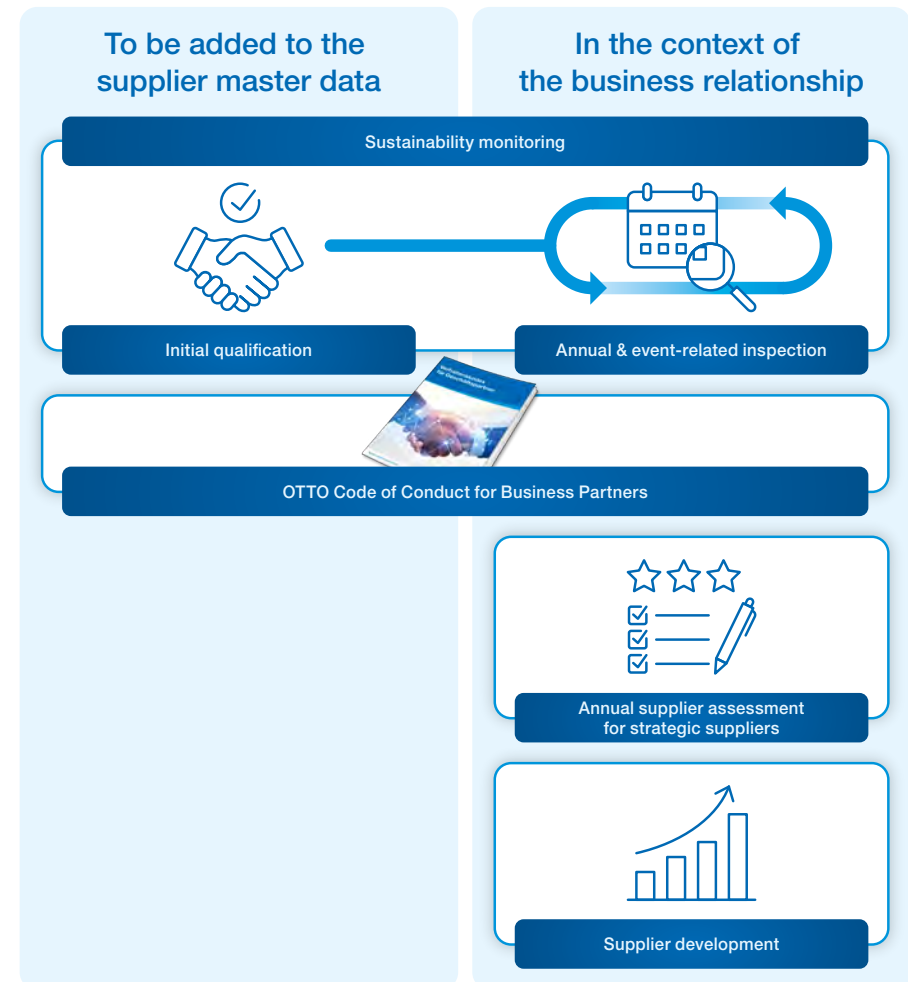
►► OTTO Code of Conduct

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Selecting our suppliers with care helps us to not only safeguard our own sustainability standards but also to secure the quality of sustainability aspects across the entire value-added chain. Once they have fulfilled the basic requirements, each supplier then undergoes initial qualification as part of our sustainability monitoring. This begins with an abstract risk analysis. The next steps follow the funnel and filter principle, and are partly based on the results of this risk analysis and the type of supplier.

In total, OTTO sustainability monitoring covers six steps. In addition to risk analysis, there are self-assessments, audits as needed and corrective action and preventive measures. All suppliers undergo monitoring at least once a year and as circumstances require. Special focus is given to strategic suppliers and raw material suppliers. Strategic suppliers are suppliers that have been identified as having a high level of importance for the company's success. They undergo an additional supplier evaluation in addition to the sustainability monitoring.

If suppliers fail to meet the requirements of the sustainability monitoring, we work with them to rectify identified shortcomings so that they can meet the sustainability requirements in a future qualification process. If these efforts prove unsuccessful and if the supplier is not willing to implement appropriate measures, we end the business relationship. OTTO has not yet had to do this with any of its suppliers.



Our purchasing department continuously works towards extending existing supplier relationships and qualifying new partners. Our multi-supplier strategy ensures supply reliability, reduces dependencies and increases efficiency.

This makes it a key prevention tool for keeping the impact of potential disruptions low.

Our impact analyses show that our ability to exert direct influence over companies in the value-added chain is limited. We therefore place our focus on prevention and work exclusively with companies that share OTTO's values with regard to working conditions, equal treatment, equal opportunity and other employment-related rights. This allows us to avoid negative impact arising from our business relationships and to strengthen the positive effects as far as possible.

Mainly local procurement helps us to source the majority of our raw materials, packaging and merchandise from countries that already have high social and environmental standards.

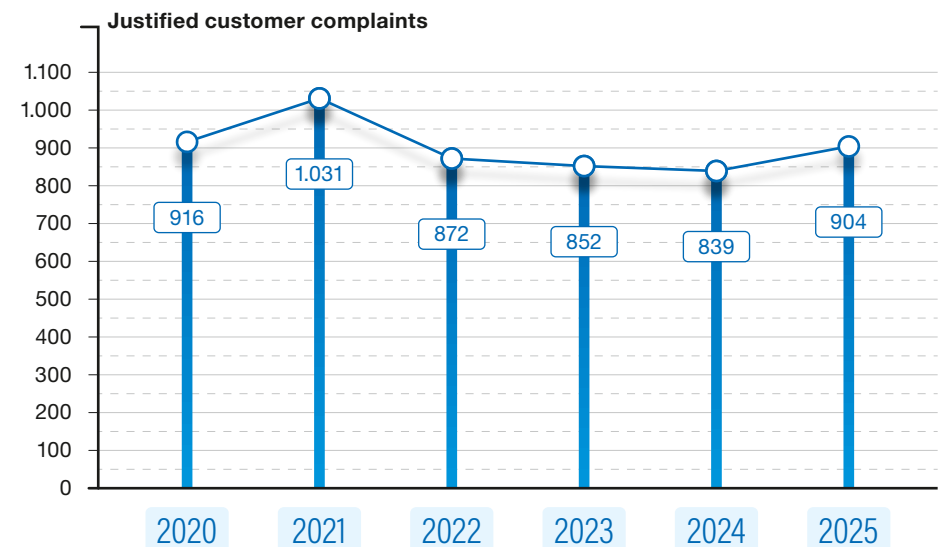
Customers

The top priority at OTTO is product quality and service for our customers.

Customer satisfaction

The satisfaction of our customers is very important to us. We want to make sure that our range of products and services is geared as closely as possible to the wishes and needs of our customers

The rate of complaints, which has remained stable overall at a low level, underscores our high quality standards. After a declining trend that lasted several years, the year under review saw a moderate increase. We carried out an analysis of causes and used this as a basis for developing specific measures for optimisation, in order to safeguard our high quality standards and strengthen our customers' satisfaction in the long term.



Many of our customers have placed their trust in us for a number of years. For us these long-term partnerships are a source of both validation and motivation. As a result of this trust, we feel obliged to ensure that our high quality standards are maintained over the long term and to continuously improve on them.

RELIABILITY UNITES – FOR 50 YEARS

OTTOSEAL® S 100 celebrated its 50th anniversary in 2025



 50 years of OTTOSEAL® S 100

For generations, our premium bathroom silicone has been a reliable partner for pros – a product that creates connections. Not just between materials, but between people.

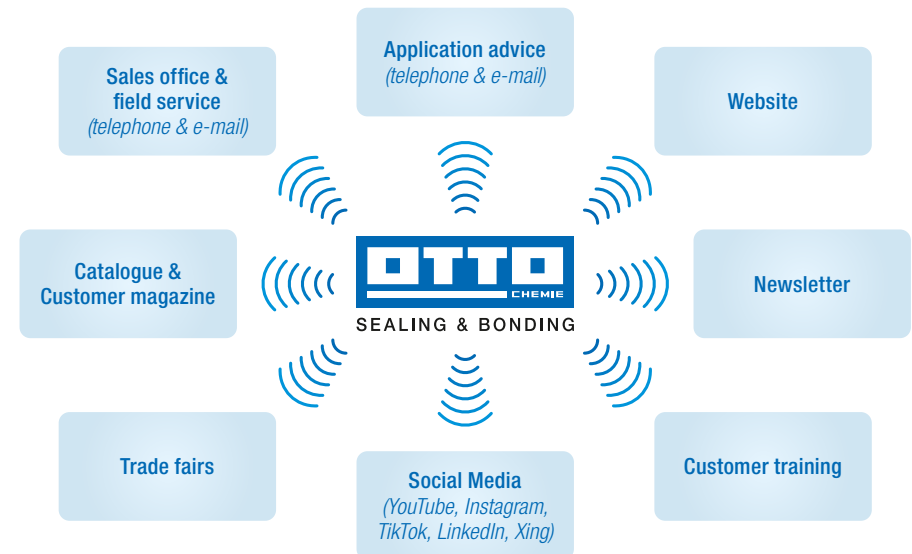
The best S 100 moments and many other interesting OTTO topics are showcased on our Instagram channel.

 OTTO Instagram channel

Customer communication

We regularly enter into dialogue with our customers to build a close and trusting relationship. Our field service, in particular, maintain detailed contact with customers both on site and by telephone. This is also possible in the respective customer's national language thanks to our Europe-wide network of field service colleagues and sales representatives.

We also specifically seek dialogue with our business partners at trade fairs, specialist events and via social media in order to receive suggestions and requests, praise and criticism.



Training for customers and users

Our training courses provide a great deal of expertise in the field of sealants and adhesives.

OTTO training courses

Our training programme includes a wide range of courses, from basic training to professional training, which impart knowledge in various training formats. In the training courses, participants are familiarised with theoretical principles and technical background knowledge. Participants are also taught how to use materials sparingly and how to achieve high-quality workmanship.

In addition, we also offer individual training courses that are specially adapted to the respective requirements, either directly at the training participants' premises or at our training centre in Fridolfing.



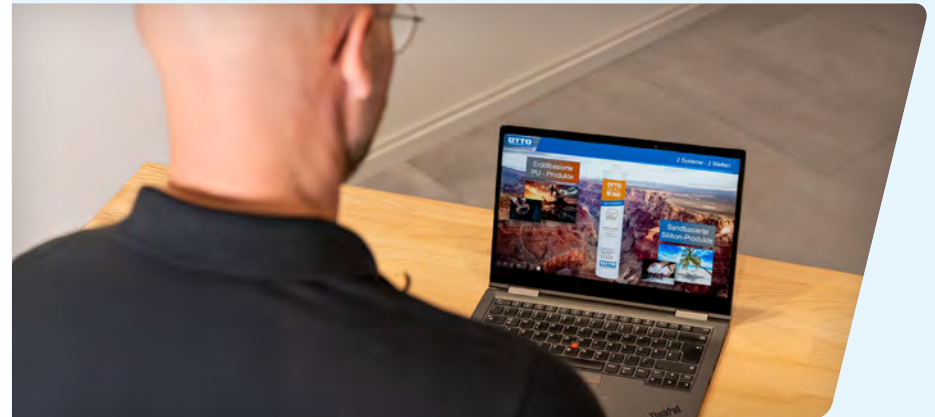
OTTO basic training

- ✓ The perfect joint – basic principles
- ✓ Adhesion techniques
- ✓ Online training know-how, sealants & adhesives

OTTO pro training

- ✓ The perfect joint – advanced
- ✓ Structural attachments with a system

OTTO online training



We provide basic know-how on sealants and adhesives free of charge with our regular online training.

OTTO on the road

Our OTTO training team was on the road again across Germany in 2025. At a total of 15 events, our experts shared in-depth know-how and valuable practical experience on the topic of the perfect joint in a varied four-hour programme combining theory and practice.



With "OTTO on the road", we take our specialist knowledge directly to various regions across Germany. This means that our attendees don't have to travel too far and they have the chance to experience practical training with our reusable training exhibits.

With the application videos on our website and on our Instagram channel, some of which we create in cooperation with various influencers, we demonstrate the correct use and processing of sealants and adhesives in a practical way. With the videos, we share our professional knowledge with our customers, our customers' customers and non-professional users in a freely accessible and uncomplicated way. In doing so, we support users in the high-quality processing of our quality products.

Our training management also shares their professional knowledge with vocational students as part of their training.

Joint Champion 2025

In September the topic at our training centre was maximum precision – and at the same time team spirit, sharing ideas and a genuine passion for craftsmanship. Sixteen joint pros competed in four demanding challenges, all hoping to be named "Joint Champion 2025".



Tradespeople from Germany, the Netherlands and Austria took the opportunity to put their skills to the test, share their knowledge and learn from each other. Alongside the athletic ambition, the event focuses on a shared passion for craftsmanship. We also greatly enjoyed the in-depth discussions, gained valuable new insights and enhanced our close connection with the people that use our products.

Affected communities

We take social responsibility with an active and sustainable corporate management.

Local community – municipality and local residents

OTTO is located in the centre of the village of Fridolfing. Cooperation and coordination with the municipality regarding our buildings, possible effects and necessary protective measures is therefore an important component. We fulfil our duty to inform local residents of any potential or actual effects. The management always has an open ear for concerns and the OTTO **whistleblower system** is also freely available to the local community.

OTTO is an important employer for the Fridolfing municipality and the surrounding districts.

►► Protecting whistleblowers

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We support associations, cultural events and social projects. There are campaigns that we have regularly supported for years, as well as one-off and event-related campaigns and projects that are sponsored.

Examples of initiatives that OTTO supports

- ✔ *Sponsoring, for example anniversary celebrations of local clubs*
- ✔ *Active support for the youth work of TSV Fridolfing*
- ✔ *Member of the Förderverein Salzachklinik e.v. Fridolfing*
- ✔ *Member of the Schulförderverein Salzsachtal*

As a home- and family-orientated company, we and our employees are particularly concerned with local issues. We use our reach with our employees to draw attention to fundraising campaigns and socially important issues.

Green & flowering areas wherever possible



It's not just the bees and birds that enjoy the flowering meadows and shady spots, but they are also pleasant for local residents and passers-by to look at, with employees enjoying spending their lunch breaks under the trees in the OTTO parks from spring to autumn.

Affected communities in the value-added chain

We can also have potential impact in the areas surrounding our supplier sites, at the sites of our logistics service providers and near to the industrial companies or the construction sites of our customers. Because of the large number of different communities along our value-added chain, we do not have the transparency or the capacity needed to make informed statements in this regard. By considering ethical and sustainable criteria when selecting our business partners, we hope to have an indirect positive effect on potential impact by solely working with business partners with standards and values that are similar to ours.

Consumers and end users

Our products not only have an impact in industry and skilled trades. They also directly influence the environment, healthy home characteristics and quality of very many end products in a wide range of sectors. Our approach as a solution provider goes beyond the mere function of the product: even in the development stage, we consider potential impacts on people, the environment and living spaces and design our products to minimise potential risks and enhance positive effects. Quality, safety and environmental compatibility are at the centre of our product strategy.

Our products are mainly used by professionals in industry and skilled trades. These professionals are also the main users of our additional services such as training and application consulting. With the MY GREEN HOME product line, we are also targeting home improvement professionals. Ultimately, however, our

products can have an impact on anyone, if OTTO sealants and adhesives have been used in the buildings they live, work or holiday in or in the end products they use. Healthy living, energy efficiency and durability are three key concepts that stand out here.

▶▶ Training for customers and users 61

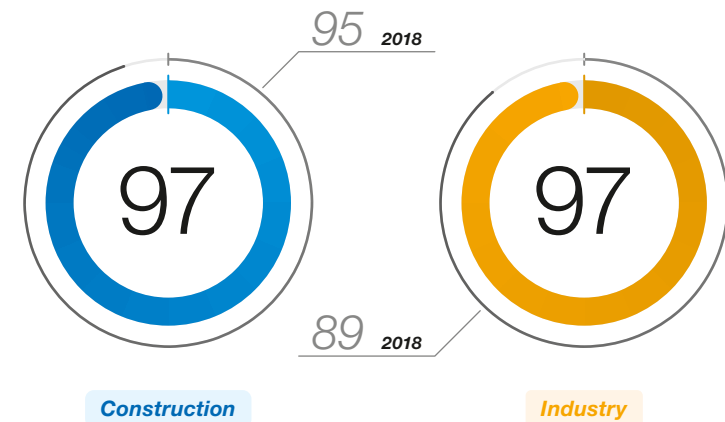
▶▶ MY GREEN HOME product line 68

To ensure that the needs and expectations of our customers are taken into account consistently, we engage in regular dialogue, market observations and surveys. This allows us to ensure that our product development is not only functional but also sustainable and not harmful to health.



Brand satisfaction

Customer survey 2023



Innovation and responsible raw materials management

We consider sustainable innovations to be integrated solutions that go beyond mere product development. They combine new or improved products with supplementary service and processes that involve multiple value chains. Our aim is to combine economically sound decision-making with a positive impact on the environment and society. For this reason, we offer not only individual products in our core range, but also coordinated product systems and supplementary services such as training. It is often the details in the product and processing characteristics that determine the ultimate effectiveness. By working closely with our customers, we develop individual product solutions that support their innovations while also making a contribution to sustainability and environmental compatibility and providing added value for society.

►► Training for customers and users

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For the long term, we are planning increased integration of renewable or alternative raw materials, for example mass-balanced materials. Our aim is to further increase the conservation of resources and reduce emissions. The use of such materials is currently limited for technical and economic reasons, so they are not recorded separately at present.

Optimisation of formulations and production processes

In the year under review, we have implemented various measures to further improve how resources are used in development and production and to enhance the substance profiles of our products. In doing so, we are consistently pursuing our goal of further optimising the use of raw materials and energy in our processes while continuously improving the environmental and safety profiles of our products.

Focus was given to adjusting selected formulations. For example, some of the solvents previously used in certain polyurethane-based adhesive systems were replaced with organic plasticisers. While solvents can evaporate in the course of processing, plasticisers remain largely inside the material. This adjustment has made it possible to reduce the emissions of volatile organic compounds (VOCs) without impairing the processing properties or the performance of the products.

Furthermore, the additives used in selected product groups were appraised and enhanced in relation to their safety profile. Alternatives are now used are more in line with the latest health and employment law assessments. In this way, we are helping to reduce potential risks across the value-added chain without sacrificing the functional properties of the products – in particular their durability and service life.

As part of the continuous improvement of our products, adjustments were also made in the selection and use of raw materials. In making these adjustments, we particularly focused on current and foreseeable regulatory developments and aligned our formulations at an early stage towards alternatives that will remain viable in the long term. Our aim is to make out product portfolio more future-proof and anticipate future regulatory requirements.



Another focal point was the efficient use of raw materials in production. Materials and surplus quantities generated in the manufacturing and refilling process are targetedly fed back into the production cycle – where this is technically possible. This allows us to reduce waste and decrease our need for new raw materials without impairing product quality.

In addition to the measures taken in raw material and process efficiency, we also reviewed and enhanced our production workflows. Organisational and process-related optimisations were taken to make existing process steps more efficient. This made it possible to reduce cleaning and retooling work and to lower the amount of energy and manufacturing supplies needed in the manufacturing process, for example, and helped overall to increase efficiency and the conservation of resources in production.

Hazardous substances

The continuous reduction and substitution of hazardous materials and pollutants is a key aspect of our product development. **REACH** (Registration, Evaluation, Authorisation and Restriction of Chemicals) is a key tool for us when assessing the safety of raw materials and products. New requirements are reviewed early on by our hazardous substance and chemical management and integrated into our processes.

Information on hazardous substance, safety aspects, environmental impacts, disposal and safe handling is provided in our safety data sheets (**SDSs**) and technical data sheets (**TDSs**). The **REACH** requirements for mandatory updates and provision of information are observed in full.

Sustainable solutions and product certifications

Emissions from freshly applied sealants and adhesives, waterproofing systems and other building materials can increase the concentration of harmful volatile organic compounds (**VOCs**) in the air.

The demand for "healthy-living", low-emission products is constantly increasing, which is why many of our products have been tested and approved by renowned institutes and have been assessed as having very low emissions. Over 50 OTTO products have now received **EMICODE®** certification.

►► Targets table

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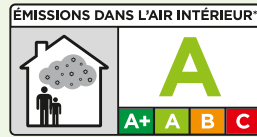
What is EMICODE®?



The **EMICODE®** labelling system offers the possibility of evaluating building products and installation materials comparatively according to their emission behaviour and, at the same time, provides an incentive to continuously optimise the products.

Source: GEV – EMICODE®

🌐 **EMICODE® certification**



Many of our products are also labelled with the French **VOC** emission class A+, an emission classification and labelling system for building products.

Appropriately tested and qualified products are required for sustainable building certifications and subsidies for sustainable construction. The majority of our product range fulfils the highest quality levels of the **DGNB** (German Sustainable Building Council) and/or the **BNB** (Assessment System for Sustainable Building).

Building certifications and subsidies

What are the OTTO sustainability data sheets?



These data sheets contain all the information on sustainability-related tests, approvals and classifications for building certification systems for each product.

GREY IS THE NEW GREEN

At least when it comes to product packaging



Twenty products with proven OTTO quality are not available with our plastic cartridges made up of at least 40% recycled material.

Products in the recycled material cartridge

MY GREEN HOME

Our new product line MY GREEN HOME for quality-conscious DIY enthusiasts has been available from our MY GREEN HOME online shop since July 2024 and on Amazon and from selected dealers since early 2025.

MY GREEN HOME products provide solutions for all work around the house – from sealing and adhesion. Our acrylic, silicone and assembly adhesives all have healthy home properties.



One particular advantage of MY GREEN HOME products is that they do not contain any harmful substances and release only minimal emissions both during and after processing. The products were tested by the independent Sentinel Holding Institute, and they are listed on the institute's online platform. In addition, the QNG-ready seal of approval indicates that the products are suitable for KfW funding.



04

Governance Informationen

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Corporate management and culture

The challenge is to balance the traditions of a family-run, regionally rooted company with constant growth, profitability and innovation. This is particularly noticeable and therefore particularly important in the interaction between employees, managers, managing directors and shareholders. But in our work with suppliers, service providers, customers and other business partners, we also stay true to our family roots and always aim to achieve a collaborative partnership.

 For me, OTTO is ...

OTTO Code of Conduct

The OTTO Code of Conduct contains the most important company and operational principles that serve as the basis for all business decisions and as guidelines for behaviour in the business environment and with regard to human and fundamental rights, labour standards, environmental protection and product responsibility. This means it is the fundamental guidance framework for OTTO's corporate culture, both internally and externally, and it reflects OTTO's values.

*Recognised international Standards
as the basis for our declaration of
principles*

The OTTO Code of Conduct was compiled in collaboration with management, who then adopted it at the highest level. It forms part of the employment relationship between the employees and OTTO. The most important company and operational principles contained in this declaration of principles also form an integral part of the OTTO corporate strategy, the integrated management system and all business decisions, such as the procurement or construction of operational buildings. Various tools are used to monitor the principles, such as **approval by a second person** and internal audits. Failure to observe the code of conduct can harm reputation and lead to significant financial losses. As a result, breaches can have far-reaching consequences for the employee concerned. We have a zero tolerance approach to breaches of the code of conduct.

*OTTO is a signatory to the chemical
industry's Responsible Care®
Global Charter.*

-  The **Code of Conduct of Hermann Otto GmbH** is our declaration of principles and our external statement to our customers and the public.



 Code of Conduct of Hermann Otto GmbH

- ✓ The **Code of Conduct for Business Partners of Hermann Otto GmbH** describes our expectations of our suppliers, service providers and other business partners with regard to ecological, social and ethical behaviour.



🌐 Code of Conduct for Business Partners of Hermann Otto GmbH

- ✓ The **Code of Conduct for Employees of Hermann Otto GmbH** serves as an internal guideline and thus provides orientation for our daily work. It contains additional explanations and guidance for all employees on the topics covered in the Code of Conduct.



Internally, the OTTO Code of Conduct is supplemented by the guideline “Value-Orientated Leadership and Cooperation”. The guiding principles it contains for organised and successful collaboration also specify binding values:

- ✓ **Reliability**
“Without reliability, we are left behind”
- ✓ **Fairness**
“Fair comes first!”
- ✓ **Teamwork**
“Working together, being there for each other”
- ✓ **Identification with OTTO**
“We are OTTO”
- ✓ **Performance orientation**
“If you think you’re good, you’ve stopped getting better”

Our managers cultivate a cooperative and healthy management style that creates an open, trust-building and performance-orientated climate. The guideline “What we expect from our managers” serves as a binding guide to action.

Cross-departmental and cross-divisional cooperation in line with the binding values, as well as mutual support and empowerment, allow us to work together for the success of OTTO and thus of the entire OTTO family.

In order to further promote open and personal interaction in cooperation across all levels of the company, an informal culture prevails at OTTO for the most part.

OTTO is legally obliged to be a member of the Munich and Upper Bavaria Chamber of Trade and Industry.

Protecting whistleblowers

"Schau hin – denk mit" (Keep an eye out – think twice) is the motto of the communication campaign for our OTTO [whistleblower system](#).

OTTO whistleblower system

The system gives whistleblowers the chance to report breaches of laws and regulations to OTTO in a secure and protected way. It also allows information or complaints of negative impacts to be submitted without having to fear retaliation. The [whistleblower system](#) complements and expands the existing whistleblowing options for reporting information and complaints, which were previously only available internally to employees.

The digital [whistleblower system](#) serves as a mechanism for lodging complaints and allows internal and external individuals to report potential or actual breaches and/or negative effects anonymously or in their own name at any time. The submitted information is analysed by qualified and trained employees in compliance with the applicable laws. A detailed operating procedure provides information on the process and contains an estimated time frame. FAQs provide supplementary information on people to contact if you have any questions. Information on critical matters is forwarded to management immediately and directly, to allow remedial action to be initiated without delay.



OTTO employees have various ways to express concerns, doubts or make complaints about things that are having a negative impact on them or other people in the workforce. They can turn to their direct supervisor or any other manager. The personnel department or the Works Council can also be contacted at any time. In addition, the Works Council letterboxes that are distributed throughout the entire company can also be used for concerns of any type. The [whistleblower system](#) thus supplements and expands the existing reporting channels.

OTTO is directly affected by the Whistleblower Act and takes measures accordingly.

Because of the wide range of options – spoken, written on paper or digitally, inside the company or from outside – all employees are able to access the reporting channels at any time. Every concern is taken seriously. In the event of actual negative effects, corrective measures are taken as appropriate for the particular circumstances.

Since the introduction of the OTTO [whistleblower system](#), we have not received any reports despite extensive, detailed and comprehensible communication.

Respecting human rights

There is always a human rights risk associated with economic activities. We therefore consider the protection of human and fundamental rights to be a central element of our corporate responsibility. We are committed to conducting all our business in compliance with the highest social and ethical standards. As a minimum, we comply with the statutory regulations and orientate ourselves to various general standards:

- ✔ United Nations Guiding Principles on Business and Human Rights
- ✔ United Nations Universal Declaration on Business and Human Rights
- ✔ International Covenant on Civil and Political Rights
- ✔ International Covenant on Economic, Social and Cultural Rights
- ✔ Declaration of the International Labour Organization (ILO)

In cases where international human rights are restricted by local laws, we strive to promote the principles behind international standards without conflicting with local laws. Where local laws exceed international standards, we comply with them.

The legal framework for respecting human rights, fundamental rights and workers' rights is very strong in Germany and Europe. The implementation and monitoring of compliance with these rights is fundamentally anchored in the OTTO Code of Conduct, the corporate strategy and corporate processes. This applies to all people directly or indirectly in contact with OTTO.

In the OTTO Code of Conduct, which is an integral part of OTTO's corporate policy, the chapter on human and fundamental rights gives our employees, customers, suppliers and the social environment a clear idea of the fundamental principles and values with regard to respect for human rights, according to which we act and to which we are committed. The topics of forced labour and child labour are mentioned explicitly. Everyone at OTTO is expected to treat his or her colleagues and contacts at customer locations, supplier locations and other business partner locations with the same dignity and respect as he or she would like to be treated and at least as prescribed by the OTTO Code of Conduct. It is also expected that local customs and social values are observed and respected in co-operation with other countries.

▶▶ OTTO Code of Conduct

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In the course of the sustainability monitoring of our suppliers, we have found that none of our suppliers display any considerable risk with regard to child labour or forced or compulsory labour. We check this on an ongoing basis.

Corruption and bribery

We take various preventive measures to prevent corruption and bribery. It is especially important for all employees to be well-informed and to have all the required knowledge. Having a clear orientation framework and guidelines that can be accessed at all times makes it easier to make the right decisions in day-to-day work. If employees have any uncertainties, doubts or questions, there are various points of contact they can turn to. For particularly sensitive processes, everything has to be **approved by a second person** in order to safeguard integrity.

Furthermore, many other preventive measures are taken, such as the **due diligence** review of business partners. Executive staff in general and the employees in Purchasing and Sales are the roles that are most at risk of corruption and bribery because of their authorisations and their level of contact with suppliers and customers. Accordingly, many of the preventive measures concentrate on these areas.

If people suspect or are aware of accusations or incidents relating to corruption and bribery at OTTO, they can use the OTTO **whistleblower system** to bring issues to light. On the process side, various monitoring and examination routines have been implemented in order to detect incidents. There is as yet no process for combating accusations or incidents, however, as none have occurred in OTTO's history.

During the induction phase, all employees receive training on the Code of Conduct and the topics it covers, such as corruption and bribery, human and fundamental rights and labour standards. This means that employees are familiarised with the concepts of corruption and bribery from the outset. The Code of Conduct and supplementary guidelines and directives can be viewed by anyone at any time in the Management Handbook. In the past, managers did not receive regular training on human and labour rights or compliance. In 2024 and 2025, we provided compliance training for managers on topics such as corruption and bribery. We will now continue with this compliance training in the standard process.

There were no accusations or (confirmed) cases of corruption or bribery in the reporting period.



Key figures

Waste

Description	GRI	ESRS	Unit	2023	2024	2025
Total waste generated	306-3	E5	Tonnes	921.40	921.18	794.36
Hazardous waste generated	306-3	E5	Tonnes	265.00	271.41	198.23
Non-hazardous waste generated	306-3	E5	Tonnes	656.00	649.75	596.13
Waste diverted from disposal	306-4	E5	Tonnes	214.61	221.07	194.63
			Percent	22.00	24.00	24.50
→ Proportion of hazardous waste			Tonnes	13.48	4.48	2.70
→ Proportion of non-hazardous waste			Tonnes	201.13	216.56	191.93
Waste prepared for reuse	—	E5	Tonnes	0.00	0.00	0.00
→ Proportion of hazardous waste			Tonnes	0.00	0.00	0.00
→ Proportion of non-hazardous waste			Tonnes	0.00	0.00	0.00
Waste forwarded for disposal	306-5	E5	Tonnes	706.79	700.11	599.73
			Percent	78.00	76.00	75.50
→ Proportion of hazardous waste (with energy recovery)			Tonnes	251.44	222.32	160.23
→ Proportion of hazardous waste (without energy recovery)			Tonnes	0.00	44.61	35.29
→ Proportion of non-hazardous waste (with energy recovery)			Tonnes	455.35	433.18	404.20
→ Proportion of non-hazardous waste (without energy recovery)			Tonnes	0.00	0.00	0.00
Other types of waste removal	—	E5	Tonnes	None	None	None
Recyclable proportion in product packaging	—	E5				
→ PPK			Percent	—	100.00	100.00
→ Plastic packaging directly containing adhesive/sealant e.g. PE cartridges, hobbocks			Percent	—	0.00	0.00
→ Plastic packaging containing products other than adhesive/sealants e.g. smoothing agent, application implements			Percent	—	100.00	100.00
→ Aluminium and sheet metal packaging			Percent	—	100.00	100.00
→ Composite packaging (composite material) e.g. aluminium tubular bags			Percent	—	0.00	0.00
→ Plastic packing material like UR belts, PE stretch film			Percent	—	100.00	100.00

General

Description	GRI	ESRS	Unit	2023	2024	2025	Info
Turnover	–	–	Million EUR	141.80	137.68	141.56	–
Sales	–	–	Tonnes	11,965.00	11,872.24	12,580.00	–
Number of customers per sales area	–	–	Integer	–	–	10,562	–
→ Construction DE			Integer	–	–	7,372	–
			Percent	64.59	66.64	69.80	–
→ Construction DSI			Integer	–	–	2,050	–
			Percent	22.81	20.79	19.40	–
→ Industry			Integer	–	–	1,140	–
			Percent	12.60	12.57	10.80	–
X% less supplier complaints	–	–	Percent	21.30	20.20	18.00	73 justified supplier complaints
Justified customer complaints	–	–	Integer	852	839	904	–
Ideas submitted	–	–	Integer	–	143	84	–
Ideas accepted	–	–	Integer	–	53	29	–
Ideas rejected	–	–	Integer	–	57	31	–
Ideas deferred	–	–	Integer	–	3	1	–
Ideas in progress	–	–	Integer	–	24	28	–
Sites in or near areas with biodiversity in need of protection (number)	–	E4	Integer	0	0	0	–
Sites in or near areas with biodiversity in need of protection (area)	–	E4	Hectares	0	0	0	–

Occupational safety

Description	GRI	ESRS	Unit	2023	2024	2025	Info
Employees covered by the management system for occupational health and safety at work	403-8	S1	Percent	100.00	100.00	100.00	Management system certified in acc. with BG "Sicher mit System" Seal of Approval (since 2025)
Reportable workplace accidents	–	S1	Integer	–	2	0	–
Reportable workplace accidents (TMQ)	–	S1	Rate per 1,000 employees	–	4.00	0.00	–
Fatalities caused by work-related injuries	403-9	S1	Integer	0	0	0	–
Fatalities caused by work-related injuries	403-9	S1	Rate	0.00	0.00	0.00	–
Work-related injuries with serious consequences (excluding fatalities)	403-9	–	Integer	0	0	0	–

Description	GRI	ESRS	Unit	2023	2024	2025	Info
Work-related injuries with serious consequences (excluding fatalities)	403-9	–	Rate	0.00	0.00	0.00	–
Documentable work-related injuries (in ref. to 1,000,000 hours)	403-9	–	Rate	14.19	8.48	3.37	–
The main types of work-related injuries	403-9	–	Text	Mechanical (crushing, impact, cutting)	Mechanical (crushing, impact, cutting)	Mechanical (crushing, impact, cutting)	–
Number of hours worked	403-9	–	Number	704,891.38	707,943.32	889,622.69	–
Reportable work-related sickness	–	S1	Integer	–	0	0	–
Reportable work-related sickness	–	S1	Rate	–	0.00	0.00	–
Fatalities caused by work-related sickness	403-10	S1	Integer	–	0	0	–
Fatalities caused by work-related sickness	403-10	S1	Rate	–	0.00	0.00	–
Documentable work-related sickness	403-10	–	Integer	–	0	0	–
Documentable work-related sickness	403-10	–	Rate	–	0.00	0.00	–
Main types of work-related illnesses	403-10	–	Text	None	None	None	–
Days of absence resulting from work-related injuries, fatalities and illness	403-10	S1	Integer	63	38	3	–
Employees trained in health and safety issues	–	–	Percent	100.00	100.00	100.00	–
Workplace accidents	–	–	Integer	57	–	51	–
Illness days per employee	–	–	Integer	5,088	5,189	5,857	–
Commercial employees			Integer	–	3,099	2,939	
Non-commercial employees			Integer	–	2,090	2,918	
Illness days per employee	–	–	Average as percentage	4.18	4.15	4.62	National average: 5.66%

Compliance

Description	GRI	ESRS	Unit	2023	2024	2025
Cases of discrimination including harassment	406-1	S1	Integer	1	2	1
Cases of discrimination and/or harassment	406-1	S1	Integer	1	1	1
– investigated						
– for which rectification measures have been specified						
Amount of fines, penalties and compensation payments due to breaches of social and human rights factors	2-27	S1	Integer	0	0	0
Severe human rights violations and incidents relating to own workforce	–	S1	Integer	0	0	0
Severe human rights violations and incidents relating to own workforce involving breaches of UN guidelines and OECD guidelines for multinational companies	–	S1	Integer	0	0	0

Description	GRI	ESRS	Unit	2023	2024	2025
Amount of significant fines, penalties and compensation for severe human rights violations and incidents relating to own workforce	2-27	S1	Integer	0	0	0
Severe human rights cases in which the engagement helped to repair the damage caused for the affected parties	–	S1	Integer	0	0	0
Reported cases of breaches of business ethics through internal or external whistleblower procedures	2-25	S1	Integer	0	0	0
Complaints submitted to the national contact points for OECD multinational companies	–	S1	Integer	0	0	0
Confirmed IT security incidents in reporting period	–	–	Integer	0	0	0
Number of confirmed cases of corruption or bribery	–	G1	Integer	0	0	0
Number of convictions for breaches of anti-corruption and anti-bribery law	–	G1	Integer	0	0	0
Amount of fines for breaches of anti-corruption and anti-bribery law	–	G1	Integer	0	0	0
Number of confirmed cases of own employees being dismissed or disciplined for corruption or bribery	–	G1	Integer	0	0	0
Number of confirmed cases relating to contracts with business partners terminated or not extended because of breaches relating to corruption or bribery	–	G1	Integer	0	0	0
Proportion of functions at risk covered by training programmes	–	G1	Percent	–	–	100.00
Number of compliance breaches	–	–	Integer	–	–	0

Emissions

Basis year: 2023

2025: Our emissions from the climate footprint increased slightly in the second year of compilation. For **Scope 1 & 2** we can attest to a high level of data accuracy. The increase is the result of increased use of diesel (business trips) and liquid gas (heat generation). Under **Scope 3**, however, which the majority of the increase relates to, there is still a high level on uncertainty regarding data accuracy. In the emission category "purchased goods" in particular, there were differences/increases compared with the basis year 2023. In this regard, we still had to use secondary data and qualitative estimates in some cases. Initial fluctuations in the overall value were to be expected here and we will continuously reduce them.

2026: Our emissions from the climate footprint increased slightly in the third year of compilation. For **Scope 1 & 2** we can attest to a high level of data accuracy. The marginal increase under **Scope 1** is the result of increased consumption of heating oil (heat generation). The reduction under **Scope 2** is based in particular on the procured energy mix, which has a greater renewable energy component. Significant changes have once again occurred under **Scope 3**. The repeated increase in emissions is the result of various factors. Firstly, we have a higher purchasing volume (raw materials in particular), but the emission factors have also increased. Here we were able to make greater use of primary **PCFs** from our suppliers, which made it possible to increase accuracy. It is apparent, however, that the initial estimates / secondary emission factors were too low. Secondly, a significant increase was the result of a change in the standard used to calculate transport emissions. The recalculation has resulted in emissions more than tripling compared with the previous year. Overall, we once again had to make use of secondary data in some cases or make qualitative estimates, although we were able to significantly increase the percentage of primary data.

Description	GRI	ESRS	Unit	2023	2024	2025	Info
Total greenhouse gas emissions	–	44	t CO₂	63,311.06	70,216.73	82,417.41	= gross emissions: absolute emissions
Intensity value	–	53/AR54	kg/€1,000	446.47	510.01	582.21	Total GHG emissions per net revenue
Reduction vs basis year – absolute value	305-5	34	kg CO ₂	No data available	6,905.67	19,106.35	–
Reduction vs basis year – percentage value	305-5	34	%	yet as 2023 =	10.91	30.18	Saved GHG/CCF
Reduction vs basis year – intensity value	305-5	34	kg/€1,000	basis year	63.54	135.74	Kilogram CO ₂ per €1,000 gross value added
Monetised total GHG emissions	–	AR74e	€	1,899,331.80	2,808,669.20	4,532,957.55	–
Total greenhouse gas emissions – location-based	–	52a	t CO₂	62,550.22	69,838.74	82,097.70	Scope 1, 2 & 3 > Scope 2 total electricity mix
Intensity value	–	53/AR54	kg/€1,000	441.11	507.26	579.95	Total GHG emissions per net revenue
Total greenhouse gas emissions – market-based	–	52b	t CO₂	63,311.06	70,216.73	82,417.41	Scope 1, 2 & 3 > Scope 2 purchased electricity mix
Intensity value	–	53/AR54	kg/€1,000	446.47	510.01	582.21	Total GHG emissions per net revenue
Scope 1	305-1	44	t CO₂	681.54	722.14	783.81	= gross emissions: absolute emissions
Intensity value	–	–	kg/€1,000	4.81	5.25	5.54	–
Proportion of regulated emissions trading schemes	–	48b	%	0.00	0.00	0.00	–
Reduction vs basis year – absolute value	305-5	34	t CO ₂	No data available	40.60	102.27	Development, Scope 1
Reduction vs basis year – percentage value	305-5	34	%	yet as 2023 =	5.96	15.01	Saved Scope 1/Scope 1
Reduction vs basis year – intensity value	305-5	34	kg/€1,000	basis year	0.44	0.73	Kilogram CO ₂ per €1,000 gross value added

Description	GRI	ESRS	Unit	2023	2024	2025	Info
Scope 2	305-2	44	t CO₂	2,381.89	1,860.77	1,680.96	= gross emissions: absolute emissions
Scope 2 – location-based	305-2	49a	t CO₂	1,621.06	1,482.78	1,361.24	Individual value Scope 2: Site
Intensity value	–	–	kg/€1,000	11.43	10.77	9.62	–
Reduction vs basis year – absolute value	305-5	34	t CO ₂	No data available yet as 2023 = basis year	-138.28	-259.82	Development Scope 2 (location-based)
Reduction vs basis year – percentage value	305-5	34	%		-8.53	-16.03	Saved Scope 2/Scope 2
Reduction vs basis year – intensity value	305-5	34	kg/€1,000		-0.66	-1.82	Kilogram CO ₂ per €1,000 gross value added
Scope 2 – market-based	305-2	49b	t CO₂	2,381.89	1,860.77	1,680.96	Individual value Scope 2: Market
Intensity value	–	–	kg/€1,000	16.80	13.52	11.87	–
Reduction vs basis year – absolute value	305-5	34	t CO ₂	No data available yet as 2023 = basis year	-521.12	-700.93	Development Scope 2 (market-based)
Reduction vs basis year – percentage value	305-5	34	%		-21.88	-29.43	Saved Scope 2/Scope 2
Reduction vs basis year – intensity value	305-5	34	kg/€1,000		-3.28	-4.92	Kilogram CO ₂ per €1,000 gross value added
Monetised gross GHG emissions of Scope 1 and Scope 2	–	AR74e	€	91,902.90	103,316.40	135,562.35	–
Scope 3	305-3	44	t CO₂	60,247.62	67,633.82	79,952.65	= gross emissions: absolute emissions
Scope 3 upstream	–	–	–	–	–	–	–
Scope 3 downstream	–	–	–	–	–	–	–
Intensity value	–	–	kg/€1,000	424.87	491.25	564.80	–
Reduction vs basis year – absolute value	305-5	34	t CO ₂	No data available yet as 2023 = basis year	7,386.20	19,705.03	Development, Scope 3
Reduction vs basis year – percentage value	305-5	34	%		12.26	32.71	Saved Scope 3/Scope 3
Reduction vs basis year – intensity value	305-5	34	kg/€1,000		66.38	139.93	Kilogram CO ₂ per €1,000 gross value added
Proportion of primary data for Scope 3 calculation	305-5	AR46g	%	Approx. 10–15 (estimated)	Approx. 10–15 (estimated)	Approx. 20 (estimated)	–
Scope 3 categories with priority	–	51	–	1, 2, 4, 6, 9, 10, 12, 15	1, 2, 4, 6, 9, 10, 12, 15	1, 2, 4, 6, 9, 10, 12, 15	–
Biogenic CO ₂ emissions (district heating via wood chips)	305-1	AR43c	kg CO ₂	42,120.00	49,956.00	61,422.00	–
Net revenue used to calculate greenhouse gas intensity (= total net revenue)	–	AR55	€	141,803,413.00	137,677,834.00	141,559,990.00	–

Energy

Description	GRI	ESRS	Unit	2023	2024	2025	Info
Total in-house energy consumption	302-1	–	MWh	4,941.67	5,372.59	6,146.77	In acc. with BAFA guidelines (excl. fleet)
Generation of renewable energy	302-1	–	MWh	206.26	216.61	447.67	–
Power consumption	302-1	–	MWh	3,787.18	3,928.53	4,041.70	–
Thermal energy	302-1	–	MWh	1,110.17	1,328.05	1,955.00	–
Cooling energy consumption (purchased)	302-1	–	MWh	0.00	0.00	0.00	–
Steam (purchased)	302-1	–	MWh	0.00	0.00	0.00	–
Electricity sold	302-1	–	MWh	29,404.00	61,798.00	132,216.00	–
Sold thermal energy	302-1	–	MWh	0.00	0.00	0.00	–
Sold cooling energy	302-1	–	MWh	0.00	0.00	0.00	–
Sold steam	302-1	–	MWh	0.00	0.00	0.00	–
Total energy consumption excl. leased vehicles	302-3	–	MWh	4,941.67	5,372.59	6,146.77	–
Total energy consumption incl. leased vehicles	302-3	–	MWh	6,355.29	6,872.98	7,582.99	–
Energy intensity ratio excl. leased vehicles	302-3	–	MWh/ production tonne	0.41	0.45	0.49	Production tonnes 2025: ... 12,580.00
Energy intensity ratio incl. leased vehicles	302-3	–	MWh/ production tonne	0.53	0.58	0.60	Production tonnes 2025: ... 12,580.00
Reduction in energy consumption (electricity) compared to the previous year	302-4	–	MWh	1.89	16.06	7.50	Replacing light bulbs: ... 7,501.00 kWh
Reduction in energy requirements	302-5	–	MWh/ production tonne	0.41	0.45	0.49	In relation to total energy consumption
Fuel consumption from coal and coal products	302-1	E1	MWh	0.00	0.00	0.00	–
Fuel consumption from crude oil and petroleum products	302-1	E1	MWh	1,892.68	1,959.53	2,234.01	Heating oil: 541,618.00 kWh Liquid gas: 276,583.00 kWh Petrol: 35,794.01 kWh Diesel: 1,380,006.80 kWh
Fuel consumption from natural gas	302-1	E1	MWh	0.00	0.00	0.00	–
Fuel consumption from other fossil sources	302-1	E1	MWh	0.00	0.00	0.00	–
Consumption of purchased or acquired electricity, heat, steam and cold from fossil sources	–	E1	MWh	1,547.60	1,483.80	2,008.45	Share of procured electricity from ren. sources
Total energy consumption from fossil sources	302-1	–	MWh	1,936.33	2,566.25	3,089.82	Excl. fleet
Proportion of fossil fuels in overall energy consumption	–	E1	Percent	39.18	47.77	50.27	–
Proportion of energy consumption from nuclear energy compared with total energy consumption	–	E1	Percent	–	1.90	0.00	Last shutdown in 04/2023
Total energy consumption from nuclear energy	302-1	–	MWh	223.84	71.70	0.00	–

Description	GRI	ESRS	Unit	2023	2024	2025	Info
Total fuel consumption from renewable sources (district heating – wood chips)	302-1	E1	MWh	702.00	832.60	1,023.70	–
Consumption of purchased or acquired electricity, heat, steam and cold from renewable sources	–	E1	MWh	2,828.50	2,651.50	2,741.50	District heating: 1,023.70 Share ren. purch. electr.: 1,717.80
Consumption of self-generated renewable energy (without fuels)	–	E1	MWh	206.27	216.61	447.67	From own PV consumption
Total energy consumption from renewable sources	302-1	E1	MWh	3,005.34	2,806.34	3,056.95	District heating, proportion ren. energy electricity purchased, consumption own PV
Proportion of renewable energy in overall energy consumption	–	E1	Percent	60.82	52.23	49.73	–

Employees

Description	GRI	ESRS	Unit	2023	♀	♂	2024	♀	♂	2025	♀	♂	Info
Foreign workers in the company	–	S1	Integer	–	–	–	2	–	–	2	–	–	–
Number of employees by gender	2-7	S1	Integer	491	187	304	493	178	315	490	171	319	–
↳ FTE			Number	–	–	–	–	–	–	441.38	130.20	311.18	–
Full-time employees, broken down by gender and region (number of employees/FTEs)	2-7	S1											–
↳ Total			Integer		81	286		80	296		76	296	–
↳ Traunstein			Integer		53	155		52	161		55	162	–
↳ Berchtesgadener Land			Integer		13	19		13	21		8	19	–
↳ Altötting			Integer		13	49		13	49		9	48	–
↳ Rosenheim			Integer		0	3		0	3		0	2	–
↳ Mühldorf			Integer		0	3		0	4		0	4	–
↳ Braunau			Integer		2	8		1	8		0	1	–
↳ Salzburger Land			Integer		0	3		0	2		2	9	–
↳ Germany, other			Integer		0	40		1	40		2	41	–
↳ Austria, other			Integer		0	3		0	2		0	4	–
↳ Rest			Integer		0	3		0	6		0	6	–

Description	GRI	ESRS	Unit	2023	♀	♂	2024	♀	♂	2025	♀	♂	Info
Part-time employees, broken down by gender and region (number of employees/FTEs)	2-7	S1											–
→ Total			Integer		106	18		96	19		95	23	–
→ Traunstein			Integer		79	14		75	15		71	18	–
→ Berchtesgadener Land			Integer		10	0		6	0		8	0	–
→ Altötting			Integer		7	2		6	3		7	2	–
→ Rosenheim			Integer		0	0		0	0		0	1	–
→ Mühldorf			Integer		0	1		0	1		1	1	–
→ Braunau			Integer		7	1		7	0		0	0	–
→ Salzburger Land			Integer		1	0		1	0		8	0	–
→ Germany, other			Integer		2	0		1	0		0	1	–
→ Austria, other			Integer		0	0		0	0		0	0	–
→ Rest			Integer		0	0		0	0		0	0	–
Permanent employment contracts	2-7	S1	Percent	98.17	–	–	96.40	–	–	97.55	–	–	–
Permanent employment contracts	2-7	S1	Integer	–	–	–	475	174	301	478	170	308	–
Fixed-term employment contracts	2-7	S1	Percent	1.83	–	–	3.60	–	–	2.45	–	–	–
Fixed-term employment contracts	2-7	S1	Integer	–	–	–	18	4	14	12	1	11	–
Temporary workers	2-7	–	Integer	–	–	–	18	–	–	7	–	–	–
Temporary workers	2-7	–	Percent	1.02	–	–	3.65	–	–	1.42	–	–	–
New employees in reporting period	401-1	–	Integer	38	–	–	69	–	–	57	–	–	–
Average length of service in years	–	–	Number	12.22	–	–	12.16	–	–	12.28	–	–	–
Retention rate of trainees	–	–	Percent	100.00	–	–	95.00	–	–	100.00	–	–	–
Employee turnover in reporting period	401-1	S1	Integer	–	–	–	–	–	–	20	–	–	–
Employee turnover in reporting period	401-1	S1	Percent	6.31	–	–	6.57	–	–	4.09	–	–	–
Employees represented by employee representative bodies (Works Council)	2-30	S1	Percent	100.00	–	–	100.00	–	–	98.00	–	–	–
Senior management by gender	405-1	S1	Integer		–	–		–	–		–	–	–
Senior management by age and gender	405-1	S1	Percent		18.00	82.00		18.00	82.00		18.00	82.00	–
→ Under 30			Percent		–	–		–	–		0.00	0.00	–
→ 30–50			Percent		–	–		–	–		18.00	9.00	–
→ Over 50			Percent		–	–		–	–		0.00	73.00	–
Employees by age and gender	405-1	S1	Percent		38.00	62.00		36.00	64.00		35.00	65.00	–
→ Under 30			Percent		23.00	12.00		22.00	10.00		18.00	9.00	–
→ 30–50			Percent		38.00	50.00		39.00	52.00		40.00	51.00	–
→ Over 50			Percent		39.00	38.00		39.00	38.00		42.00	40.00	–

Description	GRI	ESRS	Unit	2023	♀	♂	2024	♀	♂	2025	♀	♂	Info
Women in leadership roles	–	–	Percent	12.19	–	–	10.00	–	–	13.04	–	–	6 out of 46
Managers acquired from local community	202-1	–	Percent	0.40	–	–	0.00	–	–	0.00	–	–	–
Different nationalities at OTTO	–	–	Integer	16	–	–	20	–	–	19	–	–	–
People with disabilities among employees	405-1	S1	Percent	2.85	–	–	4.75	–	–	4.21	–	–	–
Fair pay	–	S1	Percent	–	–	–	100.00	–	–	100.00	–	–	–
Employees who receive the special remuneration and social benefits granted by OTTO	401-2	S1	Percent	100.00	–	–	100.00	–	–	100.00	–	–	–
Gender pay gap	–	S1	€/h	–	–	–	–	20.16	24.47	–	22.01	26.32	–
Ratio of the total annual remuneration of the highest-paid individual to the mean total annual remuneration of all employees	2-21	S2	Percent	–	–	–	313.00	–	–	823.00	–	–	–
Variable remuneration dependent on sustainability-related goals and/or impact	–	ESRS2	Percent	–	–	–	8.30	–	–	8.30	–	–	–
Employees who received a regular performance and career development review during the reporting period	404-3	S1	Percent	100.00	–	–	100.00	–	–	100.00	–	–	–
Number of hours of employee training and development during the reporting period	404-1	S1	Integer	–	–	–	–	–	–	–	–	–	–
Number of hours of employee training and development during the reporting period	404-1	S1	Avg. h/employee	–	–	–	–	–	–	4.50	–	–	Pilot: no complete recording in 2025
New employees given ethics training (= Code of Conduct training)	–	–	Percent	100.00	–	–	100.00	–	–	100.00	–	–	–
Transition assistance programmes that enable employability to be maintained and support career endings due to retirement or redundancy	404-2	–	Integer	1	–	–	0	–	–	1	–	–	–
Employees entitled to family leave in the reporting period	401-3	S1	Integer	14	–	–	12	5	7	25	13	12	–
Employees who took family leave in the reporting period	401-3	S1	Percent	–	–	–	–	–	–	–	52.00	48.00	–
Employees who returned to work in the reporting period following the end of parental leave, by gender	401-3	–	Integer	–	–	–	–	–	–	0	0	12	–
Employees who returned to work in the reporting period following the end of parental leave	401-3	–	Percent	–	–	–	–	–	–	0.00	0.00	0.00	–

Description	GRI	ESRS	Unit	2023	♀	♂	2024	♀	♂	2025	♀	♂	Info
Employees who returned to work following the end of parental leave and who were still employed twelve months after their return	401-3	–	Integer	–	–	–	–	–	–	0	0	0	–
Employees who returned to work following the end of parental leave and who were still employed twelve months after their return	401-3	–	Percent	–	–	–	–	–	–	3.00	0.00	0.00	–

Sustainability monitoring of suppliers

Description	GRI	ESRS	Unit	2023	2024	2025	Info
Average number of days for payment of the invoice after the day when the contractual or legal payment period begins	–	G1	Days	–	15.6	15.5	–
Description of the standard payment conditions of the company regarding suppliers in days	–	G1	Days, net	–	30	30	We make use of early payment discounts wherever possible Figures for 2025 refer to strategic suppliers
Payments in line with the standard payment conditions	–	G1	Percent	–	77.00	77.00	30 days net
↳ Of which paid with early payment discount			Percent	–	44.00	47.00	Figures for 2025 refer to strategic suppliers
Outstanding legal proceedings due to payment default	–	G1	Integer	0	0	0	–
Total number of active, direct suppliers	–	–	Integer	–	–	782	–
Total number of product-related active, direct suppliers	–	–	Integer	–	–	258	–
Total number of product-related active, direct suppliers	–	–	Percent	–	–	33.00	–
Active suppliers based in DE, rest of Europe and ROW (rest of world)	–	–					–
↳ DE			Integer	–	54	704	–
			Percent	–	87.10	90.03	–
↳ Europe			Integer	–	7	72	–
			Percent	–	11.30	9.22	–
↳ ROW			Integer	–	1	6	–
			Percent	–	1.61	0.78	–
Active suppliers, evaluated by supplier type (manufacturer or retailer)	–	–					–
↳ Manufacturers			Integer	–	51	412	–
			Percent	–	82.26	52.70	–
↳ Retailers			Integer	–	11	370	–
			Percent	–	17.74	47.30	–

Description	GRI	ESRS	Unit	2023	2024	2025	Info
Active suppliers, evaluated by supplier type (e.g. raw material, packaging, merchandise etc.)	–	–					–
→ Raw material			Integer	–	38	135	–
			Percent	–	61.29	17.26	–
→ Packaging			Integer	–	8	78	–
			Percent	–	12.90	9.97	–
→ Merchandise			Integer	–	13	52	–
			Percent	–	20.97	6.65	–
→ Print documents			Integer	–	2	23	–
			Percent	–	3.23	2.94	–
→ Marketing material			Integer	–	1	42	–
			Percent	–	1.16	5.37	–
Number of sustainable strategic suppliers	–	–	Percent	–	–	49.20	–
New suppliers assessed against social and environmental criteria	414-1 308-1	–	Percent	–	100.00	100.00	–
Suppliers screened for social and environmental impacts	414-2 308-2	–	Percent	–	0.00	100.00	–
Suppliers identified as having significant actual and potential negative social and environmental impacts	414-2 308-2	–	Percent	–	0.00	0.00	–
Suppliers with significant actual and potential negative social impacts identified and improvements agreed as a result of the assessment	414-2 308-2	–	Percent	–	0.00	0.00	–
Suppliers identified as having significant actual and potential negative social and environmental impacts for which the business relationship was terminated, and the reasons for this decision	414-2 308-2	–	Percent	–	0.00	0.00	–
Targeted suppliers that have signed the Code of Conduct for Business Partners	–	–	Percent	–	100.00	100.00	–
Suppliers that have signed the Code of Conduct for Business Partners	–	–	Percent	–	98.39	98.41	Figures for 2025 refer to strategic suppliers
Targeted suppliers for which an on-site CSR audit was conducted	–	–	Percent	–	0.00	0.00	–

Water & wastewater

Description	GRI	ESRS	Unit	2023	2024	2025	Info
Total water consumption	303-5	E3	Cubic metres	3,390	3,353	6,147	Water withdrawal corresponds to water consumption There is no water storage No extraction from areas with water stress Water is returned exclusively via the municipal wastewater disposal system Increased consumption is result of external building cleaning at Kaltenbrunn site and a leakage involving an underground hydrant
Total water withdrawal (exclusively drinking water from the municipal drinking water supply)	303-3	E3	Cubic metres	3,390	3,353	6,147	–

Index table GRI

The OTTO Sustainability Report 2025 was prepared in accordance with the GRI Standards 2021.

We will provide the OTTO VSME XBRL Report 2025 on request.

Declaration of use

GRI 1 used

Applicable GRI Sector Standard(s)

Hermann Otto GmbH reports for the period from **01.01.2025 to 31.12.2025** in accordance with the GRI Standards.

GRI 1: Foundation 2021

No corresponding standard available

GRI-Standards		Topic-specific disclosures	Pages	2025	Omission (reason & explanation)
GRI 2	General Disclosures	Disclosure 2-1 Organisational details	» Governance 6	–	–
		Disclosure 2-2 Entities included in the organisation's sustainability reporting	» Basis of the report 5	Hermann Otto GmbH	–
		Disclosure 2-3 Reporting period, frequency and contact point	» Basis of the report 5	–	–
		Disclosure 2-4 Restatements of information	» Basis of the report 5	–	–
		Disclosure 2-5 External assurance	» Basis of the report 5	–	–
		Disclosure 2-6 Activities, value chain and other business relationships	» Strategy (OTTO supply chain) 16	–	–
		Disclosure 2-7 Employees	» Key figures 75	–	–
		Disclosure 2-8 Workers who are not employees	» The company's employees (OTTO family) 48	–	–
			» Key figures 75		
		Disclosure 2-9 Governance structure and composition	» Governance (organisation) 9	–	–
		Disclosure 2-10 Nomination and selection of the highest governance body	» Governance (organisation) 9	–	–
		Disclosure 2-11 Chair of the highest governance body	» Governance (organisation) 9	–	–
		Disclosure 2-12 Role of the highest governance body in overseeing the management of impacts	» Governance (organisation) 9	–	–
		Disclosure 2-13 Delegation of responsibility for managing impacts	» Governance (organisation) 9	–	–

GRI-Standards		Topic-specific disclosures	Pages	2025	Omission (reason & explanation)
GRI 3	Material topics	Disclosure 2-14 Role of the highest governance body in sustainability reporting	» Basis of the report 5	–	–
		Disclosure 2-15 Conflicts of interest	» Governance (organisation) 9	–	–
		Disclosure 2-16 Communication of critical concerns	» Governance (organisation) 9	Due to the flat hierarchies, always directly	–
			» Protecting whistleblowers 72		
		Disclosure 2-17 Collective knowledge of the highest governance body	» Governance (organisation) 9	–	–
		Disclosure 2-18 Evaluation of the performance of the highest governance body	–	–	Not applicable
		Disclosure 2-19 Remuneration policies	» The company's employees 48	–	–
		Disclosure 2-20 Process to determine remuneration	» The company's employees 48	–	–
		Disclosure 2-21 Annual total compensation ratio	» Key figures 75	–	–
		Disclosure 2-22 Statement on sustainable development strategy	» Foreword 2	–	–
			» Strategy (vision and mission) 14		
		Disclosure 2-23 Policy commitments	» Corporate management and culture 70	–	–
			» Respecting human rights 73		
		Disclosure 2-24 Embedding policy commitments	» Corporate management and culture 70	–	–
		Disclosure 2-25 Processes to remediate negative impacts	» Corporate management and culture 70	–	–
			» Protecting whistleblowers 72		
		Disclosure 2-26 Mechanisms for seeking advice and raising concerns	» Corporate management and culture 70	–	–
			» Protecting whistleblowers 72		
		Disclosure 2-27 Compliance with laws and regulations	» Corporate management and culture 70	No violations of laws and regulations were committed in the reporting period.	–
		Disclosure 2-28 Membership associations	» Strategy (awards & memberships) 32	–	–
		Disclosure 2-29 Approach to stakeholder engagement	» Management of IROs (materiality analysis) 35	–	–
			» Partners 56		
		Disclosure 2-30 Collective bargaining agreements	–	–	Not applicable
		Disclosure 3-1 Process to determine material topics	» Management of IROs (materiality analysis) 35	–	–

GRI-Standards		Topic-specific disclosures	Pages	2025	Omission (reason & explanation)
		Disclosure 3-2 List of material topics	» Management of IROs (materiality analysis) 35	–	–
		Disclosure 3-3 Management of material topics	» Management of IROs (materiality analysis) 35	The management approach for the material topics is described in the respective sub-chapters of this Sustainability Report	–
GRI 101	Biodiversity	Disclosure 101-1 Policies to halt and reverse biodiversity loss	–	–	Not applicable
		Disclosure 101-2 Management of biodiversity impacts	–	–	
		Disclosure 101-3 Access and benefit-sharing	–	–	
		Disclosure 101-4 Identification of biodiversity impacts	–	–	
		Disclosure 101-5 Locations with biodiversity impacts	–	–	
		Disclosure 101-6 Direct drivers of biodiversity loss	–	–	
		Disclosure 101-7 Changes to the state of biodiversity	–	–	
		Disclosure 101-8 Ecosystem services	–	–	
GRI 102	Climate change	Disclosure 102-1 Transition plan for climate change mitigation	» Climate change 40	OTTO works intensely in the area of climate management; we are not yet able to provide a transition plan.	–
		Disclosure 102-2 Climate change adaptation plan	» Climate change 40	OTTO works intensely in the area of climate management; a climate resilience analysis is currently in progress; we are not yet able to provide an adaptation plan.	–
		Disclosure 102-3 Just transition	–	In connection with efforts to facilitate transition and adaptation, employees or non-employee staff have been made redundant, dismissed or received further training or retraining. Furthermore, there is therefore no impact on the local community.	–
		Disclosure 102-4 GHG emissions reduction targets and progress	–	–	Information not available

GRI-Standards		Topic-specific disclosures	Pages	2025	Omission (reason & explanation)
GRI 103	Energy	Disclosure 102-5 Scope 1 GHG emissions	▶▶ Key figures 75	–	–
		Disclosure 102-6 Scope 2 GHG emissions	▶▶ Key figures 75	–	–
		Disclosure 102-7 Scope 3 GHG emissions	▶▶ Key figures 75	–	–
		Disclosure 102-8 GHG emissions intensity	▶▶ Key figures 75	–	–
		Disclosure 102-9 GHG removals in the value chain	–	–	Not applicable
		Disclosure 102-10 Carbon credits	–	–	Not applicable
		Disclosure 103-1 Energy policies and commitments	▶▶ Climate change (energy) 42	–	–
		Disclosure 103-2 Energy consumption and self-generation within the organisation	▶▶ Key figures 75	–	–
		Disclosure 103-3 Upstream and downstream energy consumption	–	–	Information not available
		Disclosure 103-4 Energy intensity	▶▶ Key figures 75	–	–
GRI 201	Economic Performance	Disclosure 103-5 Reduction of energy consumption	▶▶ Key figures 75	–	–
		Disclosure 201-1 Direct economic value generated and distributed	–	Data is not reported in the sustainability report; information is provided in the financial reporting	–
		Disclosure 201-2 Financial implications and other risks and opportunities due to climate change	–	–	Information not available
		Disclosure 201-3 Defined benefit plan obligations and other retirement plans	–	Data is not reported in the sustainability report; information is provided in the financial reporting	–
GRI 202	Market Presence	Disclosure 201-4 Financial assistance received from government	–	Data is not reported in the sustainability report; information is provided in the financial reporting	–
		Disclosure 202-1 Ratios of standard entry level wage by gender compared to local minimum wage	▶▶ Key figures 75	–	–
GRI 203	Indirect Economic Impacts	Disclosure 202-2 Proportion of senior management hired from the local community	▶▶ Key figures 75	–	–
		Disclosure 203-1 Infrastructure investments and services supported	–	–	No comparable investments or impacts existed when the report was published
GRI 204	Procurement Practices	Disclosure 203-2 Significant indirect economic impacts	–	–	
		Disclosure 204-1 Proportion of spending on local suppliers	▶▶ Strategy (OTTO supply chain) 16	Definition: local = Germany	–

GRI-Standards		Topic-specific disclosures	Pages	2025	Omission (reason & explanation)
GRI 205	Anti-corruption	Disclosure 205-1 Operations assessed for risks related to corruption	»» Corruption and bribery 73	OTTO was assessed for risks related to corruption. No significant corruption risks were identified. The country and sector risk is also low here.	–
		Disclosure 205-2 Communication and training about anti-corruption policies and procedures	»» Corporate management and culture 70 »» Corruption and bribery 73	–	–
		Disclosure 205-3 Confirmed incidents of corruption and actions taken	»» Corruption and bribery 73	There were no (confirmed) incidents of corruption in the reporting period.	–
GRI 206	Anti-competitive Behaviour	Disclosure 206-1 Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	–	There were no corresponding legal actions in the reporting period.	–
GRI 207	Tax	Disclosure 207-1 Approach to tax	–	OTTO actively manages tax matters and thus ensures that taxes are handled fairly and in accordance with the law and regulations. The annual report is prepared in accordance with the regulations. In addition, OTTO has an open and transparent co-operation with the tax authorities and regular tax audits are carried out.	–
		Disclosure 207-2 Tax governance, control, and risk management	–		–
		Disclosure 207-3 Stakeholder engagement and management of concerns related to tax	–		–
GRI 301	Materials	Disclosure 207-4 Country-by-country reporting	–	Germany	–
		Disclosure 301-1 Materials used by weight or volume	–	–	Information not available
		Disclosure 301-2 Recycled input materials used	–	–	
		Disclosure 301-3 Reclaimed products and their packaging materials	–	–	
GRI 303	Water and wastewater	Disclosure 303-1 Interactions with water as a shared resource	–	–	Not applicable
		Disclosure 303-2 Management of water discharge-related impacts	–	–	
		Disclosure 303-3 Water withdrawal	–	–	
		Disclosure 303-4 Water discharge	–	–	
		Disclosure 303-5 Water consumption	–	–	

GRI-Standards		Topic-specific disclosures	Pages	2025	Omission (reason & explanation)	
GRI 306	Waste	Disclosure 306-1 Waste generation and significant waste-related impacts	»» Use of resources & recycling	45	—	—
			»» Key figures	75		
		Disclosure 306-2 Management of significant waste-related impacts	»» Use of resources & recycling	45	—	—
			»» Key figures	75		
		Disclosure 306-3 Waste generated	»» Use of resources & recycling	45	—	—
			»» Key figures	75		
		Disclosure 306-4 Waste diverted from disposal	»» Use of resources & recycling	45	—	—
			»» Key figures	75		
		Disclosure 306-5 Waste forwarded for disposal	»» Use of resources & recycling	45	—	—
			»» Key figures	75		
GRI 308	Supplier Environmental Assessment	Disclosure 308-1 New suppliers that were screened using environmental criteria	»» Partners (suppliers)	57	—	—
			»» Key figures	75		
		Disclosure 308-2 Negative environmental impacts in the supply chain and actions taken	»» Partners (suppliers)	57	—	—
			»» Key figures	75		
GRI 401	Employment	Disclosure 401-1 New employee hires and employee turnover	»» The company's employees	48	—	—
			»» Key figures	75		
		Disclosure 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	»» The company's employees	48	—	—
			»» Key figures	75		
		Disclosure 401-3 Parental leave	»» The company's employees	48	—	—
			»» Key figures	75		
GRI 402	Labour/ Management Relations	Disclosure 402-1 Minimum notice periods regarding operational changes	—	As a matter of principle, communications on such matters are made as soon as possible and with appropriate lead time, primarily to the OTTO Works Council and subsequently to the employees. This always depends on the respective matter and situation, so no specific deadlines are set.	—	

GRI-Standards		Topic-specific disclosures	Pages	2025	Omission (reason & explanation)
GRI 403	Occupational Health and Safety	Disclosure 403-1 Occupational health and safety management system	▶▶ The company's employees (Stable in life) 54	—	—
		Disclosure 403-2 Hazard identification, risk assessment, and incident investigation	▶▶ The company's employees (Stable in life) 54	—	—
		Disclosure 403-3 Occupational health services	▶▶ The company's employees (Stable in life) 54	—	—
		Disclosure 403-4 Worker participation, consultation, and communication on occupational health and safety	▶▶ The company's employees (Stable in life & dialogue & employee involvement) 51	—	—
			▶▶ Governance (organisation) 9	—	—
		Disclosure 403-5 Worker training on occupational health and safety	▶▶ The company's employees (Stable in life) 54	—	—
			▶▶ Environmental pollution (plant, process and transport safety) 44	—	—
		Disclosure 403-6 Promotion of worker health	▶▶ The company's employees (Stable in life) 54	—	—
		Disclosure 403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	▶▶ Environmental pollution (plant, process and transport safety) 44	—	—
			▶▶ Partners (employees in the value-added chain) 56	—	—
		Disclosure 403-8 Workers covered by an occupational health and safety management system	▶▶ Key figures 75	—	—
		Disclosure 403-9 Work-related injuries	▶▶ Key figures 75	—	—
			▶▶ The company's employees (Stable in life) 54	—	—
			▶▶ Environmental pollution (plant, process and transport safety) 44	—	—
GRI 404	Training and Education	Disclosure 403-10 Work-related ill health	▶▶ Key figures 75	—	—
			▶▶ The company's employees (Stable in life) 54	—	—
			▶▶ Environmental pollution (plant, process and transport safety) 44	—	—
		Disclosure 404-1 Average hours of training per year per employee	▶▶ Key figures 75	In a pilot project in 2025, the hours for training and education were logged, but not in full for every employee.	—
		Disclosure 404-2 Programmes for upgrading employee skills and transition assistance programmes	▶▶ The company's employees 48	—	—

GRI-Standards		Topic-specific disclosures	Pages	2025	Omission (reason & explanation)	
		Disclosure 404-3 Percentage of employees receiving regular performance and career development reviews	▶▶ Key figures	75	–	–
GRI 405	Diversity and Equal Opportunity	Disclosure 405-1 Diversity of governance bodies and employees	▶▶ The company's employees	48	–	–
		Disclosure 405-2 Ratio of basic salary and remuneration of women to men	▶▶ Key figures	75	–	–
GRI 406	Non-discrimination	Disclosure 406-1 Incidents of discrimination and corrective actions taken	▶▶ The company's employees (diversity and equal opportunity)	51	There were no incidents of discrimination in the reporting period.	–
GRI 407	Freedom of Association and Collective Bargaining	Disclosure 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	–		No threats to the right to freedom of association and collective bargaining were identified either at OTTO itself or across all suppliers. The results of the supplier risk analysis show a very low risk. The relative country risk is also very low across all suppliers.	–
GRI 408	Child Labour	Disclosure 408-1 Operations and suppliers at significant risk for incidents of child labour	–		No significant risk with regard to child labour was identified either at OTTO itself or across all suppliers. The results of the supplier risk analysis show a very low risk. The relative country risk is also very low across all suppliers.	–
GRI 409	Forced or Compulsory Labour	Disclosure 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	–		No significant risk with regard to forced or compulsory labour was identified either at OTTO itself or across all suppliers. The results of the supplier risk analysis show a very low risk. The relative country risk is also very low across all suppliers.	–
GRI 410	Security Practices	Disclosure 410-1 Security personnel trained in human rights policies or procedures	–		OTTO has no security staff.	Not applicable

GRI-Standards		Topic-specific disclosures	Pages	2025	Omission (reason & explanation)
GRI 411	Rights of Indigenous Peoples	–	–	There were no such incidents in the reporting period	Not applicable
GRI 413	Local Communities	Disclosure 413-1 Operations with local community engagement, impact assessments, and development programmes	▶▶ Protecting whistleblowers 72 ▶▶ Affected communities 63	–	–
		Disclosure 413-2 Operations with significant actual and potential negative impacts on local communities	▶▶ Environment (noise and odour) 43	–	–
GRI 414	Supplier Social Assessment	Disclosure 414-1 New suppliers that were screened using social criteria	▶▶ Key figures 75	–	–
		Disclosure 414-2 Negative social impacts in the supply chain and actions taken	▶▶ Key figures 75	–	–
GRI 415	Public Policy (Political Donations)	–	–	OTTO does not make any donations to political parties. Non-professional political activities of OTTO employees are also neither directly nor indirectly supported.	Not applicable
GRI 416	Customer Health and Safety	Disclosure 416-1 Assessment of the health and safety impacts of product and service categories	▶▶ Consumers and end users 64	–	–
		Disclosure 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	–	There were no such violations in the reporting period	–
GRI 417	Marketing and Labelling	Disclosure 417-1 Requirements for product and service information and labelling	▶▶ Consumers and end users (innovation and responsible raw materials management) 65	–	–
		Disclosure 417-2 Incidents of non-compliance concerning product and service information and labelling	–	There were no such violations in the reporting period	–
		Disclosure 417-3 Incidents of non-compliance concerning marketing communications	–	There were no such violations in the reporting period	–
GRI 418	Customer Privacy	Disclosure 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	–	There were no such cases or (justified) complaints in the reporting period.	–

Glossary

1–9

9R

Refuse – reject unnecessary products or resource extraction

Rethink – systematically rethink and plan for cycles

Reduce – use efficient design

Reuse

Repair

Refurbish – recondition/repair

Remanufacture – manufacture again / reuse components

Repurpose

Recycle – recover materials

A

Approval by a second person

Approval by a second person is a control measure that involves important decisions, workflows or processes being checked by at least two people, or performed by two people jointly. The aim is to reduce errors and abuse.

B

BImSchG

German Federal Emission Control Act

Act on protection against harmful environmental impacts from air pollution, noise, vibration and similar processes

BNB

Assessment System for Sustainable Building

The Assessment System for Sustainable Building by the Federal Ministry of Transport, Building and Urban Affairs assesses the quality of the sustainability of generally public construction projects.

C

Carbon footprint

The carbon footprint is the total amount of greenhouse gas emissions caused by a company, a product or an individual.

CCF

Corporate Carbon Footprint

The corporate carbon footprint is the company-specific **carbon footprint**. The aim is to calculate the total amount of greenhouse gases that a company or organisation produces, directly or indirectly. A company's carbon footprint incorporates the emissions from Greenhouse Gas Protocol **Scopes 1, 2 and 3** as described in the Greenhouse Gas Protocol. The CCF is an important tool for measuring and monitoring a company's environmental impact. It enables companies to quantify their emissions so that they can better understand their environmental impact and set goals to reduce it.

Climate neutrality

"Climate neutrality"

Concept of a state in which "human activities result in no net effect on the climate system".

Source: Glossary "Special report Global Warming of 1.5°C", IPCC

In addition to greenhouse gases, the term also includes, for example, the water footprint or land use. **Greenhouse gas neutral** or **CO₂-neutral** are often used interchangeably in everyday language.

CO₂e

CO₂ equivalent

The term CO₂ equivalent was introduced to make the climate impact of individual greenhouse gases comparable. As the most important greenhouse gas is carbon dioxide, this is used as the standard and other greenhouse gases are converted to this standard. CO₂ equivalent is the unit for Global Warming Potential (GWP).

CO₂ neutrality

Only the emissions of the greenhouse gas carbon dioxide (CO₂) are taken into account here

Cradle-to-gate

Assesses the environmental impact from raw material extraction ("cradle") to the gate of the manufacturer's factory.

Use and disposal are not taken into account.

Cradle-to-grave

Assesses the environmental impact across the entire life cycle:

Raw material extraction → production → use → disposal (= grave).

D**DGNB**

German Sustainable Building Council

The German Sustainable Building Council (DGNB) was founded in June 2007 by 16 organisations from the construction and real estate industries. The DGNB certification is a globally recognised standard. In the certification process, a wide range of topics/qualities are assessed using precisely defined criteria. Depending on the degree of fulfilment, a bronze, silver, gold or platinum certificate is then awarded.

DMA

Double materiality analysis

The double materiality analysis is a procedure that companies use to assess what topics are material – both for the company's impact on the environment and society and also for the financial risks and opportunities for the company itself. A report is then issued on these topics.

Due diligence

An adequate level of care

E**EcoVadis**

EcoVadis is a provider of sustainability ratings

EMICODE®

The EMICODE® labelling system offers the possibility of evaluating building products and installation materials comparatively according to their emission behaviour and, at the same time, provides an incentive to continuously optimise the products.

Source: GEV – EMICODE®

EPD

Environmental Product Declaration

An EPD is a document in which the environmentally relevant properties of a specific product are depicted in the form of neutral and objective data.

G**Greenhouse gas neutrality**

= net zero emissions

Reduction and compensation of all man-made climate-relevant greenhouse gas emissions to net zero.

GRI

Global Reporting Initiative

The Global Reporting Initiative (GRI) is an ongoing international dialogue on corporate reporting in which companies and their stakeholders participate. The GRI develops guidelines with the aim of improving the quality of reporting, standardising it and thus making it more comparable

I

ISMS	Information security management system	
IROs	Impacts, risks, opportunities	Impacts: The impacts that the company has, or could have, on the environment and people, including the impact on human rights, associated with its own activities and its upstream and downstream value-added chain, including the impact of its products and services and its business relationships. The impacts may be actual or potential, negative or positive, intentional or accidental and reversible or irreversible. They may be short-term, medium-term or long-term. The impacts indicate the company's negative or positive contribution to sustainable development. Risks: Sustainability-related risks with negative financial effects that occur in connection with environment, social or governance topics and that can have a negative effect on the company's financial situation, earnings situation, cash flows, access to financing or capital costs in the short, medium or long term. Opportunities: Sustainability-related opportunities with positive financial effects.

L

LEED	Leadership in Energy and Environmental Design	Internationally recognised building certification system for ecological construction from the U.S. Green Building Council
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M

Materiality analysis		Materiality analysis or matrix (also: materiality analysis) is a strategic analysis tool used to determine the materiality of an organisation and its stakeholders
Merchandise		These are products that are marketed by OTTO but not manufactured by the company itself.

N

NACE-Code		Classification of economic activities in the European Union The term NACE is derived from the French title "Nomenclature statistique des activités économiques dans la Communauté européenne".
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O

OHM	Operational Health Management	Health management is the systematic and sustainable creation and design of health-promoting structures and processes, including the empowerment of all employees to adopt health-conscious behaviour on their own responsibility.
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P

PCF	Product Carbon Footprint	The product carbon footprint (PCF) is the product-specific carbon footprint .
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R

REACH		European Chemicals Regulation on the Registration, Evaluation, Authorisation and Restriction of Chemicals.
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S

Scope 1–3

Scope 1 technical term:
Scope 1 emissions are emissions that occur within the direct scope of a company. These include, for example, emissions from our own heating systems, our own vehicle fleet or industrial process emissions.

Scope 2 technical term:
Scope 2 emissions are indirect emissions. They arise from the use of energy (e.g. electricity, district heating) purchased by a company.

Scope 3 technical term:
Scope 3 refers to the indirect emissions that occur along a company's value chain. They are the most difficult to record, as not all processes along the value and consumption chain up to disposal are known.

SDG	Sustainable Development Goals	United Nations Sustainable Development Goals
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SDS	Safety data sheet	Also safety data sheet or material safety data sheet Used to transmit safety-related information on substances and mixtures
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Stakeholder		Stakeholders are internal or external stakeholders and interest groups that are (in)directly affected by the business activities and/or have claims on the company.
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T

TCFD standard	Task Force on Climate-related Financial Disclosures	Provides the methodological basis for the climate resilience analysis
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TDS	Technical data sheet	Contains the essential properties of a product, tests, approvals, labelling, as well as processing references and storage recommendations
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TfS

Together for Sustainability

Together for Sustainability is the chemical industry's largest/best-known initiative to promote sustainability practices in the supply chain.

Turtle analysis

Together for Sustainability is the chemical industry's largest/best-known initiative to promote sustainability practices in the supply chain.

V

VOC emissions

VOC emissions are emissions of volatile organic compounds. The compounds are organic substances that evaporate easily at room temperature and enter the air in the form of gas.

W

Whistleblower system

With the digital whistleblower system, OTTO wants to offer a platform to give whistleblowers the opportunity to submit secure and protected reports about violations of laws and regulations at and by OTTO without having to fear reprisals.

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SEALING & BONDING