

GROWING TOGETHER, SUSTAINABLE IMPACT

On April 1, Prof. Dr. Heinz-Walter Große will hand the reigns of the B. Braun Management Board over to Anna Maria Braun. She will be the sixth generation to lead the family-owned company. In our interview, they both take a look back and look to the future.

Professor Große, for 40 years, you've put your heart and soul into B. Braun, spending the last eight of them as chairman of the Management Board. This era will come to an end at the end of March. How are you managing it?

PROF. DR. HEINZ-WALTER GROSSE | Yes, it really is the beginning of something new for me, but there have been countless new beginnings over the past 40 years. I've always liked change, and the willingness to change is a valuable quality we embody at B. Braun. So, I'm looking forward to the next phase of my life. It'll be exciting!

Ms. Braun, a new era is also beginning for you: On April 1, you will be the sixth generation and first woman to take over the chair of the company's Management Board. It will be a very special moment in the company's history. How do you feel about this moment?

ANNA MARIA BRAUN | I don't think in terms of „special moments“. We aren't going to hold our breath until April 1 comes. We'll be in the thick of the day's business and focusing on the tasks ahead of us.

Before we take a look at these new tasks, let us first take a look at the last fiscal year. Professor Große, what was positive? What can we be proud of?

PROF. DR. HEINZ-WALTER GROSSE | The first thing to mention is that we continue to increase our sales on the scale we've predicted, in all four divisions and in all regions where we're active. Specifically, we produced products in 112 factories around the globe and sold them for almost € 7 billion. This corresponds to a currency-adjusted growth of over 5 percent. We're pleased with this development. If you then look at how we invested approximately € 900 million and successfully completed a series of projects in 2018, you can easily say that we accomplished quite a bit.

Are there any personal highlights from the investment projects that were completed?

ANNA MARIA BRAUN | One highlight was certainly the opening of our Campus 1 and Campus 2 in Penang, Malaysia, the largest single site in the B. Braun Group. That investment project started in 2009 and was completed in 2018.

PROF. DR. HEINZ-WALTER GROSSE | That was absolutely a moving moment for us and the team at the site, and it is also a clear sign of our presence on the Asian market. Another highlight was the opening of the factory in Wilsdruff, Germany, Europe's most advanced high-automation dialyzer production line.

With growth in every division and region, outstanding automation and production technology, and the quality of our products, we are absolutely competitive.

PROF. DR. HEINZ-WALTER GROSSE



We've created a real showcase there on a virtually green field.

When we take a look at internal structures, what were the big questions from the last year and which of those will continue to be addressed?

ANNA MARIA BRAUN | At the heart of it was the question of how we can organize and change our sales departments worldwide in order to be more efficient and leaner. We've put a great deal of energy into initiatives such as the Enterprise project in the United States and the Uno project in Germany.

We're also prioritizing and organizing all of our projects and activities to take further advantage of digital transformation opportunities.

What role did the topic of system partnership play in the last year?

PROF. DR. HEINZ-WALTER GROSSE | A significant one.

ANNA MARIA BRAUN | And it'll continue to do so in the future.

PROF. DR. HEINZ-WALTER GROSSE | Because the way we shape our relationships with our clients and whether we understand their problems and issues in order to respond to them in the best way is and always will be fundamental.

ANNA MARIA BRAUN | Absolutely! With our approach to system partnership, we've created new forms of cooperation, both between our divisions and with external partners. This approach not only helps us understand our clients better, it also helps us tackle the big issues that impact everyone in the health care industry. Issues like financing the health care systems, guaranteeing security of supply, or the question of how we can bring the latest medical developments to

patients. These very questions are also in this year's financial report, which we use to invite discussion about the major tasks of the health care system.

What projects will you also continue to pursue this year?

ANNA MARIA BRAUN | The very first one that comes to mind is the Tasks & Teams pilot project that Professor Große launched and with which we're assessing and reorganizing how we work together. This is because regardless of the challenge—whether it be increasing complexity, regulatory requirements or the big issues of the health care industry—the solution isn't an increase in personnel, it's new, creative and flexible forms of collaboration.



PROF. DR. HEINZ-WALTER GROSSE | Absolutely! We can no longer afford administrative structures that just keep getting bigger and bigger. The Tasks & Teams pilot project we launched with both Corporate Human Resources and Corporate Communications departments has proven itself in many ways. The result is a flexible concept that is right for B. Braun, that has a lot of applications and that has been met with enormous interest.

ANNA MARIA BRAUN | More and more departments are coming to us and wanting to use Tasks & Teams for themselves. The great thing about it is there's no template that works the same for everyone. Every department develops the right forms of collaboration for themselves. This takes great initiative as well as a willingness to upend the organizational chart. But the gain is massive and the departments that developed it and use it every day are excited not least because they're seeing how they master their tasks more efficiently.

What are the challenges the company is facing this year?

ANNA MARIA BRAUN | If we were to ask this question of our long-time employees, they would right-

ly answer that the company has continually faced challenges. That's how I see it, too. This is because, in the health care industry, the laws, reimbursement models, regulations and markets are always changing. We can handle that and it will always be dynamic, but I think the pace at which the changes occur has definitely picked up—along with the complexity and scope of the changes. Our job here is to bring simplicity and clarity to the process.

Can you give us a couple of examples?

ANNA MARIA BRAUN | One example would be new regulatory requirements like the Medical Device Regulation, for which we're working on solutions. Or track-and-trace requirements, which we had to handle in a short period of time. But also issues like the trade conflict between the United States and China or Brexit are presenting us with new challenges. While these are parameters over which we have no control, we still need to ensure we are foundationally strong with enough flexibility to act appropriately.

What is needed for this strong foundation as well as the necessary flexibility?

PROF. DR. HEINZ-WALTER GROSSE | Luckily, the conditions for us are perfect: With growth in every division and region, outstanding automation and production technology, and the quality of our products, we are absolutely competitive. This is guaranteed by our colleagues in the production departments, in administration and in sales. All of our national organizations have excellent executives, staff and managers who are B. Braun employees through and through.

What makes someone a B. Braun employee?

ANNA MARIA BRAUN | I believe, most of all that our vision of protecting and improving the people's health isn't just a slogan, it's something toward which every employee really makes their contribution. I personally get a lot of energy from that. Contributing to people regaining their health and eliminating their pain, or surviving illnesses and accidents thanks to our products and services is something that is deeply



moving. But it also makes us very aware of our responsibility. Meeting this responsibility means working hard every day. Our employees know this and they're ready to take it on.

That sounds almost like the thing to do is just to continue on with this proven format.

BOTH (SIMULTANEOUSLY) | Not at all (both laugh)!

PROF. DR. HEINZ-WALTER GROSSE | No, simply doing the same thing doesn't work at all. We have challenges to master that we're only up to if we keep moving forward, like I said, in our sales structures or in how we work together, for example. We can only master our challenges in the future with smart and thoughtful changes.

ANNA MARIA BRAUN | We also need to increase profitability. Growing is certainly essential to us, but, above all, growing using our internal resources, including to be able to make investments and acquisitions. We need to make sure we continue to be able to do this in future. I look at it like a muscle we need to train—our profitability muscle. And because we can't do everything everywhere at the same time, we need to come together and discuss how we get involved where, how much and with what resources. There are awesome possibilities, but we're challenged to look at exactly where we put our focus.

Professor Große, you'll be handing the chair of the Management Board over to Ms. Braun soon. What advice will you give to your successor?

PROF. DR. HEINZ-WALTER GROSSE | First of all, I'm very happy that a member of the family will again be leading the Management Board. But it's most definitely not my job to "give advice" to Ms. Braun. She's been with the company for several years, has years of experience, including from her work in Asia, she knows the people, the products, the culture at B. Braun. She exhibits every day what I think is a very important quality: the ability to listen.

Ms. Braun, what are you looking forward to in your new job?

ANNA MARIA BRAUN | I'm looking forward to continuing B. Braun's successful history. I won't be doing it alone, but together with my colleagues on the Management Board and with every employee.



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ANNA MARIA BRAUN

