

Taking Responsibility

B. BRAUN GROUP SUSTAINABILITY REPORT 2015



B | BRAUN
SHARING EXPERTISE

Dear Reader,



Heinz-Walter Große
Chairman of the Management Board

At B.Braun, we have been living the tradition of the honorable merchant for 176 years. From generation to generation, we have passed down a sense of responsibility for our employees, our society and our environment. As a result, sustainability is defined as one of our core values, alongside innovation and efficiency. To us, this means acting as a “good corporate citizen” and working for economic, environmental and social goals.

B.Braun’s employees closely identify with our “sharing expertise” philosophy. They seek out constructive dialogue with customers and colleagues, as well as with suppliers, partners and the general public, in order to generate new thoughts and ideas. In this way, new products and services are created that are designed to improve the safety of the user, the health of the patient and the efficiency of the health care system.

For example, starting in 2008, we have been reporting on sustainability at B.Braun in Share magazine, describing our perspectives on social and corporate responsibility. The present report shows our position on the key issue of sustainability in a new form, replacing the Share magazine. For the first time, we will be following the guidelines of the Global Reporting Initiative (GRI).

We plan to continue to systematically collect data on sustainability based on our global sustainability strategy. We are currently optimizing our reporting structures in order to present current data, facts and initiatives at regular intervals in the future. With this report, we plan to routinely document our company’s sustainable development.

You are warmly invited to take part in this process by contributing your comments and requests: please let us know at sustainability@bbraun.com.

I hope you find the report informative!

Heinz-Walter Große

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Taking Responsibility: the B. Braun Group Sustainability Report 2015

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We would like to thank all of the employees and colleagues who worked on this Sustainability Report.

Note: In the interests of simplicity, this report uses the masculine form only when referring to employees and clients. However, both genders are meant, of course.

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Environmentally-Friendly Production The paper “Design Offset Natural White,” which we are using to print this report, bears the seal of the global certification organization, The Forest Stewardship Council (FSC). The seal documents that the paper originates from responsible forestry. The paper was bleached without chlorine and contains no heavy metals. To protect the environment, we print the report only on demand in small numbers and mainly distribute it by digital means.



Children and careers: B. Braun is considered to be a pioneer in the area of family-conscious human resources policy.



Building ecologically

NOT ONLY GREEN FROM THE OUTSIDE

Instead of building something new outside Berlin's city limits, B. Braun expanded an existing pharmaceutical factory and optimized its energy use: "Sunrise Berlin." Sunrise stands for "Sustainable Realization of Injectables and Syringes Expansion" and the corporate objective of sustainable production is now in production facilities that are just as sustainable. The cost and effort paid off because the building received the coveted LEED Certificate Gold Award. LEED ("Leadership in Energy and Environmental Design") is the leading system for classifying ecological (green) building.





Climate protection

ELECTRICALLY ON THE CHAMPS-ÉLYSÉES

Since 2012, B. Braun France has relied on electrically-driven transporters for customer deliveries in Paris. Not because it is "in vogue," but mainly due to the carbon dioxide savings compared to conventional transport. Because e-transport is economical too, it has now become the standard for deliveries weighing between 30 and 500 kilograms. Between June 2012 and June 2014, more than 3,500 deliveries were transported in this way and over 80,000 kilometers driven. The transport service provider is the French family-owned company Deret.

Inspiring young talent

STEM FOR THE CHILD

For years, B. Braun worked to promote young talent in the natural sciences. Thus, the company was the main sponsor of the Penang International Science Fair in Malaysia, one of the most important trade fairs for future technologies. As one of 57 high-tech exhibiting companies, B. Braun informed visitors about professions in the fields of sciences, technology, engineering and mathematics – in short STEM. The information presented was of great interest to the attendees. More than 50,000 visitors, old and young, came to the SPICE Arena in Penang.



Responsibility
in family businesses

More Than Profit in Mind

THEY'VE BEEN AROUND A LONG TIME BUT FUNCTION IN A MODERN WAY. FAMILY BUSINESSES HAVE MANAGED TO STAY SUCCESSFUL FOR GENERATIONS. THEIR SECRET? THEY CREATE LASTING VALUE: FOR THE FOUNDING FAMILY, FOR THEIR EMPLOYEES, FOR THEIR CUSTOMERS AND FOR SOCIETY. AFTER ALL, FOR THEM THERE'S NO PROFIT WITHOUT RESPONSIBILITY.

Old roots, young shoot – family businesses are aware of their past, but act with an eye to the future.



PHOTOS: P. 8-10, 15: LENA CLARA/FSTOPIANPICTURE

Hans Carl von Carlowitz was already 68 when he had the best idea of his life. One year before his death in 1714, the senior mining administrator in the service of the King of Saxony, Augustus the Strong, published his *Sylvicultura oeconomica oder haußwirthliche Nachricht und Naturmäßige Anweisung zur wilden Baum-Zucht*. It is considered to be the first work on forestry in the world. It was written in the midst of an energy crisis, when ore mines and smelting works in the Ore Mountains, then one of Europe's largest mining districts, were devouring untold quantities of trees. Population growth and the expansion of cities were causing the forests to disappear. The negative consequences were evident, but regulations governing use of the forests did not yet exist. The core statement in Carl von Carlowitz's book was that quick profits destroy prosperity. He called for handling nature and its resources "with care." The theses of his book are by now generally known: responsible and sustainable corporate action is known today as Corporate Social Responsibility (CSR), and includes maintaining the ecological balance in addition to economic security. Von Carlowitz went down in history as a pioneer of sustainable management.

LASTING SUCCESS IS WHAT COUNTS

In today's business world, responsible action is particularly stressed in family-managed companies. According to a common definition adopted by an expert group for the EU Commission, this category includes all companies in which the majority of decision-making rights are held by the founders or their family members, in which the majority of decision-making rights are direct or indirect, and in which at least one member or representative of the family is involved in managing or supervising the company.

Unlike many companies that are compelled to meet the expectations of their investors, managers of family businesses make decisions primarily seeking long-term success. This point of view is not a reaction to outside expectations, but is instead based on convictions and personal values. "They perceive their social responsibility out of an inner drive and creative will," →

Ninety-nine percent of Japanese businesses are family owned. In Italy it is 70, in India 60 percent.

according to the conclusion of a 2011 study by Bertelsmann Foundation and the Foundation of Family Businesses. Hence, family businesses view managing as a long-term decision that has to be made with regard for and with a view towards future generations. Quick profits and expansive growth are of secondary importance. Continuity is paramount.

RESPONSIBILITY FOR SOCIETY AS WELL

Family businesses think of the big picture and consider their social responsibility when making business decisions. One reason for this: he who builds his growth on solid footing and creates real value will be able to preserve his company and pass it on to his descendants. As a result, social engagement is of very great importance for the majority of German family businesses. A study by Bertelsmann Foundation shows that family business owners primarily associate responsible action with creating value for their business. Their focus is on their employees, followed by their customers and engagement for the environment. Clearly, family businesses know about the strategic importance of the competence and expertise of their own staff, but they are also conscious of customer satisfaction as a key component of the company's success and survival. Many family-owned companies have created foundations that take on social responsibility in very different ways.

This orientation has a lasting impact on society, and not just in Germany. In Japan, for example, 99 percent of companies are family-owned. In Italy, the fates of 70 percent of companies are determined by families, and in India this number is more than 60 percent. Their economic significance makes family businesses a phenomenon that occupies researchers, with regard to responsibility as well.

Many family businesses operate internationally, and their social engagement is international as well, involving voluntary social and environmental initiatives that go beyond statutory requirements. These include, for example, projects to help employees balance work and family life, programs for efficient use of resources and the consideration of social and environmental criteria in the selection of suppliers. But their activities go beyond direct business-oriented actions. "Corporate citi-

zenship" also includes social projects in the company's surrounding region, projects to improve the ability of young people to obtain employment, projects aiming to mitigate social disadvantages and partnerships with charitable institutions.

FAMILY AS A SOURCE OF STRENGTH

B. Braun Melsungen AG is one of those companies that merits the term "family business" in the sense described above. B. Braun celebrated its 175th anniversary in 2014. Three years earlier, Otto Philipp Braun became the first family member of the sixth generation to join the Management Board. His father, Prof. Ludwig Georg Braun, handed over the baton the same year to his Vice Chairman and CFO, Prof. Heinz-Walter Große. Otto Philipp's great-great-great-grandfather Julius Wilhelm Braun purchased the "Rosen-Apotheke" pharmacy in Melsungen in 1839. Since then, the company has grown steadily on its own power. As of the end of 2014, B. Braun had more than 54,000 employees in 62 countries.

"One should be conscious of the past. But it's even more important to look forward. There is so much potential, so many new trends and exciting tasks that lie before us," says Prof. Ludwig Georg Braun of the relationship between the past and the future. Today, he oversees the company's operations as Chairman of the Supervisory Board. He has taken a mid-sized industrial company and made it into a global player in the health care market. When he was 33, he took over the chairmanship of the management board from his uncle, Dr. Bernd Braun, who had himself served many years in the company's management together with his brother Otto Braun, acting as Chairman of the Management Board from 1974 to 1977. For 34 years, Prof. Ludwig Georg Braun stood at the helm and drove the company's expansion. He attributes his success to a functioning family structure. "The family must hold together. Every member has to feel the value of the company and live it through his work." He considers the family's responsibility as a "family bonus." His cousin Barbara Braun-Lüdicke, who also serves on the B. Braun Supervisory Board, sees it that way as well. She stresses that each generation has to act to secure the company's success: →



"Concern for the welfare of our employees has always guided us. Today, B. Braun is considered to be a pioneer in family-conscious HR policy."



EMPLOYEES "The success of our company is because of our employees. There is a long tradition of give and take between B. Braun and its employees. Our family-owned company introduced a company health plan as far back as 1923. It was followed six years later by the creation of the company pension system. Today, B. Braun is considered to be a pioneer in family-conscious HR policy, thanks in part to the

trust-based relationship between the works council and management. This includes measures to reconcile work and family life. But the most important factor is that we have a fair, open and respectful corporate culture. Only satisfied and healthy employees can ensure a successful future for B. Braun." **Peter Hohmann, Chairman of the Works Council, B. Braun Germany**

B. Braun plans to invest up to four billion euros in the next five years.

“The courage to shape the company, looking towards the future while at the same time preserving our own values: that is what the Braun family stands for, and that is the corporate history of B. Braun Melsungen AG.”

TAKING ON RESPONSIBILITY AND RISKS

In terms of sustainability, the family itself is “the greatest resource for the family business,” says Arist von Schlippe. The psychology professor holds the Chair for “Leadership and Dynamics in Family Businesses” at Witten/Herdecke University. What Prof. Ludwig Georg Braun calls a “family bonus,” the professor refers to as “familiness.” This term, he says, “encompasses the resources which the family provides for the company.” One of the sources of strength for family businesses is the willingness of family members to engage with and help each other. “A family member doesn’t just pack up at five and go home,” explains Schlippe. If a family becomes a family business, the relatives bear the risk and responsibility as shareholders.

One hundred percent of the shares in B. Braun Melsungen AG are held by the family, and it will stay that way. Selling shares to outside shareholders is not an option for the Braun family.” Big companies whose shares are held in anonymous free float are driven by the breathlessness of the markets,” says Stefan Heidbreder, Managing Director of the Foundation for Family Businesses. The philosophy “maximum profit in the shortest possible time” does not leave a lot of room for shaping and practicing a corporate ethic, agrees business consultant Peter Englisch of Ernst & Young. And moreover: “shareholders in family-owned companies, whether in India, the US or in Germany, are driven not by money, but rather by a sense of responsibility, morals and convictions, to create long-term value.” B. Braun pursues a corporate strategy that not only avoids the demand of outside shareholders for returns, but that also excludes outside lenders as much as possible. The company invested around one billion euros in new factories, dialysis centers and strategic holdings in 2013 and 2014. The company can’t do without loans, of course. But the presence of a stable capital base means that the company is free to decide for itself

when an investment has to earn profits. In 2014, 38 percent of B. Braun’s financing came from equity, and this number is set to rise to 45 percent by the year 2020. By then, the company plans to invest up to four billion.

“Strategic sustainability” is how Dr. Sebastian Campagna describes the company’s relative freedom from outside lenders. The economist works at the Hans Böckler Foundation of the Confederation of German Trade Unions in Dusseldorf. He has observed that family-owned companies are more patient with their cash flow than banks with their credit terms. Banks often want to see evidence of profitability after just three to four years. Family businesses think differently; they ask themselves, “what do we need to do today in order to be successful eight or ten years from now?” The principle of striving to implement long-term objectives independently, if possible, allowed many family businesses to survive the 2009 economic crisis in good shape. “Family-managed companies were not only able to withstand the turbulence, but actually came out better than before,” says Sebastian Campagna. And Prof. Ludwig Georg Braun was also right when he stated in 2007 that “thus far, we have survived every crisis in good shape.”

EMPLOYER OF GENERATIONS

Even family-managed companies have to earn a profit, of course, but they share a vested interest with their employees. By expanding production, making acquisitions and forming new companies, B. Braun hired more than 4,000 new employees worldwide in Financial Year 2014. Its recipe for success: responsible and far-sighted commitment and continuity. Continuity plays a key role for B. Braun. Whether in the US, Brazil or Germany, the company employs whole generations of families. Take the Griffith family, for example. Gus Griffith is an injection molding technician at the plant in Allentown, US. 30 years ago, he used to rave about the company which he worked for to his two sons. They have long since come to work for B. Braun themselves, and even work in the same building: Jason together with his father and Joe in the quality assurance department. For Gus, joining →



“B. Braun is a company that also seeks to convey its sustainable understanding through architecture.”



ARCHITECTURE “We have designed the various B. Braun buildings to fit the country in which they are located. That includes taking into account climate conditions, history and religion. But sustainability in this context also means incorporating roof forms, colors and materials from the local building culture, so as to create buildings that employees and visitors can identify with. The company headquarters in Melsungen, designed as an ‘industrial city’ in a landscaped garden, fits into the hilly landscape of

Northern Hesse. This demonstrates that B. Braun values respectful interaction with the environment. For the interior, the company developed an innovative office concept with non-territorial workstations. We are proud that the company headquarters was awarded the German Architecture Prize because of these sustainability considerations.”
Manuel Schupp, Managing Director, ORANGE BLU building solutions, formerly Wilford Schupp Architekten



“We pride ourselves on making optimal products, since we bear partial responsibility for people’s health.”



PRODUCTION “Costs or expenses are only a secondary consideration for us in the production process. Quality, on the other hand, is the uppermost objective. We bear partial responsibility for people’s health, and we therefore pride ourselves on making optimal products. All of our products are subject to very strict rules, even stricter than the statutory requirements. We also try whenever possible to offer products that

can be reused multiple times. That protects the environment. Consciousness for quality and sustainability among our customers has increased. Consistent standards apply for all of our production sites worldwide. And we constantly attempt only to select partners who will act as responsibly as we do.”
Dr. Joachim Schulz, Member of the Executive Board Production & Logistics, B. Braun Aesculap

Benefit for society: in 2014 alone, B. Braun hired more than 4,000 new employees worldwide.

the company was one of the best decisions of his life, since “integrity, respect and team spirit are practiced here every day.”

APPRECIATION FOR EMPLOYEES

The employees are part of the global B. Braun family. The company offers part-time work opportunities at all of its locations to accommodate the personal needs and lifestyles of its “members.” Mothers and fathers are free to structure their work times in a flexible manner. This includes home office opportunities, kindergartens and individual part-time arrangements such as family part-time, which allows employees to better reconcile their job with their child care needs, or the need to care for sick relatives. In recognition for the appreciation that it exhibits towards its employees, B. Braun received the Top Employer award in 2009 from the employer branding institute CRF, while the Hertie Foundation certified the company as “family-friendly.”

“Sustainable HR policy is a positive label that generally distinguishes all family-owned companies. First of all, they invest actively in retaining employees for the company. Secondly, they know that training future personnel is the fastest route to success,” says Stefan Heidbreder. In Germany, for example, family-owned companies account for 80 percent of training positions. But not only do owner-managed family businesses provide training to a much greater extent than companies with other ownership structures do, they are also less likely to employ temporary and contract workers, according to the findings of the Fraunhofer Institute for Systems and Innovation Research.

In production as well, responsibility is one of the maxims of B. Braun. “The quality of our products can be the decisive factor in patients’ health,” says Dr. Joachim Schulz, management board member for production and logistics at B. Braun Aesculap. At the same time, the company has set a goal of being eco-conscious in its production activities. What this means in practice is demonstrated by the Innovation Factory in Tuttlingen, which was recognized for the German Sustainable Building Council (DGNB) for its sustainability. Since the factory is located in the vicinity of a residential area,

B. Braun opted for a multi-story construction style so as to take up as little space as possible. Minimal emissions and high energy efficiency are also on the list of priorities for the building. Energy is supplied by a combined heat and power plant and the building is cooled in part through the principle of adiabatic cooling, in which the chills from evaporating water are cleverly used to help cool the facility. A presence detection system ensures that the lights are turned on only when the building is occupied. “Finding solutions for responsible production is a continuous process, which will always be present. But I think we can be proud of what we have already achieved, such as working in a factory that is designed to be profitable, energy-efficient and eco-friendly,” says Dr. Joachim Schulz.

EQUIPPED FOR THE FUTURE

Family-owned businesses will be taking responsibility in the future as well. They are setting the course themselves, driving innovation and collecting know-how by constantly training specialized staff. With their long-term-oriented decisions, they provide a reliable foundation for the economy and society. The attractiveness of family-owned companies as a place to work is demonstrated by a survey performed by the Foundation for Family Businesses. According to this survey, young and highly-qualified candidates prefer these companies most of all. Virtues like team spirit and a good working atmosphere make family-managed companies an attractive place to work for the younger generation, and lead them to believe that family-owned companies will continue to exhibit these virtues in the future.

Apples Instead of Sweets

TO PRO BASKETBALL PLAYER PATRICK HORSTMANN, EXERCISE AND A HEALTHY DIET ARE A ROUTINE WAY OF LIFE. WITH THIS IN MIND, HORSTMANN (27) HAS LAUNCHED A PROJECT FOR B. BRAUN IN THE UK TO TEACH CHILDREN ABOUT THE IMPORTANCE OF A HEALTHY LIFESTYLE.

You play basketball in the British professional league and work at B. Braun in Sheffield. How did you end up there?

Upon completing my college career in the United States, I was looking for a job that would be compatible with my athletic career. No other organization of our size shows as much understanding for pro athletes as B. Braun! I can arrange my working hours around the practice and game schedule for my team, the Sheffield Sharks.

How was the idea for the project "B. Healthy – B. Braun" born?

We had a brainstorming session with our marketing department and discussed what we could do to motivate children in South Yorkshire to adopt a healthier lifestyle. Meetings with teachers and education professionals helped us to develop a program ranging from talks on nutrition, goals, professional basketball and dance instructions and competitions to media workshops.

Why do you think children need extra help with healthy living?

Unfortunately, the affluence we enjoy here in the Western world also has its downside; i.e. the excess of food that is available to us. Often, it seems less expensive and more convenient to eat unhealthily. A growing number of young people are overweight, which can have a negative impact on their health. Education is key to counteract this growing problem. We can really have a big impact, especially among children whose families do not serve as role models of a healthy lifestyle. Healthy eating and physical activity have a positive effect on people's overall health and well-being, and thus on their whole lives. That's the message I want to convey to the children.

25,000 children have already participated in the program. What kinds of responses have you seen?

The children are very curious, and the program is really fun for them. Having the opportunity to speak with a

pro athlete, most of them are very receptive and interested in what I have to say. Informing them about healthy eating and its implication has a significant effect, as I continuously experience. When I meet the children again, they are very happy and proud to tell me about their successes, such as what they had for breakfast, that they are drinking less soda and so on.

What is your normal workday like?

Every day is different, but each day typically consists of one or more school visits that include presentations or workshops on nutrition. Afterward, I often hold basketball sessions. Then, in the afternoon, I talk about goals and tell the children about how I became a pro basketball player. Then I ask about their goals and it's exciting to hear that children from the ages of six to eleven already have a lot of plans and want to accomplish great things. The opportunity to work with children as part of this project and help them live a healthier, more active, and therefore happier life is something we all really enjoy.

How do you reach out to the children?

In the beginning, the children often want to know things like my shoe size or how tall I am. But when I start to talk about our subject, they are very engaged and develop a real interest in that as well. Receiving positive feedback, such as a twitter feed from one mother who said that after my visit to her son's school, he came home and wanted an apple instead of sweets for a snack, shows us that we are able to make a difference.

The project has been running for a year and a half.

Do you have any favorite moments?

There are a number of great moments, but the fantastic atmosphere and buzz surrounding our dance competitions stands out. Also, providing children from two different schools with the opportunity to attend our Sheffield Sharks games and play basketball against each other during the half time break is fantastic. Their enthusiasm and excitement is really contagious!



Patrick Horstmann

AGE: 27

JOB: Assistant to the Executive Board at B. Braun Medical Ltd and forward for the Sheffield Sharks (British Basketball League)

HOBBY: Travel – his next destinations are Singapore and Thailand

People with disabilities offer their own individual talents to business enterprises, an insight that is gradually being recognized around the world.



Embracing our Differences

MORE AND MORE COMPANIES ARE DEVELOPING CONCEPTS FOR THE INTEGRATION OF PEOPLE WITH DISABILITIES. THIS ACTION IS PROMPTED NOT ONLY BY LEGAL REQUIREMENTS, LIKE THE UNITED NATIONS CONVENTION ON THE RIGHTS OF PERSONS WITH DISABILITIES, BUT ALSO BY THE NEED TO RESPOND TO THE DEMOGRAPHIC TREND, AND BY THE ADDED VALUE THAT MIXED TEAMS PROVIDE.

1 billion
people worldwide live with a disability.

The biggest competitive advantage of the Berlin IT consulting firm Auticon is its employees – and their autism diagnosis. “We exclusively employ consultants who are on the autism spectrum. They test and analyze highly complex software systems on-site for our clients and solve problems,” explains Auticon spokesperson Tilman Höffken. “Employees with Asperger’s are virtually ideal for these tasks, since recognizing patterns, precision, logic and a particular affinity for finding errors are among their outstanding abilities. We utilize this as a quality and sales argument.”

USING EVERYONE’S POTENTIAL

Disabilities as added value: that’s a new perspective on business and work life. It is the clearest manifestation of an international trend that can be seen outside of the high-tech world as well: companies are beginning to recognize that they are losing skills and know-how, ideas and competitive advantages, and therefore money, when they ignore the potential of people with disabilities. The reasons for this new awareness are diverse. One key factor: the demographic trend. The population is aging in many countries. By 2020, for example, the average German will be more than 50 years old. As the population ages, the number of people with physical or mental limitations is growing, since four fifths of all handicaps are not genetic, but rather emerge over the course of life as a result of illness, accidents or simply due to age-related changes. “For companies, and therefore for B. Braun as well, this means that the supply

of healthy and qualified workers is shrinking, and we may potentially be looking at a shortage of qualified personnel,” says Astrid Kramer, employer representative for handicapped employees at the Melsungen location. “That’s a challenge we face: developing concepts and offerings to make ourselves a great place to work for employees with disabilities. After all, we need their know-how and their skills in order to stay competitive in the long run.”

B. Braun has taken some concrete actions. One is what is called the preventive shift at the Melsungen location, which offers education and training for shift workers with and without disabilities. Employees learn how to deal with the health problems of shift work and how they can stay fit for the job even as they get older. This training benefits the company as well as employees.

The higher degree of automation and digitization in various professional areas is also increasing opportunities on the job market for people with disabilities.

80%
of all disabilities are acquired after birth.

After all, these changes make it easier to integrate people with physical and mental disabilities. Instead of having to undertake extensive structural alterations in order to make the office accessible, simply installing a good home office line is often enough today to employ a person in a wheelchair without any problems. In more and more areas, mental capacity is becoming more valuable than physical strength, and the technical aids that serve to compensate for physical deficiencies are becoming constantly better.

Legal conditions are also changing. This is due above all to the United Nations (UN) Convention on the Rights of Persons with Disabilities, which was adopted in 2006 and has since been ratified by 147 countries. In accordance with Article 27 of the Convention, people with disabilities have the right “to the opportunity

PHOTO: P. 18: RICHARD BAILEY/CORBIS



74%

of personnel directors do not see any differences in performance.

to earn a living in a job market of their choosing and in a work environment that is open, inclusive and accessible.” The signatory states, which include all of the countries in which B.Braun operates, are required to enable free access to the job market.

In view of these developments, it is easy to understand why inclusion experts like US researcher Jonathan Kaufman predict a “golden age of inclusion” in the job market. But it has yet to really begin. At the moment, the employment rate of handicapped people is still well below that of people without handicaps, as can be seen from a glance at the UN World Report on Disability. There are considerable differences from country to country. While around two thirds of handicapped people are employed in Switzerland and Norway, this figure is just 40 percent in the United Kingdom, 38 percent in the US and just 21 percent in Poland. Germany is in the middle range of comparable countries, with an employment rate of 46 percent. On average, people with disabilities need 100 more days to find a job in Germany than people without handicaps. And the unemployment rate among handicapped people is 14 percent, more than twice as high as the general rate.

Experts expect a “golden age” for employees with disabilities. But it has not started yet.

Why do these discrepancies exist? Finding out why is one of the goals of Inklusionsbarometer Arbeit, which measures the advance of inclusion in the German job market. It is published once a year by the charity organization “Aktion Mensch” and the Handelsblatt Research Institute (HRI). In 2014, they surveyed HR staff and employees at 402 mid-size companies about their experiences and views with respect to inclusion. “It became clear that there are often informa-

tional deficiencies on the part of the companies that make it difficult for people with disabilities to access the job market initially,” says Christina Marx, Educational Director for Aktion Mensch. “For example, many companies don’t know enough about funding that they can access.” In many cases, there are also misconceptions about disabilities: “most handicapped people have limitations that are hardly noticeable in everyday life.”

Once the employee is hired, the concerns quickly dissipate into goodwill. 86 percent of HR directors surveyed who have already hired handicapped people rate their experiences as good or excellent, and 74 percent see no difference in performance whatsoever between employees with and without handicaps. The two groups also work together entirely without a hitch in most cases. Birgit Wittich, representative for handicapped people and equal rights at B.Braun in Melsungen, can confirm this fact: “around 440 colleagues with disabilities are employed here, substantially more than five percent of the overall staff,” she says. “They have many questions for the handicapped employees’ representatives and the works council. Colleagues with and without disabilities tell us that they find the experience of working together to be enriching.”

A decisive factor for successful inclusion in a company is, of course, whether it gets underway in the first place. This is the focus of the Competence Center for Diversity and Inclusion (CCDI) at the University of St. Gallen. At its suggestion, Switzerland’s largest job-seeker portal, Jobsout24, compiles the profiles of job offers and applicants in anonymized fashion, factoring into its analysis only the applicant’s skills which are truly relevant for the job in question. “In this way, the fact that the most suitable candidate for the job has a disability isn’t a criterion until the job interview and the 180-degree assessment, and even then, is taken into account only with a view towards ascertaining how the skills associated with the disability can be



Daniela Alves, 31
Supply Chain Assistant,
São Gonçalo, Brazil

Daniela Alves is a born athlete. With colleagues, the mother of two children often participates in jogging events, in which she is generally in the front. In addition, Daniela Alves was born with a handicapped left hand, but this does not prevent her from being one of the best: as a matter of fact, she has won two gold medals in a sports competition among regional companies. “B.Braun is a great employer, I love working here. I have always been treated with utmost respect, just like all the others. My handicap is no subject here.” As an assistant, she currently supports the supply chain management in our São Gonçalo location. Daniela Alves likes to spend most of her spare time by the sea. “Here I train every Sunday morning in order to stay fit.” She also loves to be on the beach with her children: “that is the biggest joy, to spend some time on the beach with my children.”

Bernard Gautier joined B.Braun Boulogne as trainee in 2011. He supported the French headquarters in the introduction of the OHSAS 18001 Occupational Health and Safety Management System and its certification, a task in which he quickly proved to be a determined and dedicated employee. He extended his commitment and also accompanied the certification at the St-Jean de Luz location, where he still works for B.Braun. Here he feels “fully integrated,” as he puts it, and no longer mentions that he was born deaf. His colleagues call him here “Beñat.” He has already got used to this nickname and other customs here in the Basque region. “I understand between 80 and 100 percent of the words and, when necessary, I read my colleagues’ lips.” He



Bernard Gautier, 32
Research Assistant for Hygiene,
Occupational Safety and
Environment, St-Jean de Luz,
France

can even do that in production, where it can be very loud. “Because the workforce understands my situation very well, this has helped me very much to be professionally successful.”

Carmen Lucia Gimenez was born and raised in Brazil, where she studied business administration. She then decided to do her internship abroad. A stay in



Carmen Lucia Gimenez, 50
Administrative Officer,
Rubi, Spain

Spain was initially intended only to improve her job prospects. After spending some time in Bilbao and Barcelona, she joined B.Braun in Rubi in 2007, where she has stayed ever since. Since then, she has worked as administrative officer in the financial department and does the receipts for B.Braun Portugal and Paraguay. Carmen values B.Braun’s stable work environment and the informal interaction with her colleagues with regard to her physical handicap. She has phocomelia, a very rare congenital deformation of the limbs in which hands and feet are relatively well developed. To stay fit, Carmen Lucia Gimenez likes to go swimming. She gets there by her car that is adapted to her condition. In private, she participates in writing and career workshops. To help other handicapped people, she works as volunteer for the “Ecom” organization in Barcelona.

Koichi Sugiyama has only worked for B.Braun since February 2014, but he already feels well integrated because his colleagues work well in a team, he says. The company ensures a good working atmosphere and that is very important to him. In the morning, he gets a lot of mail in his office, which he distributes with a colleague. His colleague joins him also on a regular basis and helps sorting the letters and packages for customers and in-house departments at the main Tokyo location and preparing them for delivery. Koichi Sugi-



Koichi Sugiyama, 56
Mail Room Staff
Tokyo, Japan

yama was left disabled after a knee operation, which is why the former outdoor fan can no longer be as active in sports. In his spare time, he often takes his dog for a walk along the river in his neighborhood and he also likes to read. Since working at B.Braun, he is especially interested in the prosthesis that was inserted in his operation. His interest in medical technology has convinced him to perform meaningful and important work.

used most effectively,” says the Director of the Center, Professor Nils Jent. He is convinced that for complex tasks, collaborative work performed by people with and without disabilities is more productive than the work of homogeneous teams. “Their comparative skills and perspectives complement each other and produce a whole that is stronger than the sum of the parts,” says Jent. For this reason, he and the CCDI have launched a model of work partnerships in Switzerland: teams which are deliberately comprised of both handicapped and non-handicapped colleagues, on an equal footing, working together and taking advantage of their differences.

The fact that diversity creates added value is nothing new for some companies. “We have good experi-

The abilities and perspectives of people with and without handicaps complement each other and ensure better results.

ences with mixed teams, men and women, young and old, people from different cultures, people with and without handicaps,” says Heiko Opaterny, Director of Integration Management and Social Services at Volkswagen AG. “Mixed teams work together more efficiently and arrive at more innovative solutions.” The automotive conglomerate employs nearly 7,000 people with disabilities in Germany alone, in 90 different areas. The US telecommunications company Verizon explicitly relies upon the professional and personal expertise of its handicapped employees. Numerous offerings have been created for people with visual and hearing impairments, including a nationwide video conferencing network for the deaf. The company scored a hit with the “Haven” cell phone, which features a large display, an easy-to-use interface and accessibility tools. “In just the

first year after launch, 700,000 customers opted for the device,” says Verizon CEO Ivan Seidenberg. “It’s one of our most successful products.” People with disabilities are an attractive and growing target group: the World Bank estimates that their worldwide purchasing power is currently around eight trillion US dollars.

In many cases, the benefits of inclusion go far beyond the company itself. This is very clearly evident on the Philippine island of Mindanao, where carpenters’ cooperatives have been making furniture for schools and public institutions with great success for around 15 years. Many of the workers have disabilities and were therefore dependent on members without disabilities. But things are different now: today, they earn their own livings, start families and support their relatives. And even more, their purchasing power goes a long way towards stimulating the economy in Mindanao.

This example demonstrates that it is beneficial for society, the company and the economy for people with and without disabilities to be employed on equal terms. “With one billion members, people with disabilities are the largest and fastest-growing minority in the world; and the only one that most of us will end up joining over the course of our lives,” says inclusion expert Jonathan Kaufman. “Businesses and society cannot and should not ignore that any longer.”

The worldwide purchasing power of people with disabilities is

8 trillion
US dollars.

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Sustainable Management

Our core values of innovation, efficiency and sustainability make us what we are: a forward-looking, reliable and cost-conscious company that is aware of its economic, environmental and social responsibility. To us, being sustainable means protecting and improving people's health as well as their living conditions and environment.

SUSTAINABILITY STRATEGY AND ANALYSIS

B. Braun is a global family business in the health care sector that plans to grow sustainably in the future as well. Our corporate philosophy, "sharing expertise," means engaging in a constructive exchange with customers and partners to develop effective solutions in order to protect and improve human health. Sustainability is one of B. Braun's core corporate values, alongside innovation and efficiency. B. Braun Group's operations are characterized by transparency, trust and respect.

We want to remain an independent family business, and plan to do so by posting market-rate growth based on our own strength and innovation. The Braun family has committed to this goal in the coming generation as well. Preserving our independence gives employees a long-term perspective in which success is measured by their hard work and creativity, while ensuring safety and reliability for our partners and customers. B. Braun is the only family-owned company among the 20 largest medical device manufacturers in the world.

The company also acknowledges its responsibility in the environmental sphere. Wherever possible, B. Braun conserves resources, implements alternative and renewable concepts and performs construction in such a way as to protect the environment. The company invests in state-of-the-art production facilities and office buildings that conform to current environmental standards. New buildings are designed to be eco-friendly and to fit smoothly into the natural landscape. As a growing industrial company, B. Braun will continue to responsibly handle natural resources, as well as compile and document environmental data.

We consider ourselves to be a "good corporate citizen," and act with a particular view towards future generations. To us, this means taking on social responsibility and helping people all over the world.

The company's corporate social responsibility strategy (CSR) is based on three pillars: knowledge, regions and perspectives. This ensures that B. Braun will provide strategic assistance for projects and initiatives that are consistent with the company's values.

We want to create sustainable value. The company is conscious of its responsibility towards its customers and employees, as well as towards the environment and society. Business units, which are included in the sustainability strategy, report to the management board of B. Braun Melsungen AG on a routine basis about this initiative.

B. Braun supports the German chemical industry's "Chemie3" sustainability initiative. The initiative is sponsored by the German Chemical Industry Association (VCI), the Industrial Union for Mining, Chemicals and Energy (IG BCE) and the German Chemicals Industry Employers Association (BAVC) and is working to ensure the sustainable orientation of the chemicals industry.

This publication, appearing in 2015 for the first time, reports on B. Braun's sustainability activities in 2013 and 2014. We are planning a two-year reporting cycle in the future. This publication contains standard data from the GRI G4 sustainability reporting guidelines. It presents B. Braun's various activities and also reports on international data and examples. We will continually optimize our international reporting system, focusing on countries where at least 1.5 percent of all B. Braun employees work (see table, p. 26). As of the end of 2014, a combined total of 84.6 percent of B. Braun's 54,017 employees were working in those 14 countries.

This information is intended for customers, including hospital managers, physicians and nursing staff, as well as for employees, suppliers, business partners, social organizations and society at large. Especially relevant for our target groups are our company's sustainable economic alignment, eco-friendly production



B. Braun employees in selected countries

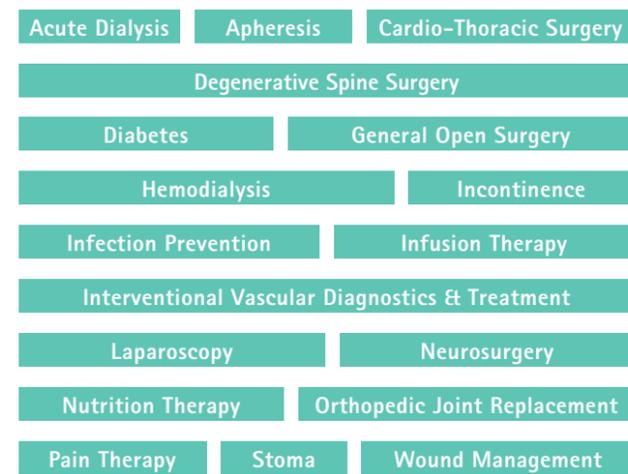
Country	Number of employees as of December 31, 2014	Percentage of total number of employees
Germany	13,616	25.2 %
Malaysia	7,411	13.7 %
USA	5,850	10.8 %
Spain	2,590	4.8 %
Poland	2,445	4.5 %
France	2,015	3.7 %
India	1,854	3.4 %
Russia	1,782	3.3 %
Brazil	1,758	3.3 %
Hungary	1,702	3.2 %
China	1,571	2.9 %
United Kingdom	1,123	2.1 %
Vietnam	1,034	1.9 %
Switzerland	945	1.7 %

and engagement for its employees and society. A systematic compilation of stakeholder interests is planned in 2015 for the first time as part of a materiality analysis.

COMPANY PROFILE

B. Braun is one of the leading manufacturers of medical technology and pharmaceutical products worldwide, as well as a provider of medical services. In 2014, the company earned 5.4 billion euros in revenues (see table p. 27 and diagram p. 29) with more than 54,000 employees in 62 countries. B. Braun

B. Braun treatment areas and indications



considers itself to be a provider of complete systems and is active in 18 treatment and indication areas (see diagram), with a focus on hospitals, medical practices, pharmacies, nursing and emergency services and at-home care.

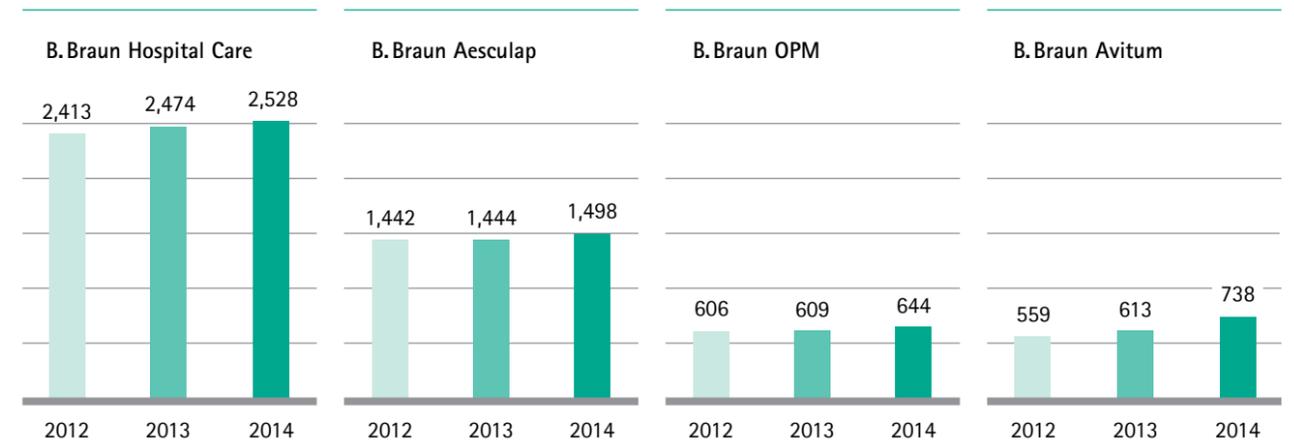
Its products range from infusion solutions to syringe pumps and accessories for infusion therapy, intensive care and anesthesia, in addition to surgical instruments, surgical sutures, hip and knee arthroplasties, dialysis equipment and accessories and wound care products. Its total assortment includes more than 5,000 products, 95 percent of which are manufactured by B. Braun itself.

This is in addition to consulting services that help hospitals optimize their processes and ensure quality. Other services are directed towards patients and their families, preparing them for at-home care, relieving them of formalities and providing them with transitional care. B. Braun views itself as a provider of complete systems, developing the best solution for every case in close partnership with its customers. In this way, we make a key contribution towards medical progress with a view towards protecting and improving human health.

Selected key figures of B. Braun in million euros

	2012	2013	2014
Sales	5,047.8	5,169.5	5,429.6
Cost of Goods Sold	2,752.7	2,824.8	3,041.6
Functional Expenses	1,817.9	1,860.0	1,950.0
Selling, General and Administrative Expenses	1,626.5	1,641.4	1,721.2
Research Et Development Expenses	191.4	218.6	228.8
Interim Profit	477.2	484.8	437.9
Operating Profit	469.2	478.5	422.7
Profit before Taxes	403.1	422.5	407.6
Consolidated Net Income	288.6	315.5	316.3
EBIT	478.3	487.8	480.3
EBITDA	757.5	784.9	798.4

Sales by division in million euros



The company's operations are broken down into four divisions: Hospital Care, Aesculap, Out Patient Market (OPM) and Avitum (see diagram). The Hospital Care division views itself as the customers' first choice for products and services which offer the best possible care for hospitalized patients, especially for infusion therapy. The Aesculap division is the expert in all areas

of surgical and interventional patient care. The OPM division focuses on patients, medical practitioners and pharmacies, as well as outpatient and hospital nursing. The company's products are supplemented by state-of-the-art care concepts and services. B. Braun's Avitum division is one of the world's leading providers of products and services for people with chronic and acute

SUSTAINABILITY AT B. BRAUN – AN INTERVIEW WITH THE CHAIRMAN OF THE MANAGEMENT BOARD, PROF. HEINZ-WALTER GROSSE

“We want to ensure accountability and be measurable”

What value does B. Braun place on sustainability?

Sustainability is a part of B. Braun. Since our beginnings 176 years ago, we have taken responsibility for generations of employees. Our common goal: to protect the health of people all over the world. Corporate responsibility was and remains inseparable from the ideals of the honorable merchant, which are consistently modeled by the Braun family. This is why sustainability is one of our three corporate values. Our understanding as a “good corporate citizen” can be seen and felt in projects and initiatives worldwide.

What is special about the responsibility which B. Braun bears?

We are working to advance human health. Constantly improving in that area and making it possible for more and more people to access an advanced health care system is the utmost responsibility for all B. Braun employees.

Can you name an example of this responsibility?

Given the large number of projects, it's not easy to highlight just one. But I would like to mention “B. Braun for Africa,” in view of the fact that it's still a young market. As a joint project with the German Society for International Cooperation (GIZ), more than 1,000 nurses and medical students in Kenya have been trained in patient and user safety, while children, teachers and parents in 80 schools are being educated about the subjects of hygiene and preventive medical care. This is also an example of how B. Braun shares knowledge.

kidney failure. The division treats patients as a provider of nephrology and dialysis services.

Through the Aesculap Academy, we have established a global forum specializing in training and continuing professional development for hospital-based physicians, surgeons, healthcare professionals and hospital management. 2013 and 2014, the Aesculap Academy



What challenges does B. Braun's sustainable development face in 2015?

Today, we are an international company with 55,000 employees and we operate in one of the most strictly regulated markets in the world. For us, compliance is the key pillar of ethical conduct and the standard for our actions. As a family-owned company, we want to strengthen our position in the social debate about sustainability and to give an account of our activities. This publication on sustainability at B. Braun is the first step in this direction. It helps describe our diverse array of commitments and documents these commitments using systematically compiled data.

delivered training to approximately 80,000 medical experts worldwide annually. We are continuing to expand the range of indication-related workshops. In the field of laparoscopy, we have further expanded our virtual simulation techniques using a haptic simulation trainer. In cooperation with the Surgical Working Group for Minimally Invasive Surgery (CAMIC), e-learning units have also been integrated into the training courses.

In addition to its operational activities, B. Braun Melsungen AG, which is located at the headquarters in Melsungen, also performs centralized functions for the Group: aside from global management, other units are based here that perform company-wide tasks. These particularly include Group accounting and controlling, international human resources, purchasing, IT, logistics, the legal and tax department, corporate communications, knowledge management and the Group treasury. The company, which is not publicly traded, is completely family-owned.

The corporate bodies are the management board, the supervisory board and the general meeting. The management board has seven members, each with clearly assigned spheres of responsibility, who are jointly responsible for the company's success. The supervisory board consists of 16 members, half of whom are selected by the company's shareholders and the other half of whom are elected by the employees.

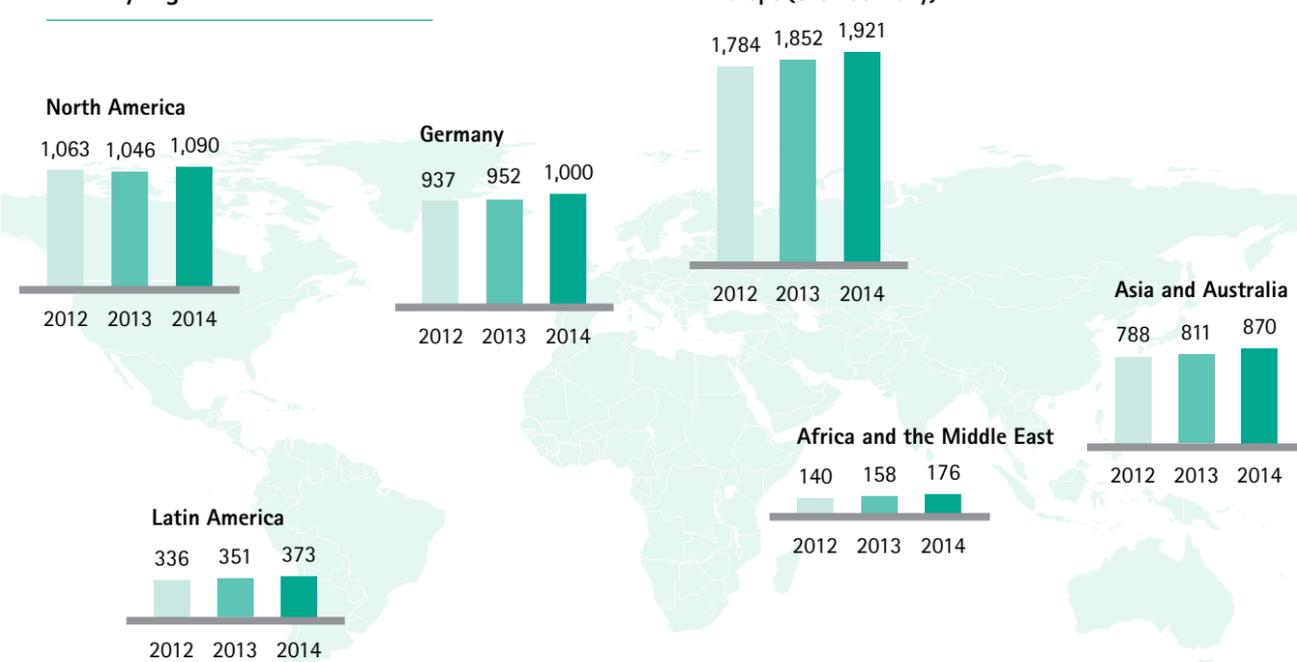
SUSTAINABLE GROWTH

Growing on our own power

B. Braun wants to stay a private and independent family-owned company. The Braun family has made a long-term commitment to achieving this goal. Numerous family members work at B. Braun. Prof. Ludwig Georg Braun, who managed the company for 34 years, has served as chairman of the supervisory board since 2011. Barbara Braun-Lüdicke has been a supervisory board member since 1992. The sixth generation of the founding family has numerous representatives in leading positions at various locations.

We want B. Braun to achieve lasting success in order to ensure that the company remains independent. Accordingly, profitability and system partnership are the foremost objectives of the company's strategy through 2020. We plan to further strengthen our

Sales by region in million euros



financial earning power through cost-conscious practices, acting with the support of streamlined control systems that are standardized company-wide.

Sustainable handling of economic, environmental and social resources is a decisive issue for us, in that it promotes a values-based corporate culture, one that is cognizant of our responsibility for current and future generations. Every business decision we make is based on our values: efficiency, sustainability and innovation, as well as our "sharing expertise" philosophy. We are convinced that sustainable practices

strengthen our company's organization, stimulate growth and play a key role in ensuring that we can remain an independent family business in the future as well.

Research and development

B. Braun derives its innovative strength from its corporate philosophy, "sharing expertise," which promotes the exchange of information and experiences within the company as well as with medical professionals in the hospitals (see box on the right). Maintaining a dialogue with users of B. Braun products

CENTER OF EXCELLENCE "IV ACCESS" IN PENANG

Innovating with Safety

Making a good product even better – that's the job of the B. Braun Centers of Excellence (CoEs) around the world. To enable ongoing innovations, we pool our capabilities centrally in various CoEs and work closely with the users of our products with the goal of meeting their requirements as accurately as possible.

The Braunula was launched in 1962, marking a big step forward for infusion therapy, which was growing sharply in importance at the time. Today, the product is similar, and yet also different: clever further developments have made the Braunula ever more reliable to use, with enhanced patient features. The process is set to continue into the future, too, as ensured by the "IV Access" CoE headed by Dr. Juer-gen Schloesser, located at the company's Asia-Pacific headquarters, in Penang, Malaysia. This site is home to development and production operations for venipuncture products. For example, developments from Penang include the safety models of the Introcan and Vasofix product lines, which feature a metal clip that automatically encloses the tip of the needle after use, thereby preventing needlestick injuries.



A prerequisite is the ongoing dialogue with users. That is crucial, says R&D head for the CoE IVA Hermann Riesenberger: "not everything we might think is great is also well received by practitioners. That's why we look for the greatest possible favorable response before we start large-scale production." If possible, product improvements should not change the usual use of the products. That, too, is an important aspect in the success story of winged infusion sets from B. Braun.

allows us to collect information that can then be incorporated into the development of new products and services. In this way, B. Braun does its part to make work flows in hospitals and medical practices simpler, safer and more efficient, both for patients and for physicians and nursing staff.

To B. Braun, innovation is a corporate value that secures the company's future and that of its employees. Research and development activities within the B. Braun Group are concentrated in multiple Centers of Excellence (CoEs), where research, development, production and marketing activities for specific product groups are combined and closely coordinated. Key CoEs can be found in Melsungen (Germany), Tuttlingen (Germany), Boulogne (France), Penang (Malaysia), Sempach (Switzerland), Rubi (Spain) and Allentown (US).

This organization allows the company to respond quickly to market changes and ensures a timely exchange of knowledge. B. Braun aims to deliver added benefit for customers by combining products and services as a provider of complete systems. To this end, our IV access activities for example are concentrated in the "IV Access" CoE at the Penang site (see box on the left).

Our research and development activities are diverse, encompassing all of B. Braun Group's treatment areas. We have steadily increased our spending on research and development in recent years (see diagram, p. 32), with a focus on improving patient and user safety and simplifying hospital procedures. We are also engaged in the development of clinical nutrition products, as well as innovations in the fields of endoscopy, orthopedics, spinal surgery, vascular systems and state-of-the-art wound closure technologies. Other components of our research activities include catheter-based systems for the administration of medication, a new generation of stoma bags and improvements in dialysis machines for hemodialysis and acute dialysis. →

B. BRAUN INNOVATION AWARD

Fifty thousand Euros for Exciting Ideas

Improving existing medical products and developing even more effective systems of treatment is the constant goal of our work at B. Braun. With the B. Braun Innovation Award, management recognizes special efforts for quality and innovation and rewards outstanding employee performance.

The award is given in five categories, each of which carries a prize of 10,000 euros. An interdisciplinary panel comprised of company representatives and experts on theory and practice deliberated with regard to the 36 submissions that qualified for consideration in 2014.

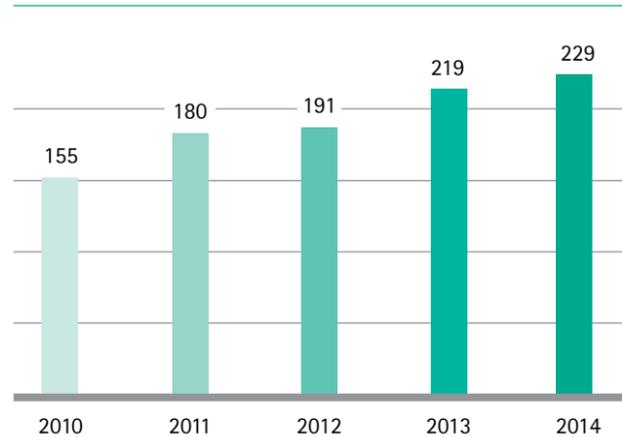
In the category of "Best Product Design," the panel was won over by the team responsible for the B. Braun-Cyto-Set®, which serves to prepare and administer cytostatic drugs in chemotherapy. Cytostatic drugs are the chemotherapy substances that diminish unwanted cell growth in tumors.

Users have requested that Cyto-Set® should be intuitively usable so that, even in a clinic's hectic everyday routine, the risk of contamination through improper use can be excluded as much as possible. The basic requirement for chemotherapy continues to be user safety. Cytostatic agents can cause stress cracks in infusion sets that, in extreme cases, can result in chemical contamination. Accordingly, the product should be designed in such a way leaks cannot arise.

The product now premiering is a true innovation that improves the safety of patients and users while strengthening the competitiveness of B. Braun. The B. Braun Innovation Award was also granted in the categories of "Best Sharing Expertise," "Product & Service," "Best Costs and Process Innovation" and "Technological Award for Outstanding New Technologies."



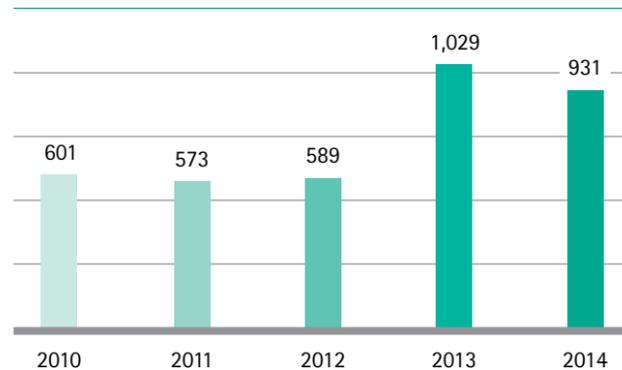
Research and development expenses in million euros



Investments

To us, sustainable corporate development includes investing in new production and locations in an effort to stay competitive. We invested over three billion euros in the years 2010 to 2014 (see diagram), and we plan to invest another four billion euros through 2020. Our biggest projects include expansion of our Penang site in Malaysia, and the modernization of our Tuttlingen (Germany) site, as well as the acquisition of dialysis centers in Germany, Russia, Colombia and the Netherlands, will also ensure the sustainable development of the relevant B. Braun business units.

Investments in property, plant and equipment, intangible assets and financial investments, including business acquisitions in million euros



SUPPLIER MANAGEMENT

B. Braun has a competitive network of suppliers that is balanced globally while maintaining local roots. In many cases, this network is built on longstanding relationships and trust. Our procurement reflects our brand values: innovation, efficiency and sustainability. Procurement strategies, processes and guidelines are constantly optimized and are characterized by mutual trust and open communication. "Sharing expertise" in purchasing means maintaining a dialogue with our cooperating suppliers.

Our goal is to strengthen the economies of the regions in which we operate through our choice of suppliers. For this reason, we purchase goods and services directly from the respective region, whenever possible. This practice strengthens the regional economy, creates vital networks in close proximity to our locations and cuts down on shipping and supply routes.

In the seven countries where our purchasing volume is the highest, which together account for more than 80 percent of our total purchasing volume, the majority of our purchases are made in the country where production takes place (see table). While about 50 percent of purchasing volume in Switzerland stays

Share of national purchasing volume per country, as a percentage

Germany	77.1
Malaysia	72.3
US	93.1
Spain	72.0
France	73.6
Brazil	79.5
Switzerland	53.8

in the country, due to its size, this number is well over 70 percent in most other countries, and over 90 percent in the US. In the coming years, we plan to compile this data on a regional level as well and make our supplier policy even more transparent.

As manufacturers of medical devices and pharmaceuticals, we are subject to strict regulations that often prohibit the use of secondary raw materials. We use eco-friendly solutions for packaging whenever possible. For example, B. Braun uses cartons that are made of 85 percent recycled paper. Given the large quantity of packaging material, this represents a major contri-

Consumption of packaging material and raw materials

Packaging	2013	2014
Paper (in millions of running meters)	90	91
Corrugated cardboard cartons (in millions of units)	91	95
Film (in millions of running meters)	120	125

Raw materials in tons (t)	2013	2014
Granulate		
Styrol copolymerisate (PS, SB, ABS)	8,900	9,500
Polyvinyl chloride (PVC)	5,500	6,000
Polyolefins (PE, PP)	34,000	35,000
Chemicals		
Salt	19,000	20,000
Amino acids	740	750
Sugar	5,800	6,000
Metals	2,800	2,900

bution towards protecting the environment. Consumption of materials remained nearly constant in 2013 and 2014 (see tables).

ETHICAL MANAGEMENT

Human rights

Cultivating relationships built on trust with business partners, patients, employees and the local communities in which the company operates is of great importance for B. Braun and ensures compliance through internal rules and controls. But compliance means more than just adhering to legal requirements. It also means practicing ethical values like integrity, fairness and sustainability, both internally and externally.

With our products and services, we are committed to protecting and improving human health, and out of this commitment comes an obligation to take responsibility for our employees as well. For this reason, B. Braun has committed itself to global compliance with the core labor standards of the International Labour Organization (ILO) for the maintenance of humane working conditions. We guarantee good working conditions, as well as freedom of association and negotiating freedom, and we reject child labor and all forms of forced labor. We have taken extensive precautions in order to make this promise transparent. For example, we are seeking certification in accordance with SA 8000, a standard issued by Social Accountability International (SAI), a non-governmental organization, with the goal of improving employees' working conditions. This is supplemented by internal measures and controls.

Free competition

Our business results are achieved through fair and lawful conduct, in free competition. We rely on the power of our products and services to win over customers, and we therefore absolutely reject any attempt to influence the market by unfair and anti-competitive means. Violations of competition law are not tolerated under any circumstances, →

COMPLIANCE

48 Contact Persons for Clear Rules



Compliance is not an empty word at B. Braun. It is monitored by a network of compliance officers, who are available to our employees to provide advice and assist in decision-making. On the company intranet, employees will find the Code of Conduct and will be able to see at a glance which compliance officer in their region is available to provide further assistance if the case requires special consultation. The network of compliance officers extends over all continents and currently includes 48 employees.

regardless of the criminal penalties that may be imposed in individual cases. These violations particularly include price-fixing arrangements and the division of market segments or customers by companies on the same level of trade. Unfair competitive arrangements, bribery, insider trading, fraud and money laundering are not tolerated and are actively combated by B. Braun. Anti-competitive conduct is

particularly harmful in the health care sector, since it means that patients will not be getting the product quality that free competition would enable. Moreover, such misconduct increases the overall cost of health care.

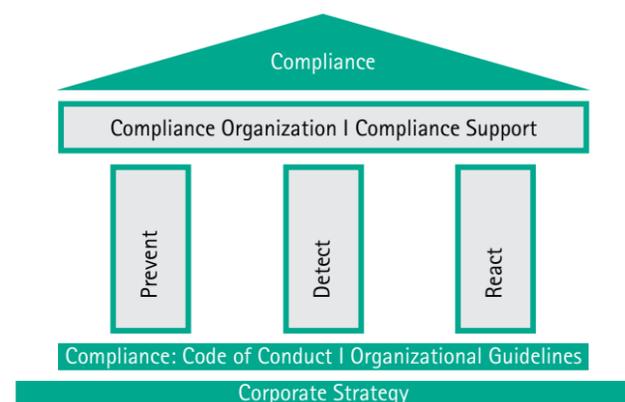
Compliance organization

B. Braun introduced a global compliance management system in 2011. The Code of Conduct, which applies globally, is a key component of this system (see diagram below).

The compliance management system applies for all B. Braun Group companies and all companies that are majority-owned by B. Braun Melsungen AG, directly or indirectly, domestically and abroad. The companies are responsible for ensuring that compliance requirements are adopted and implemented in a legally valid fashion, in accordance with the applicable rules. Local compliance officers report on the implementation and optimization of these requirements to the Group Compliance Office (see diagram on the right).

House of Compliance

The B. Braun compliance management system



Code of Conduct

In order to ensure ethical conduct in the company, every employee is required to adhere to ten principles

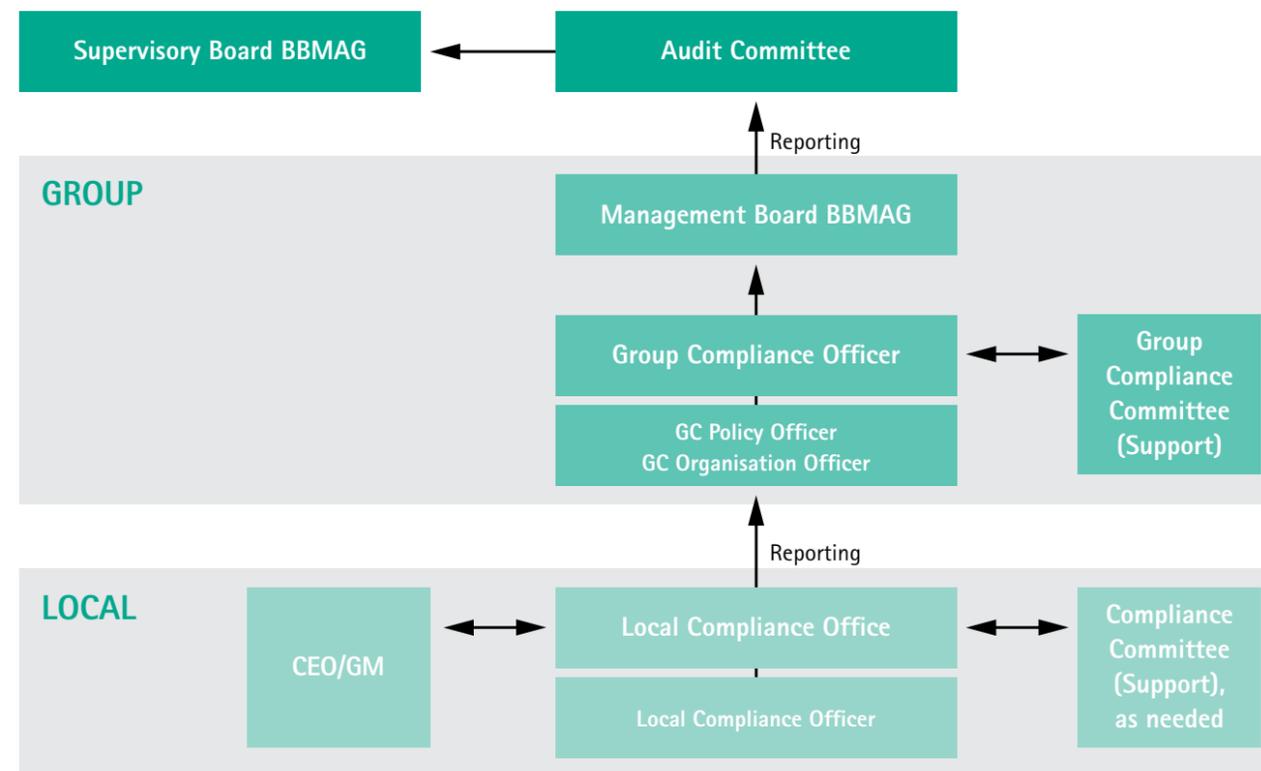
that are defined in a Code of Conduct. This Code of Conduct applies for all areas of the company and all hierarchical levels. We have committed to the following principles:

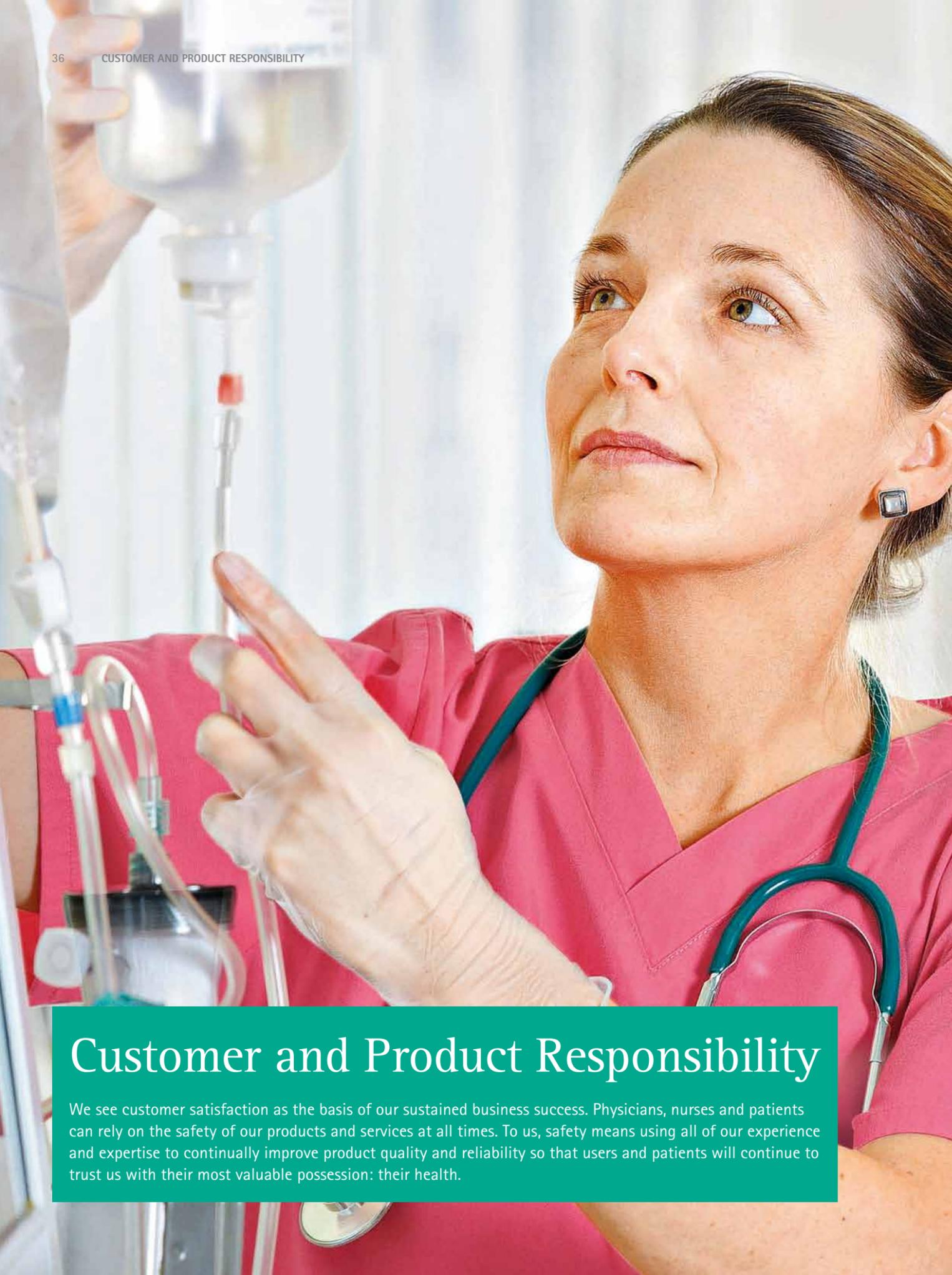
- The personal interests of employees may not come into conflict with the interests of the company.
- Our employees protect our company's business secrets by maintaining confidentiality. Business partners are also required to maintain confidentiality if we disclose business secrets to them.
- Our employees agree to meet the highest standards in our global business activities. They do not confer or accept any unlawful and unjustified benefits.
- B. Braun achieves success in business through outstanding performance and through fair and

ethical competitive practices, not through unethical or illegal business practices. This includes compliance with all national and international export and embargo rules.

In addition to broad communication of the guidelines, more than 1,200 B. Braun employees in Germany have received specific training through instructor-led events and through virtual platforms. The concept includes referring employees to a specific contact person for consultations (see box on the left).

Compliance organization





Customer and Product Responsibility

We see customer satisfaction as the basis of our sustained business success. Physicians, nurses and patients can rely on the safety of our products and services at all times. To us, safety means using all of our experience and expertise to continually improve product quality and reliability so that users and patients will continue to trust us with their most valuable possession: their health.

CUSTOMER SAFETY

We develop, manufacture and distribute high-quality, safe and reliable products and services. Our actions are directed towards the safety of patients and medical professionals: B. Braun's therapy systems are designed to help medical professionals treat their patients in a medically flawless manner, and with maximum efficiency and minimum risk.

As a result, our products meet the highest quality standards and satisfy all statutory and official requirements, as well as our internal safety and quality requirements. Each B. Braun company ensures that national and international quality assurance requirements are implemented and that all complaints are received and addressed in a timely manner. We comply with our product surveillance obligations fully and thoroughly.

In line with our "sharing expertise" philosophy, new B. Braun products are developed together with customers in order to enable optimal use in clinical practice. In addition to the therapeutic benefit of its products, B. Braun attaches great value to user-friendliness and user safety. Even during the development stage, the use of substances and materials that are hazardous to human health and/or harmful to the environment is subjected to critical scrutiny in the form of risk analyses, and risks are eliminated or minimized whenever possible.

Because of its broad line of products, B. Braun is positioned to cover entire treatment areas and processes, which results in reduced potential risks in the process of use. For example, if an infusion device is not used properly, there is a risk that air will escape through the tube into the patient's body and cause an air embolism. But since the Intrafix® SafeSet infusion system came on the market about ten years ago, nursing staff don't have to worry about that any more thanks to the AirStop membrane, which stops the infusion when the fluid container is empty. In addition, the PrimeStop membrane prevents contamina-

tion from the possible leakage of fluid when the container is being filled. The Intrafix® SafeSet is the standard today and is used every day in hospitals all over the world. B. Braun also offers training on the execution of infusion treatments through Aesculap Academy (see box, p. 39).

The design and functionalities of our products improve the safety of users as well as patients. For example, we offer IV catheters with a safety shield that covers the needle tip after use in order to safely avoid needlestick injuries to the medical staff. This prevents infection with infectious pathogens like HIV or hepatitis. The Venofix® Safety IV needle received the highly-regarded German Design Award in 2014.

Hygiene in hospitals is a growing area of focus, since every year, thousands of patients all over the world die of infections with multi-drug-resistant organisms (MDROs). Especially after surgical procedures, such as hip replacements, there is a risk that germs will penetrate the wound and become attached to the artificial limb. This can be prevented by screenings prior to the operation, so that possible germs can be detected early on. Washing patients with Prontoderm® before the procedure in order to remove MDRO colonies from their skin and mucous membranes can also prevent infections. For bedridden patients with urinary tract disorders, the use of permanent catheters may result in infections if bacteria get into the body through the catheter as a result of inadequate hygiene. B. Braun's Actreen® products feature customized systems with "no touch" techniques, in which the sterile catheter is surrounded by a protective sheet to protect it from direct contact with the hands.

Patient safety plays a big role in dialysis as well. The company offers a broad range of innovative dialysis systems for full and safe treatment, treating around 24,000 patients in over 300 dialysis centers worldwide. In order to prevent infections, our centers enforce strict hygiene requirements, including precise documentation of all treatments. We have developed an online-based reporting system for quality assurance



that all centers are linked to. Every side effect, and every medically relevant incident during and after dialysis, is precisely documented and evaluated by medical professionals.

DATA PROTECTION

We protect the data of our customers, patients, employees and applicants from unauthorized access by third parties, handling this data with care and in accordance with the applicable rules. We take special precautionary measures to protect personal data. For example, our headquarters in Melsungen has a data

protection unit that is led by our data protection officer, who is assisted by data protection coordinators to help ensure data security and compliance with applicable laws and internal guidelines.

The data protection team also organizes routine employee training sessions, provides advice in connection with the drafting of contracts and marketing activities, for example, and offers extensive information on data protection. A total of 46 data protection experts and coordinators are at work in 29 German companies, exchanging information about recent developments in the field of data protection at routinely held workshops.

RECALL OF NUTRIFLEX®

Maintaining Customers' Trust Through Transparency

In September 2011, in the course of routine quality checks on retention samples, we found a problem with what was then a new product of ours, NuTRIflex® Omega. The various NuTRIflex® three-chamber bags contained different nutrients for parenteral nutrition. The solutions contained in the plastic bags provide patients with nutrients intravenously and are sold ready-to-use. There was a possibility that after extended storage of NuTRIflex® Omega bags, microparticles had accumulated in the solution.

In consultation with the regulatory authorities, we organized a recall campaign between September 2011 and February 2012 that was unique in the history of B. Braun, encompassing 65 countries. To ensure that our customers were cared for during this time, we supplied alternative products, which we purchased from other vendors where necessary. Investigations were immediately launched, and these revealed that the dissolved microparticles came from a synthetic byproduct of a plastic granulate delivered by a supplier, from

which the NuTRIflex® Omega bags were made.

The particles were not toxic, but their concentration was above the officially approved limits. For this reason, the voluntary recall campaign was important, demonstrating that the internal quality controls at B. Braun were functioning properly. After the necessary changes were made to the production process, NuTRIflex® once again became available worldwide. B. Braun made the entire recall process transparent for its customers and provided active support in order to ensure that patients received the proper care at all times. As a result, our customers continue to trust NuTRIflex® products for clinical nutrition.



INJURY PREVENTION IN INFUSION THERAPY

Greater Safety for Nursing Staff in the Philippines



“Advanced Care” is the name of our approach aimed at achieving greater safety in the healthcare sector. Needlestick injuries are among the greatest risks faced by medical staff in infusion therapy and in healthcare in general. With this in mind, reducing the number of sharps injuries is a goal that B. Braun pursues on various levels, including through training activities. At our Aesculap Academies in over 40 countries, we provide nursing staff with optimum preparation for using various products, including disposable medical products such as the Braunula. “Intravenous Therapy Updates,” for example, is the name of one of the courses regularly offered by the Aesculap Academy in Manila, Philippines.

Many accidents still take place when replacing the protective cap on used cannulae. “Of course, the risk lies not in the injury itself, but in the possibility of transmitting infections such as HIV or hepatitis B and C,” says Dr. Maria Buhat, President of the Association of Nursing Service Administrators of the Philippines (ANSAP), our partner in offering the seminars on safety in infusion therapy. During these events, she gives theoretical and practical instructions, for example on how to avoid contamination with particles due to improper handling of glass ampoules, or on safe administration of cytostatics in chemotherapy.

PRODUCT AND SERVICE SAFETY

B. Braun manufactures primarily single-use products in large quantities. Statistically speaking, a B. Braun infusion solution is used to treat a patient somewhere in the world 20 times every second. We have the largest and most advanced factory for infusion solutions in Europe today. In Melsungen, 250 million Ecoflac®plus containers leave the LIFE production site every year.

The development, production and market surveillance of our medicinal products and medical devices conform to international material and product standards, as well as standards for quality assurance systems, environmental protection and worker safety. At B. Braun, these standards are incorporated into an “integrated management system” (quality, environmental protection, occupational safety) with harmonized processes for development, production, testing and market surveillance. This web-based internal and globally accessible system ensures that all sites in the B. Braun production network operate in accordance with the same principles, in such a way as to meet regulatory requirements in our target markets. Constant risk management ensures that all relevant information is collected and evaluated, and that action is taken when necessary.

If, despite all of these preventive measures, there are still problems with our products or services, we can quickly respond to customer complaints. A centralized complaint database ensures a link with our global distribution organization. As a result, a qualified and medically sound assessment of the circumstances of the case can be made by experts in centralized fashion, regardless of the production site, and the appropriate action can be taken if necessary. This allows us to send out a rapid response to the customer, notify the authorities or take further measures in the market. In 2011 and 2012, we voluntarily recalled NuTRIflex® three-chamber bags in more than 50 countries because it was suspected that microparticles were forming in the nutritional solution after extended storage (see box on the left).





Environmental Responsibility

As a manufacturer, we are aware that our activities use up natural resources, and we work to conserve those resources as much as possible. This begins with the construction of production sites and the procurement of raw materials and continues with low-emission energy use, responsible water usage, efficient logistical processes and the recycling of used products.

ENERGY AND ENVIRONMENTAL MANAGEMENT

Responsible handling of resources and protection of the environment are tasks that require a joint commitment from all players in society. As a global company, B. Braun takes this responsibility seriously, because its production processes and other operations affect the environment, e.g. through the use of water in the manufacturing of our products, the release of harmful emissions, the consumption of materials and through waste that is created in the course of production and operation.

Wherever possible, B. Braun conserves resources, implements alternative and renewable concepts and performs construction in such a way as to protect the environment. We analyze all company value-added processes for their environmental impact and take measures to optimize them where necessary. This often results in lower purchasing costs, higher energy efficiency and less waste.

Environmental experts work with production managers at all our locations to develop goals for achieving lasting improvements in environmental performance. Sites in numerous countries have already been certified in accordance with well-known environmental and energy management systems (see table), and other sites will follow in the coming years.

Especially with regard to the production of single-use products, environmental aspects play a key role from the development stage on. For example, several stoma care products have been subjected to a life cycle analysis. Here, several criteria are used to examine the ecological impact of each product, from production to disposal. The analysis examines the impact on the climate, the consumption of fossil fuels and pollution,

PHOTO: P. 40: HAMILTON/REXUSAIF

Certifications in energy and environmental management

Country	ISO 50001	ISO 14001	EMAS III
Germany	▪	▪	
Spain		▪	▪
France		▪	▪
Russia		▪	
United Kingdom		▪	
Switzerland	▪	▪	
Austria		▪	▪

i.e. the hazardous substances that are released over the product's life cycle.

WATER AND SEWAGE

In our production facilities we are constantly working to meet strict hygiene requirements while using as little water as possible. Our goal is to limit the use of fresh water in proportion to production volume, e.g. in the production of infusion solutions, by using new technologies.

We also use heat exchangers in production to enable use of the heat that is stored in sewage for other purposes. This effectively reduces the need to produce additional thermal energy.

Water and sewage use has been trending slightly up over the past three years (see tables, p. 42). This is attributable to an increase in production in recent years. →

ENERGY AND WATER USE IN DIALYSIS

B. Braun Avitum Relies on High-Efficiency Technology in the Czech Republic and Slovakia



Chronic dialysis treatments take several hours and require that several hundred liters of water be treated via reverse osmosis, sterilized and heated to human body temperature. Additionally, consumables containing residuals from patient's blood have to be disposed of as clinical waste.

B. Braun Avitum in the Czech Republic and Slovakia has tackled the ecological challenge connected with that process through fundamental efforts to modernize and re-equip its 34 dialysis centers. All of the dialysis centers have received certification from TÜV SÜD for the ISO 14001, ISO 9001 and IEC/TR 62653 "Good Dialysis Practice" standards.

To accomplish this, the Czech and Slovak B. Braun Avitum dialysis centers were equipped with heat recovery technology as part of an energy overhaul, and the new B. Braun plant equipment and systems have dramatically reduced power and water use. The amount of clinical waste generated per dialysis treatment has been reduced from 1.8 to 1.2 kilograms, reducing the environmental impact of hemodialysis by one third. Each year, B. Braun Avitum sets goals for reducing the environmental impact of dialysis. There are already plans for further modernization activities in other countries including Germany and Hungary.

Water consumption and sewage in cubic meters (m³)

Water used	2012	2013	2014
Germany	1,039,635	1,042,756	1,082,948
US*	1,581,166	1,899,677	2,148,738

* Production sites: Allentown and Irvine

Sewage produced	2012	2013	2014
Germany	706,500	713,852	765,417
US*	800,589	897,651	945,607

* Production sites: Allentown and Irvine

In the coming years, we plan to furnish more precise data as to the development of our resource consumption through consumption data that establishes a relationship between resource consumption and other key figures.

ENERGY AND EMISSIONS

We are working to use energy more efficiently and reduce emissions that harm the environment. In recent years, B. Braun has increasingly implemented energy management systems in accordance with the ISO 50001 standard in order to more precisely track energy consumption at its various sites and take advantage of ways to conserve energy (see tables, p. 44).

Sometimes it's the little things that make a big difference. For example, ultrasound equipment is used to systematically identify leaks in compressed air lines. This allows us to reduce the loss of compressed air and

conserve energy. Our continuous efforts to optimize the energy efficiency of existing equipment demonstrate that eco-friendly production and profitability are not mutually exclusive, but rather complement each other.

This conviction is also reflected in many of the big projects that B. Braun has executed in recent years. This includes the construction of a logistics center in Austria whose operation is nearly carbon-neutral (see box below). At our Berlin site, we have erected one of

SUSTAINABLE LOGISTICS CENTER FOR B. BRAUN AUSTRIA

Logistics Partnership Cuts Emissions

Our plant at the Maria Enzersdorf site near Vienna operates in an eco-friendly manner. 3,000 square meters of the old building were carried away in 2011 and replaced with a sustainable logistics center that is heated and cooled via a renewable biomass wood-chip facility, in nearly carbon-neutral fashion and without the use of fossil fuels. Additional renewable energy comes from geothermal probes and solar panels. In this way, B. Braun has been able to reduce costs by almost 26 percent relative to conventional fuel sources. More advanced technologies like LED lighting also help in this regard. As a result, lighting quality is higher relative to the metal-halide lamps that were previously used, supplying workstations with natural light.

The conversion of the logistics center was also undertaken considering sustainable logistics. B. Braun Austria has been collaborating with Paul Hartmann since 2012. Both companies had similar supply routes, but their products could not be any more different: while B. Braun products have little volume but a lot of weight, Hartmann products take up a lot of space but are very light, making it difficult to perform deliveries in an eco-friendly manner. By combining runs and optimizing supply routes, it is possible to send fewer



and better-equipped trucks out to customers, and to effectively cut emissions.

Energy consumption in megawatt hours (MWh)

Energy consumption (non-renewable energy)				
		2012	2013	2014
Germany	Oil	69,642	55,609	11,929
	Gas	229,533	241,769	262,577
	Electricity	132,432	125,271	133,135
US*	Oil	13	22	22
	Gas	2,357	2,166	2,472
	Electricity	81,368	76,512	80,877
France**	Oil	3,800	3,337	3,524
	Gas	9,749	10,958	9,175
	Electricity	13,718	14,273	12,617

* Production sites: Allentown and Irvine

** Sites: Boulogne, Ludres, Chasseneuil, Nogent

Greenhouse gas and air emissions in tons (t)

Greenhouse gas emissions (from fossil fuels)				
		2012	2013	2014
Germany	CO ₂	64,013	62,812	55,617
	NO _x	74.03	72.15	62.47
US*	CO ₂	475	439	500
	NO _x	0.53	0.49	0.56
France**	CO ₂	2,938	3,059	2,751
	NO _x	3.42	3.54	3.20

* Production sites: Allentown and Irvine

** Sites: Boulogne, Ludres, Chasseneuil, Nogent

Energy consumption (renewable energy)

Electricity	2012	2013	2014
Germany	59,025	60,266	69,508
US*	4,311	4,963	5,811

Air emissions

CO	2012	2013	2014
Germany	20.25	20.09	18.43
US*	0.16	0.15	0.17
France**	0.92	0.97	0.86

the first industrial buildings in the medical technology industry to be certified for eco-friendly construction under the LEED model (see "In view," p. 4). Moreover, our dialysis centers worldwide enforce requirements for environmental management with a view towards conserving resources (see box, p. 42).

B. Braun is also blazing new trails in the field of energy supply. A biomass power plant at the Melsungen site generates enough clean energy to satisfy the energy requirements of 10,000 households (see box). This example demonstrates how two of B. Braun's sustainability goals can be combined: eco-friendly production and support for the local economy.

In both the US and in Germany, we have been able to increase our use of renewable energy as a percentage of overall energy consumption. The renewable energy share in Germany was 31 percent in 2012, but increased to 34 percent in 2014. This trend was associated with a reduction in harmful emissions. The switch from oil to gas as the energy source at some locations also contributed to a reduction in emissions. In addition, combined heat and power plants have been commissioned in Tuttlingen and Bad Arolsen.

WASTE

On the subject of waste as well, environmental and economic goals can be reconciled: the more waste that is recycled, the fewer new raw materials need to be added to the production process. That's good for the environment and can reduce costs as well. A distinction is made in waste management between resource recovery, also called recycling, and energy recovery. In resource recovery, used materials are added back into the production cycle. At B. Braun, this involves →

BIOMASS POWER PLANT IN MELSUNGEN

Really Picking up Steam



As of 2014, B. Braun's energy needs in Melsungen are supplied by a state-of-the-art biomass-fueled combined heat and power plant with a thermal capacity of 21 megawatts. All of the thermal energy – process steam and district heating – goes to B. Braun. The steam is used for the production of infusion solutions at the LIFE plant, particularly for sterilization. The clean power which is generated through the combined heat and power generation process is fed directly into the public grid, supplying around 10,000 households in the region with eco-friendly energy.

The biomass plant is one of the projects undertaken by B. Braun to improve energy efficiency. It is fired exclusively by raw materials from the region, such as the crowns of felled trees and landscaping materials. When untreated wood is used as fuel, it releases only as much carbon dioxide that becomes attached to it from the surrounding air over the course of its growth. In this way, carbon emissions can be reduced by around 30,000 tons a year relative to the use of fossil fuels. Biomass power plants are among the most eco-friendly methods of energy production there are.

During the 15 months it took to build the power plant, a great deal of the construction work was contracted out to companies in the region, and all of the equipment was supplied by Viessmann, a family-owned company. Planning and operation of the facility will be undertaken by Prolignis, a company based in Ingolstadt specializing in biomass power plants.

LANDFILL-FREE INITIATIVE IN THE USA

Recycling Instead of Landfill



What started in 2013 as a project in Allentown, Pennsylvania, last year turned into a stated objective for many plants of B. Braun USA: no waste from industrial processes should, as far as possible, be disposed of in landfills. All plants in Pennsylvania and our plant in Irvine, California, can achieve this ambitious goal already in 2014, and other plants will follow the good example.

The term “landfill-free” means that only production waste that is not suitable for further use, for recycling or energy production, is stored in landfills. To achieve the “landfill-free” status, at least 99 per cent of the waste must be reused.

The initiative is part of B. Braun’s sustainable development strategy and helps us to achieve our environmental protection objectives. In 2014 alone, we recycled 5,600 metric tons of waste for use in the generation of renewable energy. This reduced approximately 12,100 metric tons of harmful carbon dioxide from entering Earth’s atmosphere in 2014.

both materials that are discarded in the production process and recycled single-use articles that, due to their forward-looking product design, can be reused as top-quality materials.

In the case of energy recovery, waste with a high energy content is incinerated and the energy that is released can then be used as electrical energy, heat or process steam.

The goal of B. Braun is to use as much as possible of its waste for one of the two recovery methods described above. In the year 2014, 3,010 tons of hazardous waste

Waste in Germany in tons per year (t/a)

Hazardous waste			
	2012	2013	2014
Resource recovery	1,162	977	1,018
Energy recovery	1,228	1,416	1,662
Disposal	546	439	330
Total	2,935	2,832	3,010

Non-hazardous waste			
	2012	2013	2014
Resource recovery	12,914	11,926	12,351
Energy recovery	5,294	5,539	3,952
Disposal	1,845	1,620	419
Total	20,053	19,085	16,722

was created at all of the company’s production sites in Germany, as well as 16,722 tons of non-hazardous waste. Almost 90 percent of the hazardous waste was recovered for further use, which represents an increase of about eight percent over 2012. For non-hazardous waste, the recycling rate was actually 97.5 percent. Here as well, the company registered an improvement over the 91 percent posted in the year 2012 (see tables, p. 46)

B. Braun has executed a pilot project in France in which the waste created after use of the Ecoflac® infusion bag was sorted and reused. We are currently examining the extent to which the experiences from this project can be incorporated into a comprehensive recycling system. In the US, we have launched the “Landfill-free USA” initiative, with the goal of recovering all waste for further use (see box on the left).

LOGISTICS

The goal of our logistical activities is to use energy and raw materials efficiently and keep emissions to a minimum. For example, recycling cartons reduces the company’s annual need for packaging. Recycled paper and foil compactors are also used at the Melsungen site and this reduction in volume decreases the number of required disposal shipments.

At our logistics sites, we exclusively use electrical industrial trucks, which best meet our requirements for safety and usability in shift operation in an intra-logistical environment. New technologies like lithium ion batteries are tested and put to use in areas where improvements in energy efficiency can be achieved.

The consistent implementation of a “lean logistics” philosophy also results in the conservation of resources. The core issues in this regard are efficiently redesigning existing processes by introducing constant improvements and optimizations.

Keeping shipping routes to a minimum while optimizing cargo space and using energy-efficient equipment is the standard for eco-friendly logistics. We pass on these standards to our service providers in corresponding requirement profiles.

The distribution of B. Braun products within Germany takes place primarily via decentralized shipping centers. On the initiative of B. Braun, return shipments from our shipping centers are being increasingly combined with some of our procurement shipments so that we can avoid empty truck movements, which are harmful for the environment.

In a survey on the subject of sustainability, all national haulers used by the company indicated their willingness to engage in eco-friendly practices alongside the whole supply chain, in addition to using only vehicles that meet or exceed the EURO 5 exhaust standard. Expressions of these activities include the definition of environmental protection goals, reductions in carbon emissions, use of the latest propulsion technologies and adherence to environmental management systems. ←

Responsibility for Our Employees

Our working environment is shaped by trust, transparency and respect. We value our employees as key to B. Braun's success. We are proud that many of our employees have been with the company for a long time and we do what we can to support them in various life situations, such as with flexible work options, attractive opportunities for development and a forward-looking pension system.

B. Braun's employees are a critical factor to its success. The company's working environment is characterized by trust, transparency and respect. This also finds expression in our understanding of leadership, which we have formulated in the form of global rules. Consistent with our corporate philosophy, „sharing expertise," we are convinced that knowledge grows through interpersonal exchanges. This conviction is reflected in the way our employees and senior managers work together.

Our employees develop their strengths accordingly, aided by a system that encourages and challenges them, and creating a working environment that motivates employees to perform their best. This system is based on the expression of mutual respect and recognition of the achievements of each and every employee. Senior managers have the task of conveying the values and mission of B. Braun, translating guidelines into concrete action and implementing the corporate strategy.

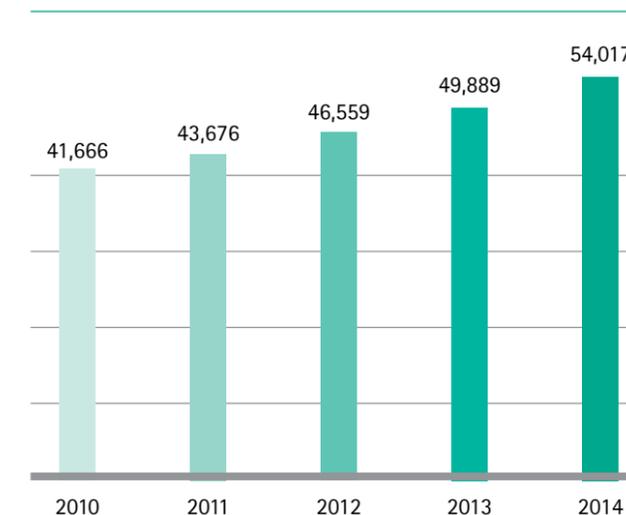
EMPLOYEES

The number of employees at B. Braun has increased steadily in recent years (see diagram). As of December 31, 2014, B. Braun had 54,017 employees in 62 countries, up 8.3 percent from the year before. This growth is attributable above all to the steady expansion of production capacity and acquisitions. In July 2015, the number of employees crossed the 55,000 mark for the first time.

The number of employees in Germany has risen by 7.0 percent, to 13,616 (prior year: 12,726). This growth is particularly attributable to the addition of new personnel in production and the acquisition of more dialysis centers (see table on the right).

The number of employees in Europe is up 8.3 percent, to 15,966 (prior year: 14,740; see diagram, p. 50). The main reasons for this growth were the expansion and

Change in number of employees

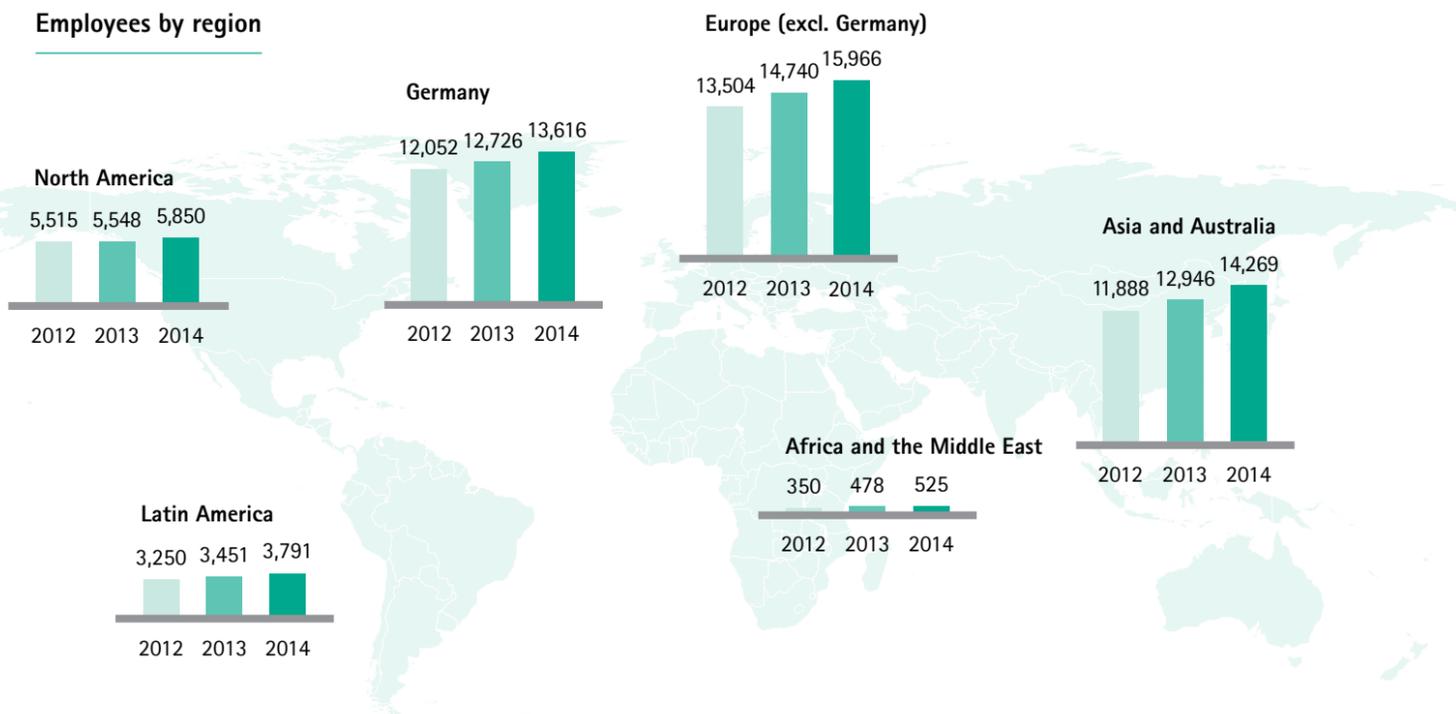


acquisition of dialysis centers in Russia and the hiring of employees at production plants in Spain, Hungary, Poland, Switzerland and the Czech Republic. The expansion of production capacity at the Penang site in Malaysia and the opening of a new production site in China were responsible for an increase in the number of employees in the Asia and Australia region. The number of employees has risen by 10.2 percent, to 14,269 (prior year: 12,946). →

New hires in Germany

	2013	2014
Under 30	270	352
30 to 50	262	394
Over 50	32	47
Total	564	793
Of which male	344	528
Of which female	220	265

Employees by region



In North America, 5,850 employees were working for B. Braun as of the end of the reporting year (prior year: 5,548). This represents an increase of 5.4 percent in the number of employees relative to 2013. This growth is due in part to the increase in production capacity of medical equipment. The number of employees in Latin America was up by 9.9 percent, to 3,791 (prior year: 3,451), largely due to the increase in production capacity in Brazil, Peru and Mexico. The number of employees in Africa and the Middle East was up to 525 prior year: 478), an increase of 9.8 percent from the year before.

WORK AND FAMILY

Work and family are two major pillars in any person's life. As a family business, B. Braun seeks to help its employees balance their work and their family life.

Moreover, a family-friendly HR policy is becoming an increasingly important factor in the competition for talented candidates, especially in view of the demographic trend and the resulting shortage of skilled workers.

A large number of flexible working time measures and models allow B. Braun employees to meet their family obligations while at the same time pursuing their careers. Employees can choose among 20 part-time models. A family-friendly HR policy has been developed, with the motto "B. Braun for Family" that offers employees an attractive and flexible environment. It was also for this reason that B. Braun introduced its "family part-time model" in 2007, to enable employees to provide child care or to care for sick relatives (see box and table on p. 51 and box on p. 52).

Work/family balance in Germany

	2013	2014
Parental leave		
Men	154	186
Women	240	271
Parental leave overall	394	457
Family part-time (children)		
Men	41	54
Women	233	306
Family part-time (nursing)		
Men	2	2
Women	15	22
Family part-time overall	291	384

DIVERSITY

Diversity and equal opportunity are part of our global philosophy, as well as being elements in the worldwide success of B. Braun. Accordingly, we offer equal opportunities for hiring and promotion to all persons as part of our employee development program. A respectful and trusting atmosphere creates a working environment where good ideas can emerge and thrive.

We respect diversity in all business and employee-related decisions and we avoid unequal treatment based on race, age, ethnicity, gender, religion or world view, disability, sexual identity or any other of the criteria protected by law.

Diversity and equal opportunity are the basis of our talent management. We develop new entrants and high-performers alike by offering challenges and →

FAMILY PART-TIME IN GERMANY

B. Braun Supports Families



For many B. Braun employees, work and family are two major pillars in their lives. It's not always easy to reconcile the two, because each area of life requires attention and, above all, time. That's why, as of 2007, B. Braun has been offering all employees the option of family part-time, which allows them to combine both areas of their life.

Under this program, B. Braun employees have the option of working part-time when raising their children or caring for severely ill family members. To qualify for the program, employees must have been permanently employed in Germany for at least two years and they must return to work no later than one year after their maternity leave ends.

On their first time taking advantage of this option, or caring for a family member, employees received a bonus of 15 percent on their salary with a part-time ratio of 50 percent. When taking advantage of the program a second time, the bonus is increased to 25 percent and is extended for up to eight years in all, even for fathers.

In this way, family part-time allows employees to continue their professional development while at the same time having enough time to raise their children or care for sick family members.

the opportunity for growth. We aim to fill open positions with in-house replacements, which allows employees to advance their careers by taking on more responsibility. Our development process, which applies for all units and countries, facilitates the transfer of knowledge and therefore contributes to sustainable growth. Although our talent management system focuses on employees with high potential, it keeps in mind external applicants as well. The target group ranges from trainees to experienced managers internally, and from interns to sought-after experts externally.

B. Braun promotes the transfer of knowledge between locations with the international exchange of employees.

Targeted development, the opportunity to take part in international projects and the rotation of specialists and executives contribute decisively to B. Braun Group's ability to innovate.

Around 200 international assignments were coordinated and managed in 2014 based on the global rules for foreign assignments. The primary destinations were Malaysia, Germany, China and Vietnam. Our foreign assignment rules ensure harmonized standards and equal treatment of all employees sent abroad.

Practicing diversity also means preventing unequal treatment based on gender. Fair pay for men and

WORK LIFE BALANCE AT B. BRAUN FRANCE

Family Bliss Times Three

Céline Daval-Issad joined B. Braun France in 2006 as a Sales Representative and is now Regional Account Manager for the Southeast region. In recent years she has occupied three positions for B. Braun and had two children. "The trust that has been placed in the quality of my work has done a lot to help me find a balance that works for me between those two areas of my life. I'm pregnant again and I'm expecting my third child with absolute confidence," reports Céline Daval-Issad. For her, this means professional success and even more family bliss. For B. Braun France, she is a big win with even more potential.

Lifestyles like those of Céline Daval-Issad confirm to us that the ability to reconcile work and family and the placing of men and women on equal footing are key components of our company's success. At B. Braun France, employees with children who decide to work part-time receive a bonus added to their salary until their children attend high school. Female employees on



shift duty can request to be taken off the night shift for half a year after the birth of their child so as to enable them to better care for their children.

women is a key aspect in ensuring equal rights and a good working atmosphere. Existing collective bargaining agreements state that compensation must be based on the employee's work and qualifications, so that differences in pay between men and women are excluded. The percentage of women in leadership positions in Germany is currently 11 percent for top-level management positions and 13 percent in second-level management. The seven-member management board includes one female executive (see table) and the 16-member supervisory board includes three women.

Women in leadership positions in Germany*

	Top-level management 1	Top-level management 2
Total	36	38
Of which women	4 (11%)	5 (13%)

* Date: 30 June 2015

Employment by gender, in percent

	Percentage of women in total number of employees	Percentage of men in total number of employees
Germany	37	63
Malaysia	62	38
Spain	52	48
France	61	39
Brazil	47	53
Hungary	75	25
Switzerland	37	63

The number of handicapped employees in Germany in 2014 remained at the prior-year level (see table). B. Braun easily exceeds the rate of 5.0 percent that is required in accordance with Book Nine of the Social Code. In addition, B. Braun awarded a total of 2.7 million euros in contracts to various sheltered workshops in 2013 and 2014.

Number of employees with disabilities in Germany

	2013	2014
Total	682	710

TRAINING

B. Braun has been engaged in training for many years, raising the number of available training positions every year and designing state-of-the-art training concepts. It is a key component of the company's HR strategy, especially in light of demographic changes. Training at B. Braun means allowing trainees to take on responsibility in performing exciting tasks on their own for an international company in an innovative environment, promising opportunities for professional development in a forward-looking working environment and competent supervision by a training team that, together with partners, creates incentives and promotes individual skills, in addition to team spirit and hard work.

A total of 720 young people successfully completed their training in 2013 and 2014 at our sites in Brazil, Germany, Poland and Switzerland. The company has taken on 441 trainees in the past two years. In the year 2014, 1,149 young people were in training in Brazil, Germany, Poland and Switzerland (see box and table), representing a 14.7 percent over 2013.



VOCATIONAL TRAINING IN SWITZERLAND

Strengthening Skills and Team Spirit



B. Braun Switzerland is currently training 30 young people at three sites in eight different commercial and technical professions. In Sempach, plant operators, logistics specialists, merchants and computer technicians are being trained. In Escholzmatt, we offer entry into technical professions such as plastics engineers, polymechanics and plant operators. A learning workshop is also available there. In Crissier, plant operators, laboratory technicians, logistics and other specialists are trained for operational maintenance.

A certificate of proficiency is awarded upon completion of the three or four-year basic vocational

training, which is made up of practical training, apprenticeships, the vocational school and industry courses. Depending on the course of study, classes are attended at the vocational school one or two days a week. Trainees spend the remaining days working in operations, learning various areas of their practical craft.

Training at B. Braun Switzerland offers exciting duties in an international company and promising opportunities for professional development in a future-oriented working environment.

B. Braun offers graduates prospects for continued employment through job security agreements.

Many young people are interested in combining on-the-job training with study at a university or vocational school: at the moment, 111 young people are engaged in dual study with B. Braun in Germany. Parallel training in theory and practice is also available in Brazil. The jobs where training is available include electrician and maintenance engineer. In this way, trainees are optimally prepared for their future careers and receive a salary from B. Braun while still undergoing training.

B. Braun supports the development and implementation of similar concepts at other international locations as well. These concepts are based on a dual study system and are adapted to meet local requirements. 57 young people were trained in Malaysia in the year 2014 in conjunction with the Penang Skills Development Centre and Universiti Malaysia Perlis. At our location in Vietnam, we continued our mechatronics training program in 2014 in cooperation with the German Society for International Cooperation (GIZ) and the Hung Yen University of Technology and Education, and the first class of twelve trainees has completed the final examination.

of advanced and continuing education offerings to support the professional development of its employees. In the year 2014, each employee in Germany received an average of five days of advanced and/or continuing education, for which the company invested around 6.8 million euros.

The offerings include a range of methods and processes for management, feedback and employee development, so as to develop employees' potential and the entire organization's capacity for innovation and performance in a sustainable manner. B. Braun has defined core competences that apply worldwide for all employees and executives. These offer orientation for all HR management processes, from selection for continuing education as well as employee and organizational development to international assignments and filling of key functions.

Annual interviews about goals and results, skills, training, mobility and development are fixtures of the employee management process. For example, the "conducting employee interviews professionally" program teaches managers how to build trust, conduct respectful interviews, give constructive feedback and motivate employees to achieve goals and develop.

The B. Braun executive development program was held for the second time in 2013 and for the third time in 2014. For 2015 and 2016, modules are planned which offer a more in-depth examination of strategic management, innovation and leadership. These courses will be organized in conjunction with ESMT, the European School of Management and Technology in Berlin.

The B. Braun Business School offers harmonized continuing education opportunities Group-wide as part of a global curriculum in order to ensure continuous, goal-oriented and target group-specific

PROFESSIONAL DEVELOPMENT

Qualified employees are the prerequisite for lasting success in business. B. Braun offers an extensive array

Number of training positions in Germany

	2012	2013	2014
Commercial	286	264	257
Technical	504	524	530
Total	790	788	787



continuing education. In 2014, we conducted 240 training sessions at the B. Braun Business School with around 2,070 participants, including 140 training sessions at Kloster Haydau, with 1,301 people taking part. This included extensive training on management skills and leadership, employee development and communication, marketing and sales, as well as quality, languages and information technology.

The Hotel Kloster Haydau seminar and convention center in Morschen, located a few kilometers south of company headquarters in Melsungen, is also available to provide sustainability in continuing education. The convention center is the site of the B. Braun Business School and a center of training for employees from all over the world. The idea is that bringing international employees to Group headquarters in Germany will make them more familiar with B. Braun's traditions and help form a lasting attachment to the company.

CO-DETERMINATION

The working relationship between management and employee representatives is marked by longstanding tradition and trust. This is evident in Germany, for example, in the job security agreement model.

In these agreements, which go as far back as 2004, B. Braun has agreed on extensive assurances with its social partners – unions and the work council – in order to protect jobs in the future. These agreements additionally include provisions excluding dismissals for operational reasons, increasing training positions and allowing employees to share in the company's earnings, as well as commitments to make investments and create new jobs at German locations.

TRANSITION TO RETIREMENT

In the course of their careers, employees will acquire valuable experience, a very large bank of knowledge, an extensive network and longstanding contacts. We would like to continue to benefit from these resources even after employees leave the company and go into retirement. To this end, we do what we can to help them plan their transition into their next phase of life in a sensible way.

Work models such as "60-plus part-time" and partial retirement, in conjunction with long-term working time accounts, allow employees to flexibly transition from work into retirement. In particular, the transitional models take into account extensions to lifetime working hours and offer individualized options.

HEALTH MANAGEMENT AND WORKER SAFETY

Working for people's health is at the core of B. Braun's corporate activities. This is true not just for patients and medical professionals, but for our employees as well (see table and box, p. 58).

We are continually expanding our cooperation with workplace health management partners at B. Braun locations in order to better integrate the broad range of workplace health management subjects and measures with the regional expertise at B. Braun locations. The requirements in each individual country are decisive in this regard. For example, B. Braun Vietnam built its own on-site clinic in 2011 in order to allow employees to seek medical advice quickly and without complications (see box).

The Fit@B. Braun inter-location workplace health management system helps employees in Germany maintain or recover from a health issue. The system combines a diverse array of components: among the

partners in the Fit@B. Braun system are clinics, rehab facilities, medical specialists, health experts, service providers and universities.

The goal of these activities is to establish measures that perfectly fit the needs of the various categories of B. Braun employees in Germany and enable them to adopt individualized living and working methods that promote health. Fit@B. Braun informs employees about the numerous company measures with regard to health subjects, educates employees about structural and personal prevention and motivates them to take part.

All health management partners have been working together closely to further establish the Fit@B. Braun program at the company's German locations in 2014. This cooperation benefits employees as well as the company health insurance funds and the persons they insure. The fact that these activities are working is evident from the disability rate, which was 6.2 percent in 2014, remaining on the previous year's level. Workplace safety experts are continuing to work at every location in order to ensure the safety of our employees. To this end, we do more than just comply with applicable workplace safety laws. At many →

Days lost due to accidents
(accidents with and without mandatory reporting)

	2012	2013	2014
Germany	2,622	3,345	2,658

Number of workplace accidents
(accidents with and without mandatory reporting)

	2012	2013	2014
Germany	362	354	340

MEDICAL CLINIC IN VIETNAM

Quick Help not Only in a Case of Emergency



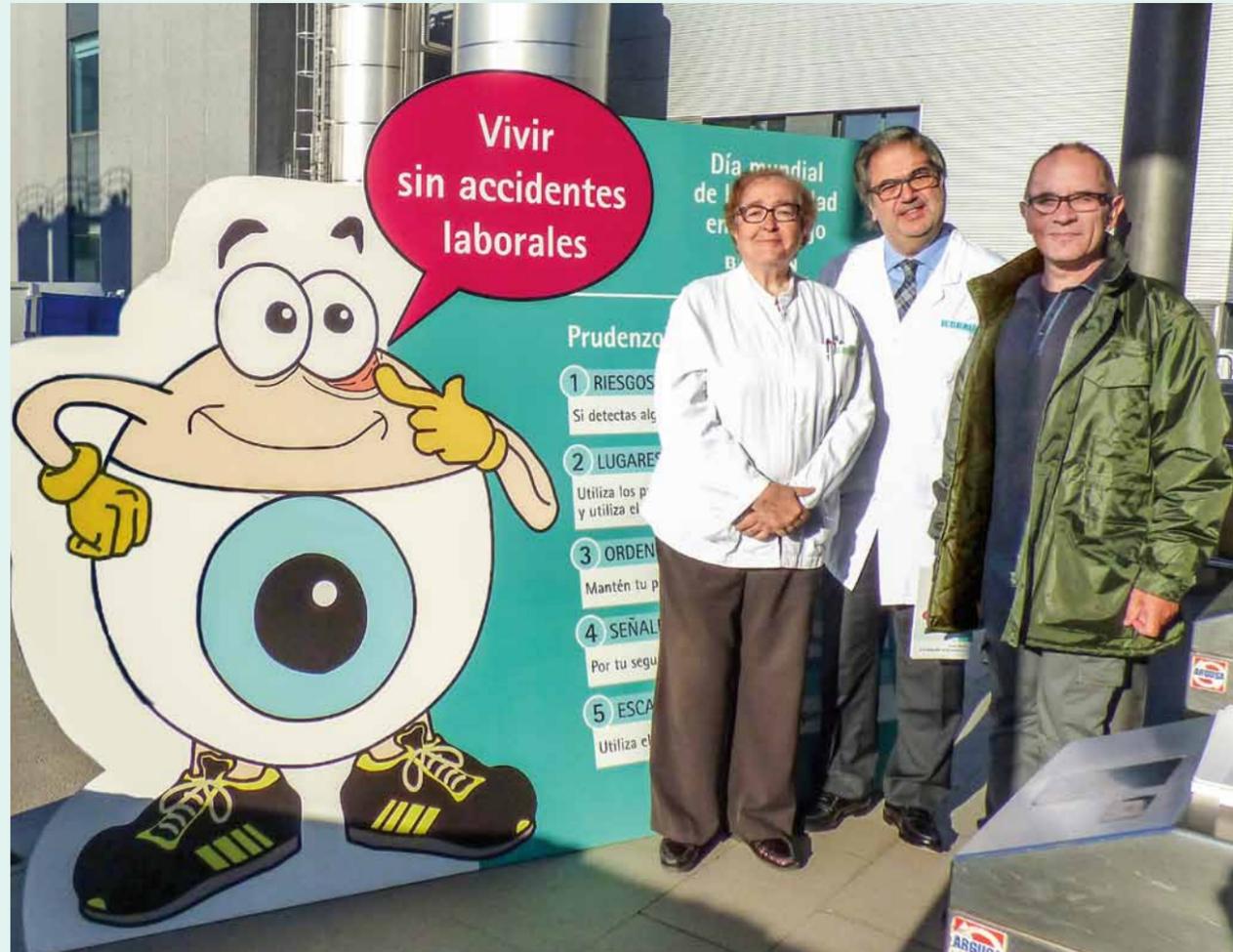
With the commissioning of the new production plant, B. Braun Vietnam opened in 2011 at the Hanoi location its own clinic for the employees. In two doctor's examination rooms in La Thanh and Thanh Oai, a nurse is available around the clock. Every Thursday, a general practitioner is available on site for additional consultation at both B. Braun premises.

The medical personnel is the first point of contact for B. Braun employees when they have medical issues at work. It provides primary basic health care and helps with the right medications. In case of emergency, the nurses are available to provide first aid and care for the employee until the ambulance brings him/her to the hospital. Other tasks of the medical personnel also include medical examinations and consultations as well as diagnosis and treatment for common symptoms.

With the service of the clinic, B. Braun complements the public health care system and improves the quality of the health care of its employees on site. On average, ten people per day are treated in both facilities.

B. BRAUN SPAIN

Focusing on Safety



Every year, 270 million employees are injured at work, and another 160 million people fall ill due to issues arising from their jobs. Steadily reducing these world-wide figures is the goal of the World Day for Safety and Health at Work that took place for the first time on April 28, 2014. At B. Braun in Spain, mascot Prudencio (“the prudent one”) greeted our employees as part of the initiative and promoted the long-term campaign “Living without accidents.” The character of Prudencio is the result of a drawing contest held in 2014. He promotes the five most important safety rules at work:

- Report risks as soon as you notice them.
- Use only marked routes and make phone calls only in designated areas.

- Keep your workstation clean and tidy.
- Know and respect the safety instructions.
- Use railings on stairs.

Together with a brochure of the campaign, a blister of five “prudenzoles” – mint sweets packaged as medicine – were issued to all Spanish employees, likewise representing the five safety rules in “Living without accidents.” The campaign also included training for the entire management, whose members will share the knowledge in turn with their employees during training sessions. B. Braun Spain hopes the campaign will help reduce the number of occupational accidents to zero.

COMPANY PENSION PLAN AT B. BRAUN USA

Saving for the Future



locations, we have also introduced management systems based on the OHSAS 18001 standard on a voluntary basis in order to document and improve workplace safety organization.

PENSIONS

Responsible treatment of employees has a long tradition at B. Braun, and an example of this is in the area of pensions. 11,600 active employees in Germany today have a claim to employer-financed pensions.

Comprehensive pension systems have been in place since the 1970s. Ever since 2007, B. Braun has offered a pension plan satisfying the latest requirements, the “Vorsorge Plus” plan, which provides an employer-financed pension along with a deferred compensation self-financing option.

The company also offers various other forms of employer-financed supplementary pensions through deferred compensation. As a result, between the pension arrangement defined in the collective bargaining agreements, direct insurance and special investment models for non-collective employees, all employees are free to choose the pension form that is most attractive to them. B. Braun Germany currently has more than 3,800 pensioners, who are allotted more than 22 million euros in pensions every year. Even in the US, where company pensions are more the exception than the rule, we have offered a defined-benefit pension plan since 1979 (see box on the right).

The company pension plan at B. Braun Melsungen has a long tradition. This is also an important tradition in the US as well. B. Braun USA provides all full-time employees with several important sources of retirement income to assist them with achieving a successful retirement plan. The company-provided Pension Plan was established in 1979. All full-time employees are vested in the B. Braun Medical Inc. Pension Plan after completion of 3 years of service if hired before April 1, 2013.

Currently, the company provides all full-time employees with an annual company contribution into their 401K retirement Savings Plan. About 76 percent of employees participate in the B. Braun Medical Inc. Savings Plan (401k), which provides participants with another excellent opportunity to build a diversified retirement savings portfolio. B. Braun, as required by law, also contributes 6.25 percent of an employee’s wages to partially fund social security retirement benefits provided by the US government.



Social Responsibility

As a "good corporate citizen," we have been supporting social projects at B. Braun locations for many years. We take a strategic approach in this regard and promote activities that expand knowledge, strengthen regions and create prospects for those in need. We want to be a model for other companies and motivate them to work purposefully in the areas of education and health care on behalf of future generations. With this kind of commitment, we can even provide opportunities to those who cannot take advantage of them on their own.

Our CSR (Corporate Social Responsibility) strategy rests on three pillars: knowledge, regions and prospects. It was developed in 2008 and is mandatory for all B. Braun companies worldwide. A checklist is used for applications to determine whether a project fits the strategy and therefore merits support. Thirty-two of 62 national companies are currently providing aid for social projects (see table). B. Braun particularly supports projects in the fields of education, health and future generations.

Number of CSR projects supported by B. Braun 2014

Country	
Germany	49
Malaysia	13
USA	3
Spain	4
France	13
India	1
Brazil	11
Hungary	15
China	2
United Kingdom	11
Vietnam	3
Switzerland	5
Others	52
Total	182

EXPANDING KNOWLEDGE

For a company that has adopted "Sharing Expertise" as its motto, promoting knowledge plays a key role in its social commitment. More than 40 years ago, the B. Braun Foundation was established to support the continuing education and training of nurses and physicians in clinical practice. The foundation awards

grants and organizes symposiums and colloquiums, one example of which is the annual Kassel Symposium for physicians. Since that time, the company has invested more than nine million euros in the future of science.

Also engaging in the field of continuing education is the international Aesculap Academy, which provides a forum for medical training (see p. 28). The B. Braun Prize is awarded to students of social sciences and health at schools in Germany, Austria and Switzerland. B. Braun also invites study groups at universities and other educational institutions to investigate subjects in the area of health care, with the subject rotating every two years, and to submit papers, which are then evaluated and recognized by an expert panel. In addition, the B. Braun Prize for Social Innovation was awarded for the first time in 2013 by the Aesculap Division in Tuttlingen. The prize is awarded to initiatives that distinguish themselves through their special innovative character, effectiveness, sustainability and applicability.

The company's relationship with the University of Kassel has a long tradition and has produced many initiatives. UNIpace, for example, stands for "Polymer Application Center," and is a partnership between the Institute for Materials Engineering and B. Braun Melsungen with the object of identifying research questions with practical relevance and assisting scientists in making new findings. The testing of results by B. Braun provides the institute with key data and information regarding the further optimization of materials. Current research projects involve the processing of silicone with the objective of making the production of medical products more sustainable.

Other elements of the strategic partnership include the Otto Braun Fund, which supports research work in the natural sciences above all, and the North Hessen Innovation Society (GINo), which works to patent university inventions and provides support for foundation professors.



The quality of care in hospitals and educating the population about the subjects of hygiene as well as preventive medical care are the mission of "B. Braun for Africa" in Kenya. As of 2010, children, teachers and parents at 80 schools have been learning how to be health-conscious and prevent illnesses. In addition, more than 1,000 nurses and medical students have been trained in patient and user safety as part of a joint project with the German Society for International Cooperation (GIZ). The newly formed B. Braun company in Kenya will continue to support these and similar activities.

For B. Braun, expanding knowledge means making children and adolescents excited about science. In 2013 and 2014, Children's and Youth Weeks were held at the company's headquarters in Melsungen for the sixth and seventh times, respectively. In the course of the two-week program, students learn about scientific phenomena in the "research tents" located in front of the gates to the B. Braun plant. In Tuttlingen, the 25th edition of the Children's University was held in November 2014, in which even the smallest children have the opportunity to follow exciting experiments. B. Braun was also the chief sponsor of the Penang International Science Fair, which is the largest science fair in Malaysia, with 50,000 visitors (see p. 7). B. Braun supports knowledge-related projects in many countries, including its collaboration with "Arsenal do Bem" in Brazil (see box on the right).

STRENGTHENING REGIONS

The local character of these projects describes the second key aspect of B. Braun's CSR strategy: we want to strengthen people in the regions where we maintain locations and where we have been a part of society for many years. Aside from educational projects, our activities in this regard focus above all on investment, health, cultural and athletic projects.

On the occasion of the company's 175th anniversary in 2014, B. Braun donated around 6.2 million euros to

renovate the Melsungen Comprehensive School, where open and accessible spaces will be created for joint learning through 2016. Kloster Haydau, a former monastery near Melsungen, was thoroughly restored through 2013, as an entire complex of buildings, and converted into a seminar center and hotel. In 2014, B. Braun launched the "Küchengarten" [kitchen garden] integration project in conjunction with the religious aid organization Baunataler Diakonie Kassel at a site adjacent to the "Hotel Kloster Haydau." Here, twelve employees with and without disabilities grow fruit and vegetables based on the rules of organic farming and sell them at a new store located in old masonry.

As a manufacturer of medical and pharmaceutical products, B. Braun is also very engaged in social projects relating to health. In the "B. Healthy - B. Braun" campaign in the United Kingdom, more than 11,000 children since 2008 have learned why a healthy lifestyle is important, including prevention offerings as well as sports and dance workshops (see p. 16). In the Philippines, B. Braun employees advise families in all matters relating to healthy nutrition as part of the "Busog-Lusog Nutrition Support Program." In Australia, B. Braun finances a car service to take leukemia patients from their homes to the hospital. And in several European countries, B. Braun does what it can to help hospitalized children forget about their illness for a little while (see box, p. 64).

B. Braun is also active in supporting cultural events in Germany. This commitment is an expression of the company's strong roots, e.g., in Melsungen and Tuttlingen. Examples of this commitment include the company's support for the Kultursommer Nordhessen and Kasseler Musiktage music festivals and the Honberg-Sommer festival in Tuttlingen, which features a diverse and attractive program every year for lovers of classical and modern music, theater and drama, ballet and dance, song and jazz, workshops and festivals. As of 1992, B. Braun has an extensive collection of contemporary art, with over 700 items. This collection is based on the idea of supporting

young, and as yet unknown artists from countries in which the company maintains production and distribution sites.

We also support athletic clubs, small and large, at B. Braun locations. For example, B. Braun sponsors the top-notch men's handball teams of MT Melsungen and Gyöngyösi Kkin Hungaru, as well as the women's handball team SG Kirchhof and the ice hockey club Schwenninger Wild Wings.

CREATING PERSPECTIVES

As a "good corporate citizen," B. Braun is particularly interested in giving those in need hope for a better life. This is why B. Braun created the "B. Braun for Children" initiative in 2004. The goal of the initiative is to give children and young adults perspectives for the future. "B. Braun for Children" is international in scope: in 2014, we provided assistance for 38 projects in 24 countries, benefiting 28,704 children. →

CSR PILLAR KNOWLEDGE – BRAZIL

Vocational Preparation in São Gonçalo

Real life is the center of the "Arsenal do Bem" initiative of B. Braun Brazil. Students in their last high school graduation year can receive here, among other things, training in pneumatics and hydraulics. Daniel Lessa had visited the summer school in 2014 and is now feeling better prepared for professional life. "I was already interested in mechanics, pneumatics and hydraulics, and my father supported me with it a lot. He is a bus driver and had always wanted to know how the mechanism for opening and closing the doors worked. After I attended the course of B. Braun, I was able to explain it to him, and now I am even thinking about studying mechanical engineering."



B. Braun has been working on this project for more than 7 years in partnership with the Dalila de Oliveira Costa High School, located in São Gonçalo, Rio de Janeiro, in the vicinity of B. Braun. To date, more than 150 youngsters have graduated from "Arsenal do Bem;" 17 were even hired by B. Braun. In 2014, 24 young people attended the summer school. "Arsenal do Bem" is based on the conviction that training provides young people with the opportunity for a better life. "We impart knowledge to them, which can be very useful on the labor market, and at the moment industrial automation technology is very much in demand. Everything the students learn here will be important for them in the future," emphasizes Neemias Almeida Gomes who taught courses in mechanics and hydraulics in 2014.

A mature personality is also necessary for a life with perspectives and chances. "Arsenal do Bem" imparts important soft skills to the young people and develops an understanding among them for their role in society. They learn how to take responsibility for their health, the environment and their fellow human beings. Therefore, "Arsenal do Bem" is not only a summer school that provides practical knowledge – the young people are fully qualified for a successful life as adults.

CSR PILLAR REGIONS – EUROPE

Encouraging Children in the Hospital



Having to stay in a hospital is particularly difficult for children. The environment, such as devices and noises, can upset them, their daily routine turns upside down and their family and friends may not always be able to stay with them. That is why it is very important to provide distractions and a feeling of security to children in hospital. In this way they forget their worries and fears for a while and get better more quickly. B. Braun supports a number of projects devoted specially to hospitalized children.

“B. Braun for Life” in the Czech Republic sends entertainment professionals to the pediatric wards in order to play with hospitalized children and, in addition, they arrange checkups and screening examinations. Pěva Vraštilová, head physician in the outpatient Oncology Department of the University Hospital in Motol,

emphasizes that the joy of the children is also shared by her employees: “In the oncology department, we cannot cure all patients, which is also a burden for the psyche of the medical personnel. When B. Braun for Life sends their employees to us, this is a day full of joy that is enjoyed by all.”

B. Braun also supports sick children in hospitals in Bacau and Singureni in Romania. “Happiness for Children in Hospital” is the name of the on-site project of our colleagues, which provides the children with toys, medication and medical equipment. Alice Chirica, medical representative at B. Braun Romania, reports: “words fail me to describe how glad the children were that someone came in the hospital with so many presents. They were overwhelmed.”

Eating and enjoying food is not always easy for children who have been fed artificially. That is why the chef Anne-Sophie-Pic goes out of her way and cooks with 3 to 9-year-olds in the training program “A taste ride,” that the B. Braun Foundation France supports in Valence. “Eating is not simply to satisfy hunger - for the little participants in the program it is also a challenge to develop the sensory functions” points out Véronique Leblanc, psychologist and gastroenterologist in the University Hospital Robert Debré in Paris.

About 20 employees of B. Braun Belgium go to a hospital every year to paint Christmas cards together with the children. The winning cards are sent by B. Braun Benelux as Christmas greetings to colleagues and clients. All children receive presents as a thank you. In the Netherlands B. Braun works together with the Jack Rabbit Foundation to make the stay for children in a hospital more pleasant by providing the children’s department with toys and a colorful decoration.

The array of supported projects is diverse: since 2014, we have supported the “Siamo tutti Cittadini del Mondo” (“We are all citizens of the world”) integration project in Milan, Italy. Through this project, 200 third and fourth-graders from immigrant families have been taught the value of cultural differences, while strengthening mutual trust and self-confidence.

Since 2005, through the “Compartir El Pinar” project in Rubí, Spain, we have supported the integration of adolescents in the El Pinar district. The project includes various educational, nutrition and entertainment programs, and a total of 180 children took part in 2013 and 2014. In Bañado Norte, Paraguay, B. Braun works with the “Girls, Boys and Adolescents Protection in Vulnerable Situations” organization, providing

CSR PILLAR PERSPECTIVE – HUNGARY

A New Life with Soccer



medical and psychiatric care and material support to 50 children every year.

In the Bulgarian capital of Sofia, B. Braun employees organize celebrations at an institution for orphans and socially disadvantaged children. We also help repair and equip the facility, in which 57 children live. Kinderburg Rappottenstein in Austria is a place where children can recuperate after an illness, with a diverse array of offerings. B. Braun has supported the project since 2011, and in 2014, 19 families were able to spend time there.

At a kids camp in the Swiss Paraplegic Centre in Nottwil, Switzerland, 20 paraplegic children are given the opportunity to play games with their siblings and parents that they would otherwise be excluded from. B. Braun hosts the camp in conjunction with the Swiss Paraplegic Association. In Hungary, we have supported the Káposztásme gyer Sport Klub soccer club in the capital city of Budapest since 2005 (see box on the right).

B. Braun provides assistance not just in long-term projects but also in areas where there is an acute need for aid. B. Braun opened a donor account for employees to contribute to the victims of Typhoon Haiyan in the Philippines on November 8, 2013, which killed more than 7,000 people and caused catastrophic damage. As it has done previously, in the case of the disasters in Haiti, Pakistan, Japan and Thailand, the company doubled the donated amount and delivered the funds in June 2014 to the disaster relief organization Diakonie Katastrophenhilfe, which used the funds in part to rebuild two small elementary schools in the village of Basey, in West Samar Province. From the beginning, the villagers were actively involved in the rebuilding effort. For example, parents helped with the logistics, as well as plastering and painting the walls, and were paid for their work. The new classrooms provide a safe learning environment for 290 students in Basey.

B. Braun is also giving a new perspective for children in Nepal. Following the disastrous earthquake in spring of 2015, we provided assistance to rebuild a school that had been destroyed. ←

There are no rolling cameras at Káposztásme gyer – a Budapest sport club; no world stars are playing here for a good cause. Young people here play soccer for themselves. Here, in the farthest northern part of the Hungarian capital, there is also not sufficient place for a big soccer game: this is a small soccer field in the Káposztásme gyer district, which serves as a social hub.

The head coach Zoltán Sárai had the idea to start the sports club in 2005, and B. Braun has sponsored the club since its founding year. The club provides a perspective to more than 100 children and youths from families in difficult family and social situations: when the young people have a purpose here, it is easier for them to find their role in society, to fight the threatening poverty and learn how to resist drugs. Here, they learn how to take care of themselves when many individuals form a community in which every one of them is interested.

This was the idea that convinced B. Braun and led to its long-term support of the club. The sport provides the children and the young people with the motivation they need in order to get the chance of a better life. The head coach, also after ten years, is still Zoltán Sárai: „our most important goal is that children, whose families normally cannot afford it, are able to come to the sports field.” B. Braun is always supporting this idea. Most recently we financed a new lawn and team cabins for the sports club. Enjoy the game!

A Tradition of Sustainability



1839



1929



1966



1923



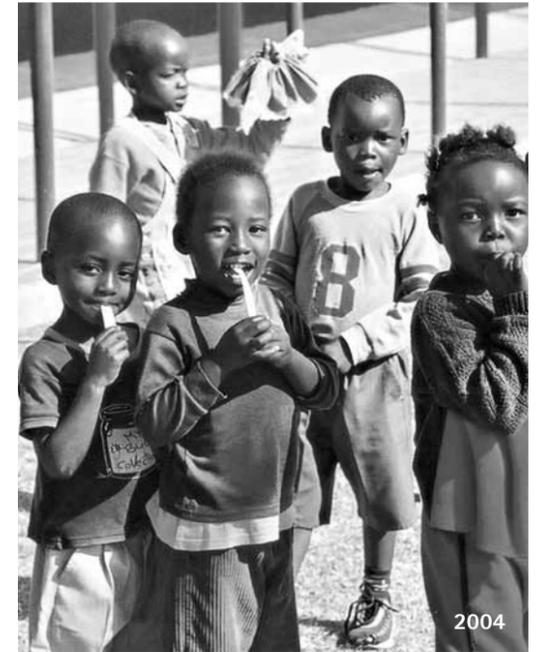
1989



2001



2003



2004

1839
Julius Wilhelm Braun acquires the Rosen-Apotheke pharmacy in Melsungen.

1919
B. Braun creates the pension fund for company employees, with 50,000 Reichsmark in capital.

1923
The B. Braun company health insurance plan is created.

1929
Creation of the Carl Braun Memorial Pension Fund, later the Carl Braun Memorial Benevolent Fund.

1963
First large-scale employee volunteer engagement with the formation of the B. Braun company athletic club, which celebrated its 50th anniversary in 2013.

1966
Creation of the B. Braun Foundation for the continuing education and training of physicians and nurses. The foundation's capital comes from the sale proceeds for the newspaper "Die Schwester."

1972
B. Braun establishes the Karl Thomas Prize to recognize advances in surgery.

1980
First award of the B. Braun Prize for the promotion of quality training in health care.

1989
The company creates the Otto Braun Fund to award scholarships in conjunction with the University of Kassel.

1989
B. Braun creates an environmental protection department.

1989
Launch of a program to balance work and family which now exists in many countries. B. Braun allows parents and employees with family members in need of care to resume their careers after interruptions.

1996
B. Braun Melsungen AG becomes the first European medical/pharmaceutical company to be certified under the environmental audit.

2001
Conclusion of the first job security agreement secures long-term investments in the Melsungen site.

2003
B. Braun creates the "Perspektive Plus" initiative in order to make it easier for teenagers without a training position to enter the work force.

2004
The "B. Braun for Children" initiative is formed. In the 2014 jubilee year, B. Braun promotes activities to improve the future of a total of 28,704 children.

2007
B. Braun offers its employees basic occupational pension coverage with the "Vorsorge Plus" plan.

2008
B. Braun agrees on a single global CSR concept for the promotion of social projects.

2012
With its global "Code of Conduct," B. Braun introduces a set of rules defining ethical conduct by all employees.

2015
The first B. Braun Sustainability Report is published.

Sustainability at a Glance



