



Sustainability Management

Knorr-Bremse helps make mobility and transportation more reliable, safer and more efficient with innovative system solutions. Accordingly, sustainability is a core element of our corporate identity and a foundation of our business success. With our management of sustainability, we take responsibility for our employees, customers and business partners as well as the environment and society.

Sustainability Strategy and Materiality

Knorr-Bremse wants to live up to its environmental and social responsibilities. In line with this desire, we have committed to sustainable corporate governance and integrated sustainability into our organizational structures and business processes. We aim to strengthen this integration in the future because the company's sustainable direction contributes to its business success. The resulting sustainability strategy is impetus for adding value in a way that conserves resources and a key influence on our conduct as a fair business partner and employer.

Our management of sustainability is designed based on international standards and internal rules. They lay out our requirements for sustainable corporate governance and are a guide for our employees' and business partners' conduct. These internal guidelines include, for example, our Sustainability Guidelines and our Group-wide Code of Conduct (→ [Sustainability Guidelines](#)). Furthermore, we are guided by international guidelines and conventions such as the UN Global Compact, the UN Guiding Principles on Business and Human Rights, the conventions of the International Labour Organization (ILO) and the → [UN Sustainable Development Goals \(SDGs\)](#). Our sustainability ambitions are accomplished using the specific, established management systems and action programs.

Industry Guidelines

There are also industry guidelines that provide orientation for Knorr-Bremse in the design of its sustainability management. For example, we are cosignatories to the following guidelines:

- Sustainability Charter of the International Association of Public Transport (UITP)
- Code of Conduct of the Verband der Bahnindustrie in Deutschland e. V. (VDB, railway industry association)
- Dublin Declaration of the European Rail Supply Industry
- European Railway Safety Culture Declaration

The Knorr-Bremse Sustainability Guidelines

Sustainability Guidelines

Our sustainability guidelines set out the principles and strategic objectives for responsible corporate governance at Knorr-Bremse.

↓ [Sustainability Guidelines](#)

Code of Conduct

Our Code of Conduct defines our understanding of responsible behavior for all Knorr-Bremse employees globally.

↓ [Code of Conduct](#)

Procurement Guidelines

Our Supplier Code of Conduct demonstrates our obligation to fair and sustainable business practices within our supply chain.

The quality guidelines for our procurement spell out the requirements that we have of our suppliers with regard to sustainability.

The Conflict Minerals Policy governs the handling of conflict minerals and guides the Purchasing department at Knorr-Bremse as well as Knorr-Bremse's suppliers.

Internal guidelines specify the extent to which sustainability aspects are to be taken into account in purchasing decisions for various categories (e.g., energy, business travel or energy-efficient products).

↓ [Supplier Code of Conduct](#)

↓ [Conflict Minerals Policy](#)

Compliance Guidelines

There are six Group-wide compliance guidelines that specify principles for conduct. They cover dealing with gifts and invitations, donations and sponsoring, corruption prevention, conflicts of interest, screening of business partners and fair competition.

Human Rights Policy

The Human Rights Policy brings together all aspects relating to human rights that are currently spread across different Knorr-Bremse guidelines.

↓ [Human Rights Policy](#)

HSE Policy

With our Health, Safety and Environment (HSE) Policy, we commit to high performance standards.

↓ [HSE Policy](#)

Product and System Safety Guidelines

The Quality Policy defines our high quality requirements for the RVS division, while our Quality First Policy lays out our high quality requirements for CVS.

The Product Safety and Product Conformity Organizational Policy, issued in 2022, provides an organizational framework for fulfilling our product safety requirements.

Through our sustainability strategy, we have set the objective of constantly enhancing our sustainability performance in all areas of the value-adding process. We derive our strategic focus topics from our materiality analysis, international guidelines and external ratings and customer assessments. We also gain important input through dialogue with our stakeholders, such as customers, employees and investors. We have increasingly used the ESG approach to structure our overarching sustainability program, and the measures derived from it, since 2022. This means we are also following capital market requirements and future legislation more clearly.

The ESG Approach

ESG stands for environment, social and governance. It provides a structure for the areas of a company's sustainability management. The ESG approach is intended to be a tool to achieve sustainable business and company development and make a positive contribution to sustainable development in society as a whole. The term is used mostly in the capital market for the guiding principle of sustainability.

Our materiality analysis, which was updated in 2022, shows us the focus topics we need to prioritize in order to take responsibility for environmental and social challenges. The topics that are identified as material also determine the content of this report. During the analysis, we first evaluated the positive and negative impacts of our business activity on the environment and society from an inside-out perspective. Secondly, we analyzed the topics' business relevance and impact on Knorr-Bremse's future viability (outside-in perspective). This confirmed the following 13 focus topics from the previous materiality analysis:



G

Anti-corruption and Fair Competition

Responsible corporate governance is a prerequisite for gaining the trust of society, customers and employees. It is the basis for the company's growth and minimizes reputational and legal risks. We hold ourselves to our own high standard of constant compliance with laws, internal regulations and voluntary commitments. Combating corruption and bribery is therefore one of the key topics in compliance management at Knorr-Bremse.

The topic of anticorruption and fair competition is integrated into the "Integrity and Compliance" chapter.

→ [Integrity and Compliance](#)

Impacts on the Environment and Society: ■■■□

Business Relevance: ■■■□

E

Climate Protection

Climate change is a global challenge. As a manufacturing company, our business activity has direct and indirect impacts on the environment and climate. Moreover, we must develop strategies that prepare us for the risks associated with climate change. With our Climate Strategy 2030, we want to make our contribution to the target of the 2015 UN Paris Agreement to limit global warming to a maximum of 1.5 degrees.

→ [Climate Protection](#)

Impacts on the Environment and Society: ■■■□

Business Relevance: ■■■■

G

Data Protection and Information Security

Digitalization is important for our company's future direction as it supports efficient processes and new business models. We are always responsible in our handling of the data from various stakeholders that is used and acquired. We have developed and implemented legally compliant safeguards for this.

→ [Data Protection and Information Security](#)

Impacts on the Environment and Society: ■□□□

Business Relevance: ■■■□

S

Diversity and Equal Opportunities

Positive and fair employment conditions inherently involve equal treatment for all employees. Individual employees can harness their potential better when they are in an environment characterized by diversity. A diverse workforce is therefore a driver of creativity, innovation and cultural competence in business partnerships – and consequently a cornerstone of our commercial strength. To reinforce gender equality at Knorr-Bremse, we work on increasing female representation within the workforce and within management.

→ [Diversity and Equal Opportunities](#)

Impacts on the Environment and Society: ■■■■

Business Relevance: ■■■□

S

Employment Conditions

As a responsible employer, we wish to offer good employment conditions. They are the foundation for satisfied employees as well as for gaining and obtaining the loyalty of the best skilled workers and managers. In addition to having an open and supportive corporate culture, there are many other factors that contribute to good employment conditions, from fair, competitive salaries to a reasonable work-life balance.

→ [Employment Conditions](#)

Impacts on the Environment and Society: ■■■■

Business Relevance: ■■■□

E

Environmental Product Design

We can make a significant contribution to climate and environmental protection with environment-oriented product development. It also enables us to utilize market opportunities and counteract product-based risks proactively. Using our EcoDesign approach, we systematically integrate sustainability criteria, such as longevity, resource conservation and emission prevention, into our processes. In addition, we make sure we design our products in such a way that they are capable of industrial remanufacturing and overhaul; this is now a significant line of business at both Knorr-Bremse divisions that contributes to a circular economy.

→ [Environmental Product Design](#)

Impacts on the Environment and Society: ■■■■

Business Relevance: ■■■■

S

Occupational Health and Safety

With high standards and targeted measures for occupational health and safety, we as a responsible employer meet our own requirements and the requirements of human rights more broadly. A healthy and safe working environment is essential in order for our employees to reach their full potential. Our corresponding programs at our sites across the world contribute to positive employment conditions and, by extension, employee satisfaction.

→ [Occupational Health and Safety](#)

Impacts on the Environment and Society: ■■■■

Business Relevance: ■■■□

S

Personnel Development

Knorr-Bremse can only manifest its leading market position with well-qualified and motivated employees. Our strategic personnel development focuses on the recruitment of qualified people and the individual, further development of employees and managers.

→ [Personnel Development](#)

Impacts on the Environment and Society: ■■■□

Business Relevance: ■■■□

S

Product and System Safety

Knorr-Bremse's products for commercial and rail vehicles are highly relevant to transportation safety. Our customers rely on us fulfilling our distinct, self-imposed standards for technological excellence and high quality and safety. Simultaneously, we are a driver of innovation and are successful in constantly enhancing the safety of our products and boosting our commercial success.

→ [Product and System Safety](#)

Impacts on the Environment and Society: ■■■

Business Relevance: ■■■

S

Social Commitment

Knorr-Bremse is a part of society through its business activity and as a driver of mobility. For this reason, the company and its employees contribute to society, especially at its sites. As an employer, as a purchaser of materials and services and through its products, Knorr-Bremse influences local communities and economies in a variety of ways. Thanks to our engagement in society, our employees' identification with Knorr-Bremse increases. Our employees feel motivated to play an active role in social projects themselves. In addition, having a greater reputation in society contributes to the company's employer branding.

→ [Social Commitment](#)

Impacts on the Environment and Society: ■■■

Business Relevance: ■■■

G

Sustainability in the Supply Chain

Having a sustainable supply chain structure is a core element of our value-adding process and makes a decisive contribution to our company's success. We create the foundation for sustainable products with our selection of suppliers and materials. On top of that, our selection of suppliers has significant impacts on the environment and society in the countries the goods are produced in. That is why we demand adherence to our high sustainability standards. After all, violations of them can result in reputational or business risks.

→ [Sustainability in the Supply Chain](#)

Impacts on the Environment and Society: ■■■

Business Relevance: ■■■

E

Waste

Waste management is an important aspect of a circular economy, as the valuable raw materials contained in waste can be returned to production. The disposal of waste can also create burdens on the environment. For this reason, we attach great importance to preventing waste or recycling it wherever possible.

→ [Conservation of Resources](#)

Impacts on the Environment and Society: ■■■

Business Relevance: ■■■

E

Water

Our water management is intended to promote sustainable and responsible use of this resource. The current and predicted water shortages in a number of regions around the world also result in increased entrepreneurial risk for us. We want to use water efficiently and reuse it multiple times through recirculation wherever possible so that water is consumed sustainably and conservatively.

→ [Conservation of Resources](#)

Impacts on the Environment and Society: ■□□

Business Relevance: ■□□

Organizational Structure for Sustainability

With a clear organizational structure, we ensure the analysis, structuring and implementation of the identified sustainability measures in the Group's highest decision-making bodies. The organizational structure, which was expanded in 2022, is intended to drive the growing work in sustainability management both strategically and in terms of implementation (→ [Organizational Structure for Sustainability](#)). The entire Executive Board is responsible for the business strategy's focus on sustainability. The Sustainability department coordinates the sustainability strategy and reports directly to the Chief Financial Officer. To address the topic of sustainability in an organizationally appropriate way and support the implementation of the defined measures, the company relies on the ESG Board (known as the "Corporate Responsibility Council" until 2022) as the central coordination body. The ESG Board, which meets at least four times a year, comprises two members of the Executive Board as well as a representative of senior management from each of the two divisions, the Chair of Knorr-Bremse Global Care e.V. and the Head of the Sustainability department. In 2022, the ESG Board was expanded to include a representative of the senior management of the Knorr-Bremse Americas region and a representative of the senior management of the Asia-Pacific region to embed the topic of sustainability more strongly in the regions both organizationally and operationally. The ESG Board advises on the development of the sustainability program by defining goals and measures for implementing the strategic topics.

The ESG Board and the Sustainability department are therefore centrally responsible for the development, management, implementation and monitoring of sustainability projects. The operational implementation of projects takes place in different areas of activity and divisions.

The ESG Alignment Circle is a body that was installed in 2022 and precedes the ESG Board. It has the task of coordinating the implementation of the individual sustainability activities across departments and divisions and ensuring systematic process integration. It comprises leading representatives of nearly all functional units of the Knorr-Bremse Group. In addition, issue-specific committees and the departments supplement the implementation and development of the sustainability program. Established bodies – e.g., for the topic of human rights or sustainable purchasing – communicate on individual specialist topics and monitor operational implementation. The Executive Board and the Supervisory Board are informed regularly about sustainability topics and make important decisions.

The Organizational Structure for Sustainability at Knorr-Bremse



Stakeholder Management

Trusting collaboration and open exchange with stakeholders is the basis for sustainable business success. We seek to understand the perspectives and demands of our stakeholder groups. This is essential in order to identify future trends, global developments and market requirements at an early stage and thus meet our stakeholders' expectations. Particularly important stakeholder groups for us include employees, young professionals, customers and suppliers, shareholders and investors, business partners, authorities, unions, associations, the media, politics, non-government organizations (NGOs), local residents near our sites and representatives of local initiatives. We maintain a dialog with them all, often within fixed communication and event formats. They include direct conversations with customers, global trade fairs, active work in associations, investor meetings, the Annual General Meeting and communication with employees.

Founding Member of Europe's Rail Joint Undertaking

Knorr-Bremse is one of the 25 founding members of Europe's Rail Joint Undertaking (ERJU), a technology initiative launched in 2021. ERJU continues the rail transportation research program that was previously known as Shift2Rail. Knorr-Bremse is active in five of its eight "Flagship Areas" with a total of nine technology projects. By working collectively, the intention is to lay the foundations for pioneering, future-oriented technologies for the rail sector. Knorr-Bremse will be the driving force for three topics in the "Sustainable and Green Rail Systems" area: the use of halogen-free and low-GWP refrigerants, technology for improved air quality in trains and the trialing of an electromechanical brake.

Stakeholder Inclusion

Customers	
Format and Examples in 2022	<p>Exchange from customer conversations and visits as well as customer satisfaction surveys</p> <p>Trade fairs and conventions as important dialog formats:</p> <ul style="list-style-type: none"> ■ InnoTrans (RVS), Berlin ■ European Mobility Expo (RVS), Paris ■ AusRail PLUS (RVS), Sydney ■ MassTRANS (RVS), Osaka ■ IAA Transportation (CVS), Hannover ■ Automechanika (CVS), Frankfurt <p>Events for business partners organized by Knorr-Bremse:</p> <ul style="list-style-type: none"> ■ Tag der Schiene ("day of the rails," RVS), Knorr-Bremse Forum Munich ■ Workshops held for the EU Rail Initiative (RVS), including Munich Flagship Area 5, Munich ■ Braking technology road show (CVS) at customer and service partner locations, Germany ■ Live virtual product demonstrations for trucks and school buses (CVS), Bendix <p>Customer events in which Knorr-Bremse took part:</p> <ul style="list-style-type: none"> ■ Hitachi: supplier conference at COP26 (RVS) ■ DAF Trucks: Business Review 2021 (CVS) ■ Daimler: Executive meeting and Daimler Supplier Dialogue (CVS) ■ MAN: Grand Supplier Opening and MAN Expert Day about the future of wheel ends ■ PACCAR: meeting of technical experts (CVS) ■ E-Mobility Exchange between Mitsubishi Fuso and Knorr-Bremse eCubator (CVS) <p>Awards presented to Knorr-Bremse by customers and the industry:</p> <ul style="list-style-type: none"> ■ Knorr-Bremse Thailand (CVS) received the Best Supplier Award 2022 from HINO Motors Manufacturing (Thailand) Ltd. (HMMT) ■ Knorr-Bremse Truck Services was named the best supplier for commercial vehicles by the dealer network Temot International ■ Knorr-Bremse won the Innovation Award from the world-leading trade fair Automechanika for its brake drag reduction system
Important Topics	<ul style="list-style-type: none"> ■ Product safety ■ Transportation safety ■ Supplier safety ■ Quality, prices ■ Mobility transition, energy efficiency ■ Governance and compliance ■ Sustainability

Employees	
Format and Examples in 2022	Employee communications in a broad range of formats and initiatives: <ul style="list-style-type: none"> ■ 2022 global employee survey ■ Employee events such as town hall meetings ■ Feedback conversations with supervisors ■ Intranet, employee magazine ■ Group-wide campaigns such as the multiday Digi News event and the internal diversity campaign ■ Local campaigns such as the Zero Waste Challenge in 2021/2022; Bendix ■ Audience-specific formats like the international HSE meeting in 2022 (Best Practice Award) ■ Volunteering → Employment Conditions
Important Topics	<ul style="list-style-type: none"> ■ Wages and salaries ■ Occupational health and safety ■ Working conditions ■ Current business development ■ New products ■ Customer projects

Suppliers and business partners	
Format and Examples in 2022	Direct exchange with our suppliers and business partners: <ul style="list-style-type: none"> ■ Various Knorr-Bremse policies for business partners, e.g., Code of Conduct for Suppliers ■ Discussions with suppliers ■ Supplier evaluations and on-site audits; discussions for following up on audits; and comparisons of planned corrective measures ■ Training courses and provision of training material, e.g., on conflict minerals Dialog at technical conferences and trade fairs: <ul style="list-style-type: none"> ■ CVS Supplier Summit ■ Railsponsible Supplier Award at InnoTrans 2022 → Sustainability in the Supply Chain
Important Topics	<ul style="list-style-type: none"> ■ Price, quality ■ Governance and compliance ■ Safety ■ Climate protection ■ Human rights due diligence ■ Circularity

Financial market stakeholders (shareholders, investors, lenders)	
Format and Examples in 2022	Regular dialog and information formats for the financial market: <ul style="list-style-type: none"> ■ Annual General Meeting ■ Financial information and reports such as the Annual Report 2022 ■ (Virtual) road shows and conferences ■ (Individual) conversations with investors and lenders ■ ESG ratings → Knorr-Bremse Investor Relations
Important Topics	<ul style="list-style-type: none"> ■ Dividend ■ Business development and guidance ■ Sustainability/ESG

Politics/government authorities/local initiatives	
Format and Examples in 2022	Local and professional lobbying organizations offer a good platform for conversations with stakeholders: <ul style="list-style-type: none"> ■ Automotive industry dialog on the National Action Plan of the German Federal Ministry of Labour and Social Affairs ■ US Environmental Protection Agency (EPA): Green Power Partnership (Bendix, CVS) ■ US Department of Energy (DOE): Better Buildings Initiative (Bendix, CVS) ■ Working groups and interest groups in Europe's Rail Joint Undertaking (ERJU) ■ Participation in local business initiatives such as Klimapakt2 ("climate pact 2") organized by the Munich business community, and the environment and energy committee of the Munich-Upper Bavaria Chamber of Industry and Commerce Information formats for national and local officials at sites globally: <ul style="list-style-type: none"> ■ Receptions, meetings and dialog with politicians and diplomats
Important Topics	<ul style="list-style-type: none"> ■ Safety ■ Climate protection ■ Governance ■ Compliance

Local residents in site regions	
Format and Examples in 2022	<p>Knorr-Bremse promotes social stakeholding at its sites through activities such as:</p> <ul style="list-style-type: none"> ■ Local Care initiatives ■ Personal contact, e.g., site tours for visitor groups <p>→ Social Commitment</p>
Wichtige Themen	<ul style="list-style-type: none"> ■ Safety ■ Attractive employer ■ Local engagement ■ Operational changes

Industries/trade associations/unions	
Format and Examples in 2022	<p>Memberships in trade associations:</p> <ul style="list-style-type: none"> ■ Rail and Commercial Vehicles: American Public Transportation Association (APTA), United States ■ Rail: Association of American Railroads (AAR), United States; Union des Industries Ferroviaires Européennes (UNIFE), Belgium ■ Commercial Vehicles: Motor & Equipment Manufacturers Association (MEMA), United States <p>Knorr-Bremse conducts active project work, including at:</p> <ul style="list-style-type: none"> ■ Europe's Rail Joint Undertaking (ERJU) ■ Railsponsible: head of a working group on "responsible purchasing" ■ UNIFE: working group on sustainability/environment, Knorr-Bremse represented on steering committee ■ German Association of the Automotive Industry (VDA): meeting of working groups on "environment and product" and "sustainability in the supply chain" <p>Knorr-Bremse experts gave talks at industry events including:</p> <ul style="list-style-type: none"> ■ Euro Brake, Essex, England ■ Conference of Rolling Stock, Graz, Austria ■ Siegburger Erfahrungsaustausch ("Siegburg experience exchange"), Germany ■ PM Forum Digital 2022, Germany <p>Industry honors for Knorr-Bremse:</p> <ul style="list-style-type: none"> ■ Knorr-Bremse honored as top supplier by the railroad association Bahnverband e.V. at InnoTrans 2022 ■ custom[air] configuration tool from Merak in the final of the Sustainability Award (RVS) at the Sustainability Kongress 2022 in Berlin
Important Topics	<ul style="list-style-type: none"> ■ Lobby work for the industry ■ Transportation safety ■ Mobility transition ■ Climate protection ■ Innovative products

Young professionals	
Format and Examples in 2022	<p>Partnerships and projects with schools and educational institutions:</p> <ul style="list-style-type: none"> ■ Technical University of Munich, RWTH Aachen University, Budapest University of Technology and Economics, among others ■ Chamber of Industry and Commerce training scout and education partnerships <p>Presence at university trade fairs and events to speak to and recruit young talent:</p> <ul style="list-style-type: none"> ■ Career information evenings and applicant training at schools ■ Wissenschaftstage 2022 ("science days 2022"), Munich ■ University fairs at the Munich University of Applied Sciences and the Technical University of Munich; "bonding" university fair in Aachen (RTWH Aachen University and Aachen University of Applied Sciences) ■ Presentations at universities such as a webinar for students at Pimpri Chinchwad College of Engineering, Pune ■ Scholarship program in mechanical engineering, Budapest <p>Promotion of women (particularly in STEM jobs):</p> <ul style="list-style-type: none"> ■ Mentoring programs: mentorING women's support program at the Technical University of Munich; Bayernmentoring ("Bavaria Mentorship") at the Munich University of Applied Sciences; Cross Mentoring Munich ■ Her Career training fair, Munich ■ Mädchen für Technik-Camp ("girls for technology camp"), Munich; Girls Day <p>→ Personnel Development</p>
Important Topics	<ul style="list-style-type: none"> ■ Working conditions ■ Development opportunities ■ Work-life balance ■ Company values ■ Current business development ■ New products ■ Diversity

Media	
Format and Examples in 2022	<p>Networking and exchange of information with the media around the world:</p> <ul style="list-style-type: none"> ■ Financial Statements Press Conference 2022 ■ Site tours ■ Interviews ■ Financial, technical and corporate press releases <p>→ Knorr-Bremse Press Area</p>
Important Topics	<ul style="list-style-type: none"> ■ Innovative products ■ Strategy and business development

NGOs	
Format and Examples in 2022	<p>Projects conducted by Local Care and Global Care at our sites are usually carried out in conjunction with local NGOs or other aid initiatives.</p> <p>Projects by Knorr-Bremse Local Care, organized by the relevant site:</p> <ul style="list-style-type: none"> ■ Kociánka social center, IFE-CR ■ Rheumalis (organization assisting children suffering from rheumatism), Knorr-Bremse GmbH, Mödling ■ Treedom organization (tree planting), Florence, Knorr-Bremse Rail Systems Italia <p>Strategic partnerships of Knorr-Bremse Global Care with long-term project outlook:</p> <ul style="list-style-type: none"> ■ atmosfair, Berlin: drinking water projects in countries such as Kenya ■ AMANDLA, Cape Town: Safe-Hub Global GmbH founded for global Safe-Hub projects <p>→ Social Commitment</p> <p>➤ Knorr-Bremse Global Care</p>
Important Topics	<ul style="list-style-type: none"> ■ Education ■ Social cohesion ■ Health ■ Water, sanitation and hygiene ■ Environment

Sustainable Development Goals (SDGs)

The United Nations' 17 Sustainable Development Goals, which came into effect in 2015, provide guidance for companies to align their business activities with sustainable development across the entire value chain. Based on these Sustainable Development Goals (SDGs), the industry can use its economic power and strong innovation in a more targeted way to face the economic, social and environmental challenges. In this context, Knorr-Bremse wants to address the challenges through its business model and activities, and contribute to the achievement of the SDGs. Our sustainability strategy focuses on the five SDGs that we can have the greatest influence over through our business. Furthermore, Knorr-Bremse contributes to SDG 4 (Quality Education) and SDG 6 (Clean Water and Sanitation) through the activities of Knorr-Bremse Global Care e. V. (→ [Social Commitment](#)).

We focus on the following SDGs:



SDG 5: Gender Equality

Knorr-Bremse believes that a diverse workforce is a critical factor in business success. We are committed to gender equality and to supporting women in the entire workforce, in management and in STEM professions. We support our employees with various offerings that help to achieve a work-life balance.

Examples of activities in 2022:

- Development of a global diversity network
- Definition of a target for increasing female representation
- Establishment of women's networks

→ [Diversity and Equal Opportunities](#)



SDG 8: Decent Work and Economic Growth

Knorr-Bremse strives to add value sustainably and wants to offer good working conditions and fair social standards to its current and future employees around the world. We continuously work on making our global supply chain more sustainable. We seek to respect and uphold human rights with our processes for human rights due diligence for our employees and suppliers.

Examples of activities in 2022:

- Performance of an analysis of human rights risks among suppliers and in our own business
- Expansion of processes for human rights due diligence in accordance with the German Supply Chain Due Diligence Act
- Improvement of key occupational health and safety figures

→ [Employment Conditions](#)

→ [Due Diligence Processes for Human Rights](#)

→ [Sustainability in the Supply Chain](#)



SDG 9: Industry, Innovation and Infrastructure

Knorr-Bremse finds solutions for the mobility of tomorrow and invests in a sustainable future through its research and development activities. We can actively drive the transition to sustainable mobility with our innovative solutions. Thanks to our EcoDesign approach, we are already integrating aspects of sustainability into the development and innovation process.

Examples of activities in 2022:

- eCUBATOR, an ideas factory for electric mobility
- Partner of the TechFounders accelerator program in Munich
- Consistent incorporation of EcoDesign criteria in product development

→ [Environmental Product Design](#)



SDG 12: Responsible Consumption and Production

Knorr-Bremse is committed to integrated and preventive environmental protection in its production processes, which it practices by preventing waste and using natural resources efficiently. In our product development, too, we take care to use materials in a way that conserves resources and to recycle with the help of our EcoDesign approach. We extend the product service life through our remanufacturing (CVS) and overhaul (RVS) activities and improve our customers' environmental and commercial sustainability.

Examples of activities in 2022:

- Increase of revenues from remanufactured/overhauled products to 10.3%
- Carrying out of recyclability analyses for 21 projects in the RVS division
- Performance of life cycle analyses (LCAs) in the RVS division

→ [Environmental Management](#)

→ [Conservation of Resources](#)

→ [Environmental Product Design](#)

→ [Climate Protection](#)

→ [Eco-friendly Logistics](#)



SDG 13: Climate Action

Knorr-Bremse aligns its climate protection objectives with the 1.5 degree target of the UN Paris Agreement. We want to minimize the carbon emissions from our business activity through production processes with reduced energy and emissions levels and through innovative products and solutions.

Examples of activities in 2022:

- Achievement of the climate protection target for Scope 1 and 2 emissions
- Accounting of material Scope 3 emissions
- Setting of a Scope 3 target of -25%

→ [Climate Protection](#)

Sustainability Ratings and Rankings

Knorr-Bremse's commitment to sustainability is evaluated regularly and recognized as part of external ratings and rankings. They are important to us as they confirm our direction and alert us to potential improvements. Using sustainability ratings and rankings, we analyze and evaluate the external perception of our sustainability performance. The comparison with our peers and early detection of trends gives us findings that we use to develop our sustainability management further.

ESG Ratings and Rankings

DAX® 50 ESG

DAX®50 ESG

Knorr-Bremse has been listed in this index since it started. It presents the top 50 companies in Germany based on their ESG performance, market capitalization and revenue.

➤ [DAX®50 ESG](#)

S&P Global

S&P Global Corporate Sustainability Assessment

Knorr-Bremse scored 50 out of 100 points (2021: 52, 2020: 50), putting it in the top 24% of the comparison group.

The S&P Global Corporate Sustainability Assessment takes into account economic criteria as well as environmental and social criteria based on the best-in-class principle. The most sustainable companies in an industry are added to the index.

➤ [S&P Global Corporate Sustainability Assessment](#)



MSCI

Knorr-Bremse received an improved rating of "AA" in 2022 (2021: A, 2020: A), the second-best of seven categories.

MSCI ESG ratings score companies on a scale from "AAA" to "CCC" with regard to their industry-specific ESG risks and their risk management.

➤ [MSCI](#)

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ISS ESG

ISS once again gave Knorr-Bremse the prime status of "C+" (2021: C+, 2020: C+), thus putting Knorr-Bremse among the best 10% in the industry comparison.

ISS ESG assesses a company's sustainability performance on a scale from "A+" to "D-".

➤ [ISS ESG](#)



Morningstar Sustainalytics

In April 2022 Knorr-Bremse scored 19.5 out of a total of 100 risk points and was therefore classified as low risk.

Sustainalytics categorizes ESG risks across five risk levels (negligible, low, medium, high and severe).

➤ [Sustainalytics](#)

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CDP

CDP rates Knorr-Bremse "C" for transparency and performance on climate protection (2021: B, 2020: A-). This puts Knorr-Bremse in the top 53% of the comparison group. The measures that we adopted in 2022, such as the Scope 3 reduction target, will contribute to the rising requirements for corporate climate protection initiatives only at a future point in time. For this reason, we are confident that we will be able to reverse our year-over-year fall in this rating.

CDP rates companies on climate protection according to a scale from "A" to "D-," with "A" being the highest.

➤ [CDP](#)



EcoVadis

Knorr-Bremse received Silver status for 2022 (2021: Gold status, 2020: Silver status). This puts us in the top 9% of companies in the comparison group.

EcoVadis rates suppliers from 150 countries in the categories of Environment, Labor & Human Rights, Ethics and Sustainable Procurement, awarding a status of Platinum, Gold, Silver or Bronze.

➤ [EcoVadis](#)



SAQ – Sustainability Self-Assessment Questionnaire by Drive Sustainability

Eighteen Knorr-Bremse sites are rated within a range from 81% to 93% (2021: 17 sites within a range from 80% to 93%, 2020: 13 sites within a range from 80% to 89%).

The Self-Assessment Questionnaire (SAQ) is a survey for suppliers in the automotive industry. It rates the sustainability management of a company's individual sites on a scale from 0% to 100%.

➤ [Drive Sustainability](#)

Transparency in Sustainability Reporting

Our goal of transparent reporting also includes the transparent presentation expected by investors of our corporate climate risks and opportunities. We publish these in this Sustainability Report in accordance with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) (→ [TCFD Reference Table](#)).

In addition, we constantly work on meeting the statutory reporting obligations, such as the EU Taxonomy (→ [Management Report](#)) and on preparing for further developments in legislation on non-financial reporting (Corporate Sustainability Reporting Directive, CSRD).