

An aerial photograph of a two-lane road winding through a dense forest with green and yellow foliage. A large, semi-transparent teal circle is centered over the road, with a white truck and a car visible on it. The background of the entire page is a solid teal color.

Supplementary non-financial insights 2024

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NOTE

These supplementary non-financial insights have been prepared similar to KION's Sustainability Insights 2023 with the intention to provide further information on the Group's sustainability activities during fiscal year 2024. This document should be read in conjunction with the comprehensive accompanying sustainability statement 2024 ("Sustainability Report 2024") as part of KION's Annual Report 2024. The Sustainability Report 2024 was prepared in accordance with the requirements of Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 (Corporate Sustainability Reporting Directive, CSRD), of Article 8 of Regulation (EU) 2020/852, and of section 315c in conjunction with 289c to 289e of the German Commercial Code (HGB) regarding consolidated non-financial statements. KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin, was commissioned to perform a voluntary limited assurance engagement on the sustainability statement 2024. ➔ [KION Annual Report 2024](#)

Foreword



"Our voluntary sustainability reporting 2024 according to CSRD reinforces our conviction that we are on the right track."

Valeria Gargiulo, Chief People & Sustainability Officer,
(CPSO) & Labor Relations Director, KION GROUP AG

➤ [KION's Sustainability Report & More](#)

Dear Shareholders, Customers, Partners, and Friends of the KION Group,

With the publication of our Annual Report 2024, in which we have voluntarily integrated all requirements of the European Union's Corporate Sustainability Reporting Directive (CSRD), it becomes clear just how much we at KION have achieved together with our employees in terms of sustainability initiatives, actions, and targets in 2024.

As we continue our sustainability journey towards achieving net-zero greenhouse gas emissions across our entire value chain by 2050 at the latest, our efforts yielded significant results in 2024:

Further demonstrating our commitment to sustainability, the Science Based Targets initiative validated our climate targets while we simultaneously reaffirmed our EcoVadis Gold rating for the KION Group and achieved our highest score to date in the S&P Global CSA 2024.

The latter also paved the way for us to be included for the first time in the Dow Jones Best-in-Class Europe Index, one of the longest-running sustainability indices, and for the third consecutive year in the S&P Global Sustainability Yearbook, making us one of the sustainability leaders in our industry.

Our strategic sustainability management is therefore a fundamental pillar of our new "Playing to Win" strategy. We are committed to continuing to take responsibility for our employees, the environment, and society, and we believe that a high degree of transparency is key to fulfilling this responsibility.

To further demonstrate our sustainability ambition beyond mandatory regulatory reporting, we have created this additional disclosure, which details our achievements and provides comprehensive information.

Best regards

Valeria Gargiulo

KION's sustainability key figures 2024 and ESG achievements 2024 vs. 2021

KION Group – Overview sustainability figures

	2024	2023	2022	Change 2024 vs 2023
Environment				
GHG emissions (scope 1+2) (in kt CO ₂ e) ¹	147	146	143	0.3%
GHG emissions (scope 3) (in kt CO ₂ e) ¹	16,011	17,581	21,297	-8.9%
Energy consumption (in MWh)	630,191	638,042	623,960	-1.2%
Water withdrawal (in m ³)	606,030	595,854	552,888	1.7%
Waste produced incl. hazardous waste (in tons)	84,446	75,617	101,287	11.7%
ISO 14001 certification rate (all locations)	99%	90%	72%	–
Social				
Employees ²	42,719	42,325	41,149	0.9%
Proportion of female employees ^{3, 6}	18.9%	18.6%	18.1%	–
Lost time injury frequency rate (LTIFR) ⁴	4.4	5.2	5.9	-15.4%
ISO 45001 certification rate ⁵	99%	89%	80%	–
Governance				
Proportion of women in Administrative, Management and Supervisory Bodies of KION Group (AMSB) ⁶	27.3%	27.3%	22.7%	–
ESG targets incorporated into Executive Board remuneration	Yes	Yes	Yes	–

1 Greenhouse gas emissions (GHG) in thousand tons CO₂ equivalents (CO₂e) in accordance with GHG protocol (location-based for scope 1 and scope 3, market-based for scope 2)

2 Number of employees (full-time equivalents; incl. apprentices; excl. inactive employees) as at balance sheet date Dec. 31









3 According to ESRS; as defined by KION (incl. apprentices; excl. inactive employees), the proportion was 18.6% (2023: 18.2%)

4 Occupational accidents of active employees with one or more working days lost per million hours worked

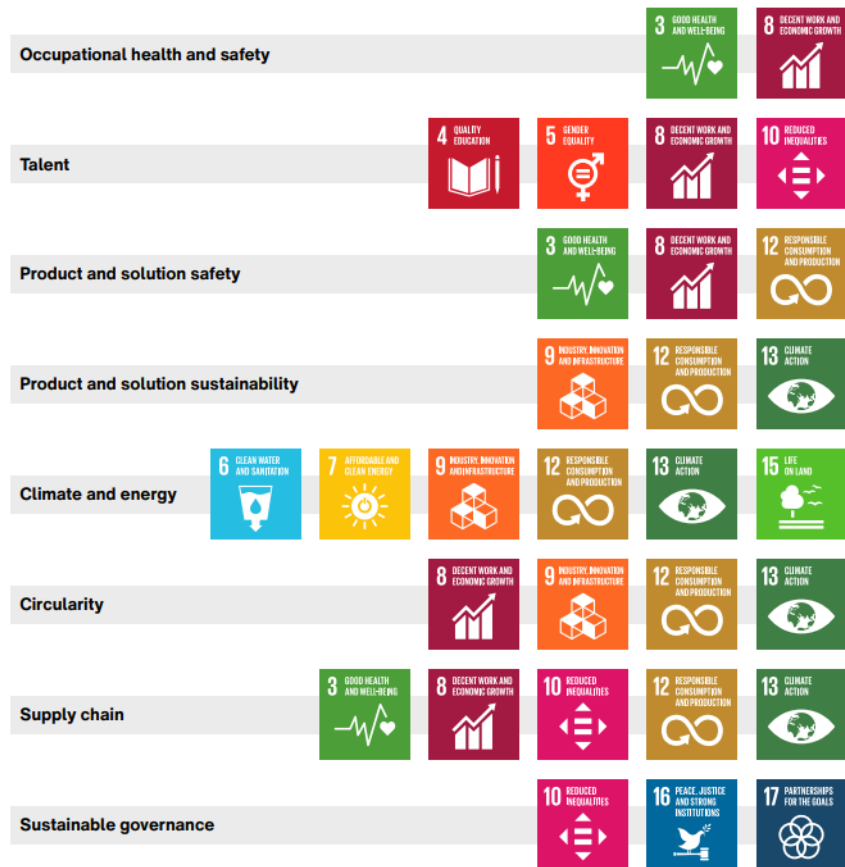
5 ISO 45001 or equivalent occupational health and safety standards, based on all sites

6 Headcount as at balance sheet date Dec. 31

KION Group – Selected ESG achievements 2024 vs. 2021

	Description	Performance 2024 vs 2021		Description	Performance 2024 vs 2021
E	Revenues	+11%	S	Employees	+8%
	 Emission intensity GHG emissions Scope 1, 2 & 3.3 Market-based/Revenues	-39%		 Diversity % of female employees	+2 Percentage Points
	 Water intensity Total water withdrawal/Revenues	-7%		 LTIFR Lost Time Injury Frequency Rate	-43%
	 Waste intensity Total waste produced/Revenues	-10%	G	 ESG-linked incentive Variable remuneration linked to ESG criteria	Yes from 2020 onwards
	 Energy intensity Total energy consumption/Revenues	-11%		 Supplier risk assessment (incl. EcoVadis)	Yes from 2018

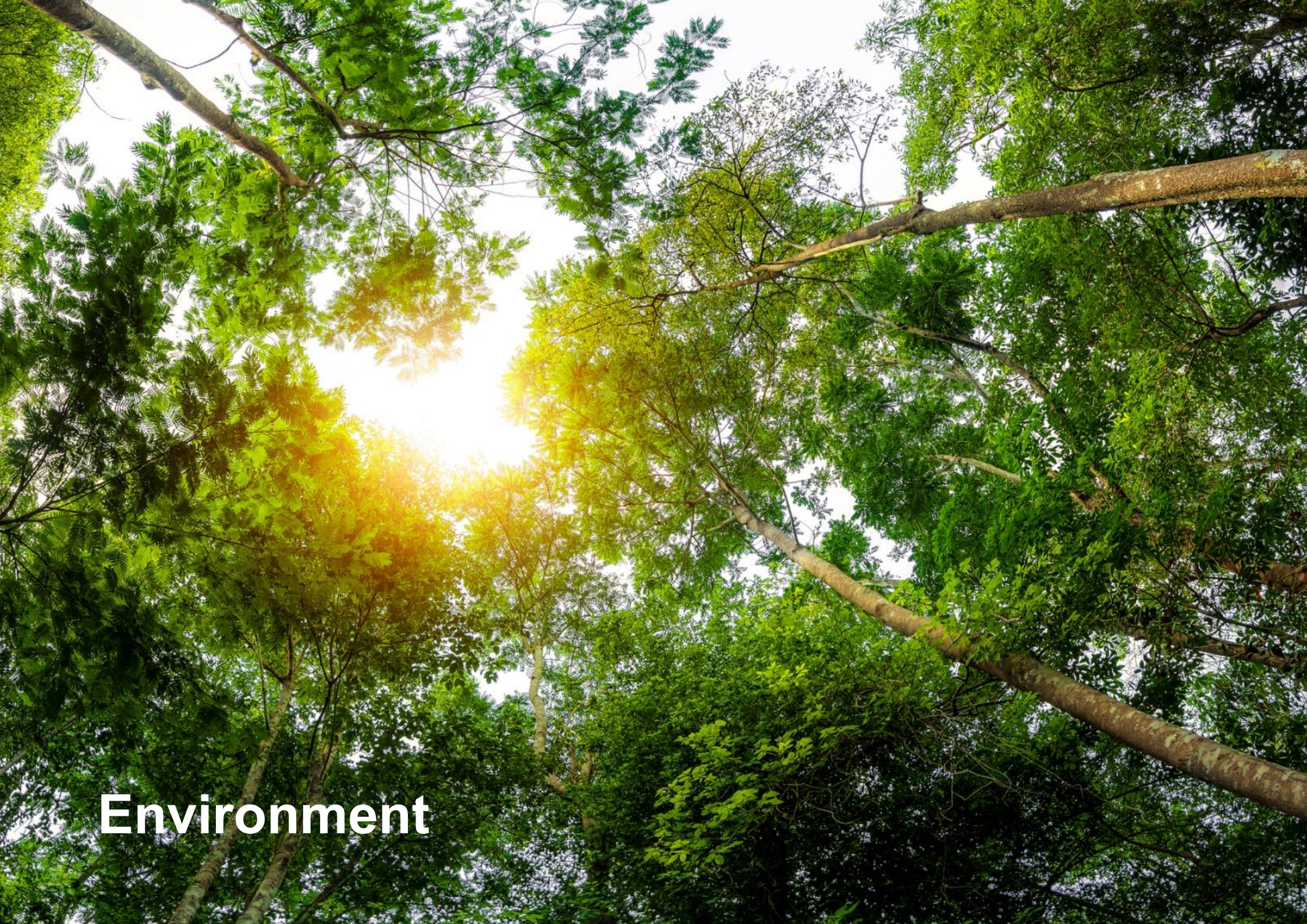
KION's sustainability action fields and the Sustainable Development Goals (SDGs)



SDG 3: Good health and well-being, SDG 4: Quality education, SDG 5: Gender equality, SDG 6: Clean water and sanitation, SDG 7: Affordable and clean energy, SDG 8: Decent work and economic growth, SDG 9: Industry, innovation and infrastructure, SDG 10: Reduced inequalities, SDG 12: Responsible consumption and production, SDG 13: Climate action, SDG 15: Life on land, SDG 16: Peace, justice and strong institutions, SDG 17: Partnerships for the goals

The KION Group's eight sustainability action fields form the framework and are the basis for the goals defined in KION Group's sustainability strategy and the three strategic dimensions of people, products, and processes applicable for both operating segments Industrial Trucks & Services (ITS) and Supply Chain Solutions (SCS). Further details on the sustainability strategy can be found in the Sustainability Statement of the [KION Group Annual Report 2024](#) (p. 114-119).

The KION Group also embraces the 2030 Agenda for Sustainable Development of the United Nations including the SDGs. As a company with global operations, the KION Group prioritizes specific SDGs based on their relevance to the company's core business activities. The eight specific sustainability action fields provide the framework and the link for the strategic contribution of the KION Group to these global objectives.



Environment

Environmental and energy management

In the KION Group AG governance structure, responsibility for all sustainability topics lies with the Executive Board, in particular with the Chief People & Sustainability Officer. The Executive Board develops and makes ongoing adjustments to the sustainability strategy, as well as communicates it to the Supervisory Board and, specifically, the Audit Committee for supervision. The Audit Committee is responsible for supervising all sustainability matters including climate-related issues and the net-zero ambitions of the KION Group. Further details can be found in the [↗ KION Group Annual Report 2024](#).

The KION Group's near-term and net-zero targets were formally validated by SBTi in 2024 ([↗ SBTi Dashboard](#)). In order to steer the net-zero transformation, the action field "Climate action" is one of the subjects addressed by the [↗ Sustainability Council](#), the strategic planning and the regular sustainability KPI reporting to the Executive Board by the Head of Sustainability & HSE. As a cross-functional topic covering all areas of the KION Group and its value chain it is closely interconnected with other action fields such as "Circularity" and "Supply chain" ([↗ Sustainability Strategy](#)).

The KION Group pursues dedicated energy management systems in accordance with ISO 50001 or an equivalent standard to ensure a systematic local program in subsidiaries with high energy consumption. Regular internal and external energy audits, quantified targets, actions and progress monitoring with focus on energy support the efforts to reduce energy use locally.

With regard to Scope 1 and 2 GHG emissions, the KION Group implemented ongoing measures and initiatives on the basis of local energy or environmental management systems, for example:

- Switching to energy-efficient motors in equipment and machinery,
- Recovering waste heat in production and optimizing heating systems and building infrastructure,
- Extending LED lighting technology,
- Optimizing routes in sales and services,

- Implementing measures around the electrification of transportation and logistics in own operations by using stepwise non-fossil-fuel-based technologies in own fleets and extending the necessary infrastructure on site,
- Increased sourcing of energy from renewable sources and using further options for the self-generation of energy based on renewables, especially using solar energy at the sites,
- Further building awareness on energy saving by employees,
- Trainings on energy management and conservation.

As a result, a reduction in energy consumption of 1.2 percent was achieved in 2024 compared to the previous reporting year. Significant reductions could be further achieved in the consumption of coking coal, natural gas, and purchased heating.

GHG emissions and energy

	2024	2023	2022
GHG emissions			
Scope 1 GHG emissions (in t CO ₂ e)	108,401	110,769	107,782
Scope 2 (market-based) GHG emissions (in t CO ₂ e)	38,153	35,288	35,318
Scope 3 GHG emissions (in t CO ₂ e)	16,011,381	17,581,227	21,297,483
Scope 3 Downstream GHG emissions (in t CO ₂ e)	12,859,402	14,467,190	18,061,496
Scope 3 Upstream GHG emissions (in t CO ₂ e)	3,151,978	3,114,039	3,235,987
Energy			
Energy consumption (in MWh)	630,191	638,042	623,960
Renewable energy consumption (in MWh)	133,423	131,020	119,690
Share of energy consumption from renewable sources	21.2%	20.3%	18.9%
ISO 50001 certification rate (all sites*)	16%	15%	14%

Downstream Scope 3 includes 3.11, 3.13, 3.12 and 3.15. Upstream Scope 3 includes 3.1, 3.2, 3.3, 3.4, 3.5, 3.6 and 3.7.

* The ISO 50001 certification is foreseen only at manufacturing or major sites, therefore the coverage rate is relatively low due to the large number of total group sites. Nonetheless, the ISO 50001 certified sites account for to at least 41% of the groupwide energy consumption (across the 3 years).

Significant air pollutant emissions (direct)

in kg	2024	2023	2022
Total significant air pollutants	1,819,995	2,108,529	2,109,324
Carbon Monoxide (CO)	1,696,713	1,903,704	1,893,474
Volatile Organic Compounds (VOC)	75,320	119,444	120,303
Particulate Matter (PM)	7,153	4,818	3,842
Nitrogen Oxides (NOx)	24,349	22,975	22,740
Others (SOx, Phosphats etc.)	16,461	57,588	68,965

The total is calculated as the sum of air pollutants that are currently monitored at selected manufacturing sites, which represent the most significant air emissions (other than CO2 emissions). Figures for the prior years have been readjusted in the context of data base enhancements.

As in previous years, no significant violations, fines or penalties for non-compliance with environmental standards or regulations were reported by the KION Group entities in 2024. The groupwide internal sustainability and HSE reporting ensures the regular tracking of potential incidents.

Violations, fines or penalties with environmental standards or regulations

	2024	2023	2022	2021
Number of significant violations of legal obligations / regulations	0	0	0	0
Amount of fines/penalties related to the above (in € million)	0	0	0	0
Environmental liabilities accrued at year end (in € million)	0	0	0	0

Further environmental metrics

	2024	2023	2022
Number of environmental audits ¹	89	75	n/a
% of sites with employees trained on environmental topics	89%	90%	86%
% of operational sites assessed on environmental risks ²	99%	90%	87%

1 With respect to environmental topics, these include external audits in the context of ISO 14001 (re-)certification and internal Corporate HSE Audits.

2 In 2024, the dedicated question on the environmental risk assessment was removed from the Group's HSE site assessment questionnaire to avoid inefficiencies and duplications with topics already covered by the ISO 14001 and 45001 certification audits. Since a site's environmental risk assessment is one of the requirements of ISO 14001 in 2024 therefore the same % as the Group's site certification rate for 14001 was reported.

Sustainability online trainings

Since May 2024, in general all KION Group employees have year-round unlimited access to more than 20,000 Learning courses on the platform. These courses provide training and reskilling opportunities to also encounter, for example, general challenges for the employment of people that may result from industrial or even climate transition changes.

During 2024, the KION Group organized several Learning months, each with its own distinct focus. The month of October 2024 was dedicated to the topic of sustainability, and specially curated courses as well as targeted promotions were made available to all employees.

Water and waste management

The use of fresh water is of less critical importance for KION's own production. Nevertheless, projects were put in place to improve the water management also including the construction of water treatment plants to enable the reuse of water, especially in countries with water shortages. Since 2022 one application for water recycling is installed for a plant of the ITS segment in India, for example.

Other examples include rainwater harvesting projects and the introduction of water-saving technologies to optimize water usage. Measures to detect and prevent leaks were also implemented.

While the KION Group's business activities only have a negligible impact on the water quality, the Group does not carry out its own pre-treatment prior to discharge, except for the use of volatile liquid separators. By monitoring wastewater quality at selected locations, the Group prevents thresholds from being exceeded and ensures that the wastewater meets the required quality standards in compliance with local regulations and in alignment with the ISO 14001 environmental management system.

In order to raise awareness and establish a culture of economical water use, communication initiatives were launched to educate employees, and regular training courses were provided on water efficiency management programs.

Ensuring an efficient and responsible waste management KION's efforts are to divert unavoidable waste from its own operations into circular channels. KION Group intends to systematically reduce the amount of waste it generates, particularly any hazardous waste, and to increase the recovery of waste that cannot be avoided. KION's HSE Standard also established requirements for the waste management. Several measures were introduced in 2024 to reduce the volume of waste. Potential steps include identifying and compiling a list of suitable recycling partners, assessing sites' waste disposal practices, and taking this as the starting point, creating strategic waste disposal plans.

KION Group's overarching aim is to enhance the recycling and waste management capacities of the sites.

Water metrics

in cubic meters (in m3)	2024	2023	2022
Water withdrawal	606,030	595,854	552,888
Third-party water	575,402	557,409	514,049
Groundwater	21,140	25,564	25,654
Surface water	846	150	150
Water withdrawal from other sources	8,642	12,731	13,035
Water discharge	559,575	571,346	533,882
Third-party water	523,781	541,428	496,263
Seawater	–	958	1,113
Other freshwater discharge (groundwater, etc)	35,794	28,960	36,506
Water withdrawal (excl. saltwater)	606,030	595,854	552,888
Water discharge (excl. saltwater)	559,575	570,388	532,769
Total net freshwater consumption (excl. Saltwater)	46,455	25,466	20,120
Water recycled and reused	2,245	2,098	2,206

Waste

in tonnes (t)	2024	2023	2022
Total waste generated	84,446	75,617	101,287
Total weight of hazardous waste	15,826	12,694	12,774
Total weight of non-hazardous waste	68,620	62,923	88,513
Total weight of waste recovered	65,660	60,356	84,699
Waste recovery rate (%)	78%	80%	84%
Share of total waste diverted from landfills (%)	88%	89%	89%

Product stewardship

The KION Group strives to design products, solutions, and services for its customers that are highly sustainable. These products and solutions are therefore considered essential enablers for the KION Group's sustainability targets. To evaluate the environmental impacts of products throughout its entire life cycle to disposal life cycle assessments (LCAs) and the end-of-life cycle responsibility are defined measures to drive this ambition.

Life Cycle Assessment (LCA)

Both the ITS and SCS segment are collaborating to pilot and conduct LCAs for their products and solutions, while strengthening synergies. The installed teams of LCA experts provide support to the involved internal stakeholders. Based on the findings of the LCAs, new criteria will be considered in the early design phase of the product development.

In the ITS segment, the KION Group conducted LCAs for six truck series already in 2023. Furthermore, the KION Group completed a carbon footprint analysis according to the ISO 14067 standard in the ITS segment. The ISO 14067 certification was verified by an independent third party in December 2024.

End-of-life cycle responsibility

The KION Group actively incorporates circular approaches through a range of activities, initiatives, and programs along the entire product life cycle – from product design and materials to procurement, refurbishment and recycling. As far as possible, also installations and facilities at the customer sites are returned to the materials cycle through recycling.

Clean(er) Production – Steel recycling in the ITS segment

The use of renewable resources such as energy and recyclable or recycled materials is the basis for improving the circular economy. It is specifically aimed at fostering clean(er) production and delivery. In the ITS segment, the counterweights of forklifts are produced by up to 100 percent recycled materials in Weilbach and Dinklage (Germany).

Manhole covers, cast-iron radiators, recycled counterweights and other scrap are melted down at the German foundries of the KION Group. This process can prevent the extraction of new iron from the earth's biosphere.

Extended Product Lifetime – Sharing model in the ITS segment

In the area of shared and modular use, the brand Linde Material Handling offers an innovative short-term rental model in China. A sharing platform for vehicles was introduced in 2022. Over one thousand tenant merchants of the Mingpinfu Logistics Park (China) can rent electric pallet trucks via a QR code, thereby offering customers a convenient alternative to buying the trucks, and therefore an attractive solution for temporary and high-frequency truck use. Additionally, the possibility to rent flexible products like counterbalance and warehouse trucks and the offer of these products as a service through subscription are already standard within the ITS segment and are becoming increasingly popular.

Extended Product Lifetime in the SCS segment

The automation solutions (SCS segment) installed on customer sites are predominantly large-scale installations with numerous systems and subsystems. These installation projects entail a high level of capital expenditure for the customer, which means additional focus on total cost of ownership of the solution entailing both energy efficiency as well as long useful life of the solution.

SCS warehouse solutions have energy management engineered into the standard line of products:

- High Efficiency Motor Drives (IE5 efficiency class – as described in IEC 60034-30-1:2014) will provide energy savings, higher operational efficiencies, and enhance the dependability of conveyors with less parts and unplanned operational downtime. The IE5 motor drives can fit most Dematic conveyors enhancing our standard equipment offering.
- The Energy Management or Power Save functionality is standard programmed logic in Dematic controllers. These controllers monitor equipment usage by load tracking and/or sensors enabling the stopping of most equipment reducing the power consumed by areas that are not actively needed and extending product service life.

Retrofitting Dematic conveyor systems:

- In addition to new sites, the SCS services team responsible for modifications and upgrades are key partners with long-time customers to remain energy efficient. High Efficiency Motor Drives and associated rollers can be a retrofit to existing conveyor solutions. Modernization and upgrade assist our customers in reaching their sustainability goals by reducing kilowatt usage by up to 25 percent while extending the lives of their existing systems.



Dematic: New High Efficiency Motor Drives with up to 25 percent energy savings for the customer

Refurbish, Repurpose & Resell – Refurbishment in the ITS segment

To further extend the product life cycle, the KION Group has been maintaining its take-back program in the ITS segment for years. Its used truck offerings help customers reduce costs and save valuable primary resources. The refurbishment business contributes to the extension of the life cycle of products, solutions and their components through methods such as optimal maintenance and service intervals, exchange of components and upgrading. At various company sites, for example in Czech Republic, Poland, Brazil and China, used equipment is reset to a 'like new' quality standard including repair and refurbishment. At Blackforxx in Germany, trucks even from non-KION brands are refurbished, thereby extending their lifespan. In addition, the KION Group refurbishes lithium-ion batteries from returned leased trucks at KION Battery Systems GmbH, if the end of the life cycle has not yet been reached. Batteries that have already reached the end of their life cycle go into recycling.

Recycle – Li-Cycle cooperation for lithium-ion battery recycling

The recovery of resources at the end of their initial lives is another area that the KION Group pursues in its business model. Driven by an increased commitment to recycling, the KION Group started in 2023 a strategic partnership with Li-Cycle Holdings Corp. in Magdeburg (Germany) for Europe. In 2024, around 24.95 tonnes of lithium-ion modules, or an equivalent of 609 batteries, were sent to the company's facilities for recovering (2023: 2.35 tonnes or 238 batteries). During this process, batteries are shredded in a two-stage recycling process with a minimal environmental footprint. Due to the fact that lithium-ion batteries have an extended lifecycle the recycling and recovery of rare resources will continuously increase over the next years.



Li-Cycle ITS: Up to 95 percent of the mass of a lithium-ion battery can be recovered

Reduction of hazardous substances in materials purchased

The KION Group considers compliance and traceability of materials along the value chain as important key aspects in order to identify and substitute chemical substances which may be harmful to humans or may have an adverse effect on the environment. Already in 2023, the KION Group has established an increased transparency by engaging suppliers to give feedback on the use of hazardous substances as well as conflict minerals in products. The collected data will support the definition of follow-up actions, including those relating to reduction and substitution of substances. Therefore, a significant number of initiatives aimed at replacing specific substances have been initiated in recent times.

The KION Group will continue this path to ensure full compliance according to all valid environmental legislations and guidelines. In addition, the introduction of a material database is in progress. The database is intended to create transparency about chemical composition of products, identify material risks regarding usability due to restricted or prohibited substances at an early stage in product development, and support the selection of conform materials.



Welcome
KION's 5th group of 2024 management trainees



Stribro (CZ) HSE-Managementsystem
with a noticeable decline of
the LTIFR over years



Working safety at height for the service
technicians (ITS EMEA, Italy)



Tracking risks with a developed KION
App to avoid incidents (Linde, Sweden)

Social

Labor practices

The KION Group is committed to comply with all applicable laws and to provide decent and fair working conditions for the health and well-being of its employees. Besides providing opportunities for flexible work organization, this includes respecting statutory or collective working time limits for health protection reasons. The KION Group is convinced that constructive collective labor relations should be a permanent pillar of a corporate culture that promotes collaboration.

The engagement of the workforce within the framework of codetermination, as well as the formation of employee representative bodies at company and supra-company level, is carried out in accordance with the relevant national laws and collective agreements. With regard to cross-border issues, the European Works Council represents the interests of employees in the European Union. As of the end of 2024, collective agreements applied to approximately 29,000 employees of the KION Group, which equates to 66 percent of the total workforce (2023: 63 percent; 2022: 62 percent). In the event of mass layoffs or terminations, the KION Group generally follows the applicable regulations by national laws or collective agreements and complies with, for example, respective notice periods.

As a socially responsible employer, the KION Group offers modern family policies and employee support programs to support its employees' health and well-being. In general, labor practices are managed locally. This may include equal pay analysis, employee benefits, the monitoring of working hours, and the management of overtime including compensation. At a majority of the KION Group entities in Germany, for example, the respective HR department proactively reminds the employees to take their paid annual leave entitlements in time. Flexible working hours and working-from-home arrangements have been part of the KION Group entities' working practices for several years.

The offering is based on local or regional agreements or initiatives in around 85 percent of the consolidated and non-consolidated entities (shareholding above 50 percent) within the Group, followed by part-time working options as well as variable work schedules and time-off for life events. Topics covered by the query in addition to human rights are, among others: appropriate remuneration and adequate wages to secure a subsistence level of income, working time and pay practices regarding atypical or extra working hours, gender pay gap analysis for selected employee groups which represent a large part of the total workforce, talent attraction and development, as well as inclusion.

The results of the annual compliance risk assessment 2024 confirmed that at all consolidated and non-consolidated entities (with a shareholding above 50 percent), a minimum one-day rest per week is granted as standard as is annual paid leave. In addition, it revealed that more than 70 percent of those entities have additional relaxation time or paid leave time in place which is exceeding the national minimum requirements.

An e-learning course on the Minimum Employment Standards, including anti-discrimination, has been released to raise the employees' awareness on human rights (including aspects of the Act on Corporate Due Diligence Obligations in Supply Chains (LkSG)) and respectful conduct in the workplace. At the International Human Rights Day, the course was rolled out to the managers, HR and further functions of the entire KION Group in late 2024.

The KION Group, which has a direct presence in around 40 countries, sees itself as a global company. In addition to equal opportunities and the fair treatment of all employees, the KION Group believes that diversity involves respect for different perspectives and different ways of thinking. At the end of 2024, employees of more than 110 nationalities were contributing their range of skills and expertise to the KION Group.

**Employees by main nationalities and
by management positions at KION Group**

	2024		2023	
	Total workforce	Management positions	Total workforce	Management positions
Total in %	100.0%	100.0%	100.0%	100.0%
German	26.8%	22.0%	26.1%	21.2%
Chinese	12.4%	12.2%	12.2%	11.7%
French	9.6%	10.2%	9.3%	10.2%
American (USA)	9.2%	15.0%	10.1%	16.2%
United Kingdom	6.5%	6.9%	6.5%	7.1%
Others	35.5%	33.7%	35.8%	33.6%

Based on headcount as at balance sheet date Dec. 31, as defined by KION Group
(incl. apprentices; excl. inactive employees)

A female share of 18.6 percent in KION's workforce in 2024 (2023: 18.2 percent) confirms the ongoing attention paid to the advancement of women:

Female share in workforce and by management level

	2024	2023	2022
Female employees in total workforce (% of total workforce)	18.6%	18.2%	17.8%
Female employees in all management positions (% of total management positions)	18.4%	17.9%	17.2%
Female employees in junior management positions (% of junior management positions)	16.7%	16.8%	16.0%
Female employees in top management positions (% of top management positions)	15.1%	14.3%	12.5%
Female employees in management positions in revenue-generating functions (% of all revenue- generating management positions incl. support functions)	11.6%	11.6%	10.8%
Female employees in STEM-related positions (% of STEM* positions)	13.2%	12.6%	12.0%

Based on headcount as at balance sheet date Dec. 31, as defined by KION Group
(incl. apprentices; excl. inactive employees)

* Science, technology, engineering, and mathematics (STEM)

Human rights and social dialogue

In 2024, the consolidated and non-consolidated entities (shareholding above 50 percent) assessed for human rights impact or risks amounted to 100 percent (2023: 100 percent; 2022: 100 percent). This refers to the completion rate of the annual compliance risk assessment, which is initiated on corporate level and covers the KION Group consolidated entities and those where KION Group has a majority stake. The assessment aims to confirm compliance with the Group's Minimum Employment Standards and identify potential risks, including on human rights aspects. The assessment results also serve to reveal improvement areas, with the aim of eventually mitigating and/or eliminating the potential for human rights violations.

For further details, please see the latest version of the Group's internal Human Rights assessment and due diligence published annually on the company website. In terms of new business relations for example joint ventures, mergers and acquisitions, the KION Group performs an ESG due diligence screening process on a case-by-case basis.



#LogiMAT Stuttgart, March 2025:
DeAnn Hargis, Director Global Sustainability at Dematic driving sustainability at the trade fair with the motto "Passion for Logistics"

Diversity, Equity & Inclusion (DEI)

In 2024, the KION Group continued promoting a company-wide speak-up culture, aimed at creating awareness and encouraging employees to report cases of misconduct including, but not limited to, harassment. Affected parties can report cases of misconduct through several channels ([↗ Compliance Management System](#)).

The campaign included the e-learning course “Speaking up” to improve the speak-up culture. Several e-learning courses addressing the topics of diversity, discrimination and harassment have also been deployed in previous years to raise workforce awareness on these issues and ensure a respectful workplace culture (see “Professional conduct at KION”, “KION Group Code of Compliance”, “How unconscious bias affects the workplace” see table [↗ ‘Compliance trainings of the KION Group’](#)).

The KION Group is joining the UN's Orange the World campaign to raise awareness of violence against women and girls and to fight discrimination in all its forms. In 2024, the Executive Board has come together to send a message of solidarity and action.

Among other DEI activities, besides participating in the "Diversity Charta" since 2023, the KION Group has also been involved in the German Chef:innensache (formerly Chefsache) network since 2019. This network is dedicated to equal opportunity and is under the patronage of the German Chancellor with participation from leaders in business, academia, the media and the public sector. Furthermore, Dematic (USA) is active in the Material Handling Industry Diversity Equity and Inclusion Advisory Committee and shares best practices.



Executive Board: Christian Harm, Rob Smith, Michael Larsson, Valeria Gargiulo, CP Queck, Andreas Krinninger

Diversity Equity & Inclusion metrics

	2024	2023	2022
Cases of discrimination, systematic harassment or victimization due to protected individual characteristics	0	0	0
% of employees trained on diversity, equity, and inclusion ¹	84%	n/a	n/a

¹ Refers to the cumulative participation rate in the course "Professional conduct at KION", see respective table "Compliance trainings of the KION Group". A cumulative participation rate cannot be calculated for previous years at this stage

Human resources management

Talent development

At the KION Group, corporate talent development programs as well as a specific talent development landscape on country level or within the Operating Units are established. The KION Group aims to further enhance especially the leadership skills of employees and/or to prepare potentials for the next career step. These development opportunities are generally available to employees across various functions and levels. Participation is open regardless of whether employees work full-time or part-time, reflecting the inclusive approach of the KION Group to talent development.

To assess performance in a fair and understandable manner, to explore individual development needs, and to support employees in realizing their full potential, the KION Group conducts an annual, standardized, and comprehensive process called Organization Capability Talent Review (OCTR). The OCTR, introduced in 2017 and first revised in 2022, combines performance, talent, and succession management, and applies to all employees across the organization. It is based on the clearly defined competency model and leadership principles, as well as on the four shared KION Group values: integrity, collaboration, courage, and excellence. Besides performance appraisal, it includes the identification and development of high-potential employees who are nominated for participation in various talent development programs.

The process consists of at least two key conversations: an annual conversation and a mid-year check-in. In the annual conversation, each supervisor systematically provides feedback in a standardized employee dialogue and discusses targets, tasks, expectations, personal development, and career ambitions for the future. A tool-supported function for receiving feedback from others on employees in advance further improves the review process by gathering different perspectives. This ensures a comprehensive and balanced view of performance through input from other managers, peers, project leaders, team members, and other stakeholders. In the following mid-year check between the employee and its supervisor, progress on target achievement and the need for amendment are reviewed.

Additionally, the feedback process should be continuous, featuring regular and constructive exchanges between managers and employees throughout the year to promote ongoing development and ensure alignment with organizational goals.

Since 2020, this information has been, with few exceptions, collected in the groupwide HR IT system. For the OCTR cycle started in the end of 2023 and finished with the employee dialogs in Q1 in 2024, 82 percent of employees completed the OCTR process via the HR IT system (excluding offline reviews) (2023: 78 percent; 2022: not reported).

Nominations for participation in specific talent development programs are often required and decided upon during the OCTR which facilitates transparency in career aspirations and potential for advancement. The continuous review and set-up of further development programs (locally or groupwide) demonstrates the KION Group's commitment to retaining its employees and to supporting them in their sustainable growth. The KION Group provides a diverse array of domestic and international assignments of varying durations, aligned with business requirements, to facilitate the global mobility of talent across borders and all operating units. This approach supports both organizational objectives and the professional development of our employees.

The Finance Talent Program (FTP) for example is a global talent development program designed for professionals within the finance organization who have the potential to take the next step in their career. The program's core objectives are to foster the individual development, increase the visibility of talents, build strong networks, and bolster succession planning within the finance organization. The first group completed the two-year talent program in 2024. By the end of the first cycle, 17 percent of the originally registered participants were promoted to a leadership position at the KION Group. In 2024, 18 talents were registered for the new program.

The KION management trainee program is another 18-month global development program. Participants rotate through a total of four stations to get to know the target functions, key interfaces, and partners. Also included is a five-month assignment at one of the KION Group's international locations. Throughout the program, the trainees are accompanied by an executive manager who acts as a mentor. In 2024, the fifth group started, with twelve new trainees joining the KION Group.

The KION Group considers it a competitive advantage to systematically identify and develop high-potential employees and successors internally. With this approach, the KION Group extends development opportunities for its employees across the Group, increases its employer attractiveness, and, at the same time, encourages a strong feedback culture. By the end of 2024, the KION Group was able to appoint suitable potential successors for more than half of its executive positions and, for almost all executive positions, at least unique mid-term successors. The KION Group hired 5,632 new employees in 2024 (in headcount and excluding internal hires). The employee termination rate in 2024 is 12,4 percent (2023: 12,0 percent; 2022: 14,6 percent).

Employee support programs

The KION Group aims to cultivate a work environment that champions safety, health, and overall well-being – encompassing both physical and mental aspects. In terms of health culture, the KION Group entities continued to offer employees a range of preventive occupational health services in 2024. These included occupational health check-ups, the provision of a company doctor, prevention activities (related to nutrition, physiotherapy, blood pressure, etc.), safety days and weeks, health seminars and campaigns at various sites throughout the Group.

The KION Group recognizes the increasing importance of activities that help employees manage stress and combat mental and physical fatigue. The annual compliance risk assessment 2024 across all consolidated and non-consolidated entities (shareholding above 50 percent) of the KION Group revealed that more than 65 percent have implemented activities to help employees manage stress and combat mental and physical fatigue.

One example is the Employee Assistance Program (EAP) which is established in multiple KION Group entities worldwide (for example in Germany, Czech Republic, France, Italy, UK, USA, Canada, Mexico, Australia) to provide employees assistance for issues that may affect their everyday work and personal lives. The focus lies on psychological support and on topics such as family and care, partnership, as well as on (mental) health and life balance, including (workplace) stress management and approaches to dietary and behavioral changes.

Further results of the compliance risk assessment 2024 show that more than 70 percent of the consolidated and non-consolidated entities (shareholding above 50 percent) have implemented any form of sport or further health benefits for their employees on the local level. Examples are gym partnerships or reimbursements, or onsite fitness facilities. In addition, almost all KION Group entities have at least one local initiative in place to help employees balance company interests with protected circumstances arising from private life. Besides EAPs, this includes benefits such as paid parental leave, paid family or care leave beyond parental leave, breastfeeding support, childcare facilities, or allowances as well as social protection.

Since 2023, all KION Group entities in Germany offer company-sponsored bike leasing. At most German sites, a financial incentive to use public transport (Deutschland-Ticket) is available. These offers not only aim at supporting green mobility, but also contribute to the health and well-being of the KION Group's employees and their families.

Occupational health and safety

OHS is a significant contributor to the employee wellbeing, which is key to a high-performing company. The KION Group strives for a behavior-based safety culture regarding physical and mental health which minimizes hazards, occupational injuries, and illnesses as well as serious incidents.

Occupational health & safety

	2024	2023	2022
Share in % of employees trained on occupational health and safety	99%	100%	99%
Share in % of entities with occupational health physician, occupational health checks or voluntary check-ups	85%	87%	87%
Share in % of all operational sites with health & safety risk assessment ¹	92%	95%	94%
Share in % of workforce represented in formal joint management-worker health & safety committees	94%	94%	94%
Share in % of sites training contractors on occupational health and safety	89%	94%	92%
Number of days lost to work-related injuries, fatalities and ill health	8,124	8,561	8,574
Number of work-related accidents ²	444	382	423
<i>Lost-time injuries</i>	351	382	423
<i>Other injuries</i>	93	<i>not reported</i>	<i>not reported</i>
Minor injuries	discontinued	1,480	1,380
LTIFR of temporary agency workers	6.5	7.2	9.2

¹ The figure reflects sites that have confirmed covering all requested areas (based on the KION Group HSE Standard) in their site's health and safety risk assessments.

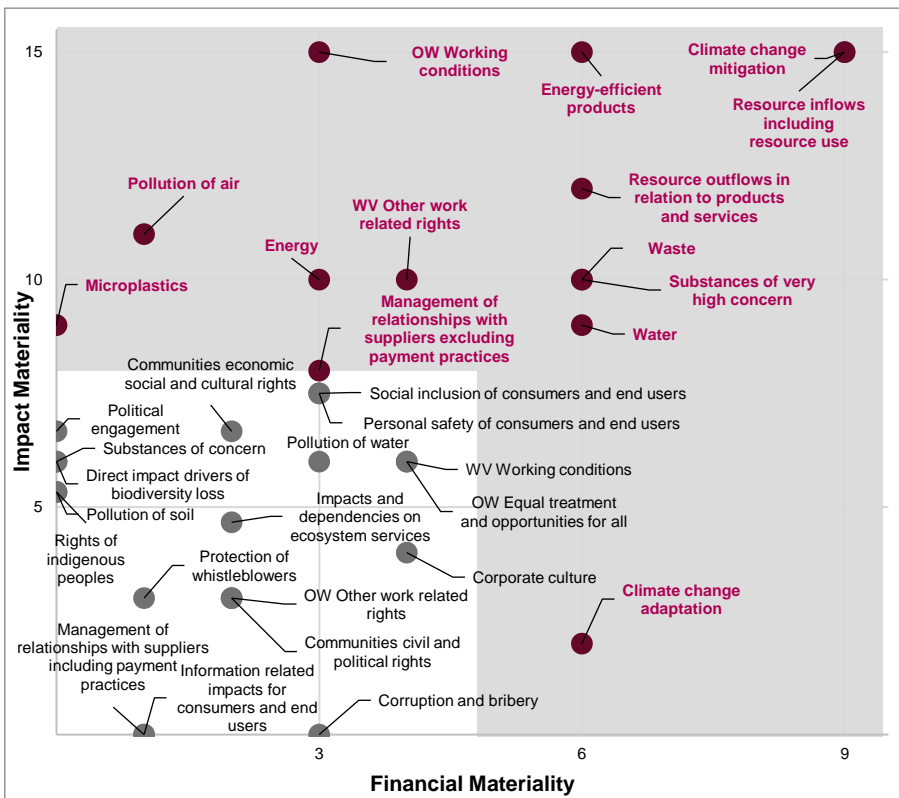
² In 2023 and 2022, the number of work-related accidents includes only Lost-time injuries, since the KPI "Other injuries" was not yet tracked in alignment with the CSRD definition. In order to display a broader overview of injuries than the lost-time injuries, the KPI "Minor injuries" is reported for 2023 and 2022 (discontinued in 2024 in the context of the KPI review in alignment with CSRD requirements).



Governance

Double materiality assessment

The KION Group regularly revises its groupwide materiality analysis and incorporates the results in its sustainability strategy and action field activities. A description of the latest double materiality analysis (DMA) process in accordance with the Directive CSRD requirements can be found in the [Annual Report 2024](#) (p. 122-128). The following 2024 materiality matrix shows the sub-topics according to the European Sustainability Reporting Standards (ESRS) based on the KION Group's material impacts, risks and opportunities (IROs) within the assessed corridor for financial as well as impact materiality:



This additional disclosure is designed to provide further information on selected material issues and their business cases, the main external impacts identified and their relevance to stakeholders. Details on how the material issues, related risks and impacts are addressed and mitigated can be found in each respective section (Environmental, Social and Governance) of the Group sustainability report. ([Annual Report 2024](#), p. 139-224).

Business cases on material issues

The following section describes the most relevant material risks and opportunities associated to the highest-ranked material topics or sub-topics according to the ESRS for the KION Group. These business cases outline how the related material issues can significantly impact the KION Group's business and its long-term value creation by leading to cost savings, revenue generation, and risk mitigation.

Business case: Climate change mitigation, Climate change adaptation (ESRS E1 sub-topics)

The KION Group's approach to climate change mitigation and adaptation includes reducing greenhouse gas (GHG) emissions and energy consumption across operations as well as adopting renewable energy sources and energy-efficient technologies to mitigate climate-related risks. This can positively contribute to the reputation of the Group's brands (material opportunity: "Competitive advantage in the market"). As customers and investors increasingly prioritize sustainability, positioning the KION Group as a leader in climate action will enable the company to attract environmentally conscious customers and investors, potentially expanding its market share and revenue streams (material opportunity: "Low-carbon products"). ([Annual Report 2024](#), p. 140-143).

The implementation of energy-efficient technologies and renewable energy sources can significantly reduce energy consumption and related costs. Energy-efficient processes and equipment can lower operational expenses, leading to long term cost savings.

The material risks posed by climate change (physical risk: “Extreme weather events in the supply chain”, transition risk: “Cost increases due to implementation of decarbonization strategies by suppliers and to monitor data to avoid greenwashing”; ↗ [Annual Report 2024](#), p. 140-145) can be mitigated by proactively implementing counter measures. By reducing energy consumption, actively collaborating with suppliers to reduce disruptions and to implement decarbonization strategies, the KION Group can enhance cost savings and mitigate the financial impact of climate-related risks. Additionally, it can attract sustainability-focused customers and investors and generate new revenue streams.

Business case: Resource inflows incl. resource use, Waste (ESRS E5 sub-topics)

The adoption of circular products and business model can create long-term value aimed at a transition towards a circular economy. Designing products for durability, reuse and recycling represents an opportunity for the KION Group which are already put into practice. Such initiatives can differentiate the Group's products and brands from competitors and build customer loyalty. Circular products and business models can also create new revenue streams, such as product refurbishment services or leasing options. These offerings can attract customers seeking sustainable solutions and generate additional revenue beyond traditional product sales (material opportunity: “New business opportunities from circular business models”). (↗ [Annual Report 2024](#), p. 179-181).

If the KION Group will not implement circular strategies in time, the risk of damaging its brands' image and losing competitiveness against its peers can occur. Customers could therefore prefer competitors' products, which could result in a loss of revenue and market share for the KION Group (material risk: “Loss of competitiveness”, “Reputational damage”). Additionally, not implementing circular products and business models could result in greater exposure to potential raw material shortages (material risk: “Raw material shortages”), which could impact the Group's profitability due to increased material costs and potential delays in deliveries (revenue loss, penalties). Furthermore, by minimizing waste and optimizing resource utilization, the KION Group can reduce procurement expenses and material

waste disposal costs (material opportunity: “Waste as resource”). (↗ [Annual Report 2024](#), p. 179-181).

Business case: Energy-efficient products (ESRS E1 entity-specific sub-topic)

By integrating sustainability requirements into the product development process, complying with industry-specific initiatives and standards, the KION Group can align its product and solution portfolio with customers' sustainability efforts and needs. Accordingly, access new opportunities and keep or potentially increase its market share (material opportunity: “Alignment of products with sustainability efforts of customers”). (↗ [Annual Report 2024](#), p. 140-145).

Material issues for external stakeholders

During the 2023-24 DMA, external stakeholders were asked to provide input on two perspectives: impact materiality (inside-out; environmental and social impact of KION Group's business activities) and financial materiality (outside-in; opportunities and risks for KION Group's business development). These perspectives are respectively represented on the vertical and horizontal axes of the matrix. The severity of an actual or potential negative impact was assessed from the perspective of the affected stakeholders, therefore impact areas considered the environment, society and the supply chain (suppliers and contractors, customers/end-users) where applicable.

With respect to the impact materiality, external stakeholders ranked topics from those with the greatest to those with the lowest environmental and/or social impact. They also provided details on the most important impacts they identified for each ranked topic. Their input was taken into consideration by the content experts of the central functions when performing the quantitative evaluation of potential and actual impacts (positive and negative).

The following outlines the main impacts identified and the reasons for their high ranking (materiality).

With respect to the topic “Climate change”, the KION Group identified several negative impacts across the three phases of the value chain (↗ [Annual Report 2024](#), p. 140 ff.):

- Own operations (operations): GHG emissions’ impact connected to own production and transportation,
- Upstream (supply chain): GHG emissions’ impact connected to sourcing of material inputs (steel, aluminium, pre-processed parts), business travel and transportation,
- Downstream (products/services): GHG emissions’ impact connected to product use phase and end of life.

These negative impacts were evaluated mainly considering their effect on the environment, although climate change impacts also affect society overall, including end users or the employees of external suppliers (upstream supply chain). For instance, GHG emissions connected to own production and transportation were deemed to have only a “medium” impact on the environment, however they were assessed material due to the Group’s international presence and to the difficult or long-term reversibility of the impact. Similar considerations were made with respect to the GHG emissions connected to sourcing of material inputs (steel, aluminum, and pre-processed parts). The environmental impacts related to the products’ GHG emissions were determined to be material considering that these represent the largest portion of the Group’s total emissions, and that the impact is widespread (global customer base) and difficult to reverse.

With respect to the topic “Resource use and circular economy”, the KION Group also identified material sub-topics (Resource inflows, Resource outflows and Waste, ↗ [Annual Report 2024](#), p. 179 ff.). Among the highest-ranked material sub-topic (Resource inflows), potential negative impacts are connected to the depletion of natural resources for raw materials and to potentially harmful substances contained in batteries. These impacts were evaluated mainly considering their potential effect on the environment and society in general. Although counter measures are already in place to address these impacts, their likelihood and gross effect (severity) is high. Therefore, from an external perspective, these impacts were assessed to be material.

Materiality metrics for external stakeholders

According to the 2024 DMA results, the two highest-ranked material issues in terms of organizational impact (inside-out perspective) are “Climate change” and “Resource use and circular economy”. The specific external impacts that are partially quantified and evaluated as subsequently described.

Climate change

- Output metric: Reduction of GHG emissions (% or tonnes); share of renewable energy use,
- Impact valuation: Social carbon costs impact by ‘GHG reduction’
- Impact metric: International carbon prices (proxy for social cost of carbon),
- Evaluation: The impact is being evaluated by using international carbon prices which serve as a current proxy for the social cost of carbon until a more comprehensive methodology is established.

Resource use and circular economy

- Output metric: Reduction in GHG emissions related to waste and end-of-life treatment of sold products and (respectively Scope 3.5 and 3.12) (tonnes of CO₂),
- Impact valuation: Social carbon costs impact related to products’ end-of-life and waste,
- Impact metric: International carbon prices (proxy for social cost of carbon),
- Evaluation: The impact is being evaluated by using international carbon prices which serve as a current proxy for the social cost of carbon associated with products’ waste and end-of-life and waste (3.5 and 3.12) until a more comprehensive methodology is established.

Emerging ESG risks

Complementary to the comprehensive risk report as part of the [Annual Report 2024](#) (p. 245-259), the KION Group reports on two important long-term (3-5 years+) emerging risks with the most significant impact on the business operations in the future, including mitigating actions planned or taken in light of these risks. By addressing these governmental controls and environmental risks, the KION Group aims to fortify its business operations against future uncertainties.

Import tariffs imposed by the administration of the USA

The KION Group identified import tariffs imposed by the administration of the United States of America (USA) as an emerging risk that falls under the category of governmental controls. As of March 1, 2025, tariffs are set to be imposed on imports into the USA from Mexico, China, and EMEA regions. Within the KION Group, SCS's operational shipments from the production site in Monterrey (Mexico) pose the highest risk.

The announcement on April 2, 2025, regarding a revised global tariff scheme affects imports into the USA from most nations, including the EU, and introduces further increased tariffs on goods from China. However, the order specifically exempts goods covered by the Agreement between the United States of America, the United Mexican States, and Canada (USMCA). This excludes the majority of imports from Monterrey (Mexico) by the SCS segment. New risks according to potential tariff impacts are being monitored closely and consistently.

The estimated potential impact of this emerging risk is in a low double-digit million-euro range on EBIT. KION is working on mitigation measures.

Increased frequency of heavy rainfall events

The second emerging risk identified represents the increased frequency of heavy rainfalls events in the category of environmental risks. The physical impacts of climate change and the increased frequency as well as severity of extreme weather events such as storms, floods and hurricanes are expected to potentially increase costs through material shortages and thus instable supply chains. Production disruptions in the supply chain or increased costs for purchased goods could lead to negative financial implications.

Increasing heavy rainfalls events could lead to a significant business interruption. Therefore, the KION Group recognized the need for proactive strategies to reduce the exposure to this emerging ESG risk. For sites with an increased risk exposure mitigations have been already proactively initiated on local level. For example, due to the increasing occurrence of flooding, water protection walls were installed, and various canal inspections were carried out at the sites affected.

The regular assessment of sites also in regard to physical climate risks makes KION more resilient and provides greater transparency within the KION Group's supply chain which entails identifying suppliers, regions and specific business activities as well as assessing the associated risk levels.

Based on the identified potential for risk reduction, the KION Group may consider appropriate measures such as relocating activities, changing suppliers or modifying processes and technologies. Details on physical climate risks may be taken into account in supplier contracts, the sourcing will be further diversified, and supply buffers will be increasingly considered. In addition, the possibilities of insurance regarding potential financial impacts due to extreme weather events in supply chain will be explored.

Business ethics and policy influence

The KION Group stands for compliance with laws, guidelines, and voluntary codes in the Group and relies on a comprehensive compliance management system. The [KION Group Code of Compliance](#) (KGCC) serves as the basis for this. Detailed regulations are defined in the KION Anti-Bribery and Corruption Policy (ABC Policy), the KION Policy and Guideline on Avoiding Conflicts of Interest, the KION Group Policy on Antitrust Law Compliance, the KION Internal Investigation Policy and the KION Group Donations and Sponsorship Policy.

As a long-standing member of the German Institute for Compliance (Deutsches Institut für Compliance, DICO e.V.), the KION Group has the corporate social responsibility toward its customers, employees, lenders

and the general public to comply with all applicable laws, to respect ethical values and to act in a sustainability-oriented manner everywhere and at all times.

All new employees at the KION Group are required to complete an e-learning course that covers all aspects of the KGCC. The KION Group aims to train all employees regularly on the most critical topics: anti-corruption, avoiding conflicts of interest, antitrust and competition law, anti-money laundering, whistleblower protection, data protection, IT security and human rights. Employees without a computer workplace and those who are exposed to particular compliance risks due to their activities – such as sales – receive special trainings in person.

Compliance trainings of the KION Group

	Completed trainings			Percentage of workforce ⁴			Cumulative completion %
	2024	2023	2022	2024	2023	2022	End of 2024
Classroom trainings (KION Group Code of Compliance, incl. Anti-corruption etc.)	5,000	2,300	4,000	12%	6%	10%	approx. 100% ⁵
E-Learning: KION Group Code of Compliance ¹	5,500	5,200	6,200	13%	13%	15%	82%
E-Learning: Avoiding Corruption in KION Group ¹	5,200	4,900	6,400	12%	12%	16%	82%
E-Learning: Professional Conduct at KION	5,600	5,400	7,600	13%	13%	19%	84%
E-Learning: Preventing Money Laundering and Fraud at KION ²	4,900	1,400	7,300	12%	3%	18%	18%
E-Learning: Avoiding Conflicts of Interest at KION	30,400	6,200	35,800	72%	15%	88%	87%
E-Learning: How unconscious bias affects the workplace ²	2,400	11,200	–	6%	27%	0%	28%
E-Learning: Speaking up ³	4,600	26,000	–	11%	63%	0%	65%
E-Learning: Preventing Anti-Competitive Practice	5,000	5,100	32,300	12%	12%	79%	88%

1 Not rolled-out to workers in production. Workers receive an onsite compliance training

2 Voluntary participation

3 New in 2023, participation extended to all functions

4 Average workforce in 2024: 42,439 full-time equivalents, in 2023: 41,552 full-time equivalents, in 2022: 40,781 full-time equivalents

5 Approximation to full hundreds

Whistleblowing system

Employees and external stakeholders of the KION Group can report actual and suspected compliance violations via the whistleblowing system in person or by telephone, post, or email. In addition, a 24/7 whistleblower hotline and an online form are available for the anonymous reporting of potential compliance violations.

The whistleblowing system is open to report all instances of non-compliance with laws or regulations. This includes, but is not limited to, corruption and bribery, antitrust and anti-competitive practice, fraud, violations of minimum employment standards or human rights, discrimination and harassment, violations of human rights or environmental rights in the supply chain, violations of the code of conduct or laws and regulations etc. Retaliation for making a report is prohibited by KION. All reports will be followed up. The use of the whistleblowing system is promoted in the intranet, with posters onsite, during Compliance classroom trainings and with a mandatory e-learning course for each new employee (↗ [Annual Report 2024](#), p. 200 f., 217 f.).

Compliance risks are documented and assessed on an annual basis as part of a systematic compliance risk analysis throughout the Group, including for the parent company KION GROUP AG.

The risk analysis conducted in 2024, which focused on corruption and bribery, did not identify any incidents or risks that could be deemed material according to the internally defined thresholds.

Besides no material cases of corruption and bribery, there were no reportable or critical incidents registered in 2024 in the areas of IT security including customers privacy data.

Business ethics and compliance metrics

	2024	2023	2022
Number of material corruption incidents	0	0	0
Number of reportable or critical IT security incidents	0	0	0
Percentage of risky trading partners covered by a due diligence process on corruption or information security ¹	100%	100%	100%
Percentage of all sites assessed or audited internally on a specific business ethics issue ²	100%	100%	100%

1 All business partners (creditors and debtors) whose master data was entered into SAP are covered by a due diligence process, including adverse media screening against corruption, Fraud, Money Laundering, Antitrust, Labor disputes, organized crime and other compliance topics. Depending on the type of business partner, the due diligence process is carried on further. Dealers and intermediaries are required to complete questionnaires and are subject to background checks. Suppliers also need to complete Compliance questionnaires and, in some cases, are requested to be audited by external auditors.

2 The Compliance Risk Assessment (CRA) assessed 142 entities in the KION Group, covering all consolidated entities as well as those where KION Group had a majority stake. The CRA 2024 specifically assessed risks for non-compliance with laws, regulations and policies in the areas of Anti-corruption, Anti Money Laundering, Fraud, Minimum Employment Standards, Tax, and Information Security.

Compliance management system

The efficiency of the KION Group's compliance management system is continually reviewed and refined. It is based on the model of the IDW PS 980 auditing standard, which focuses on preventing compliance violations. In 2021, the external audit of the compliance management system which applies to all KION Group legal entities with a majority stake was completed in the anti-corruption section in accordance with IDW PS 980, based on ISO 19600. In addition to effectiveness, the audit focused on the adequacy and design of the compliance management system. In 2022, it was confirmed that during the audit period the measures were effective, in accordance with the principles applied, in identifying risks of material non-compliance with reasonable assurance in a timely manner as well as preventing non-compliance. The compliance management system did not change in a significant way in 2023 and 2024 compared to the audit period.

The KION Group does not support any kind of political campaigns, candidates, or direct lobbying activities in general as well as in the financial year 2024. Any such contributions would be in violation of the [KION Group Code of Conduct](#).

Contributions & other spending of the KION Group

in € thousand, rounded	2024	2023	2022	2021
Total contributions and other spending	2.175	2.022	2.876	4.223
Contributions for political campaigns / organizations	–	–	–	–
Lobbying, interest representation or similar	–	–	–	–
Contributions to trade associations (cash contributions)	2.175	2.022	2.876	4.223
Other spending	–	–	–	–

Number of reported cases through the KION Group whistleblowing tool by primary issue type, status and substantiation of closed cases

	2024	2023	2022
Total reported cases	180	141	171
Corruption or Bribery	15	3	3
Conflict of Interest	9	9	10
Fraud	11	9	13
Accounting Matters or Controls	1	2	3
Anti-Money Laundering	1	–	1
Theft	10	9	10
Unprofessional Behavior	–	23	25
Employee Relations	–	15	18
Discrimination	4	9	9
Harassment	29	12	16
Mistreatment	–	5	8
Abuse of Power, Authority, or Control	20	9	5
Information Security	8	3	1
Acceptable Use Violations	–	–	–
Safety Concerns	4	2	7
Quality Concerns	–	–	3
Code of Conduct Violation	48	8	8
Retaliation	4	6	4
Violation of Human Rights or Environmental issues in the supply chain	2	2	–
Compliance with Laws, Rules, and Regulations	13	13	15
Antitrust and Competition	1	–	–
Other	–	2	12
Status / substantiation (in %)			
Closed cases (partially) substantiated	57%	53%	47%
Closed cases unsubstantiated	40%	42%	43%
Closed cases substantiation undetermined	3%	5%	10%

Sustainable supply chain management

Supplier ESG risk management

The KION Group pursues a three-stage ESG supplier risk management process to analyze and assess suppliers with a direct business relationship regarding their compliance with labor-law, social, ethical, and environmental standards. In 2024, the KION Group expanded its assessment scope and started to include tier-2 suppliers. The process serves as an overarching supplier ESG program and is defined in the ESG Risk Management Standard for suppliers of the KION Group. Details can be found in the Sustainability Statement as part of the [Annual Report 2024](#) (p. 216 ff.).

Employees of the procurement organization are provided with a training on the three-stage process and the details of regulatory obligations. A sustainability learning path was developed specifically for the buyers across the Group and consists of three different trainings including the “KION Supplier ESG Risk Management Training”. As all KION Group entities worldwide are affected by it, the training is specifically focused on explanations of the German Act on Corporate Due Diligence Obligations in Supply Chains.

The KION Group continuously informs and offers training to its suppliers on the ESG supplier risk management process and corresponding requirements via the [Supplier section](#) on the KION Group website.

The following KPIs regarding ESG Supplier Screening as well as on Supplier Assessment and Development are based on the ESG Risk Management Standard and delineate the efforts of the KION Group towards a sustainable value chain. The strategic oversight of the ESG supplier risk management process' implementation as overarching supplier ESG program lies with the Executive Vice President Global Procurement who chairs the Global Procurement Governance Council. In 2024, the KION Group started to expand its assessment scope and includes tier-2 suppliers, if possible.

Sustainable procurement metrics

	2024	2023	2022
% of unique significant suppliers that have gone through a CSR assessment (e.g. questionnaire) ¹	88%	82%	49%
% of buyers across all locations who have received training on sustainable procurement topics ²	78%	84%	84%
Number of assessed suppliers engaged in corrective actions	345	19	0
Number of assessed suppliers engaged in capacity building programs (training) ³	405	256	209

1 For 2023, the percentage (%) corresponds to the Supply Chain target reported in the Strategy status tables of the respective years (see KION Group Sustainability Insights 2023). In 2022, activities were started and focused only on EcoVadis and strategic suppliers (see [KION Group Sustainability Report 2022](#))

2 The calculation refers to buyers' training on the EcoVadis academy in 2022, and buyers' training on LkSG in 2023 and 2024. Previous year's figure for 2023 has been amended compared to the [Sustainability Insights 2023](#)

3 Figures of 2023 and 2022 include only trainings of suppliers via the EcoVadis platform; in 2024 the KION Group introduced an internal supplier training (participation figures therefore were computed including both this and the EcoVadis training)

Supplier base of the KION Group

	2024
Total number of Tier-1 suppliers	51,160
Total number of significant suppliers in Tier-1	772
% of total spend on significant suppliers in Tier-1	49%
Total number of significant suppliers in non-Tier-1	5
Total number of significant suppliers (Tier-1 and non-Tier-1)	777

ESG supplier assessment and development

ESG supplier risk assessment and mitigation

	2024
Total number of significant suppliers assessed via desk assessments/on-site assessments	680
Number of significant suppliers assessed with substantial actual/potential negative impacts ¹	52
Number of significant suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan	21
% of significant suppliers with substantial actual/potential negative impacts with agreed corrective action/improvement plan ²	40%
Number of significant suppliers with substantial actual/potential negative impacts that were terminated	0

1 Status as at December 31, 2024; improved supplier scoring during the year is not included

2 Percentage includes successful corrective action plans, such not yet finished or that did not lead to an improvement

ESG supplier development

	2024
Total number of significant suppliers successfully supported in corrective action plan implementation (excluding training) ¹	14
% of significant suppliers assessed with substantial actual/ potential negative impacts successfully supported in corrective action plan implementation	27%
% of unique significant suppliers in capacity building programs ²	10%

1 Suppliers who have been actively supported and with developments in their results

2 In 2024, the KION Group introduced an internal supplier training (participation figures therefore were computed including both this and the EcoVadis training)

In 2024, a total of 345 ESG corrective actions were conducted at suppliers (excluding those related to environmental product requirements), based on KIONs Standard Operating Procedure (Guideline) for ESG corrective actions. These encompassed several supplier on-site assessments carried out by purchasing employees of the KION Group as well as one on-site assessment carried out by an independent accredited auditing body. Further kinds of ESG corrective actions in 2024 represent supplier training, supplier meetings, direct supplier communication, supplier assessment via SAQ 5.0, desk-based supplier risk assessments (EcoVadis or equivalent) and the definition of corrective action plans.

Inclusive procurement (formerly supplier diversity)

In 2024, the KION Group and its affiliated brands made remarkable strides in advancing their Inclusive Procurement Program, underscoring their commitment to integrating a wide array of perspectives within the supply chain. This initiative is not merely a social responsibility but a strategic imperative that enhances both innovation and competitive advantage. By actively seeking out businesses that might otherwise remain unnoticed, the program ensures that suppliers from a wide range of backgrounds have equal opportunities to contribute and thrive.

The accomplishments of 2024 are noteworthy. The KION Group launched its first inclusive training program, established comprehensive guidelines for procurement practices, and introduced an internal newsletter to communicate progress and achievements. Additionally, efforts were made to track purchasing volume with Tier 1 and Tier 2 suppliers, which were transparently reported. Engagement in panel discussions, webinars, matchmaking events, and the launch of an internal small business marketplace further illustrated the program's dynamic approach.

A significant highlight of 2024 was the SCS segment's purchasing volume with U.S. small businesses – a substantial increase of 7 percent from the previous year – demonstrating tangible progress in supporting a broad spectrum of enterprises.

Looking ahead to 2025, the KION Group aims to expand its Inclusive Procurement Program beyond U.S. borders into Europe with a particular focus on initiatives in the United Kingdom. This strategic expansion reflects a commitment not only to fostering innovation but also to fulfilling corporate responsibilities as global citizens by engaging with potential new suppliers from varied backgrounds.

Through these efforts, The KION Group reaffirms its dedication to creating an inclusive procurement environment where merit-based opportunities abound for businesses of all sizes and backgrounds – ensuring a vibrant ecosystem that benefits all stakeholders involved.

Information security

KION's Information Security (IT-SEC) develops and maintains a globally consistent Security Framework based on internationally accepted standards and industry best practice. Besides that, the focus is also on consulting central and regional functions in IT and business to comply to it.

The overall aim is to establish, implement, operate, and continuously improve a global and effective cyber defense for KION. Therefore, the KION Group's requirements and commitments to information security are anchored in a groupwide KION Information Security Policy under the overall responsibility of the Chief Information Security Officer (CISO).

The implementation of the internal and corporate requirements of the Data Protection Policy as well as the KION Information Security Policy has to be performed by each Operating Unit of the KION Group. Those are responsible for data protection and its coordination in the individual subsidiaries report to their respective senior management team. The Group Data Protection Officer reports directly to the Chief Compliance Officer, while the KION Group Chief Information Security Officer (CISO) reports to the KION Group's Chief Information Officer. The latter reports to the CFO of KION's Executive Board who oversees the IT security strategy as part of the risk management committee with the accompanying KION Group risk committee standards. This dedicated organizational structure emphasizes the importance of both, data protection and information security within the organization.

The KION Information Security Policy covers requirements on continuous improvement of the information security systems as well as the integrity and protection of data. It specifically defines that appropriate technical and organizational measures are established to ensure confidentiality, integrity, and availability of information, as required based on business needs. Classification is used to promote proper controls for safeguarding the confidentiality of information while the integrity and accuracy of all classifications of Information must be protected regardless of classification. The KION Information Security Policy further requires that IT systems are configured and operated securely in-line with appropriate internationally recognized standards for system security as documented in the

supplementary groupwide system security standards. This requirement shall apply to end point systems including but not limited to user of end point devices (laptops, desktops, mobile devices), servers, cloud computing resources and customer solutions including controllers, machines, vehicles and any products that are provided or sold to customers.

According to the KION Information Security Standard it should be ensured that all employees, contractors, and third parties current and new are vetted in an approved manner to meet both internal and customer requirements and ongoing security training needs are met. This includes at a high level the following:

- Information Security Policies and Standards, or the applicable aspects of these policies and standards, will be communicated to all employees, contractors, and third parties to ensure that they understand their responsibilities.
- Security responsibilities are included in job descriptions and in terms and conditions of employment. All employees do have varying degrees of responsibility for Information Security according to the KION Group's information security standards. An Acceptable Use Guideline is published to all employees describing the most important elements of the standards for the employees. Verification checks will be carried out on all new employees, contractors and third parties as by local and regional regulatory requirements.

The commitment of the KION Group to establish information security requirements for third parties (e.g. suppliers) is further anchored in the KION Information Security Third Party Management Standard. It complements details on how Information Security requirements are ensured when relationships with third parties are entered, maintained, and terminated. The Standard defines mandatory requirements related to:

- Ensuring the classification, selection, and approval of Third Parties and their provided services
- or products concerning information security aspects follow a risk-based approach,
- Defining information security requirements that need to be adhered to when managing third parties; and
- Identifying third party information security risks and addressing them through contractual agreements, monitoring activities, or changes in management procedures throughout the phases of Selection, Assessment & Approval, Maintenance and Offboarding (life cycle).

Beyond the binding labor law regulations of the KION Information Security Policy, all employees worldwide (2024: 42,439 FTEs, average at the end of 2024 including apprentices and trainees) are requested to participate in the annual information security awareness training. KION's active IT users of an average of around 37,000 FTEs had successfully completed the training by the end of 2024 with a rate of 95 percent.

Anti-phishing and social engineering awareness training is further enhanced on a regular basis.

These regular IT security training include the following measures:

- Training via e-learning on IT security employee awareness at least once a year,
- Global anti-phishing campaigns,
- Monthly video sequence on the social intranet on the topic of information security,
- Target group-specific information security training,
- Instructions on how to secure the IT infrastructure,
- Ad hoc newsletter of security topics and tips for prevention.

Despite all security precautions and regular e-learning worldwide, cyberattacks are becoming more and more sophisticated. KION believes that, in case of an ongoing cyberattack, an efficient and ad hoc incident communication between all potentially affected companies is crucial to avoid any unnecessary business impact. Therefore, and in addition to the general compliance management system (whistleblowing system), a central e-mail inbox is available both internally and externally for complaints or notifications relating to a possible breach of data privacy. These reports are documented in a traceable manner and their outcome is monitored.

The Cyber Defense Center (KION CDC) operates 24 hours a day, 7 days a week, 365 days a year across the EMEA, APAC and Americas regions. In the financial year 2024 again zero (0) reportable and critical IT security incidents including breaches were registered (2023: 0; 2022: 0).

Information security management system

The KION Group has a “Security Incident Management Standard” and accordingly a “Business Continuity Standard” in place. The core of the information security management is on the one hand to be able to continue the business despite damage, loss, or disruption of business processes due to cyber security threats, on the other hand, to ensure the required level of continuity for information security is maintained during an adverse situation such as a crisis or disaster; and to ensure business continuity plans are current and address information security requirements.

KION Group’s Information Security Management System (ISMS) is based on ISO 27001. It also covers parts of the National Institute of Standards and Technology Cybersecurity Framework (NIST CSF) and Trusted Information Security Assessment Exchange (TISAX). In scope of the Operating Unit ITS EMEA the development, provision and operation of its fleet management solutions are certified according to ISO 27001 (ISO 27001:2022 of STILL neXXt fleet, the STILL FleetManager 4.x and Linde connect:desk in the hosted variant). The information security management activities related to product development and operation/maintenance of mobile automation, internet of vehicles and telematics boxes, application software development, and operation/maintenance and information system integration of Linde (China) Forklift Truck Corporation Limited are further certified in scope of ITS APAC (ISO 27001:2022).

To ensure that internal standards are adhered to, the KION Group performed scheduled internal audits on a regular basis across the Group also in the financial year 2024. The purpose of these internal audits is to assess the operational effectiveness of an ISMS. The KION Information Security Audit Standard defines mandatory controls related to ensuring compliance of the ISMS to relevant Information Security standards as well as with Information Security requirements of the KION Group. It further requires ensuring that information security is effective in all KION Group procedures and processes, that identified corrective actions relating to information security are implemented and that identified weaknesses are remediated in the context of continuous improvement.

The KION Group conducts continuous vulnerability scans of the entire IT infrastructure and regular penetration testing of critical systems. The KION Information Security Policy encompasses requirements on the monitoring and responsiveness to information security threats. Risk exposure to a business-acceptable level must be maintained. This will be performed through a thorough analysis of groupwide information networks and systems which will be conducted on a regular basis to document the threats and vulnerabilities of stored and transmitted information. The analysis will examine the types of threats – internally or externally, natural or manmade, electronic and non-electronic – that affect the ability to manage the information resource.

The analysis will also document the existing vulnerabilities within each entity which potentially expose the Information resource to the threats. Finally, the analysis will also include an evaluation of the information assets and the technology associated with its collection, storage, dissemination, and protection.

In 2024, the KION Group employed continuous real time and scheduled vulnerability analysis of the enterprise using industry standard and accepted tools.

The objective of the KION Vulnerability and Patch Management Standard is to define mandatory controls related to:

- Maintaining an accurate inventory of Systems requiring Vulnerability assessment and patch management activities,
- Executing ongoing Vulnerability assessment activities to identify threats;
- Establishing processes to evaluate and remediate deficiencies (e.g., vendor patches, vulnerabilities) and perform validation; and
- Collaborating with Technical Owners to ensure that Vulnerability management is embedded into build/development practices.

Product quality programs

The KION Group continuously establishes and implements quality processes and procedures for a high level of customer satisfaction. To ensure excellent product quality across all production and development sites within the entire KION Group, an integrated quality management system is in place. This system comprises both preventive actions – targeting design maturity, supplier performance and process qualification – as well as comprehensive reactive measures such as inline quality inspections and pre-delivery inspections. While the KION Group strives to avoid any complaints, customers can always reach out to their local sales and service representatives to address any issues. Service activities resulting from these complaints are processed in IT systems and evaluated by dedicated quality engineers.

The KION Group adheres to the requirements of the ISO 9001 standard. All production and development sites are regularly assessed for ISO 9001 certification. To assess the effectiveness of the integrated quality management system, the KION Group conducts both internal as well as external audits. Its assessment is a focus area of internal audits which are performed frequently under local responsibility and supervised, supported and consolidated at central level. In preparation for external audits and for continuous improvement, internal stakeholders involved in the ISO 9001 certification process receive training conducted or coordinated by the Global Quality Management department.

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The addition of (sub)totals as well as percentages presented in the tables may result in rounding differences.

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