

ESG

Fact Sheet

May 2025

Otto Group ESG Fact Sheet

Status: May 2025

Preamble

The economy is there to benefit people – not the other way round. This mindset and the strong awareness it engenders for the Group's corporate responsibility (CR) are among the hallmarks of the Otto Group. Sustainability has been integral to our identity for almost 40 years and is firmly enshrined in the corporate strategy and the shareholder vision. The Sustainability Strategy falls within the overall remit of the Executive Board.

As the Otto Group, we want to make a tangible and measurable contribution to limiting global warming and ensure that our goals and activities are in line with the 1.5 degree target of the Paris Climate Agreement. We successfully completed the validation process with the Science-Based Targets Initiative (SBTi) in February 2024 and have officially been steering according to the new SBT target architecture since the 2024/25 fiscal year, which also serves as the basis for our Sustainability-Linked Financing Framework.

This ESG Fact Sheet provides a consolidated overview of our non-financial performance in the areas of environmental, social and governance over the past five years. The following information should be read in conjunction with the Annual Report, where it is placed in the context of our strategy.

Unless otherwise stated, the key indicators relate to the entire Otto Group. Some key indicators fall within the scope of our Corporate Responsibility strategy, which is defined in detail in the [Appendix](#).

Overview of essential Reports and Policies

Policies

- [Human Rights Declaration of the Otto Group](#)
- [Human Rights Declarations of the Group companies \(German only\) BAUR, Bonprix, Hermes Fulfilment, Hermes Germany, OTTO, Witt-Group](#)
- [Business Partner Declaration on Sustainability](#)
- [Code of Conduct of amfori BSCI for merchandise](#)
- [Incident Reporting System SpeakUp](#)
- [Locations of facilities](#)
- [Code of Conduct for Services and Non-Merchandise Goods](#)

Reports

- [Annual Reports](#)
- [Carbon Disclosure Project \(CDP\) reporting](#)
- [Alliance for Sustainable Textiles reporting](#)
- [Reports on the Sustainability-Linked Financing Framework 2024:](#)
 - [Sustainability-Linked Financing Framework of the Otto Group 2024](#)
 - [Second Party Opinion by Moody's Ratings 2024](#)
- [Reports on the Sustainable Finance Framework 2019:](#)
 - [Otto Group Sustainable Finance Framework](#)
 - [Second Party Opinion by Sustainalytics on the Otto Group Sustainable Finance Framework](#)
 - [Allocation and Impact Reporting for the Otto Group's Sustainable Bond Issues](#)
 - [Limited Assurance Report by KPMG on Allocation and Impact Reporting](#)

Voluntary Commitment

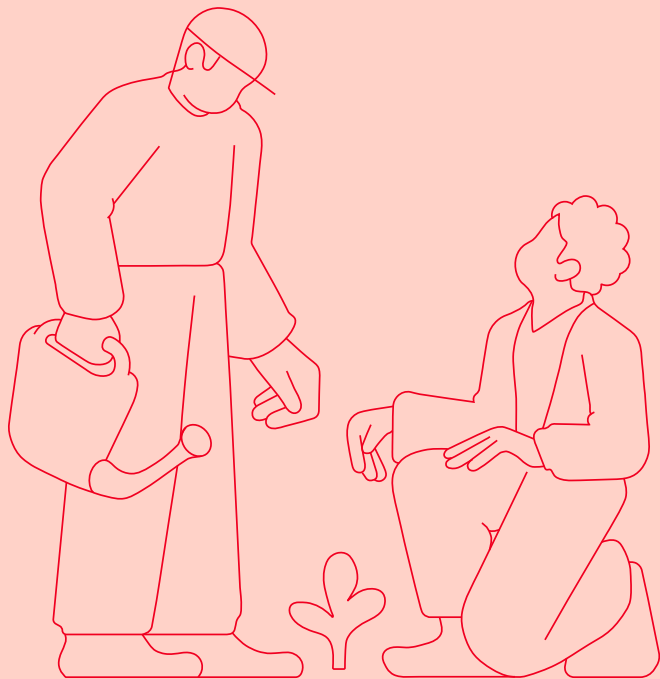
- [Responsible Purchasing Declaration](#)

Memberships and Alliances

- [Overview of memberships and alliances](#)

Our Sustainability Strategy since March 2025

Building on the successes of the previous CR strategy, the Sustainability Strategy has been in effect since March 2025. With this, we pursue ambitious goals in the areas of Environment and Human Rights. The Sustainability Strategy applies to the group companies that have the greatest influence regarding human rights or ecological topics along the entire value chain, including OTTO, the bonprix Group, the Witt Group, the Crate and Barrel Group, and Hermes Germany GmbH.



In the areas of Environment and Human Rights, ambitious goals from the previous CR strategy are largely continued, supplemented, and further developed. Previous sustainability-related goals and efforts up to the end of 2025 are largely incorporated into the Sustainability Strategy. The selection of the strategic focus topics is based on the results of the materiality analysis, which was conducted in accordance with the requirements of the Corporate Sustainability Reporting Directive (CSRD). This analyses the largest negative impacts of the Otto Group's business activities on people and the environment, as well as the associated opportunities and risks for the Otto Group.

Environment: Our ambitions

In the area of Environment, we aim to substantially reduce our ecological impacts to operate within planetary boundaries. We reduce our greenhouse gas emissions in line with the 1.5 degree climate target of the Paris Climate Agreement, minimize our resource consumption and protect biodiversity.

Human Rights: Our ambitions

We respect human rights and are committed to improving working conditions for people in our supply chains. To fulfill our human rights due diligence, we focus on the key challenges in our supply chains by identifying focus topics and key stakeholders. Knowledge, resources and learning specific skills are crucial to enable progress and improvement, to prevent human rights violations and to achieve better working conditions for the people in our supply chains in the long term. We promote Capacity Development as a lever for positive change in the lives of workers in our supply chains.

Goals

Focus Topics

Ambition

Near-term science-based target (SBT)

We follow a GHG reduction path aligned with 1.5° path by the end of FY 2031/32.

Preferred Materials

We shift the materials (fibers, wood, plastics, metals) in our most relevant assortments (textiles, furniture, electronics) to preferred alternatives by the end of FY 2035/36.

Circular Business Solutions

We largely offer circular business solutions (reuse, repair or recycling) and constantly increase their implementation for our most relevant assortments (textiles, furniture, electronics) by the end of FY 2035/36.

Eco-Design for Circularity

We largely shift our most relevant assortments (textiles, furniture, electronics) to eco-designed products by the end of FY 2035/36.

Responsible Products

We constantly increase the share of responsible products in our most relevant assortments (textiles, furniture, electronics) by the end of FY 2035/36.

Child Free Production

We aim for the majority of key stakeholders to participate in capacity development by the end of the FY 2035/36.

Freely Chosen Employment

Living Wages

Decent Working Hours

Safe Work Environment

Environmental Key Performance Indicators (1/2)

Our near-term science based target

	Externally verified ¹	Base year 2021/22			
		Absolute emissions in tCO ₂ e	Absolute emissions in tCO ₂ e	Percentage change compared to the base year 2021/22	Target value
Sub-target 1: Absolute scope 1 and 2 GHG emission ² reduction by 42% by the end of FY 2030/31 compared to FY 2021/22	Fiscal Year 2024/25	236,107	102,306	-57 %	-42 % (until the end of FY 2030/31)
Sub-target 3: Absolute reduction in scope 3 GHG emissions ³ by 42% by the end of FY 2031/32 compared to FY 2021/22	Fiscal Year 2024/25	7,173,678	6,004,778	-16 %	-42 % (until the end of FY 2031/32)
		Percentage of marketplace and third-party brand partners with their own SBT in the fiscal year 2024/25.			Target value
Sub-target 2 Supplier Engagement (By the end of the fiscal year 2024/25): At least 50% third-party brands and marketplace partners by spend covering purchased goods and services set science-based target by the end of FY 2027/28 ⁴	Fiscal Year 2024/25		28 %		50 % (by the end of FY 2027/28)

¹ Audit by KPMG in accordance with „Limited Assurance“ standard as per ISAE 3000.

² Considering the Operational Control approach. Scope 2 greenhouse gas emissions applying the Market-Based approach.

³ Considering the Operational Control approach. The following Scope 3 categories have been identified as significant and are therefore integrated into sub-target 3 and the calculated emissions for it: 3.1, 3.3, 3.4, 3.6, 3.7, 3.11, 3.12. Under 3.1, only GHG emissions from owned and licensed brands are included. The scaling was carried out based on secondary data to ensure, among other things, the completeness of the trading volume of the Otto Group.

⁴ Starting from the fiscal year 2025/26, we will report separately for third-party brands (target value 75%) and marketplace partners (target value 20%).

Environmental Key Performance Indicators (2/2)

Topic	Key Performance Indicator	Scope ⁵	Externally verified ^{6,7}	Unit	2020	2021	2022	2023	2024	Target ⁸
Circular economy and resource use	Water usage only for sites with relevant size	CR strategy as of 2021	no	m ³	355,629	282,254	266,538	260,685	285,989 ⁹	
Circular economy and resource use	Implemented circular solutions	CR strategy as of 2021	no	million				15.6 ¹⁰	22.7	18 million products in the year 2024
Circular economy and resource use	Disposure of waste electrical equipment	CR strategy as of 2021	no	t	39,893	41,917	45,623	43,076	46,522	
Circular economy and resource use	Use of "Preferred Fibers", of which 100% sustainable cotton ¹¹ (own and licensed brands, starting in 2021)	CR strategy as of 2021	By the end of 2023	%		53	55	59	66	65 (by 2025)
Circular economy and resource use	100% sustainable wood furniture by 2025 ¹²	CR strategy as of 2021	By the end of 2023	%	74	78	83	83	90 ¹³	100 (by 2025)
Circular economy and resource use	Usage of sustainable catalogue paper	CR strategy as of 2021	By the end of 2023	%	68	77	90	94	96	100 (by 2025)
Circular economy and resource use	Use of sustainable packaging (starting in 2021) ¹⁴	CR strategy as of 2021	By the end of 2023	%		71	78	94	98	100 (by 2023)
Circular economy and resource use	Generated waste (including old electronic equipment) ¹⁵	CR strategy as of 2021	no	t	120,812	146,683	134,499	119,888	111,974 ¹⁶	

⁵ Scope of the consolidated Group companies. For details see [Appendix](#).

⁶ Audit by PwC in accordance with "Limited Assurance" standard as per ISAE 3000.

⁷ Due to the preparation for the CSRD reporting, only the near-term science based target was reviewed in the fiscal year 2024/25.

⁸ The CR strategy 2021 ends prematurely with the conclusion of the fiscal year 2024/25 due to its transition into the Sustainability Strategy.

⁹ For Limango, Venus, and the Crate and Barrel Group, prior year values were used.

¹⁰ Due to incomplete data in 2023, the metric was initially collected without Crate and Barrel.

¹¹ Our "preferred fibers portfolio" contains fibers that have a significantly lower environmental impact compared to conventional fibers in the same category (e.g., Cotton made in Africa cotton, recycled and organic cotton compared to conventional cotton) and recycled artificial fibers and animal-based fibers that are produced with careful attention to animal welfare.

¹² Until end of 2022, the FSC® certificate was accepted; From 2023 onwards, the Otto Group accepts the following certifications in addition to FSC®: EU Ecolabel, Blue Angel (Blauer Engel) and Nordic Swan Ecolabel.

¹³ This represents 75% of the volume of wood sold in tons.

¹⁴ Sustainable packaging has a recycled content of at least 80%.

¹⁵ The scope of waste generated has been expanded to include transport packaging and bulky waste from all HES sites. The adjustment has been made retroactively from 2019.

¹⁶ Without the packaging quantities that were disposed of through dual systems.

Social Key Performance Indicators

Topic	Key Performance Indicator	Scope	Externally verified	Unit	2020	2021	2022	2023	2024	Target
Own Workforce	Number of employees ¹⁷	all fully consolidated group companies	no	#	41,941	42,705	41,186	38,462	36,304	
Supply Chain	Number of newly identified supply chain facilities in addition to those already known (procedural count) ¹⁸ starting in 2021 ¹⁹	CR strategy as of 2021	By the end of 2023	#		2,942	1,996	10,172	3,542	

Governance Key Performance Indicators

Topic	Key Performance Indicator	Scope	Externally verified	Unit	2020	2021	2022	2023	2024	Target
Governance, risk management and internal control	Ratio of women in the Supervisory Board	Supervisory Board of the Otto Group	no	%	30	25	25	25	25	25 (by 2028)
Governance, risk management and internal control	Ratio of women in the Executive Board	Executive Board of the Otto Group ²⁰	no	%	20	17	17	17	17	33 ²¹ (by 2028)
Governance, risk management and internal control	Ratio of women in the Executive Board (Target: One woman per Executive Board at each Group company)	FüPoG ²²	no	%	17	33	42	60	60	100 (by 2025)
Governance, risk management and internal control	Ratio of women in the first management level	FüPoG	no	%	22	24	31	28	29	32 ²³ (by 2025)
Governance, risk management and internal control	Ratio of women in the second management level	FüPoG	no	%	35	37	41	41	43	39 ²⁴ (by 2025)

¹⁷ The information on employees relates to the financial year beginning on March 1 and ending on February 28 of the following year.

¹⁸ If a supply chain facility works for multiple business partners or handles multiple, sufficiently different production steps, it is counted multiple times.

¹⁹ The Otto Group is pursuing the overarching goal of cooperating with business partners to implement measurable social and ecological improvements along the entire supply chain. To this end, the Otto Group is seeking to identify 100% of supply chain facilities for its own and licensed brands, from raw materials to finished products.

²⁰ Executive Board of Otto Verwaltungsgesellschaft mbH.

²¹ Until 2022, the target for the ratio of women in the Executive Board was 30%.

²² Group companies that fall under the scope of the Management Positions Act or typically employ more than 500 employees.

²³ By 2021, the target for the ratio of women in the first management level was 23%.

²⁴ By 2021, the target for the ratio of women in the second management level was 33%.

Appendix: Scope of the CR Strategy

Scope „Sustainability Strategy“:

The Sustainability Strategy applies to the group companies that have the highest impact regarding human rights or ecological issues throughout the entire value chain, including OTTO, the bonprix Group, the Witt Group, the Crate and Barrel Group, and Hermes Germany GmbH. Additionally, the Otto International group has been defined as a so-called facilitator, as it supports the group companies in achieving their goals, particularly in the area of procurement within the upstream supply chain.

Scope „CR-Strategy from 2021“:

All Group companies that make a sizable contribution to the Otto Group's external revenue in two consecutive financial years. This currently includes the following Group companies: Bonprix, Venus, OTTO, Witt (including Heine), Sheego, Crate and Barrel, Baur Group, Freemans Grattan, group company Otto Austria Group, Limango, Frankonia, Eos Group, Hermes Fulfilment, Hermes Einrichtungs Service (HES), Hermes Germany, and Mytoys (until the end of 2023).