



# Social

We want to live up to our responsibility toward all stakeholders and contribute to social and societal improvements. In the process, we apply our due diligence for human rights. We practice our social commitment to an exceptional degree at our sites while simultaneously providing our customers and the general public around the world with reliable products – all for the purpose of sustainable and safe mobility. We also seek to create an attractive working environment for our employees. To this end, we pursue a clear human resources strategy with goals including attractive working conditions, a commitment to diverse opportunities and holistic personnel development.

## Product and System Safety

Knorr-Bremse makes a significant contribution to safe, efficient and connected transportation based on rail and commercial vehicles. In our Rail Vehicle Systems (RVS) division, this applies to braking systems in particular as well as intelligent entrance systems, HVAC systems, energy supply systems, control components and driver assistance systems. Our Commercial Vehicle Systems (CVS) division offers not only braking and steering systems for safe transportation, but also products such as driver assistance systems, air treatment and systems for the powertrain; and digital and data-driven aftermarket solutions.

Our products and systems are subject to high safety requirements arising from customer specifications, legal requirements and standards, and we carefully monitor compliance with these. To this end, Knorr-Bremse makes use of extensive quality planning, quality assurance and testing procedures.

Knorr-Bremse commits itself to product safety and quality in its vision, corporate values and Code of Conduct. Moreover, there are separate safety and quality policies for the two divisions that the sites must introduce. The permanent improvement of our product and system quality is a core topic here, along with the safe production and work processes that must be implemented by employees. Our zero-defect philosophy and our product safety management system are intended to help us achieve our objectives with all our products and services: increasing efficiency, maximum flexibility and productivity throughout every stage from the vehicle's manufacture to when it is in service, maximum delivery reliability, accident prevention and better utilization of infrastructure.

Overall responsibility for compliance with product safety and product conformity lies with the Executive Board of Knorr-Bremse AG, which has transferred this responsibility to the companies of the RVS and CVS divisions through the Product Safety and Product Conformity Organizational Policy. The organizational policy documents the responsibilities and duties within the two divisions. Each Product Safety Committee must ensure that product safety and product conformity are implemented. For reportable processes, the Group Clearing committee assumes the investigation and technical clarification of the facts.

## Integrated Management Systems Ensure Highest Standards

Both divisions implement integrated management systems. Their processes satisfy internally defined requirements, and are also designed to fulfill regulatory or customer requirements regarding quality assurance and environmental and health protection.

We specify and manage the product and system safety management processes using the management systems Rail Excellence (REX) and Truck Excellence (TEX). The process manuals and work instructions set out all the basic rules for the processes. We seek to ensure quality and safety at every stage of the value chain that we are in a position to influence by taking various measures. These cover the development process, product validation, careful selection of suppliers, the Knorr-Bremse production process and the delivery of our products. The instruments used include, first of all, failure mode and effects analyses (FMEA) as well as production safety audits and product safety reviews. Furthermore, we practice supplier monitoring, separate auditing of production lines, product safety training for employees, product and field testing and close monitoring of the relevant markets. Regular internal audits and assessments serve to verify and optimize the implementation of our process management system. In addition to worldwide monthly internal reporting on the quality organization and company management to monitor quality standards, Knorr-Bremse regularly conducts regional, global and product-specific quality reviews. The reviews and strict escalation processes ensure that potential safety-critical incidents are assessed and resolved at an early stage.

International standards form the basis of the Knorr-Bremse quality management systems. In the RVS division, these are the quality standards ISO 9001 and ISO/TS 22163 (formerly IRIS, International Railway Industry Standard). The rail-specific requirements included in ISO/TS 22163 are firmly anchored in the division's processes and manuals and the Knorr-Bremse production system. For the CVS division, the IATF (International Automotive Task Force) 16949 quality standard applies. In 2022, 109 Knorr-Bremse sites globally had a certified quality management system (ISO 9001, ISO/TS 22163 or IATF 16949). To date, no Knorr-Bremse site has had a certificate revoked.

Number of certified sites with quality management systems

	2022	2021	2020
According to ISO 9001, ISO/TS 22163 or IATF 16949	109	101	96

In order to meet supplier management quality standards, both divisions monitor and audit their supplier base. In addition to a process audit for suppliers, the RVS division uses prior information that suppliers have provided about themselves, including on quality certificates such as ISO/TS 22163. The standard is a requirement for achieving preferred supplier status at Knorr-Bremse. In the CVS division, every supplier goes through the product safety audit and a Sourcing Board assessment.

Products for Greater Transportation Safety

Knorr-Bremse continuously advances the high level of safety and quality of its business processes and product portfolio in both divisions. On this basis, we seek to contribute to improved traffic safety by supplying reliable, high-quality products, systems and services.

The two divisions' product developments for greater transportation safety contain our knowledge of braking systems, which we have acquired over the course of decades, and our in-depth expertise in driver assistance systems and forward-looking digital solutions. Here are a few current examples:

Braking Systems for Improved Transportation Capacity and Safety

**Reproducible Braking Distance (RBD)** is an innovative braking architecture that helps to increase rail transportation capacity through increased train frequency and improved schedule stability and punctuality. A team of engineers integrates three technologies for this: a new deceleration control (DCC) technology, WheelGrip Adapt for adaptive wheel slide protection and a smart sanding system designed for adhesion management (ADM) across the entire train. Simulations have emphasized the significant potential for improved rail traffic flow.

**Electromechanical brakes (EM brakes)** are also intended to help boost transportation capacity and efficient train operation, using improved dynamics to shorten braking distances. The system transfers the braking signal and energy electrically instead of pneumatically by using brake by wire.

The modular **SYNACT® disk brake** family ensures that commercial vehicles and buses are safe for transportation. The new, reduced-weight **SYNACT® radial brake** is perfect for urban buses. With its own weight now reduced by 10 kg, it supports efficient vehicle operation while maintaining full capabilities of up to 30 kNm. With the optional Active Caliper Release (ACR) feature, SYNACT® can achieve a fuel consumption reduction of up to 1%.

## Systems for Collision Avoidance and Object Recognition

Collision avoidance systems, in the form of an emergency braking assistant and – for trucks – turning assistant, help prevent accidents in rail as well as road transportation. These systems are being enhanced for automated commercial-vehicle driving so that driverless operation can be made possible in the future. Knorr-Bremse supplies collision avoidance systems that feature sensors for environment and status recognition and can be used on rail and road in equal measure. An example of this is ProFleet Assist+ Gen 2 from Knorr-Bremse Truck Services and the Intel company Mobileye, a turning assistant that can be retrofitted for commercial vehicles. The system meets the latest requirements needed for transportation.

A further example for rail is the obstacle recognition technology from the Israeli start-up Rail Vision, a company in which Knorr-Bremse has invested. The driver assistance technology makes it possible to recognize trains, objects and obstacles from long distances and is also an instrument for the realization of automatic train operation (ATO) in the future. The first commercial order that has been placed will see the high-performance sensor systems being used in passenger trains.

## Safety with Digital and Electrified Solutions

The **digital freight train** stands for capable and competitive rail transportation with efficient train dispatch and high vehicle availability. **Digital automatic coupling** (DAC, also known as FreightLink) enables automated mechanical and pneumatic railcar coupling and decoupling as well as reliable, train-wide power supply and data communications at all times. With its innovative electric coupler concept – a core module of DAC – Knorr-Bremse is bringing smart services for process acceleration and intelligent maintenance to the freight segment. They include, for example, automated brake tests, remote control of mechanical brakes and condition-based maintenance.

**Condition-based maintenance** for rail vehicles means data can be generated for braking systems, entrance systems, HVAC systems and other subsystems, and immediately be subjected to smart analysis using cloud-based algorithms. This enables high-precision monitoring of the condition of safety- and function-critical subsystems, which is a crucial tool for safe, high-availability rail transportation.

With key technologies like **fully electric power steering** (EPS) and **advanced hybrid power steering** (AHPS), the Knorr-Bremse steering portfolio comprises solutions for highly automated commercial-vehicle driving up to, and including, SAE level 5. As a result, we offer solutions for electric vehicles as well as conventional ones. Both steering systems boost transportation safety and comfort with a wide array of driver assistance functions, including speed-sensitive steering support, active lane-keeping assistance and steering wheel return. The EPS also reduces fuel consumption and CO<sub>2</sub> emissions through its power-on-demand function.

In our two magazine articles, you can find detailed information about how our product and system solutions contribute to sustainable mobility on road and rail.

→ [Magazine: Setting the Course for Sustainability](#)

→ [Magazine: The Road to Decarbonization](#)

## Employment Conditions

A total of 31,599 employees around the world work for Knorr-Bremse and they are a key reason for our business success. To remain successful as a company, we need to be an attractive employer. This is essential in order for us to recruit the best skilled workers and managers and gain their loyalty. As a driver of innovation, Knorr-Bremse depends on highly skilled workers, professionals and talented young employees.

Knorr-Bremse wants to provide all employees with excellent opportunities and conditions in their professional environment so that they can achieve their personal potential. In addition, it is our aspiration to protect employees' rights and ensure fair and appropriate pay. We take guidance from the UN Global Compact, the UN Universal Declaration of Human Rights and the human rights conventions of the International Labour Organization (→ [Due Diligence Processes for Human Rights](#)). The standards we set ourselves are defined in the Knorr-Bremse Code of Conduct and in our Human Rights Policy. Within the Knorr-Bremse organization, these form the basis for daily interaction among employees.

The Group-wide Human Resources (HR) department plans, manages and monitors all overarching activities regarding our employees unless indicated otherwise. The Head of Human Resources bears overall responsibility and reports regularly to the Executive Board member for Integrity, Legal Affairs and Human Resources. Regional HR officers are responsible for implementing HR measures in the regions, which are Asia/Australia, Europe/Africa and America. Local HR officers carry out HR measures at our sites and monitor them. We strive to facilitate a continuous flow of information throughout the entire organization. Employees and external partners can make use of established processes if they need information about the Code of Conduct or violations of this code. The points of contact in case of questions are their immediate supervisors, the compliance organization, the HR department or, if available, works councils. A global whistleblower system can be used to report violations of the Code of Conduct's principles anonymously (→ [Integrity and Compliance](#)).

### Repeatedly Recognized as a Top Employer

Excellent teams produce outstanding products and services. To encourage the formation of such teams, Knorr-Bremse seeks to create fantastic working conditions that include systematic and targeted personnel development initiatives. The approach works, too, as an independent study by the Top Employers Institute shows. In 2022, Knorr-Bremse was certified as a "Top Employer: Engineering Germany" for the ninth consecutive time. The recognition attests to Knorr-Bremse having excellent personnel development that stands for a high level of employee orientation and above-average employer support. In particular, the label is evidence of the company's above-average performance in the areas of sustainability, well-being and digital HR. The greatest developments were seen in the areas of learning, performance and career. The 20 HR areas that were reviewed included, for example, HR strategy, the working environment, recruitment of talented employees, education, well-being and diversity and integration.

## HR Strategy 2025 Forms the Basis for Employer Attractiveness

The global HR Strategy 2025 guides us in our responsibility for employees. It is based on our company strategy and is designed to continuously improve employment conditions and increase employer attractiveness. The HR department strives to make important value contributions by employing optimized and globally uniform HR processes within the context of the company's overall strategy. As a learning organization that actively helps shape the shift toward digitalization and new forms of work, we want to make continuous progress. The focus is on a future-oriented action plan for further developing and empowering staff and on increased process digitalization, among other objectives. The HR transformation project ONEHR contributes to these strategic targets through uniform processes and transparent

information. On the basis of a new IT infrastructure and a globally standardized data set, the Group-wide recruitment portal was rolled out in the year under review. Different modules on talent management will gradually follow next year.

## Employee Satisfaction

One important indicator of good employment conditions is employee satisfaction. In order to analyze and manage this, we conducted the seventh Group-wide employee survey in 2022.

A total of 74%<sup>1</sup> of employees around the world took part in the confidential digital survey on a voluntary basis. One particularly important indicator of workplace attractiveness is the engagement score, which is composed of questions on satisfaction with the workplace and willingness to recommend Knorr-Bremse as an employer. The engagement score of 71 achieved in 2022 is close to the average score ascertained by the survey service provider (75). Employees affirm a high level of commitment to the Knorr-Bremse brand and the work set for them, and they also have positive expectations for the future of the Group. In particular, the company culture and internal career opportunities are two areas where improvements could be made. Follow-up workshops, follow-up measures and a short survey (pulse survey) on the changes are planned for 2023. The survey is planned to be conducted every two years and result in tangible recommendations for improving working conditions. The outcomes will be communicated to employees in a clearly defined process and discussed with them in workshops. Managers will also derive individual measures from the outcomes and the progress of these measures will be monitored.

71

This engagement score is evidence of our employees' strong commitment to the Knorr-Bremse brand

<sup>1</sup> All Knorr-Bremse employees, including temporary workers, were invited to participate.

## Work-Life Balance

A good work-life balance is an important factor of employee satisfaction. We take this into account in our New Work concept, which encourages agile and collaborative working. Our comprehensive options for mobile working also contribute to a good work-life balance, as do flexible working hours and online training opportunities. The various options for making day-to-day life easier include:

- Care services for families: referrals to childcare services or nursing services for relatives as well as vacation programs for children
- Financial and social support programs for families: special grants or a contribution to medical checkups and health insurance; time off from work when children or relatives fall ill, maternity and parental leave – including in countries that do not have such legal provisions
- Workplace health promotion: a range of health programs and facilities

All seven of Knorr-Bremse's German sites are certified in accordance with the berufundfamilie audit, which assesses if HR policy is conscious of both family and life stage. Working with a professional childcare provider, Knorr-Bremse initiated the construction and inauguration of a day care center in the Munich region. Planned to open in mid-2023, Knorr-Bremse employees will be able to obtain needs-based and affordable day care for their children.

## Remuneration, Additional Benefits and Codetermination

Knorr-Bremse wants to be a fair employer that ensures that its employees around the world receive rates of pay in line with the market. Salaries at Knorr-Bremse should differ only on the basis of employees' qualifications and performance. We adhere to local minimum wages, but they are not relevant for the majority



of the workforce due to the high level of qualifications required. With the objectives of fair pay and international comparability of pay, we intend to assess all job profiles in accordance with a globally uniform system and compare them with reference values. This has currently been implemented for 73% of all employees (2021: 68%).

The greater the responsibilities of a position, the higher the variable remuneration. This form of remuneration is based on the company's current success and individual targets, which are discussed and set between managers and employees during the standardized, global Staff Dialogue process (→ [Personnel Development](#)). The inclusion of sustainability aspects in an employee's targets depends on his or her function. In fiscal year 2022, a new remuneration system was introduced for management levels 0 to 2 (Executive Board, senior management, regional managing directors and heads of department). The short-term variable remuneration paid in this system takes the achievement of sustainability targets into account (→ [Responsible Corporate Governance](#)).

In addition to pay, Knorr-Bremse offers its employees site-dependent, voluntary additional benefits, mostly in the form of financial benefits or benefits in kind. This can include assistance for employees facing special situations in their lives. In Germany, for example, this is provided by Knorr-Bremse's support association, which unbureaucratically provides financial aid to employees who are primarily facing crisis situations.

The Heinz Hermann Thiele share program is a Group-wide benefit that was initiated in September 2021. It enables eligible Knorr-Bremse employees to purchase subsidized shares in Knorr-Bremse AG each year. The second wave of the global share program followed in September 2022. An additional 12 countries participated in the program for the first time. Overall, around 25,600 employees from 23 countries who had been employed by the Group for at least six months were eligible. The participation rate among these eligible employees was 15%.

With regard to codetermination by employees and their representatives, Knorr-Bremse relies partly on direct feedback such as the employee survey. In addition, the company is conscious of the importance of cooperation in a spirit of trust, which includes factual communication with bodies representing employees, such as the Group Works Council. We respect employees' right to freedom of association and assembly and to collective bargaining, wherever this is legally permitted and possible. The members of bodies representing employees and trade unions are treated equally in the Group and neither disadvantaged nor favored.

## Employee Turnover

Knorr-Bremse strives to ensure high employee satisfaction and to have that satisfaction reflected in the lowest-possible turnover rate. However, the current labor market situation in various countries where it has sites as well as the macroeconomic climate were a negative influence on employee turnover in 2022, in terms of both general turnover as well as employee resignations. This effect can be seen in all regions and is particularly prevalent in North America (where it has been labeled the "great resignation"). We wish to counteract this development by continuously refining the measures listed here for the improvement of employment conditions. In addition, we will further expand our recruitment processes and channels to hire new employees in a timely manner. Lay-offs due to the sale or restructuring of business operations have been reduced to a minimum (1.5%). Age-based resignations are also at a low level (1.1%).

## Turnover Rate<sup>1</sup>

in %

	2022	2021	2020
Staff turnover worldwide	18.7	14.1	14.0
Staff turnover limited to employee resignations	10.4	8.7	5.1

<sup>1</sup> Definition: Number of employees leaving as a proportion of the average total workforce. Increase in proportion partly caused as a result of taking account of all ways in which employees leave and of employees with fixed-term employment contracts for the first time in 2022. The figure for 2022 has also been reported as a head count for the first time. It was previously reported as full-time equivalents.

## Personnel Development

Qualified employees are a competitive advantage and a basis for the company's success. In personnel development, we focus on developing managers in addition to ongoing specialist training programs and promotion of specialist skills. In terms of the content of the personnel development programs, we are guided both by our company's objectives and market requirements such as new job profiles influenced by digital transformation. We systematically survey strengths and potential improvement to initiate necessary improvement processes in personnel development.

Our HR process model serves as the substantive framework for our personnel development. It focuses on two performance areas::

### ■ Source

Recruitment of new and talented employees, long-term development of effective employer branding and collaborative partnerships with universities and training institutions

### ■ Develop

Evaluation and challenging of our employees/managers, provision of audience-specific training programs and ongoing refinement of the management culture and management principles



## Promotion of New Management Strategies

Knorr-Bremse is influencing the digitalization of mobility with its products, such as highly automated driving for example. The opportunities offered by digitalization are changing the way people think and the way certain processes are conducted, including the innovation process and the development of new business models. The market demands agile corporate and leadership cultures, and such cultures are fostered within the Group. Knorr-Bremse made a statement in 2022 with its online "Digital News" event. Involving members of the Executive Board, experts introduced employees to the technology and culture of Self-Service Dashboarding for a smooth flow of information across the Group.

Agile leadership can be the management method of choice in the search for the best solutions. In addition to training on and the application of various agile methods like scrum, design thinking and business model canvas, a focus is placed on something called the "agile mindset." Events such as "Digital News," training courses and internal initiatives fuel the transformation process. In this area, Knorr-Bremse places high priority on the long-term and systematic use of new management methods. At the same time, the company also applies the management methods that have shaped its success. Knorr-Bremse wants to combine classic and new approaches purposefully.

## Advanced Training and Qualification Initiatives

Personnel development offers qualification and training measures tailored to individual employee needs, including in the areas of soft skills, project and quality management, technology and IT applications. In addition to in-person and virtual training, the self-learning tool LinkedIn Learning supplements training with around 17,000 courses on topics relevant to work. At around 7,000 individuals<sup>1</sup>, the use rate among eligible employees increased by 37% in 2022 compared to 2021. The users viewed 45,000 courses and spent more than 11,000 hours in training.

The findings of the Staff Dialogue are relevant to the professional and personal development of employees. The annual employee appraisal results in an evaluation of performance and potential capabilities and individual written agreements on targets. We also see these as a good basis for developing training programs.

<sup>1</sup> The reduced number of available licenses compared to 2021 is the result of the establishment of a separate local training program in China.

### "Digi News" to Follow "Digital Days"

Knorr-Bremse has transformed the established multi-day event called Digital Days into a new digital event format called "Digi News." More than 120 guests from Knorr-Bremse's management team and business partners took part in the new online format at the end of 2022. It presented an important tool called Self-Service Dashboarding, which will be used as part of the transformation into a data-driven company for all employees. In the future, employees will be able to use their computer to access relevant data from a variety of tools and sources and then combine it. This will make it possible for them to create dashboards, reports and graphics flexibly and by themselves – a change that is designed to accelerate business decisions. No matter the subject, whether it is IT, purchasing, the supply chain or sustainability, the insights offered by and the use of real-time data strengthens efficient, smoother-running processes. It will require a BI (business intelligence) tool to be installed on each computer and access to the data lake. However, possessing the technology is just one aspect. A further requirement is the transformation of the company's culture and mindset along with further training for employees. It is an exciting and dynamic task, and the onboarding campaign for Self-Service Dashboarding will begin in 2023.

## Staff Dialogue Coverage and Completion Rates

in %

	2022	2021	2020
Coverage rate <sup>1</sup>	76.3	78.2	82.1
Completion rate <sup>2</sup>	92.0	90.7	89.7

<sup>1</sup> Coverage rate: the share of employees who participated in the Staff Dialogue. Fluctuation is predominantly caused by the purchase of new companies (delayed system rollout) and a high share of new recruits in the second half of the year, as the Staff Dialogue is not held during an employee's first year. The relevant categories of people are not part of the Staff Dialogue process, although they are included in the total number of employees.

<sup>2</sup> Completion rate: the share of employees in the Staff Dialogue who fully completed the process. The delta between the rate and 100% primarily results from employees not having yet completed the Staff Dialogue as of May 31, 2022.

## Recruiting and Developing Managers and Young Professionals

Good leadership is essential when it comes to maximizing the Group's performance, innovation and long-term success. This is why we seek to recruit only the best managers throughout all age groups and to enhance their skills. The Knorr-Bremse Leadership Principles describe how leadership should be practiced and help managers to create a working environment in which employees can harness their potential optimally. The principles comprise five core themes: reflecting, progressing, inspiring, developing and doing.

The Leadership Feedback initiative provides important insights about the individual professional development needed by managers. In this process, managers who supervise three or more employees are given feedback on their leadership. Leadership Feedback is obligatory and must be conducted within a period of two years. Measures for improved cooperation can be developed on the basis of the results. The last Leadership Feedback in 2021 achieved a completion rate of 92%. The 2022 Leadership Feedback was postponed to the following year for procedural reasons in order to include findings from the 2022 employee questionnaire in the survey.

Knorr-Bremse has relied on local managers at its global sites from a very early stage. Their proximity to the markets and customers as well as their language and cultural knowledge can be key success factors in combination with initial and advanced-training courses that are targeted to their needs. Knorr-Bremse strives to fill vacant managerial positions internally with talented employees wherever possible. To promote leadership development and succession planning, Knorr-Bremse employs potential analysis procedures (the Development Center). It also offers global and regional development programs for the purpose of training upcoming managers and young professionals in-house:



## Global Development Programs

### Management Evolution Program (MEP):

Trainees explore three different business areas during this 18-month program, gain experience in international projects and spend at least six months at an international site. Training, events and a mentor also support an individual's personal and professional growth.

### International Management Potential Group (IMPG):

This development program provides high-potential, mid-level managers around the world with an opportunity each year to hone their talent in training courses and projects, to strengthen their managerial skills and to expand their personal international network.



## Regional Development Programs

### Junior Management Potential Group (JMPG):

This support program is designed for employees who have demonstrated their potential to take on a (future) team leadership function due to their strong performance.

### Engineering Development Program (EDP):

This program enables students who majored in technical subjects at colleges in the United States to attend a two-year advanced-training program in mechatronics, by transferring to positions in different departments or working abroad in Mexico for example.

## Training and University Programs

Knorr-Bremse trains people for careers in areas that are in demand in the Group. These include industrial mechanics, machining technology, electronics, mechatronics and IT.

### Number of Trainees as of December 31



<sup>1</sup> For 2022, the figure has also been reported as a head count for the first time. It was previously reported as full-time equivalents.

In the area of academic training, especially in the dual approach that combines academic studies and on-the-job training, we work closely with German and international universities. Knorr-Bremse has been a partner company of the Baden-Württemberg Cooperative State University (DHBW) in Ravensburg and its branch campus in Friedrichshafen since 2008. As part of this partnership, the company provides students majoring in industrial engineering, electrical engineering, mechanical engineering and business information systems with an opportunity to attend a three-year program that combines university studies and on-the-job experience. To retain talented managers and young professionals, Knorr-Bremse offers programs such as the Management Evolution Program (MEP) for trainees and professional development through the International Management Potential Group (IMPG) (→ [Recruiting and Developing Managers and Young Professionals](#)).

## Diversity and Equal Opportunity

Knorr-Bremse has 31,599 employees working at over 100 sites in more than 30 countries. We view the international character and diversity of our workforce as a commercial success factor and as a driver of creativity, innovation and cultural competence in business partnerships. All of these features are components of the business strength of Knorr-Bremse and are qualities that underpin its leading position in technology and the market. We have set out the requirements for diversity and equal opportunities in our Code of Conduct and our Human Rights Policy. A fundamental principle is the equal treatment of all our employees – irrespective of gender, age, country of origin, sexual identity, state of health, religion or beliefs. We confirmed this in 2020 by signing the Diversity Charter in Germany.

### Diversity Organization Expanded

We have made progress on achieving the goal of gradually integrating diversity management into the HR and sustainability strategy. With the organizational structure established in 2022, we want to further develop the current four focus issues of cultural diversity, gender equality, age and severe disability more intensively and in a targeted manner across the Group.

The Knorr-Bremse Group's newly installed diversity officer reports to HR management on subject-specific matters and reports to the Executive Board member for Integrity, Legal Affairs and Human Resources in respect of functional management. The diversity officer is responsible for the Group-wide diversity strategy, for deriving initiatives and measures and for coordinating the new diversity champions network. The regional diversity champions implement measures taking the regional specifics into account and are contacts for the diversity officers at selected locations.

We use campaigns and training courses to raise employee awareness on the topic and to motivate employees. These include relevant social media campaigns in the context of Diversity Day and World Women's Day 2022. Training opportunities posted on the intranet, like those designed to uncover unconscious bias, are also offered as a LinkedIn Learning Path and as Knorr-Bremse training at the German sites. In the year under review, we began the awareness training in the divisions with a workshop for representatives of various sites and for local diversity officers. An important agenda item was sharing experience, taking regional diversity aspects into account. Held for the RVS division in 2022, the event will also be held for the CVS division in 2023.

Procedures for the possible detection of risks and breaches of our requirement for diversity and equal opportunities have already been established in the Group. If there is a possible case of discrimination with regard to a matter or course of action, each Knorr-Bremse subsidiary has a designated point of contact who can be reached directly and will be responsible for the case. As an alternative, employees who work at the company's sites in Germany may consult with the respective HR department (pursuant to the German General Equal Treatment Act, AGG) or the Works Council. Complaints can also be submitted via the general whistleblower system operated by Compliance (→ [Integrity and Compliance](#)).

## Promoting Cultural Diversity

As a global Group, cultural diversity is an important success factor for Knorr-Bremse. Around 82.5% of the company's workers are employed at sites outside Germany. At Knorr-Bremse's German sites, our non-German employees represent 10.6% of the workforce and come from 63 different countries. Top management roles in the regions are mainly filled with local residents to ensure that local and cultural circumstances are taken into account (2022: 86.9%, 2021: 84.9%, 2020: 83.6%).

We support international communication with intercultural training, language courses, cross-site projects and stays abroad. Given the company's presence in more than 30 countries, many employees of Knorr-Bremse receive international assignments. These expats can spend anywhere from six months to five years abroad. They are assisted with these assignments by the International Transfers department at Knorr-Bremse, from the initial preparation of the exchange to reintegration at the employee's former place of work. 38 employees around the world were assigned to other Knorr-Bremse locations in 2022 (2021: 47, 2020: 60).

### Distribution of Employees Internationally as of December 31, 2022

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## Gender Equality

Knorr-Bremse supports gender equality and seeks to increase the share of women in the workforce and management, to support women's careers more strongly and to recruit qualified women. The following global targets were set for the Knorr-Bremse Group in 2022: 25% share of women in the workforce and 20% in management levels 1 to 4 by the end of the third quarter of 2027. Management levels 1 to 4 incorporate female managers as well as female employees who are experts or specialists (without their own leadership responsibility). The achievement of the targets is supported by a concept that was finalized in 2020 and calls for at least one female candidate in the final round of the selection procedure for applications at management levels 2 to 4 at Knorr-Bremse companies in Germany. At least one-third of the participants in Knorr-Bremse development programs should be women. The trainee program MEP exceeds this target with women already representing 38% of its participants (2021: 30%). The following diagrams provide an overview of the global development of female representation in the workforce and in management positions. The latter comprises female managers at management levels 1 to 4 as well as female managers below level 4.

# 25%

Target: 25% share of women  
in the workforce and 20%  
at the management levels 1 to 4

## Proportion of female employees globally<sup>1</sup>

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in %



## Proportion of females in management positions in all departments globally<sup>1</sup>

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in %



<sup>1</sup> Approximately 97% of the total workforce covered due to the latest M&A activities.

<sup>2</sup> Female employees with their own leadership responsibility have been included since fiscal year 2022. The basis used through to 2021 was (solely) the categorization as management levels 1 to 4. If made comparable to the previous year, the rate would be 15.2%.

We want to strengthen gender equality with development programs for talented young women and female professionals. A mentoring program launched in Munich in 2022 is aimed at increasing the professional potential of female employees through knowledge transfer. This initiative originates from the Women@Knorr Bremse (Munich) network. Other newly founded women's networks in the Group include Women@Bendix (Avon, USA) and the Mexico chapter of Women@Bendix (Acuña, Monterrey, Mexico City). They offer our female employees platforms for communication and initiating projects.

We are working together with various initiatives and universities to boost the share of young female employees in technical professions. The partnership with the Technical University of Munich in the mentorING program is directed at supporting female college students in scientific and technical degree programs. Through participation in the Cross-Mentoring Munich initiative, we want to support the next generation of female managers by means of cross-company mentoring tandems.

## Generation Management to Safeguard Knowledge

In 2022, the average age at Knorr-Bremse was 41.6 (2021: 41.3, 2020: 40.4). It will continue to rise as a result of demographic change in industrial countries. Our generation management is intended to offer employees of all ages the best working conditions. We are gradually creating the conditions for this, including by providing ergonomic workplaces, active health management and formats for cross-generational knowledge sharing. For example, the understanding and collaboration among the generations is fostered by seeking the engagement of former employees. After retiring, these former employees share their experience with younger colleagues. They are usually skilled workers or managers who were responsible for projects and advisory duties.

### Age Structure in the Group<sup>1</sup>

in %

	2022	2021	2020
Up to 20	1.0	1.4	1.2
21–25	5.4	5.5	4.0
26–30	11.0	11.4	12.7
31–35	16.9	17.2	20.3
36–40	15.7	15.6	17.2
41–45	13.8	13.3	13.0
46–50	11.6	11.4	11.2
51–55	9.9	10.1	9.6
56–60	9.5	9.5	7.3
over 60	5.2	4.6	3.5

<sup>1</sup> Share of the workforce included in the age data in 2022: around 97%.

## Inclusion on the Job

Employees with severe disabilities and health limitations are an important part of the diverse workforce at Knorr-Bremse. We have implemented inclusion measures for the particular protection and special advancement of employees with severe disabilities and health limitations. The disabled persons' delegation helps people with disabilities find the right workplace for them within the Group, equipped according to their needs. We maintain contact with social sponsors and organizations, and conduct activities with them as part of ongoing partnerships. The aggregate ratio of people with severe disabilities at the German sites was 4.6% in 2022 (2021: 4.4%, 2020: 4.5%).



## Occupational Health and Safety

Our sustainability strategy's important objectives include providing a safe working environment and protecting and promoting employee health. We see this as a responsibility to the individual employee and as a prerequisite for the long-term success of the company. Our measures and processes encourage preventive health management, medical care, ergonomic workplaces and the avoidance of accidents at work.

The Group-wide Health, Safety and Environment (HSE) Policy defines obligations and material guidelines in the areas of health and safety. The Executive Board has the overarching responsibility for these areas. The central HSE departments of the RVS and CVS divisions develop strategic guidelines and bundle all cross-site management and coordination tasks. At the sites, the HSE professionals bring together all the activities on health and safety and help the managers to implement them. Focal points include the assessment of injury and accident risks at production facilities, at workstations and in procedures as well as of knowledge on the handling of hazardous materials. The initiation of measures based on this work is one of the key responsibilities of HSE experts.

Occupational safety management is defined through the Group's own HSE processes and embedded in our structures. The processes and standards are geared to laws and international standards such as ISO 45001, ISO 14001 and ISO 9001. System and process audits, HSE safety audits, equipment acceptance audits and inspections at the sites encourage compliance with the processes. In the Rail Vehicle Systems division, 46 production and service sites around the world are certified on occupational health and safety in accordance with ISO 45001 (2021: 44, 2020: 43).

### Prevention of Occupational Accidents

Knorr-Bremse aims to prevent occupational accidents as far as possible and to continue to lower the rate of occupational accidents per 200,000 contractually agreed hours of work. We draw on the very latest findings from work processes to develop even more effective ways to prevent occupational accidents and threats to employees' health. We analyze reported accidents and near-miss accidents, define support measures when necessary and monitor their effectiveness. The following regularly recurring measures also make a contribution to safety awareness in the workforce and thus to effective accident prevention: internal training, information campaigns and regular meetings on occupational safety and reporting as well as follow-up.



### Tool for Coordinating Occupational Health and Safety with External Companies

Internal specialists at Knorr-Bremse Spain, based in Pamplona, have been honored with an award for exceptional and exemplary HSE management. The business location introduced a tool that is used to coordinate the various legal requirements related to occupational health and safety. Knorr-Bremse informs contract partners, such as forwarding companies, about current HSE requirements and the partners can upload corresponding documentation. There are status and reminder functions to ensure a constant flow of information and continuous processes. Because requirements related to occupational health and safety can be discussed and fulfilled in advance, it is now possible, among other things, to digitally regulate the forwarding companies' access to Knorr-Bremse's premises. Suppliers and visitors also receive the latest HSE information automatically and digitally. Reporting is done in real time for purposes such as documenting access authorizations. There is also a special app that looks after access authorization for visitors.

In addition, the safety@work program for assessing the safety culture was launched in the CVS division in 2022. Using employee surveys and on-site audits at European production sites, the areas of management, organization and processes were assessed with regard to their contribution to the safety culture. As a result, improvement potential was identified, and this will be translated into an action plan and implemented from 2023.

#### Number of Workplace Accidents per 200,000 Contractually Agreed Hours of Work<sup>1</sup>

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in %



#### Number of Lost-Time Workplace Accidents per 200,000 Contractually Agreed Hours of Work<sup>1</sup>

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in %



<sup>1</sup> The figure relates to all sites under operational control excluding sites with fewer than 50 employees other than production sites or service workshops. This covers around 97% of Knorr-Bremse's employees.

## Occupational Health Firmly Established

Knorr-Bremse is aware of the importance of functioning occupational health protection and offers a range of measures for disease prevention and preventive healthcare at the sites. For example, it has rolled out the “mein EAP” employee assistance program. Employees at German sites and their family members can use the counseling service during challenging periods of their lives. Various internal communication channels provide information on the options, and their rates of use imply good acceptance.

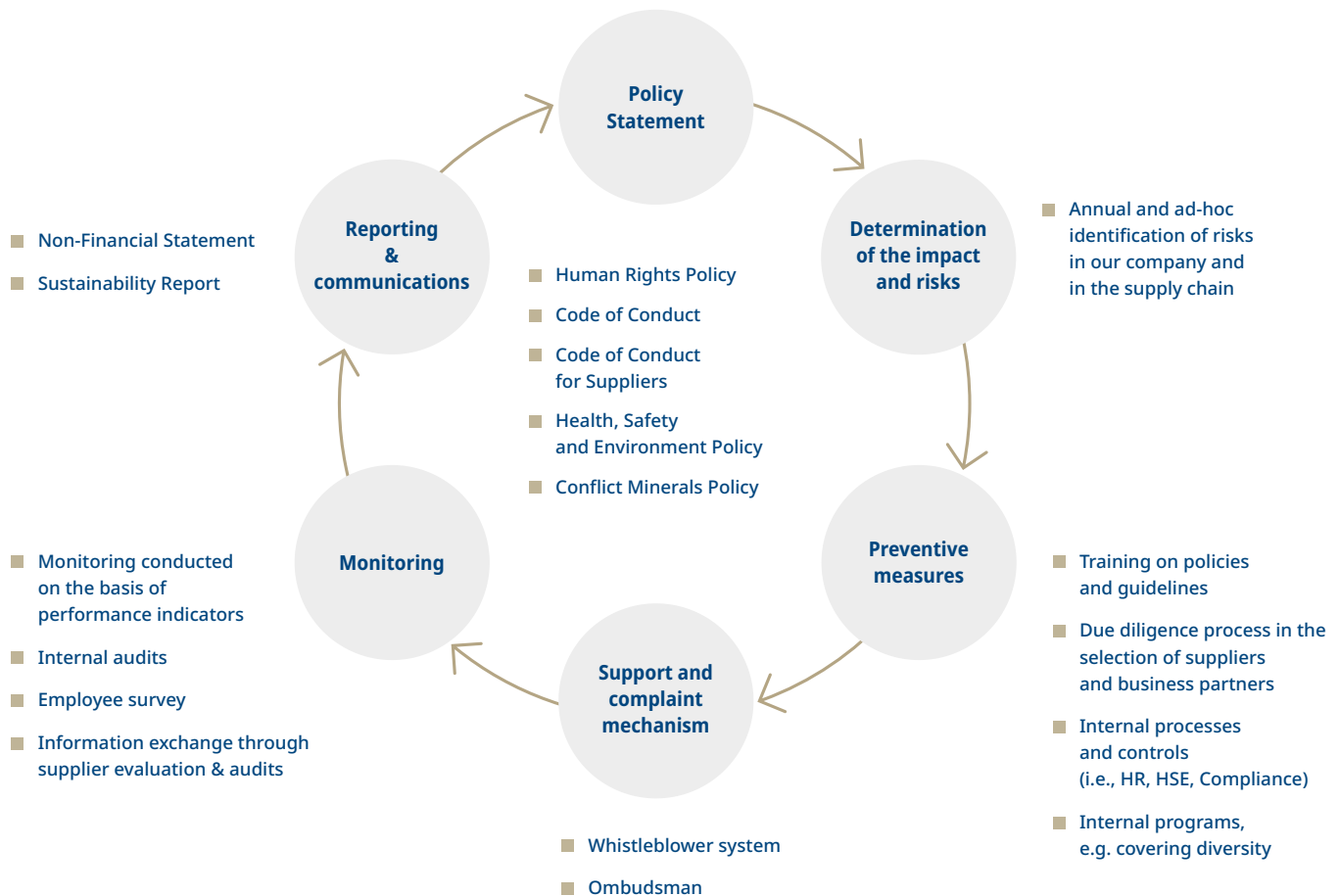
### **meinEAP: Strengthening and Supporting Employee Health**

“meinEAP” (Employee Assistance Program) is the name of a company health management service for employees at German sites and their family members. Individuals can use an external counseling service that is free, accessible 24/7 and anonymous if desired. It provides professional, short-term advice regarding health, career and personal questions. Such issues can include work and career, health concerns or critical situations in life. A “meinEAP coach” is also available. This individual can help managers and function holders to optimally use meinEAP in their area of responsibility. The program helps them with issues related to leadership and change management, and with coaching on issues related to the working environment. To increase the program’s visibility, Knorr-Bremse uses internal media to promote meinEAP, a service that proved itself during the pandemic in particular. Other measures designed to boost the mental health of employees include seminars and workshops about issues such as mindfulness, healthy sleep and healthy mobile working. Psychological risk assessments are conducted along with live monthly talks about issues such as depression and addictive behavior. Working with its service provider, Knorr-Bremse plans to identify health management needs more systematically and include them in its range of support services in the medium term.

## Due Diligence Processes for Human Rights

Knorr Bremse wants to fulfill its human rights due diligence duty along its value chain: to its own employees, to contractors and employees in the supply chain and to customers and society. To respect and protect human rights, we are systematically expanding our processes in accordance with our internal obligations, external guidelines and legal requirements. Knorr-Bremse has signed the UN Global Compact, thus also committing itself to compliance with human rights. Moreover, we are committed to respecting the relevant national legal frameworks, the International Labour Organization (ILO) conventions relating to human rights and the UN Universal Declaration of Human Rights. We orient our processes with the UN Guiding Principles on Business and Human Rights and the German Supply Chain Due Diligence Act.

## Human Rights Due Diligence at Knorr-Bremse



The Knorr-Bremse Code of Conduct, which is binding for all employees, includes central principles and rules for respecting human rights. The Human Rights Policy rolled out globally in 2021 specifies the code's requirements and combines all human rights aspects from various internal policies. The Human Rights Policy was rewritten by the Executive Board in the form of a policy statement. The policy describes how we intend to protect the human rights of everyone who directly or indirectly works for us by reducing any negative impact of our actions. The respect for human rights that the Human Rights Policy requires of suppliers and subcontractors supports and adds to corresponding requirements in the Knorr-Bremse Code of Conduct for Suppliers. Our [↓ Conflict Minerals Policy](#) also influences the due diligence duty for human rights.

### Knorr-Bremse Human Rights Policy

The Knorr-Bremse Human Rights Policy brings together all aspects of the company's various internal guidelines. It addresses the following issues:

- Work schedules, wages, social benefits and occupational safety and health
  - Child labor, forced labor and modern slavery
  - Freedom of speech, freedom of assembly and collective bargaining
  - Equal opportunity, privacy and physical and mental stress
  - Corruption and security management
- ↓ [Human Rights Policy](#)

In the Knorr-Bremse organization, the Executive Board and the senior management of the companies have responsibility for risk management with regard to human rights. Following the introduction of the German Supply Chain Due Diligence Act (SCDDA), the Executive Board concretized the responsibilities for human rights risk management and delegated them to the respective departments in 2022. These include Purchasing, the HR department, the Health, Safety and Environment department and the Compliance department, which are responsible for the operational implementation and review of these activities. The compliance organization monitors compliance with the requirements of the SCDDA in the Group and reports regularly on this to the Executive Board.

## Determining Human Rights Risks

We are working on integrating human rights due diligence even more strongly into our operating processes to minimize human rights risks and prevent negative effects from our business operations. To do this, we also use the results of the human rights risk analyses and associated information on potential human rights breaches.

During the reporting period, we continued our analysis of the human rights risks in our supply chain and in our own business divisions in accordance with the legal requirements. For example, we used external sources to assess the potential risks of our direct suppliers and our own sites in respect of procurement categories, country risks, site sizes and numbers of blue-collar workers. By comparing this data with the sustainability assessments available to us at the supplier level and with countermeasures such as ISO certifications, we have been able to determine supplier risk and location risk. When defining and following up on risk-reducing measures, we prioritize suppliers whose actions we can influence due to level of purchasing volume. In the future, we will conduct the risk analysis annually and whenever required.

In the supply chain, we identified around 600 suppliers who are being reviewed with a very high or high priority regarding the need for further action due to their propensity to take risks and the level of our purchasing volume. This equates to 2% of suppliers. Risks were identified in our own area of business, particularly in the field of occupational safety and also in ensuring respect for human rights at the Brazil, China, India and Mexico sites.

The human rights risk analysis is included as a criterion in the selection of internal auditors to conduct audits. Selected human rights are also audited on-site within this regular audit and, in the event of complaints, remedial actions are determined.

## Reporting Human Rights Violations

Knorr-Bremse employees and external stakeholders can report information on suspected human rights breaches or complaints anonymously or choose to provide their contact details (→ [Integrity and Compliance](#)). In fiscal year 2022, no cases of child labor, forced labor or modern slavery were reported through the whistleblower system. In total, we received 90 reports (2021: 45, 2020: 21) through our whistleblower system. 29 of these cases (2021: 10) concerned reports of discrimination and other topics relating to the workplace. In two of these cases, the information was confirmed. In five cases, the investigations are still ongoing. The remaining reports could not be confirmed.

### Transparent Communications

We strive to continuously expand our reporting on human rights due diligence. Our annual Sustainability Report explains our activities in more detail. Furthermore, Knorr-Bremse publishes separate declarations on its website setting out its guidelines on and measures for preventing modern slavery and human trafficking in accordance with the requirements of the [UK Modern Slavery Act](#) and the [Australian Modern Slavery Act](#).

## Raising Awareness and Providing Training

Knorr-Bremse promotes awareness of human rights due diligence within the Group and along the supply chain. We engage in constant dialog on the topic with the departments. The Chief Compliance Officer regularly provides information to company management on realized and planned Group-wide activities in close communication with the Head of Sustainability. The Supervisory Board is also informed about current developments on the protection of human rights and corresponding measures by Knorr-Bremse. Knorr-Bremse employees are informed about the obligation to respect human rights by the Code of Conduct and by the Human Rights Policy. The compliance management system provides support through mandatory training on the Code of Conduct. We maintain a dialog with suppliers on a wide range of sustainability topics (→ [Sustainability in the Supply Chain](#)).

In addition, we contribute to the automotive industry dialog on the National Action Plan (NAP) of the German Ministry of Labor and Social Affairs. Together with other companies, politicians, civil society and NGOs, we want to develop solutions to be able to live up to the increasing requirements for protecting human rights.

## Social Commitment

At Knorr-Bremse, business success and social responsibility belong together. For good reason: Social engagement adds value – for affected and supported individuals as well as for the business locations and the employees of Knorr-Bremse. In this context, we want to encourage our employees to take part in social projects.

Knorr-Bremse's social commitment is focused on local and global challenges, which is reflected in Knorr-Bremse Local Care and the non-profit organization Knorr-Bremse Global Care. Both initiatives carry out joint and individual projects.

 Knorr-Bremse Local Care	 Knorr-Bremse Global Care
Knorr-Bremse Local Care comprises all social activities of our locations. It includes financial support to non-profit organizations and corporate volunteering projects in which employees personally take part. These activities focus on the environment, education, health and social cohesion.	Knorr-Bremse Global Care consists of independent non-profit organizations in Germany, Hong Kong and the United States that fund long-term projects with extensive financial support around the world. The work is aimed at offering new prospects to people who find themselves in need through no fault of their own. Knorr-Bremse Global Care closely collaborates with partner organizations and supports their projects particularly in the areas of education and WASH (water, sanitation and hygiene).

Closely integrating the sites – more than 100 of them in over 30 countries – is very important to us. Within the communities of our sites, Knorr-Bremse has the possibility to have a direct and indirect economic and social impact on the respective region: as an employer, as a purchaser of materials and services and with its products. Thus, we feel responsible for the community. We ensure a high impact from our local engagement activities because of the long-term integration of our sites and their local cultural knowledge. In addition, employees identify even more closely with Knorr-Bremse and the company's social image.

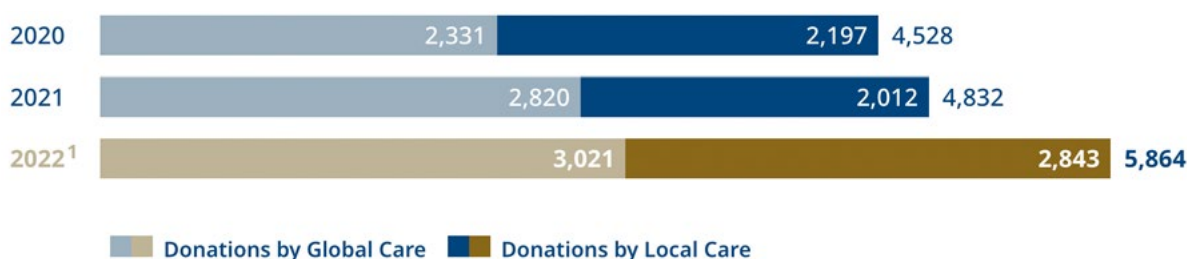
# 5.9 Mio €

The Knorr-Bremse Group donated around €5.9 million for social purposes in 2022 through Global Care and Local Care.

In 2022, the Knorr-Bremse Group donated around €5.9 million for social projects through Local Care and Global Care. Knorr-Bremse Global Care received 52% of this support.

## Donation Volume

in € thousand



<sup>1</sup>The donations made by Local Care in 2022 included €892,000 that Knorr-Bremse AG contributed to Ukrainian relief projects.

## Local Care: Engagement in the Local Communities

Local Care organizes and financially supports a broad range of social activities that improve the lives of people who live in proximity to our company sites. These activities range from financial support of non-profit organizations to corporate volunteering projects with the personal involvement of employees.

Local Care's social engagement projects involve the environment, health, education and social cohesion. The instruments used to implement Local Care measures include:

- Voluntary monetary donations for charitable causes
- Corporate volunteering projects: Knorr-Bremse exempts employees from working hours to support non-profit organizations
- The Get-Involved Initiative: Donations are made to private volunteer activities performed by employees for non-profit organizations and projects
- Financial donation programs: Knorr-Bremse matches the donations of its employees or contributes an amount significantly more than the original donation



In 2022, more than 400 Local Care projects were conducted on every continent of the world. More than 600 employees actively participated in social projects in 2022. We would like to introduce a few of our projects:

## Social Commitment Globally



Granville, Australia |  Education

### Knorr-Bremse Australia Pty. Ltd.

The aim of the Waalitj Foundation is to improve the quality of life of Aboriginal and Torres Strait Islander people by providing education, employment and business opportunities. Knorr-Bremse Australia Pty. Ltd. has provided funding in particular to the „Deadly Sista Girlz“ program. The project is designed to help Aboriginal and Torres Strait Islander girls develop self-esteem and self-confidence and convey pride for their identity. The program is also intended to improve the quality of the girls' education. With the help of Knorr-Bremse, the tutoring and mentoring programs for participating girls can be expanded.

Itupeva, Brasil |  Education

### Knorr Bremse – Sistemas para Veículos Comerciais Brasil Ltda. und Knorr Bremse – Sistemas para Veículos Ferroviários Ltda.

The social project called “Tech Plus Program” enables young people from low-income families to begin a technical training program. The two divisions of Knorr-Bremse and Knorr-Bremse Global Care help 16 adolescents enter the job market by offering them a course in mechanics and maintenance and an opportunity to enter a high-quality vocational training program. The knowledge imparted brings the young people closer to their dream of a better life. On average, Knorr-Bremse offers full-time jobs to 70 % of the young people.

Shanghai, China |  Health

### **Knorr-Bremse Commercial Vehicle Systems (Shanghai) Co., Ltd.**

As a result of China's strict Covid-19 policies, no social activities could be conducted in person in 2022. Accordingly, employees of Knorr-Bremse CVS (Shanghai) and Knorr-Bremse Suzhou who are active in social projects as members of the local "KB love" team worked with other colleagues to produce two educational videos: one that covers safety- and health-related topics and a second that explores the subject of self-care and self-protection. The videos are to be shown to more than 550 pupils at elementary schools located near eight Knorr-Bremse sites in China each year to help improve child safety.

Berlin, Germany |  Education

### **HASSE & WREDE GmbH**

MetrumBerlin GmbH is a recognized provider of youth services that has been active for 15 years in the Marzahn-Hellersdorf borough, close to the Knorr-Bremse site. Its assistance primarily consists of outpatient family and care assistance. In particular, HASSE & WREDE GmbH provides funding to the project "Jugendbüro 15plus" ("15+ youth office"). Here, young people from difficult social backgrounds receive educational counseling and support, for example, with job applications.

Munich, Germany |  Health

### **Knorr-Bremse Services GmbH**

At the Munich site, employees who engage in social projects on a voluntary basis in their free time can apply for financial support for „their“ project as part of the Get Involved initiative. Martin Pauli, an employee of Knorr-Bremse Services GmbH, has been an active volunteer at the Passau Mountain Rescue Service since 1992. His initiative and a donation from Knorr-Bremse made it possible to purchase an intubation-capable resuscitation manikin for the rescue service. The 47 mountain rescuers can use the manikin to practice emergency medical situations.

Tinqueux, France |  Environment

### **Knorr-Bremse Systèmes Ferroviaires France S.A.**

Knorr-Bremse Systèmes Ferroviaires France has sponsored two beehives (equivalent to 80,000 domestic bees) from a local beekeeper. In addition, insect houses and larvae were distributed to employees to attract wild bees to their gardens or balconies.

Pune, India |  Education

### **Knorr-Bremse Systems for Commercial Vehicles India Private Ltd.**

Knorr-Bremse CVS India has cooperated with Knorr-Bremse Global Care Asia Pacific to finance the Air Brake Training Van. The van is used to provide high-quality technical training to students being supported by the NGO Don Bosco. The revamped bus is equipped with a wide range of high-tech equipment, including a virtual reality (VR) headset and VR gloves, to enable complex technical information to be taught in the best possible way. As part of the "Learn Differently" program, the van provides mobile VR workshops in the Indian state Maharashtra. This innovative teaching approach supports the training of students and mechanics at Don Bosco's locations. Graduated participants receive course certificates and have a chance to gain practical experience in the different departments of Knorr-Bremse Systems for Commercial Vehicles in Pune.

Florence, Italy |  Environment

### **Knorr-Bremse Rail Systems Italia S.r.l.**

Thanks to the financial support provided by Knorr-Bremse Rail Systems Italia, Treedom, an organization established in Florence, was able to plant 200 trees. By using the Treedom web platform, a tree can be planted remotely and its growth can be tracked online. The trees and their fruit belong to local farmers who tend to the trees. The start-up funding for fruit trees can contribute to food security and create new income opportunities for farmers. Farmers receive training in agroforestry in complementary courses.

La Pocatière (Québec), Canada |  Education

### **Technologies Lanka inc.**

"Addicted to Technology," an organization that has been financially supported by Technologies Lanka inc. since 2017, is directed at schoolchildren who are 11 to 14 years old. The aim is to awaken their interest in training programs and careers in science and technology. As part of a trade fair held in 2022, employees of Technologies Lanka organized interactive activities around the key switch that the company manufactures. This gave the students the opportunity to experience real work processes at the plant.

Acuña, Mexico |  Social cohesion

### **Bendix Acuña**

A severe tornado ravaged the region around Acuña in May 2015, destroying more than 1,000 houses. Bendix Acuña has been supporting Casas por Cristo, a local non-profit organization that assembles teams of volunteers who build houses for families in need, ever since. Each year, the volunteers from the Bendix site spend four days building a house. The house is secure and protected and has a concrete foundation, electricity, windows and doors. Twenty-four employees took part in the program in 2022.

Mödling, Austria |  Health

### **Knorr-Bremse GmbH**

Knorr-Bremse GmbH in Mödling has provided funding to Rheumalis, an association that offers therapy and assistance to children suffering from rheumatism, as part of a volunteer program. Thanks to the dedication of an employee who volunteers at the organization, Rheumalis received a donation from Knorr-Bremse that was used to offer a popular week of therapy to 14 families from all parts of Austria. The program included both physiotherapy, ergotherapy and art therapy as well as consultations with physicians, psychological counseling and a range of presentations. The children also had a chance to use a dummy hand to take a blood sample. This game-like exercise helped to reduce the children's fear of blood tests.

Lund, Sweden |  Social cohesion

### **Knorr-Bremse Nordic Rail Services AB**

Knorr-Bremse Nordic Rail Services AB in Lund gives families in its region financial support so that their children can take part in athletic and recreational activities. In 2022, assistance was provided to a total of 17 girls and boys between the ages of 4 and 15. The supported activities included membership in a swimming club, dance lessons and soccer training with all the necessary equipment.

Madrid, Spain |  Health

### **Knorr-Bremse España, S.A.**

Knorr-Bremse España supports the Spanish NGO ACEOPS (center for early recognition and psychosocial counseling). The organization promotes preventive, rehabilitative, educational and psychosocial programs to provide care to disabled children and their families. The aim of this support is to increase the children's mental, physical and social development potential as well as to improve their social inclusion. The project funds technical equipment for the department of neuropsychology and ADHD for children between the ages of 4 and 16. Employees of Knorr-Bremse España have volunteered at ACEOPS for years. The NGO reaches about 200 children and their families each year.

Johannesburg, South Africa |  Education

### **Microelettrica Scientifica Pty. Ltd.**

For ten years, Microelettrica Scientifica Pty. Ltd. has been supporting a girls' school in a suburb of the Soweto Township. Many of the students' parents are unemployed and rely on government subsidies. The Ministry of Education funds the schools, but almost all of the money is used for stationery, books and maintenance. Investments in the school are almost impossible due to the lack of budget. The schools' labs, computer center and classrooms were in poor condition, which meant the girls were unable to receive a high-quality STEM education. Yet, with the help of donations from Microelettrica Scientifica, the labs and computer center have been able to be upgraded. The girls can now use this improved learning environment to prepare for higher education.

Warsaw, Poland |  Social cohesion

### **Knorr-Bremse Polska SfN Sp. z o.o.**

Following the outbreak of Russia's invasion of Ukraine, hundreds of Ukrainian mothers and their children found shelter in a social center in the Warsaw district, close to the Knorr-Bremse Truck site. The workforce of Knorr-Bremse Polska SfN Sp. z o.o. wanted to help actively. They drew up a budget, employees bought food and hygiene products and they then transported these donations to the social organization each week on a rotating basis.

Chachoengsao, Thailand |  Education

### **Knorr-Bremse Commercial Vehicle Systems (Thailand) Ltd.**

Knorr-Bremse Global Care Asia Pacific teamed up with the Education for Development Foundation (EDF) in Thailand to create a scholarship program for socially disadvantaged schoolchildren. A total of 160 youths between the ages of 14 and 17 are now benefiting from the program in the Thai province of Chachoengsao. Colleagues at Knorr-Bremse Thailand are also providing financial support to students at a nearby school as well as conducting Local Care activities. Tables and chairs were purchased for the school cafeteria, for instance, and Knorr-Bremse employees helped to set them up. Employees also regularly visit the students and talk to them about topics such as their future career opportunities.

Modřice, Czech Republic |  Social cohesion

### **IFE-CR, a.s.**

For years, colleagues from IFE-CR have been providing voluntary support to the Czech Kociánka Center, which supports children and adults with disabilities in particular. In the summer of 2022, for example, a group of volunteers prepared the grounds for hippotherapy (a form of therapeutic riding). They built horse paddocks, cleaned the greenhouse and repaired the gates. Volunteer Tomáš, was pleased: „People in Kociánka do socially relevant work - it's great that we can support them.“

Stráž nad Nisou, Czech Republic |  Environment

### **Knorr-Bremse Systémy pro užitková vozidla ČR, s.r.o.**

Knorr-Bremse Systémy pro užitková vozidla ČR provided financial support to the Czech environmental group Nadace Ivana Dejmalá in 2022. The organization's work is primarily aimed at regenerating water supplies in the countryside, restoring stable forest ecosystems and protecting valuable natural spaces. The organization's long-term goal is to help people to develop a positive attitude about nature and protect it.

Budapest, Hungary |  Social cohesion

### **Knorr-Bremse Vasúti Jármű Rendszerek Hungária Kft.**

Magyar Élelmiszerbank is a Hungarian food bank. Its mission is to bring excess food to people in need in Hungary as a way of fighting poverty, hunger and malnutrition. More than 30 employees of the Brake Control department at Knorr-Bremse Vasúti Jármű Rendszerek Hungária volunteered at the Hungarian food bank and helped prepare 1,000 servings of food. The food bank also received a financial donation.

Avon, USA |  Environment

### **Bendix**

The Avon Green Team at Bendix joined forces with the NGO Drink Local Drink Tap to clean up the banks of Lake Erie around Cleveland, Ohio. Drink Local Drink Tap is an international non-profit organization that develops solutions to problems related to water justice and quality. Fifteen Bendix employees and family members took part in an event and cleaned up plastic and other litter on the lake's shores. A donation was also made to support the organization's work.

Watertown, USA |  Social cohesion

### **New York Air Brake**

Since 2019, the Knorr-Bremse subsidiary New York Air Brake has been providing financial support to the relocation and expansion of the local YMCA community and aquatic center as part of a five-year project. YMCA Watertown supports families in the community with a wide range of programs, including youth development, sports, swimming lessons and a further variety of activities for all age groups.

Westminster, USA |  Education

### **Knorr Brake Company (KBC)**

The Boys and Girls Club in Westminster wants to prepare young people to meet the challenges of tomorrow's world of work. As part of the "Workforce Development Program Series," 12 employees of Knorr Brake Company helped 15 to 20 young people lay the foundation for successful careers last year. During a series of events, the volunteers gave the young people advice on preparing résumés and held simulated job interviews with them. At the end of the program, the young people had an opportunity to tour the plant at Knorr Brake Company, talk to employees about their jobs and gain career insights.

We select and implement Local Care projects based on the Local Care donation guidelines that we revised in 2022. These guidelines set goals and benchmarks, define support areas and criteria; and provide transparency about the donation process with the help of organizational specifications and approval requirements.

Many Knorr-Bremse locations have appointed a Local Care officer, who coordinates and assumes responsibility for Local Care activities. Every location plans the selection, financing and oversight of its Local Care projects on its own and allocates its own budget for social purposes. We believe that this local focus facilitates efficient, sustainable and successful project management. The Local Care program of Knorr-Bremse Rail Systems Budapest, Hungary, was honored with the CSR Doing Good Award in the "social" category in 2022. We recognized its focus on the local community, social values, participation and equal opportunity.

## **Global Care: Worldwide Engagement**

Knorr-Bremse Global Care is a globally active non-profit organization set up by Knorr-Bremse employees. The main objective of Knorr-Bremse Global Care is to promote the independence and autonomy of people who find themselves in need through no fault of their own and to support high-impact projects. Through targeted long-term project partnerships, the organization strives to contribute to structurally relevant and far-reaching changes in society. Knorr-Bremse Global Care has identified education and WASH (water, sanitation and hygiene) as areas for its support and aligned its specific targets with the subgoals of SDGs 4 and 6 of the United Nations.



## SDG 4: Quality Education

SDG 4 aims to ensure inclusive and equitable quality education and promote lifelong learning opportunities for all. Knorr-Bremse Global Care supports medium- and long-term education projects. We focus our support on vocational training, because we see great leverage for creating prospects for marginalized people in it. In alignment with SDG targets 4.3 and 4.4, we contribute to reducing unemployment among young people through projects that provide vocational training and job-related skills or to help individuals find a career path.

### Examples of activities in 2022:

- Global scaling of the Safe-Hub concept with our strategic partner AMANDLA (→ [Magazine: Safe-Hubs](#))
- Occupational qualifications for people who have experienced asylum or migration in a modular gastronomy academy in Munich, Germany



## SDG 6: Clean Water and Sanitation

SDG 6 aims to ensure the availability and sustainable management of water and sanitation for all. Clean water and improved hygiene can protect communities from disease and create a stronger foundation for individual, educational and developmental opportunities. The WASH engagement of Knorr-Bremse Global Care is geared toward lowering morbidity and mortality rates related to water-borne illnesses. One main goal of Knorr-Bremse Global Care is to decrease the rate of children younger than 5 who die of water-borne illnesses. WASH-related activities include providing access to safe drinking water as well as sanitary and hygiene improvements, which contribute to SDG targets 6.1 and SDG 6.2. We also want to involve the communities through training courses and jobs.

### Examples of activities in 2022:

- Holistic WASH project for healthcare facilities and the residents of a district in → [Ghana](#).
- A WASH and training program in Pune, India, carried out with the NGO Save the Children

### Ghana: WASH Project Launched

The WASH project in the rural Nkwanta South District of Ghana shows how a holistic approach combines technical support and individual responsibility. Since 2022, Knorr-Bremse Global Care has worked with the NGO World Vision Deutschland to implement a WASH project in this district. The 13,000 people who live in the region are benefitting from the project. Nearly half of households and healthcare facilities lack basic water supply. This is the reason why water-borne tropical diseases are so widespread there. Two mechanical water units are being installed at healthcare facilities and schools. These mechanical water units are being connected to the public water supply to provide clean drinking water. World Vision is also implementing training programs to complement the new WASH infrastructure. First, healthcare personnel is being trained in hygienic practices. Second, WASH committees in 10 communities received training about water systems and hygiene for the purpose of maintaining the infrastructure and sensitizing local residents about water and hygiene.

Since its founding in 2005, Knorr-Bremse Global Care has worked with partner organizations to improve the lives of around 973,000 people. In total, more than €29 million in funding was made available for this purpose. In 2022, Knorr-Bremse Global Care supported 71 projects around the world and invested about €2.8 million in them. More than 71,000 people benefited from the supported projects.

The majority of Knorr-Bremse Global Care projects are implemented in countries where the Group operates locations. As a result, we can remain in direct contact with the projects we are supporting with the help of Knorr-Bremse employees. Our goal is to sensitize our colleagues about social engagement and encourage them to take action themselves. The organization also supports development projects in 10 other countries: Ethiopia, Ghana, Cambodia, Kenya, Colombia, Myanmar, Peru, Sri Lanka, Tanzania and Ukraine.

# 86%

of the funds donated by Knorr-Bremse Global Care in 2022 flowed into projects being conducted in countries with sites of the Knorr-Bremse Group.



### Wide-Ranging Support for Ukraine

The fast, unbureaucratic and, above all, targeted support provided to Ukrainians affected by the war showed just how effective the well-developed relief structures of the Knorr-Bremse Group can be in times of crisis. Knorr-Bremse Global Care, the Knorr-Bremse Group and individual Knorr-Bremse locations created a comprehensive support package for people in and from Ukraine with donations totaling more than €1.4 million. The employees and business locations of Knorr-Bremse also conducted the widest range of initiatives to support Ukraine:

- Shelter: Knorr-Bremse locations in Germany, Hungary, the Czech Republic and Switzerland organized shelter for refugees, including in company apartments, hostels and a conference center.
- Non-cash donations: Knorr-Bremse Polska CVS shipped food and hygienic products each week to a social center in Warsaw where Ukrainian mothers and their children had taken shelter.
- Monetary donations: Knorr-Bremse employees donated about €400,000 at the beginning of the war, and the Knorr-Bremse Group doubled the figure to €800,000. The Group also donated €500,000 to the ↗ [Deutsche Rote Kreuz](#) and ↗ [UNICEF](#) immediately after the outbreak of the war.
- Volunteering: Colleagues who speak Ukrainian receive paid time off so that they can serve as interpreters for refugees arriving in Munich.
- Job offers: A number of locations took part in job offer initiatives. A total of 12 refugees found jobs at Knorr-Bremse in Kecskemét, Hungary, alone.
- Long-term partnership: Knorr-Bremse Global Care is financially supporting an orphanage in Lviv, Ukraine, and a training center run by the Society of Saint Francis de Sales. The organization has assumed the costs for food, shelter and medical and psychological care for domestic refugees who have taken shelter there (up to 260 a day).

Knorr-Bremse Global Care consists of the non-profit association located in Munich, Germany, and the two independent regional organizations Knorr-Bremse Global Care North America Inc. in the United States and Knorr-Bremse Global Care Asia Pacific Ltd. based in Hong Kong. The Munich-based association is supported by Knorr-Bremse companies in Europe and employee donations. It benefits from its members and employees of the Group. The holding companies in Hong Kong and the United States financially support their own Global Care organizations and, where possible, provide personnel support from local business locations. All Knorr-Bremse Global Care units work closely with local partner organizations. Our partners carry out local projects in an efficient, impact-driven manner. They work with needs-based approaches and provide transparent documentation. We engage with local communities within the projects to ensure that the activities are useful and sustainable. Joint impact goals are set and pursued during every project. Occasionally, our members or employees act as mentors to the project and, in addition to their personal support, also offer professional expertise. These structures help partner organizations and their projects beyond mere funding.

Knorr-Bremse Global Care effectively achieves its aspiration of having a high impact while working in strategic partnerships. These partnerships also strengthen project partners, enabling them to plan and work on a long-term basis. Identification with our projects also grows – among Knorr-Bremse employees and in the communities around the company's locations. Strategic partnerships with proven partners also improve impact measurement. Against this backdrop, complementary evaluations measure the results of our activities. These evaluations also contribute to the derivation of new findings. Resources can therefore be used in a more targeted manner or adjusted to the needs of the people who suffer. As a result, we have an effective tool in our hands which enables us to improve the long-term lives of marginalized people by efficiently using resources. As an example of this commitment, Safe-Hub Global gGmbH was established in mid-2021 by Knorr-Bremse Global Care and the non-profit organization AMANDLA in South Africa. The non-profit organization plans to jointly scale the Safe-Hub approach globally – as one of the world's highest-impact youth and community development projects. Safe-Hubs are secure places for children and adolescents. The hubs provide these young people with access to services in the areas of education, employability, early-child development and more. The Safe-Hub concept was developed and implemented by AMANDLA in South Africa (→ [Magazine: Safe-Hubs](#)).

You can find more information about the work of Global Care at: ↗ [Knorr-Bremse Global Care](#).