



Sustainability Management

Through our technical excellence, innovative products and the strong commitment of our employees we enable and accelerate sustainable and safe mobility solutions. Together with our customers we deploy them for rail and road. Sustainability management focuses on the necessary environment for implementation of our sustainability activities. It ensures that sustainability is an integral part of our processes and decisions.

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 continuously 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.

The specific design of our sustainability management is 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, the Group-wide Code of Conduct and our Human Rights Policy. 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 international standards such as ISO 14001 (environmental management), ISO 50001 (energy management), or ISO 45001 (health and safety management). The UN Sustainable Development Goals (SDGs) also guide us. 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)
- UNIFE Code of Conduct
- 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, updated in 2023, sets out the standards our suppliers are required to meet with respect to working conditions, human rights, environmental protection, health and safety, business ethics and compliance. We expect our suppliers to comply with the code and implement it in their upstream supply chain.

Furthermore, 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 sponsorship, corruption prevention, conflicts of interest, screening of business partners and fair competition.

Human Rights Policy

The Human Rights Policy describes how we aim to respect and protect the human rights of all people working for us directly or indirectly.

↓ [Human Rights Policy](#)

HSE Policy

With our Health, Safety and Environmental (HSE) Policy, updated in 2023, we commit to high performance standards.

↓ [HSE Policy](#)

Product and System Safety Guidelines

Our high safety and quality requirements are laid down in the Quality and the Safety Policy for the RVS division and in the Quality First Policy for the CVS division.

The Product Safety and Product Conformity Organizational Policy 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 the specific focus topics from international guidelines, our materiality analysis, external ratings and customer assessments. We also gain important input through dialogue with our stakeholders, such as customers, employees and investors. We use the ESG approach to structure our overarching sustainability program, and the measures derived from it. This means we follow capital market requirements and future legislation.

Our sustainability activities during the reporting period focused on the ongoing strengthening of our ESG organizational structure, the continuing implementation of our climate action projects, and the constant incorporation of sustainability into decision-making processes. For instance, the carbon price that we have implemented internally is a decision-making criterion for capital expenditure over € 500 thousand. Furthermore, defined ESG criteria are integrated into property management. In terms of climate protection, Knorr-Bremse has committed to a long-term target of net zero emissions (Scopes 1 to 3) by 2050. Moreover, expanded climate targets validated by the Science Based Target initiative (SBTi) were set in 2023 and comprise emissions from our own production (Scope 1 and 2) as well as relevant emissions from the supply chain and product use (Scope 3) (→ [Climate Protection](#)). The systematic development of our sustainability management is one reason for our significant improvement in selected sustainability ratings during the reporting year.

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.

We used our materiality analysis to determine the focus topics we need to prioritize in order to take responsibility for environmental and social challenges. These material sustainability topics 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 impact of the topics on Knorr-Bremse's business activities and future viability (outside-in perspective). This confirmed the following 13 focus topics from the previous materiality analysis:

Anti-corruption and Fair Competition G	Climate Protection E	Data Protection G	Diversity, Equal Opportunities and Inclusion S
Employment Conditions S	Environmental Product Design E	Occupational Health and Safety S	Personnel Development S
Product and System Safety S	Social Commitment S	Sustainability in the Supply Chain G	Waste E
Water E			



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 anti-corruption and fair competition is integrated into the "Integrity and Compliance" chapter.

→ [Integrity and Compliance](#)

Impacts on the Environment and Society: ■■■□

Business Relevance: ■■■□



Climate Protection

Climate change is a global challenge. As a manufacturing company, our business activity has direct and indirect impacts on the environment and the 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

Digitalization is important for our company's future direction as it supports efficient processes and new business models. We are always responsible for 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, Equal Opportunities and Inclusion

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, Equal Opportunities and Inclusion](#)

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. We promote a healthy and safe working environment that prevents accidents at work and where our employees can reach their full potential.

→ [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 an enabler of sustainable mobility concepts. For this reason, the company and its employees contribute to society, especially at its locations. 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 raw 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.

→ [Resource Conservation](#)

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.

→ [Resource Conservation](#)

Impacts on the Environment and Society: ■□□

Business Relevance: ■□□

Organizational Structure for Sustainability

With a clear organizational structure, we ensure the integration of the topic of sustainability in the Group's highest decision-making bodies. The entire Executive Board is responsible for the business strategy's focus on sustainability. The Sustainability division coordinates the sustainability strategy and reports directly to the Chief Financial Officer (CFO). 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 as the central coordination body. The ESG Board, which meets several times a year, comprises two members of the Executive Board, a representative of the senior management from each of the two divisions, a representative of each of the management teams of the Knorr-Bremse North America/ South America and Asia-Pacific regions, the Chair of Knorr-Bremse Global Care e. V. and the Head of the Sustainability department. The ESG Board advises on the development of the sustainability program. It defines goals and measures for implementing the strategic topics and evaluates their progress on an ongoing basis. The ESG Board and the Sustainability department are centrally responsible for the development, management, and monitoring of sustainability projects. The operational implementation of projects takes place in different areas of activity and divisions.

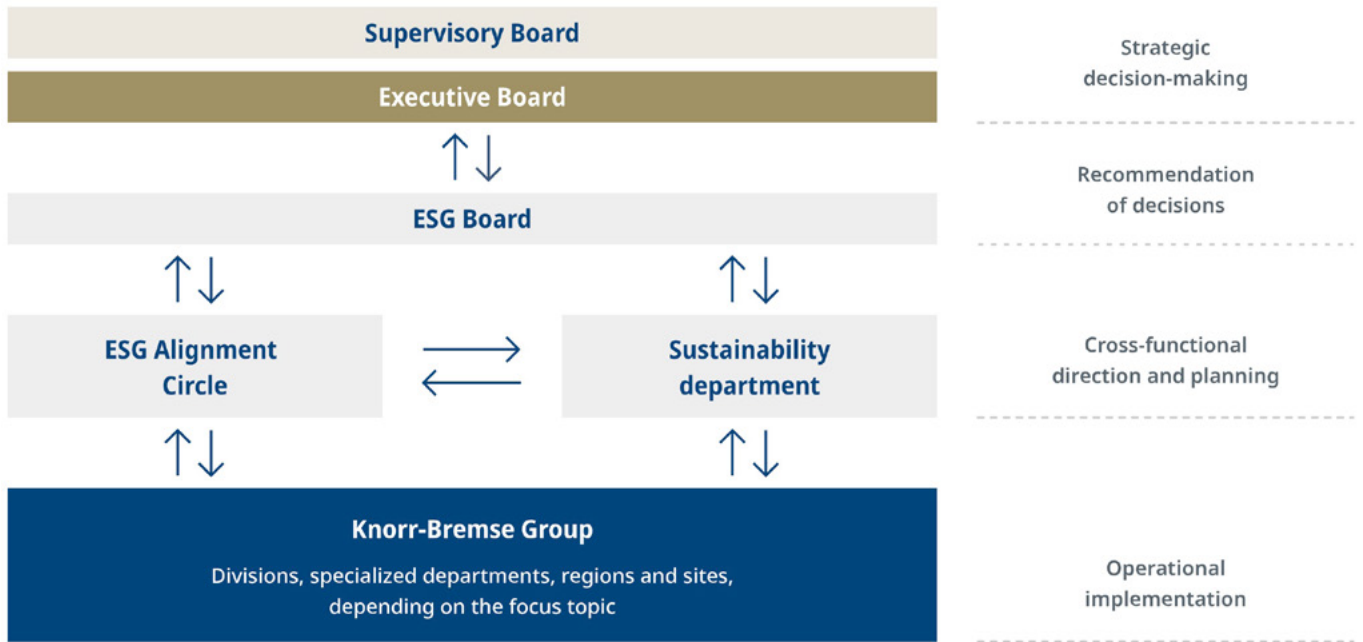
The ESG Alignment Circle is a body that precedes the ESG Board. It has the task of coordinating the implementation of the individual sustainability activities across departments and divisions and ensuring systematic process integration. It comprises leading representatives of nearly all functional units of the Knorr-Bremse Group. In addition, issue-specific committees and 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.

ESG Board: A Glance Behind the Scenes in 2023

The ESG Board as the coordination body for sustainability measures met five times in 2023. The members were informed of material topics and developments but also received strategic or project-related draft proposals for decision and granted approvals. Topics from the reporting year:

- **Sustainability Management:** Decision on the integration of ESG aspects into various processes (e.g., CO₂e price, risk management, real estate management); status update on central KPIs
- **Environment:** Adoption of climate targets and updates on the SBTi validation process
- **Social:** Concept to raise employee awareness of sustainability topics
- **Governance:** Information exchange on global regulatory changes and the extent to which Knorr-Bremse complies with them at present

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.

Knorr-Bremse as a Driver of the "Europe's Rail" Technology Initiative

Knorr-Bremse is one of the 25 founding members of the technology initiative Europe's Rail. By working together the companies are developing a whole series of forward-looking, sustainable solutions in digitalization, automation and connectivity across all levels of rail transport. Knorr-Bremse is active in five of its six "Flagship Areas". Knorr-Bremse will be the driving force for three topics in the "Sustainable and Green Rail Systems" cluster: the use of halogen-free and low-GWP refrigerants, technology for improved air quality in trains and the testing of the electromechanical brake.

➤ [Europe's Rail](#)

Stakeholder Inclusion

Customers	
Format and Examples in 2023	<p>Exchange through meetings and visits with customers and customer satisfaction surveys</p> <p>Trade fairs and conventions that serve as important dialog formats:</p> <ul style="list-style-type: none"> ■ Eurasia Rail, Istanbul (RVS) ■ RailLog, Busan (RVS) ■ Africa Rail, Johannesburg (RVS) ■ TRAKO, Gdańsk (RVS) ■ Expo Ferroviara, Mailand (RVS) ■ APTA, Orlando (RVS) ■ IREE, Neu-Delhi (RVS) ■ Modern Railways, Beijing (RVS) ■ AusRAIL PLUS, Sydney (RVS) ■ 8. Railway Forum, Berlin (RVS) ■ Mass-Trans Innovation Japan 2023, Chiba (RVS) ■ Metro Trans 2023 @ Qingdao, Beijing (RVS) ■ Automec, São Paulo (CVS) ■ Solutrans, Lyons (CVS) ■ Busworld, Brussels (CVS) ■ DEKRA Nutzfahrzeugkongress, Berlin (CVS) ■ Truck Race Saison (CVS) <p>Events for business partners organized by Knorr-Bremse:</p> <ul style="list-style-type: none"> ■ Deutsche Bahn: HGV 3.0 (RVS) ■ KB Agent Days Brakes Europe, Berlin (RVS) ■ Customer Day, Ankara (RVS) ■ Spanish Distributor Meeting in Liberec (CVS) ■ Nexus customer visit in Liberec (CVS) ■ DAF: Tech Day, Eindhoven (CVS) <p>Customer events in which Knorr-Bremse took part:</p> <ul style="list-style-type: none"> ■ Alstom: Global Supplier Day 2023 (RVS) ■ Alltrucks Partner Event, Fulda (CVS) ■ MAN: ATLAS-L4 Funding Project Event, Munich (CVS) <p>Awards for Knorr-Bremse from customers and the industry:</p> <ul style="list-style-type: none"> ■ Sales Professional Award der CARAT Systementwicklungs- und Marketing GmbH & Co. KG (CVS)

Important Topics	<ul style="list-style-type: none"> ■ Product safety ■ Transportation safety ■ Supplier safety ■ Quality, prices ■ Mobility transition, energy efficiency ■ Governance and compliance ■ Sustainability
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Employees	
Format and Examples in 2023	<p>Employee communication with a large range of formats and measures:</p> <ul style="list-style-type: none"> ■ 2023 pulse survey ■ Employee events such as town hall meetings ■ Feedback conversations with supervisors ■ Intranet, employee magazine ■ Global workshops for the further development of the corporate culture ■ Local campaigns such as Diversity, Equity, and Inclusion (DEI) Day, Bendix ■ Volunteering <p>→ Employment Conditions</p>
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 2023	<p>Direct exchange with our suppliers and business partners:</p> <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 ■ Knorr-Bremse SEA Supplier Conference 2023 <p>→ Sustainability in the Supply Chain</p>

Important Topics	<ul style="list-style-type: none"> ■ Price, quality ■ Governance and compliance ■ Safety ■ Climate protection ■ Human rights due diligence ■ Circularity
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Financial market stakeholders (shareholders, investors, lenders)	
Format and Examples in 2023	<p>Regular dialog and information formats for the financial market:</p> <ul style="list-style-type: none"> ■ Annual General Meeting ■ Financial information and reports such as the Annual Report 2023 ■ (Virtual) road shows and conferences ■ (Individual) conversations with investors and lenders ■ ESG ratings <p>→ Knorr-Bremse Investor Relations</p>
Important Topics	<ul style="list-style-type: none"> ■ Dividend ■ Business development and outlook ■ Sustainability/ESG

Politics/government agencies/local initiatives	
Format and Examples in 2023	<p>Local and technical interest groups offer a good platform for conversation with stakeholders:</p> <ul style="list-style-type: none"> ■ Work and interest groups of Europe’s Rail Joint Undertaking (ERJU) ■ Participation in local economic initiatives such as the second climate pact of the Munich business community or the Environment and Energy Committee of the Chamber of Commerce and Industry for Munich and Upper Bavaria ■ Cooperation in Automation and Digitalization in Rail Freight Transportation sub-working group, part of the Rail Freight Transportation Master Plan Working Group of the German Federal Ministry for Digital and Transport <p>Information formats for national and local officials at sites globally:</p> <ul style="list-style-type: none"> ■ Reception, meeting, and exchange with politicians and diplomats
Important Topics	<ul style="list-style-type: none"> ■ Safety ■ Climate protection ■ Governance and compliance

Residents at locations	
Format and Examples in 2023	<p>Knorr-Bremse maintains social commitment at its sites with measures such as:</p> <ul style="list-style-type: none"> ■ Local Care initiatives ■ Person-to-person contact, e.g., visitor groups during site tours and open day for school classes <p>→ Social Commitment</p>
Important Topics	<ul style="list-style-type: none"> ■ Safety ■ Attractive employer ■ Local engagement ■ Operational changes

Industries/trade associations/unions	
Format and Examples in 2023	<p>Memberships in trade associations:</p> <ul style="list-style-type: none"> ■ Rail and commercial vehicles: American Public Transportation Association (APTA), US ■ Rail: Association of American Railroads (AAR), US; European Rail Supply Industry (UNIFE), Belgium; Verband der Bahnindustrie in Deutschland (VDB, railroad industry association), Deutsches Verkehrsforum (DVF, German transportation forum), Allianz pro Schiene (rail alliance), VDV IndustrieForum (VDV industrial forum), Center for Transportation & Logistics Neuer Adler e.V. (C-NA e.V.), all of Germany ■ Commercial vehicles: Motor & Equipment Manufacturers Association (MEMA), US ■ co₂ncept plus – Verband der Wirtschaft für Emissionshandel und Klimaschutz e.V., Germany <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 groups on subjects such as sustainability/environment, mobility strategy and vehicle registration, Knorr-Bremse represented on the Strategy Committee and Presiding Board ■ German Association of the Automotive Industry (VDA): meeting of working groups on “environment and product” and “sustainability in the supply chain” ■ Verband der Bahnindustrie in Deutschland (VDB, railway industry association): working groups on subjects such as sustainability/environment and vehicle registration, Knorr-Bremse represented on Technical and Executive Committees <p>Knorr-Bremse’s experts held specialized presentations at industry events such as these:</p> <ul style="list-style-type: none"> ■ IAA Mobility, Munich, Germany ■ DEKRA Zukunftskongress Nutzfahrzeuge (convention for commercial vehicles of the future), Berlin, Germany <p>Industry honors for Knorr-Bremse:</p> <ul style="list-style-type: none"> ■ Awarded the 41st KS Energie- und Umweltpreis (KS energy and environment prize) 2023 from KS/AUXILIA ■ Labeled a specially recommended top rail industry supplier by Bahnverband e.V.

Important Topics	<ul style="list-style-type: none"> ■ Lobbying work in the industry ■ Transportation safety ■ Mobility transition ■ Climate protection ■ Innovative products
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Young professionals	
Format and Examples in 2023	<p>Partnerships and projects with schools and educational institutions:</p> <ul style="list-style-type: none"> ■ Technical University of Munich, RWTH Aachen ■ Chamber of commerce apprenticeship scout and education partnerships <p>Attendance of university fairs and events to appeal to and recruit young talent::</p> <ul style="list-style-type: none"> ■ Career information evenings and application training at schools ■ University fairs at the Munich University of Applied Sciences, TUM, and LMU, Munich; “bonding” university fairs in Aachen, Karlsruhe, and Kaiserslautern <p>Promotion of women (especially in STEM professions):</p> <ul style="list-style-type: none"> ■ Mentoring programs: mentorING women’s support program at TU Munich: Bayern-mentoring (“Bavaria mentorship”) at the Munich University of Applied Sciences; Cross Mentoring Munich ■ Her Career apprenticeship 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 2023	<p>Networking and exchange of information with the media around the world:</p> <ul style="list-style-type: none"> ■ 2023 annual press conference ■ Site tours ■ Interviews ■ Financial, technical and corporate press releases <p>→ Knorr-Bremse Newsroom</p>
Important Topics	<ul style="list-style-type: none"> ■ Innovative products ■ Strategy and business development

NGOs

Format and Examples in 2023

Local Care and Global Care projects at our locations are carried out in collaboration with NGOs – usually local ones – or other aid initiatives

Knorr-Bremse Local Care projects organized by the relevant location:

- Résumé training for refugees, Über den Tellerrand e.V. NGO, Knorr-Bremse Munich
- “tralalobe” association (supports socially needy children and unaccompanied underage refugees), Knorr-Bremse GmbH, Mödling
- Mata Ciliar organization, a nonprofit NGO that advocates for environmental preservation in various projects
- Treedom (tree planting), Iltuoeva, Sistemas para Veículos Ferroviários Ltda. and Knorr-Bremse – Sistemas para Veículos Comerciais Brasil Ltda Brasil

Strategic partnerships by Knorr-Bremse Global Care with a long-term project focus:

- atmosfair, Berlin: drinking water projects, including in Kenya
- AMANDLA, Cape Town: Safe-Hub Global GmbH founded for global Safe-Hub projects

→ [Social Commitment](#)

↗ [Global Care](#)

Important Topics

- 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:



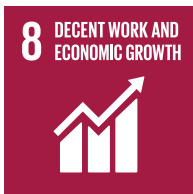
SDG 5: Gender Equality

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 2023:

- Adoption of a Group-wide DEI (Diversity, Equity and Inclusion) strategy
- Development of a global diversity network
- Establishment of women's networks at further locations

→ [Diversity, Equal Opportunities and Inclusion](#)



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 2023:

- Implementation of 10 sustainability audits on-site at suppliers
- Establishment of processes for human rights due diligence in accordance with the German Supply Chain Due Diligence Act
- Key occupational health and safety figures at persistently low levels

→ [Employment Conditions](#)

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

→ [Sustainability in the Supply Chain](#)

9 INDUSTRY, INNOVATION
AND INFRASTRUCTURE

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. Working in cooperation with our customers 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 2023:

- Continuation of eCUBATOR, an ideas factory for electric mobility
- Implementation of a recycling analysis for 28 projects in the RVS division
- Consistent incorporation of EcoDesign criteria into product development

→ [Environmental Product Design](#)

12 RESPONSIBLE
CONSUMPTION
AND PRODUCTION

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 2023:

- Increase of revenues from remanufactured/overhauled products to around 11 %
- Performance of life cycle analyses (LCAs) of selected products
- Publication of key figures on Knorr-Bremse's global waste volume

→ [Environmental Management](#)

→ [Resource Conservation](#)

→ [Environmental Product Design](#)

→ [Climate Protection](#)

→ [Eco-friendly Logistics](#)

13 CLIMATE
ACTION

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 2023:

- Knorr-Bremse's updated climate targets (Scope 1-3) validated by the Science Based Targets initiative (SBTi)
- Setting of an internal CO₂e price for investment measures
- Installation of photovoltaic systems at further locations

→ [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. Knorr-Bremse has already received many above-average ratings for its sustainability measures and was able to improve further on a number of relevant ratings during the reporting period.

ESG Ratings and Rankings



DAX[®] 50 ESG

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

[↗ DAX[®] 50 ESG](#)

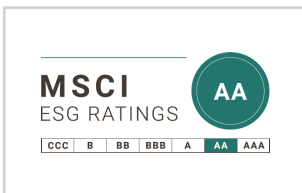


S&P Global Corporate Sustainability Assessment

Knorr-Bremse scored 51 out of 100 points (2022: 50; 2021: 52), putting it in the top 21% 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's rating of "AA" was confirmed for the reporting year 2023 (2022: AA, 2021: 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

Knorr-Bremse improved to the prime status of "B-" (2022: C+, 2021: C+), thus putting Knorr-Bremse among the best 12% in an industry comparison. ISS ESG assesses a company's sustainability performance on a scale from "A+" to "D-."

[↗ ISS ESG](#)



Morningstar Sustainalytics

Knorr-Bremse scored 13.8 out of a total of 100 risk points (2022: 19.5; 2021: 18.9) and was therefore classified as low risk (top 1% of the comparison group).

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

➤ [Sustainalytics](#)

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CDP

Knorr-Bremse received an improved rating of "A-" for transparency and performance on climate protection (2022: C, 2021: B). This meant that Knorr-Bremse achieved the leadership level of CDP, putting it above the European average (B) and the global sector average (C). Within the comparison group Knorr-Bremse is among the top 21%.

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

➤ [CDP](#)



EcoVadis

Knorr-Bremse is currently scored with Gold (2023: Silver status; 2022: Silver status) and is therefore among the top 3% of companies in the comparison group.

EcoVadis rates corporations from 180 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

20 Knorr-Bremse sites are rated within a range from 84% to 92% (2022: 18 sites within a range from 81% to 93%, 2021: 17 sites within a range from 80% to 93%).

The Self-Assessment Questionnaire (SAQ) is a supplier questionnaire of the automotive (supplier) industry. It rates the sustainability management of a company's individual locations 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).