

# 2022

Sustainability Report (ESG)

**kardex**



# Sustainability report (ESG)

- 2 Introduction
- 2 Ethical business practices
- 5 Sustainable business model
- 6 ESG organization
- 6 Materiality analysis
- 8 Reporting on material topics

## 1. Introduction

In 2022, the awareness of ecological and social sustainability in the economy became a question of survival for various economies and ecosystems. Recent developments have shown how corporate and social responsibility are affecting companies in their endeavors to attract talents and how customers are increasingly requesting transparency on sustainability efforts.

Devastating forest fires, floods, increasing water, and food scarcity caused by climate change, together with the COVID-19 pandemic and the Ukrainian-Russian war, have highlighted the importance of sustainable structures in the economy and society to protect the livelihoods of future generations. Businesses and society increasingly face critical questions: How does climate protection fit into the context of accelerated globalization and the challenges it brings? Are we facing restrictions from new due diligence obligations in environmental or social legislation? Will new regulations impact Kardex' sustainable business development and its value chain? Kardex strives continuously to take these aspects into account as part of its development strategy for sustainability.

This Sustainability Report is oriented towards the internationally recognized Global Reporting Initiative (GRI) standards for sustainability reporting. The report shows how Kardex addresses sustainability topics and how the Group aligns with sustainability requirements. In addition, the materiality assessment in section 5.2 of the Sustainability Report shows which material topics Kardex contributes to sustainable business practices.

## 2. Ethical business practices

Kardex considers current and future regulatory requirements around environmental, social, and governance (ESG) topics. The Board of Directors and the Group Management foster a responsible corporate culture and ethical, fair, and resilient business practices to ensure sustainable and profitable business growth.

### 2.1 Ethical behavior

As a global player, Kardex faces different laws, cultures, customs, and traditions, which can lead to uncertain situations in dealing with new global challenges.

Kardex seeks to contribute to positive social, environmental, and cultural developments. Kardex respects the local cultures and practices in its business markets and is committed to responsibly playing its role in society. Kardex has defined how the Group should be perceived from the outside and has developed the Brand Promise "Straightforward", "Innovative", and "Fair". The Brand Promise serves as a guide for employees in their dealings with all stakeholders and helps them to set priorities in their daily working lives.

### 2.2 Code of Conduct

The Kardex [Code of Conduct](#) sets out the general principles of ethical behavior in a binding manner. This applies internally in dealings with employees and colleagues and externally in dealings with customers, suppliers, competitors, or other interest groups.

The ethical business principles of Kardex, as defined in the Code of Conduct, are binding for the Board of Directors and all employees. Compliance is also required of affiliated companies and business partners. The underlying values are expressed in five basic principles:

- We treat our employees fairly and with respect;
- Customer benefit is our top priority;

- We aim to deliver sustainable performance with integrity;
- Our goal is to be a trustworthy, fair, and respectful business partner;
- We strive to be a responsible corporate citizen.

The Kardex Code of Conduct underscores Kardex' commitment to meeting the expectations of its stakeholders as a responsible corporate citizen and sets out the fundamental principles and rules for ethical business behavior. Specific regulations, guidelines, and manuals complement the Kardex Code of Conduct principles.

All employees must comply with the ethical guidelines forming an integral part of their employment conditions. The values derived from the Code of Conduct represent the 'Common Sense'

of each individual in fulfilling commitments to Kardex' stakeholders.

The Group Management ensures that all stakeholders are familiar with, understand, and act by the Code of Conduct to ensure Kardex' ability to achieve long-term and sustainable business performance that reflects 'good corporate citizenship'.

Kardex insists on full compliance with the Code of Conduct, makes no compromises, and does not tolerate any violations. Possible misconduct should be addressed and reported anonymously to a central location. Kardex offers a [whistle-blowing platform](#) that enables anonymous reporting.

## 2.3 Corporate Culture & Core Values

Kardex creates an environment where positive spirit, enthusiasm, and identification can thrive. With the Guiding Principles and the core values of 'Respect, Team Spirit, Reliability, and Passion', Kardex has defined the cornerstones of its Corporate Culture. It provides a clear Code of Conduct for all activities. The core values serve as guidelines for all stakeholders in their daily interactions with Kardex employees and other individuals. The Guiding Principles provide orientation on 'who we are, how we want to be seen, and what we do to achieve this'. The implementation of these principles is the key to sustainable success.



 **Respect**

- We meet at level par, act with tolerance and mutual respect
- We decide in a transparent way
- We treat each other with openness, fairness and honesty and promote a constructive communication culture
- We accept rules and decisions and implement them actively

 **Team Spirit**

- We trust each other
- We combine our strengths and share ideas and experiences
- We prioritize the common targets in everything we do
- We win together and lose together

 **Reliability**

- We accept responsibility and deliver the promised results
- We stabilize wherever possible and change only where necessary
- We say what we do and we do what we say
- We live our Core Values

 **Passion**

- We are committed and identify with our company
- We strive for continuous improvement and development
- We see set-backs as new opportunities
- We love challenges and are proud of our success

### 3. Sustainable business model

Sustainability is of central importance both within Kardex and in our interaction with customers, suppliers, and other external stakeholders. At Kardex, the efficient use of resources is at the heart of the business model, making sustainability an inherent component of the Group's DNA. Kardex sees the focus on sustainability as an opportunity and as a basis for future success.

#### 3.1 Member of UN Global Compact Switzerland & Liechtenstein

By joining the United Nations Global Compact (UNGC) in 2021, Kardex supports the world's largest and most important initiative for sustainable and responsible corporate governance. By doing so, Kardex follows the UNGC's ten principles that fall within the categories of human rights, labor, environment, and anti-corruption. As a member of the UNGC, Kardex publishes an annual Communication on Progress (COP) report, informing about its efforts to implement the ten principles ([Kardex' Communication on Progress 2022](#)). Furthermore, Kardex is developing strategic measures to contribute to the Sustainable Development Goals (SDGs) formulated by the UN in Agenda 2030.

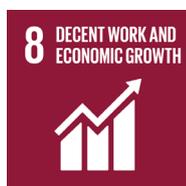
#### 3.2 Sustainable development goals

With only a few years left to achieve the SDGs within the framework of the UN's Agenda 2030, the contribution of every single representative from politics, business, science, and civil society is important. Kardex accepts its responsibility as a company and focuses on the goals that the Group can influence particularly strongly with its operational activities.



##### Quality education and lifelong learning

Quality education is the basis for sustainable economic growth and social development. Kardex offers apprenticeships and internships for young professionals and nurtures its employees through continuous training designed to keep professional skills up to date and to foster further growth.



##### Decent work and economic growth

Sustainable economic growth creates lasting jobs and prosperity. Through its business activities, Kardex aims to promote this development and attaches great importance to compliance with human rights, environmental, and social standards within its sphere of influence.



##### Responsible consumption and production

With durable solutions and continuous improvements in its production processes, Kardex helps ensure that scarce resources are used sparingly. With Kardex solutions in intralogistics, customers can significantly reduce their space requirements and energy consumption.



**Climate action**

Both at Kardex and its customers' facilities, Kardex makes an important contribution to climate protection. Internally, Kardex is continuously working to reduce its emissions. Greater energy efficiency through the implementation of Kardex products also contributes to a reduction in greenhouse gases at the customer site.

**4. ESG organization**

In 2022, Kardex formally integrated sustainability management into the Group by establishing the ESG Steering Group, composed of members of the Board of Directors and members of the Group Management (CEO and CFO). The ESG Steering Group reports to the Board of Directors. An internal Sustainability Manager coordinates the agreed upon the sustainable initiatives centrally. The material sustainability topics defined by the ESG Steering Group were confirmed by the Board of Directors and set the priorities for Kardex' sustainability activities. For further details on Kardex' Corporate Governance, see pages 22 - 40.

**5. Materiality analysis**

**5.1 Stakeholder-dialogue**

The approach towards sustainable business practices is based on the continuous exchange with Kardex' most important stakeholder groups. Throughout 2022, Kardex entered into dialogues with various stakeholders to better understand the requests and requirements from customers, suppliers, investors, and other partners.

Kardex strives to continuously engage with its stakeholders to strengthen its understanding and relationships with the players in the markets in which it operates. In doing so, the stakeholder dialogue also aims to identify and explore potential risks and opportunities relevant to a sustainable value chain.

**Kardex stakeholders**



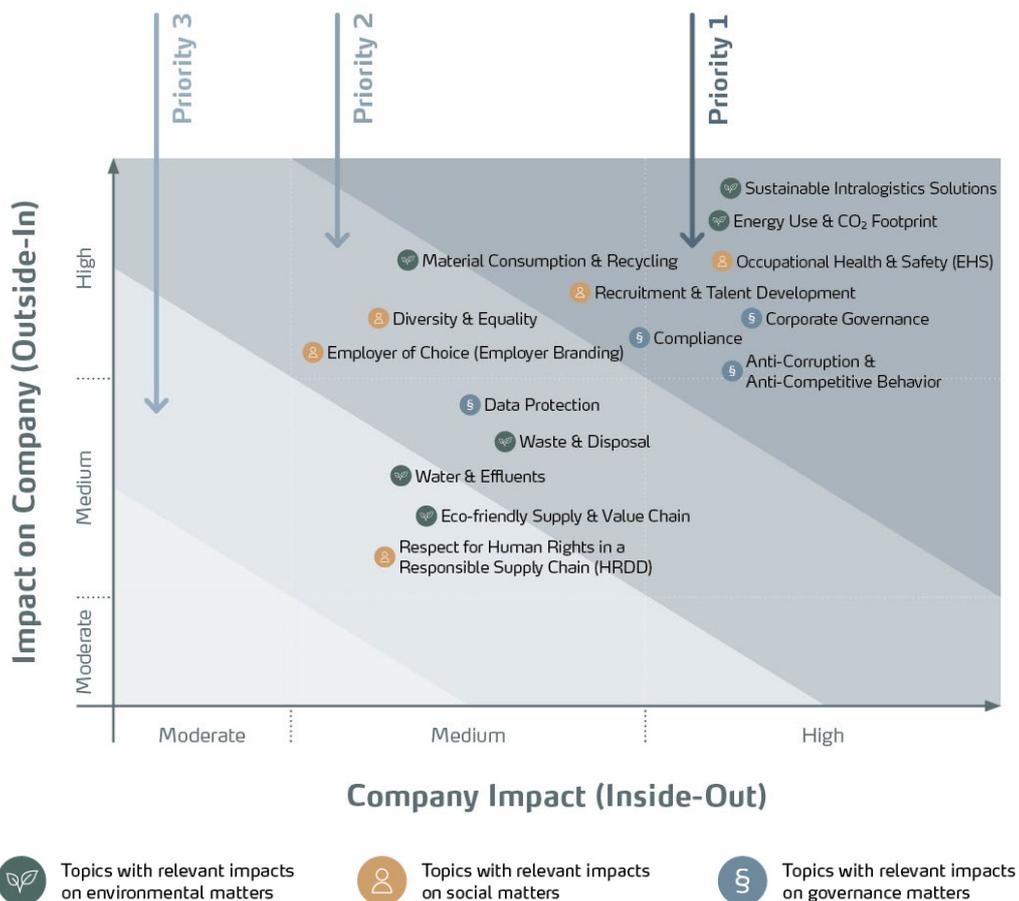
## 5.2 Materiality assessment

Regulations, as well as reporting standards, increasingly rely on the concept of 'double materiality assessment'. The concept considers the impact relevance of the material topics and focuses on two dimensions:

1. the relevance of Kardex' business activities for the economy, environment, and society;
2. the relevance of external factors for Kardex' long-term business success.

Based on the stakeholder-dialogue mentioned in section 5.1. and on internal business and external environmental analyses, the ESG Steering Group conducted the materiality assessment in 2022 to ensure transparent and standardized sustainability reporting. Within the business context, material topics were summarized to identify and evaluate the relevant topics for Kardex and to assess their relevance for the sustainable business development of Kardex. A comprehensive list of potentially relevant sustainability topics was compiled and analyzed. These topics were then evaluated in priority 1, 2, and 3 based upon the relevance of the impact of Kardex' business activities on the economy, the environment, and society. This resulted in 15 material topics (see double materiality matrix below). The stakeholder-dialogue and the materiality assessment served to develop and adjust Kardex' strategic sustainability approach in line with the Guiding Principles of the UNGC and the internationally recognized GRI guidelines for transparent sustainability reporting.

### Double materiality matrix



## 6. Reporting on material topics

The material sustainability topics in section 5.2. form the foundation of Kardex' future sustainability strategy.

Kardex continuously expands its reporting on environmental, social and governance matters. The Group follows the indirect counterproposal to the Swiss Initiative for Responsible Business. This initiative entered into force on 01 January 2022, following the UN Guiding Principles. The material sustainability topics are described in more detail in the following sections.

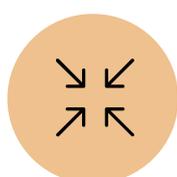
### 6.1 Accountability of environmental matters

#### 6.1.1 Sustainable Intralogistics Solutions

As a leading global provider of automated intralogistics solutions, Kardex demonstrates that long-term business success is closely linked to fundamental sustainability considerations. With its products and services, Kardex contributes to developing efficient and sustainable intralogistics solutions and supports its customers in developing their sustainability potential.

#### Resource-saving and ergonomic solutions

In warehousing, classic static racks are generally organized horizontally and limited in height. However, horizontal static solutions require a lot of space, leading to long walking or driving distances. Kardex' automated solutions are sustainable compared to static racking solutions due to the following reasons:



#### Area and space requirements

Kardex' solutions make optimal use of space and room volumes, saving an average of 80 to 85% of the space required. This reduces the need for conditioned space volume, directly saving heating, cooling, and lighting costs while reducing CO<sub>2</sub> emissions and the need for built-up space. In addition, walking or driving distances are reduced, which in turn reduces customers' resource requirements.



#### Ergonomics

Kardex' solutions are developed according to the goods-to-person principle based on ergonomics. The solutions protect the health of order pickers by providing goods at an ergonomically ideal height. This reduces physical strain, prevents incorrect posture, and positively impacts the health of employees and health costs for Kardex customers.



#### Lifetime

Kardex' solutions are of high quality and designed to remain current throughout their entire service life through software updates or modernization. Solutions stay in operation for a long time and can be adapted to customers' changing needs or new safety standards. Remote diagnostics, remote service, and, increasingly, preventive maintenance minimize ad hoc on-site service calls and, in turn, travel mileage.

### 6.1.2 Energy Use & CO<sub>2</sub> Footprint

Improving energy efficiency and implementing sustainable process optimizations can reduce energy consumption. Energy management and CO<sub>2</sub> footprint reduction are important to Kardex stakeholders. Thanks to Kardex' durable solutions and continuous optimization programs within the framework of the ISO certification for energy management in the supply chain of Kardex Remstar (ISO 50001), the Group can target low-energy and low-packaging production practices and a reduced CO<sub>2</sub> footprint. Following DIN EN 16247-1, energy audits at Kardex Mlog were carried out, enabling Kardex Mlog to identify and implement improvements.

In 2022, Kardex has reduced the total energy consumption by 6.6% compared to the previous year. The reduction was influenced by a number of factors, but most significantly due to the connection of the production site in Neuburg to a local heating power plant which both led to roughly 17% lower natural gas consumption. In addition the electricity consumption could be reduced by around 4% due to the installation of more energy efficient lighting and optimizing the painting line in the production sites. In contrast to that, the fuels consumption increased by roughly 5% which relates to the increased sales force and intensified customer contacts.

In 2022, the carbon footprint was reduced by 5.8% primarily because of the reduced use of combustibles and the resulting CO<sub>2</sub> emissions under Scope 1.

The energy consumption but also the CO<sub>2</sub> emissions per million net revenues decreased significantly by approximately 25% respectively 24% compared to 2021.

### 6.1.3 Material Consumption & Recycling

Changing regulatory requirements, as well as geopolitical tensions, can have a significant impact on the procurement market. Strong price fluctuations or low material availability can impact medium- and short-term production planning. The recycling of production waste also requires compliance with regional standards. Non-compliance can lead to severe reputational damage and sanctions.

Kardex, therefore, strives to increase resource efficiency through process control and promote progress along the supply chain. This can positively impact the availability of valuable resources in the respective region. Recyclable materials, such as packaging materials, close the loop and reduce or avoid waste. The longevity of Kardex' products also contributes to the fact that fewer scarce resources are needed over time.

For Kardex' largest production site in Bellheim, Germany, a transformation concept that considers the reduction of production-related materials and, above all, aims to minimize the use of energy and other combustibles along the value chain is currently being developed.

#### 6.1.4 Waste & Disposal

Active waste prevention and separation can reduce Kardex' impact on the environment. Reusable systems and durable products conserve natural resources and prevent waste or materials.

For overseas deliveries, further safety measures are taken into account for packaging. Shipping containers, wooden packaging, or partially recyclable aluminum foil are used to prevent a product from being damaged by possible seawater influences. For liability reasons, the suppliers cannot always avoid polystyrene materials or carved cardboard as packaging fillers. However, Kardex seeks to find new solutions in cooperation with suppliers.

The lower generation of waste in the reporting year compared to the previous year is mainly due to the lower generation of construction waste as a result of construction activities. 2022 saw the start of construction activities at the Bellheim production site, which generated construction waste amounting to 270 tons. This construction waste is currently being analyzed, but a conservative approach has been taken to classify this waste as hazardous.

#### 6.1.5 Water & Effluents

By water consumption and effluents, Kardex means all freshwater and/or effluents consumed and/or generated by its activities. Kardex' efforts to reduce water consumption in heating or cooling production processes and product coating can impact the water availability in the region of operation. In addition, Kardex' water management can influence water quality in the area. For this reason, Kardex' goal is to use as little water as possible and to feed effluents into the canalization system. Furthermore, no water or effluent consumption is generated when Kardex products are used.

Since the official consumption values are not always available at publication of the Annual Report, the consumption values are partly

determined by visual reading of the consumption meters. The insignificant difference between the water consumption determined by visual reading and the consumption according to the official billing is taken into account in the following year. The decrease in water consumption by around 27% compared to the previous year is due to the installation of a water softening system at the production site in Neuburg (DE). This investment saved more than 1'833 m<sup>3</sup> of fresh water.

#### 6.1.6 Eco-friendly Supply & Value Chain

Kardex understands an environmentally friendly supply and value chain as a resource-conserving supply- and value chain that aligns with the Kardex Code of Conduct. The impact of the Organization's operations on the environment can be reduced by striving for an environmentally friendly supply and value chain. Moving towards a local supply base also strengthens the regional economy and the dialogue and trust with supply chain companies. A regional or local supply base paired with legally compliant, monitored, and strategically focused supplier management strengthens a resilient supply chain and improves risk management. Kardex aims to find a good balance between local suppliers with short transport distances and bigger suppliers with higher production capacity. With supplier assessments and audits, Kardex creates strategic supplier relationships founded on good cooperation to enable holistic approaches toward eco-friendly solutions, processes, and goals.

#### Environmental data

Kardex started climate accounting in 2021 using input data from internal and external sources on energy consumption, which is converted into tons of CO<sub>2</sub> equivalents (tCO<sub>2</sub>).

The calculation is based on the internationally recognized standard 'A Corporate Accounting and Reporting Standard' developed by the Greenhouse Gas Protocol Initiative (GHG Protocol). This is the most widely used and recognized international standard for measuring greenhouse

gas emissions and forms the basis for the ISO 14064-1 standard. The data shown in the ESG Report 2021 was not yet calculated using the location-based calculation factors in accordance with the GHG Protocol. Thus, 2021 did not yet include the location-based emission factors. Kardex decided to use the location-based emission factors and has therefore reported the 2021 and 2022 data in the current ESG report with the calculation factors based on the guidance of the GHG Protocol.

The metered energy consumption estimates for 2021 were reconciled to the utility bills in 2022. In this ESG report, the previously estimated values for 2021 are adjusted to reflect the discrepancies from the invoices. In addition, additional fuel consumption for the vehicle fleet was taken into account. The deviations and the new calculation of CO<sub>2</sub> emissions according to the GHG calculation methodology result in the overall difference between last year's and today's reported

figures for total energy consumption and carbon footprint.

- Scope 1 emissions include the consumption of fuels and other fossil energy sources by Kardex-owned or leased production facilities and company vehicles in Germany.
- Scope 2 emissions include the measured consumption of electricity and district heating at Kardex-owned or leased production sites in Germany.
- Scope 1 and Scope 2 do not include process emissions. However, Kardex aims to continue to monitor emissions from Scope 3 continuously.

The key figures presented here include the consumption and emission values of the production sites in Bellheim (DE), Neuburg (DE), and Neuenstadt (DE), as well as fossil fuels from Kardex-owned vehicles in Germany.

## Key figures per million net revenues

	Unit	2022	2021	(+/--%)
Total CO <sub>2</sub> emissions	tons	9.0	11.9	-24.4%
Total waste	tons	6.2	8.1	-23.5%
Total energy consumption	MWh	31.7	42.1	-24.7%
Total water consumption	m <sup>3</sup>	12.8	21.7	-41.0%

For the data of the year 2021, the additional energy and water consumption at leased production sites have been newly included. For the year 2022, this data was collected by using consumption meters. The total greenhouse gas emissions in 2022 are based on data collected from Kardex production sites in Germany.

	Unit	2022	(%)	2021	(%)	(+/--%)
<b>CO<sub>2</sub> emissions</b>	tCO <sub>2</sub>	<b>5'116.8</b>	<b>100.0%</b>	<b>5'431.6</b>	<b>100.0%</b>	<b>-5.8%</b>
<b>Scope 1</b>	tCO <sub>2</sub>	<b>2'875.8</b>	<b>56.2%</b>	<b>3'100.1</b>	<b>57.1%</b>	<b>-7.2%</b>
Combustibles	tCO <sub>2</sub>	1'456.2		1'747.8		
Fuels	tCO <sub>2</sub>	1'419.6		1'352.3		
<b>Scope 2</b>	tCO <sub>2</sub>	<b>2'241.0</b>	<b>43.8%</b>	<b>2'331.5</b>	<b>42.9%</b>	<b>-3.9%</b>
Electricity	tCO <sub>2</sub>	2'235.4		2'331.5		
District heating	tCO <sub>2</sub>	5.6		-		
<b>Total energy consumption</b>	<b>MWh</b>	<b>17'914.6</b>	<b>100.0%</b>	<b>19'171.2</b>	<b>100.0%</b>	<b>-6.6%</b>
Electricity	MWh	5'222.9	29.2%	5'447.5	28.4%	-4.1%
<b>Fuels</b>						
Diesel	MWh	5'306.8	29.6%	5'065.6	28.3%	4.8%
Petrol	MWh	16.0	0.1%	3.8	0.0%	321.1%
<b>Heat</b>						
Natural gas	MWh	7'210.3	40.2%	8'654.2	48.3%	-16.7%
District heating <sup>1</sup>	MWh	158.6	0.9%	-	0.0%	n. a.
<b>Water consumption</b>	<b>m<sup>3</sup></b>	<b>7'259.4</b>	<b>100.0%</b>	<b>9'904.8</b>	<b>100.0%</b>	<b>-26.7%</b>
<b>Total waste<sup>2</sup></b>	<b>tons</b>	<b>3'491.8</b>	<b>100.0%</b>	<b>3'668.7</b>	<b>100.0%</b>	<b>-4.8%</b>
<b>Non-hazardous waste</b>	<b>tons</b>	<b>3'211.0</b>	<b>92.0%</b>	<b>3'634.7</b>	<b>99.1%</b>	<b>-11.7%</b>
To incineration	tons	152.6		129.4		
To landfill	tons	-		44.0		
To recycling	tons	3'058.4		3'461.2		
<b>Hazardous waste<sup>3</sup></b>	<b>tons</b>	<b>280.8</b>	<b>8.0%</b>	<b>34.0</b>	<b>0.9%</b>	<b>725.9%</b>
To incineration	tons	-		3.0		
To landfill	tons	272.3		22.0		
To recycling	tons	8.5		9.0		

<sup>1</sup> The connection of the production site in Neuburg (DE) to a local wood pellets heating power plant was realized by the end of 2022.

<sup>2</sup> A construction project in Neuburg (DE) generated an additional 911 tons of non-hazardous waste in 2021.

<sup>3</sup> The excavation for the transformation project in Bellheim (DE) (see section 6.1.3.) generated 270 tons of construction waste in 2022, which is currently being analyzed and has conservatively been treated as hazardous waste.

## 6.2 Accountability of social matters

### 6.2.1 Recruitment & Talent Development

By recruiting, developing, and retaining employees, Kardex can strengthen the skills and engagement of its human capital. Kardex' recruitment strategy promotes diversity and equality. For many years, Kardex has been working hard to be an attractive and preferred employer for existing and future employees, thus strengthening its competitive position in the labor market. In addition to market-oriented remuneration, Kardex has implemented various personnel development tools, such as the Kardex Academy, which offers online learning or face-to-face courses. It has continuously expanded fringe benefits such as the option of mobile working. At the heart of personnel development is a continuous feedback dialogue process. This results in developing plans that align employees' personal goals with Kardex' objectives.

In parallel, Kardex identifies possible development steps with the employees as part of talent development and internal succession planning. The feedback dialogue process and the development steps serve as the basis for the training and development programs defined jointly between employees and their superiors. The Kardex Academy has a wide range of internal and external training courses to provide optimum support for these training and development programs. In the spirit of future-proof structures, the Kardex Academy increasingly relies on online offerings and enables Kardex employees to learn flexibly and independently, responding to individual needs.

Kardex offers a dual career model which supports employees who prefer to take on a management role (managers) as well as those who prefer to maintain an expert focus without management responsibilities. The dual career model allows talents to switch from a leadership role to an expert role and vice versa. Both career models participate in the variable compensation plan and can thus contribute to the Group's success.

The Kardex Leadership Framework defines the leadership principles applied at Kardex and is mainly based on the intent-based leadership concept. A wide range of online trainings and regular leadership meetings highlight, discuss, and train these leadership principles.

In the year under review, Kardex employees invested over 10 thousand training hours, resulting in average 4.7 hours in internal trainings per person.

206 (144) employees decided to leave Kardex in 2022, while 433 (293) new talents were recruited. The fluctuation increased from 7.0% in 2021 to 9.4% in 2022 which is attributed to a higher readiness to change employers after the uncertain period during the COVID-19 pandemic.

### 6.2.2 Occupational Health & Safety (EHS)

Workplace health and safety measures can reduce injuries and improve employees' physical and mental condition and well-being. Protecting health and safety in all workplaces is integral to protecting society and the environment.

Kardex attaches great importance to health and safety preventions to reduce hazards, avoid accidents, and thus protect employees in the best possible way. Through regular audits, Kardex ensures that the applicable standards and guidelines on workplace safety are complied with. Risks to the safety and health of employees are regularly identified, assessed, and appropriate countermeasures are developed. They are communicated transparently within Kardex. Through regular training courses, the Group ensures that effective occupational health and safety is practiced within the Organization and that employees have the necessary technical skills and a high level of safety awareness. The occupational health and safety management system is continuously reviewed, expanded, and improved.

The German production plants again recorded a low number of injuries, with 23 cases in the year under review, which was even lower than in the previous year (37 cases).

### 6.2.3 Diversity & Equality

By promoting diversity and equal opportunities, Kardex enables equal and fair conditions for all employees and contributes to eliminating societal discrimination. Kardex is committed to diversity and consciously creates equal opportunities in the recruitment process, where applicant lists are intended to foster diversity in terms of region, age, origin, and gender.

The selection process is based exclusively on professional and personal qualifications. Equal opportunities are also deliberately created in the internal promotion of talent.

The proportion of female managers at Kardex is 17.4% (17.6%) which reflects the proportions of the total female/male employees within the Group. This shows that Kardex has strong permeability, offers appropriate opportunities for advancement, and lives equal opportunity.

### 6.2.4 Employer of Choice (Employer Branding)

By promoting employee engagement and well-being, employee satisfaction, motivation, and health can be strengthened, which also impacts attractiveness for potential employees.

All Kardex employees are surveyed anonymously every two years on their satisfaction with their working environment, and they can make suggestions for improvement. The results of this survey are discussed in all teams, and improvement measures are jointly developed and implemented. Kardex has a global employee representative body, the Culture Committee, which represents Kardex' geographical regions and functions in a balanced manner. The task of the Culture Committee is to feel the pulse of the employees as an independent body, to evaluate the maturity and effectiveness of the Guiding Principles, and to share impressions and suggestions for improvement with Group Management at least twice a year.

### 6.2.5 Respect for Human Rights in Responsible Supply Chains (HRDD)

By respecting and promoting human rights when evaluating suppliers and in the context of one's business activities, Kardex can contribute to a more social and just world. Kardex monitors the behavior of its suppliers and whether they comply with the Kardex Code of Conduct and respect human rights.

## Social data

The key figures presented here include the Kardex worldwide workforce, except the numbers reported under "Other workforce" and "Occupational health & safety". These figures include specifically the production sites in Bellheim (DE), Neuburg (DE) and Neuenstadt (DE).

	Unit	2022			2021			
		Total	(%)	(%)	Total	(%)	(%)	(+/-%)
<b>Workforce</b>			<b>male</b>	<b>female</b>		<b>male</b>	<b>female</b>	
Full-time	hc <sup>1</sup>	2'063	83.5%	16.5%	1'924	83.0%	17.0%	7.2%
Part-time	hc	137	29.9%	70.1%	136	28.7%	71.3%	0.7%
<b>Total</b>	<b>hc</b>	<b>2'200</b>	<b>80.1%</b>	<b>19.9%</b>	<b>2'060</b>	<b>79.4%</b>	<b>20.6%</b>	<b>6.8%</b>
<b>Workforce by geographic markets</b>			<b>male</b>	<b>female</b>		<b>male</b>	<b>female</b>	
Europe	hc	1'904	80.7%	19.3%	1'785	80.2%	19.8%	6.7%
Americas (North, Middle, South)	hc	180	78.3%	21.7%	163	76.1%	23.9%	10.4%
Asia-Pacific	hc	116	74.1%	25.9%	112	71.4%	28.6%	3.6%
<b>Total</b>	<b>hc</b>	<b>2'200</b>	<b>80.1%</b>	<b>19.9%</b>	<b>2'060</b>	<b>79.4%</b>	<b>20.6%</b>	<b>6.8%</b>
<b>Hires and fluctuations</b>			<b>male</b>	<b>female</b>		<b>male</b>	<b>female</b>	
Hires	hc	433	76.4%	23.6%	293	73.7%	26.3%	47.8%
Fluctuations	hc	206	73.8%	26.2%	144	76.4%	23.6%	43.1%
<b>Management</b>			<b>male</b>	<b>female</b>		<b>male</b>	<b>female</b>	
Total leadership positions	amount	409	82.6%	17.4%	386	82.4%	17.6%	6.0%
Divisional or Group Management	amount	22	90.9%	9.1%	22	90.9%	9.1%	0.0%
Board of Directors	amount	7	85.7%	14.3%	6	100.0%	0.0%	16.7%
<b>Training and education</b>			<b>male</b>	<b>female</b>		<b>male</b>	<b>female</b>	
Internal training hours <sup>2</sup>	hours	10'362	77.4%	22.6%				
<b>Other workforce</b>			<b>male</b>	<b>female</b>		<b>male</b>	<b>female</b>	
Employees with disability	hc	45	84.4%	15.6%	49	85.7%	14.3%	-8.2%
Apprentices / University interns	hc	54	94.4%	5.6%	61	88.5%	11.5%	-11.5%
<b>Occupational health &amp; safety</b>			<b>male</b>	<b>female</b>		<b>male</b>	<b>female</b>	
Fatalities	cases	-	-	-	-	-	-	-
Injuries	cases	23	91.3%	8.7%	37	100.0%	-	-37.8%

<sup>1</sup> hc = headcounts

<sup>2</sup> Training hours include internal training as well as online learning via LinkedIn. The internal Learning Management System (LMS365) platform was launched in late 2021, therefore comparable data does not exist.

## 6.3 Ethical Corporate Governance

### 6.3.1 Compliance

Internal training on the Code of Conduct and Guiding Principles are designed to ensure compliance with policies, laws, and regulatory requirements. This focus and commitment contribute to a safer and fairer society and economy.

For 2022, the Organization was made aware of one violation against the Code of Conduct. As a result of an internal investigation, appropriate disciplinary action was taken against the employees concerned.

### 6.3.2 Fight against corruption and anti-competitive behavior

Kardex is committed to fair competition and does not tolerate any form of bribery or corruption. The Group expects business partners also to respect the law, comply with the principles of ethical business conduct, and observe rules, regulations, and laws regarding personnel, health, safety, environmental protection, and management systems. With zero tolerance for corruption, bribery,

and anti-competitive behavior, Kardex can contribute to a fair society and competitive economy.

There were no reported complaints or legal proceedings regarding anti-corruption, anti-competitive behavior, cartel, and/or monopoly formation in the reporting year. There were also no known environmental, economic, social law or regulatory violations.

### 6.3.3 Data protection

Data protection and information security are a priority for Kardex and are also part of regular training programs. By ensuring data protection and information security, Kardex influences and protects the privacy of stakeholders such as customers and employees.

There were no reported leaks, thefts, or losses of customer data from external parties or regulatory bodies for 2022.