



# Sustainability report 2024





Sustainable and responsible business practices are in line with our values and fundamental beliefs. We have anchored sustainability in our mission statement and set ourselves corresponding goals, which we are working systematically and consistently to fulfil. Our commitment to Germany as a production location provides us with a good basis for implementing our ethical and ecological values.



Ralf Putsch, Managing Partner

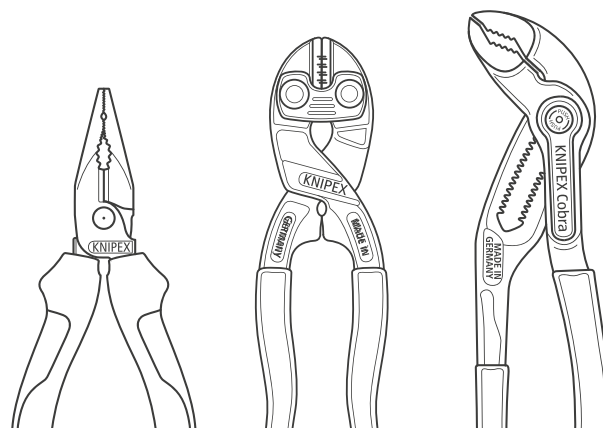
## **KNIPEX - The pliers brand: Quality and responsibility since 1882**

KNIPEX is the market leader in pliers for professional users.

We are an economically independent company in the fourth generation of family ownership and management, which is still located at its founding site in Wuppertal. Today KNIPEX employs around 1800 people in Wuppertal.

The focus is on the development and production of pliers in around 800 variants, which enable demanding professional users to work effectively, easily and safely. With modern technology and a very high vertical range of manufacture, KNIPEX produces more than 60,000 products every day, reaching customers in over 100 countries.

We feel connected to our environment and our fellow human beings. From this we derive our commitment to resource-conserving production methods, an ethical corporate culture and the promotion of the common good in our region.



## We take responsibility

Responsible behaviour is an essential part of our more than 140 years of KNIPEX company history. We are part of society and embedded in the natural environment. We want to make a positive contribution to both. And only if we treat people and nature well will we have a good future.

That is why, despite our already high standards, we are continuously working to improve our sustainability in the areas of environment, employees, society and economy. In this sustainability report, we set out what we achieved in 2023 and what goals we have set ourselves for the coming years.

We are committed to the ten **principles of the UN Global Compact** and aim to actively contribute towards achieving the **17 Sustainable Development Goals (SDGs)**.



We use the corresponding icons within the report to make clear in which principle of the Global Compact we have improved and to which SDG we have contributed to in each case. We use the generally known symbols to denote this. A corresponding overview can be found on page 31.

The report is published exclusively in digital form on the KNIPEX website to conserve resources. It is available in German, English and French.

A detailed, GRI Standards-compliant version is available in German and can be requested via the contact form on the KNIPEX website.



## What sustainability means for KNIPEX

Responsibility is an integral part of our company history as a value-orientated family business. After the turn of the millennium, we began to systematically anchor sustainability in our corporate activities. In 2009, we took an important step towards conceptual planning and action by founding the interdisciplinary Energy Circle. In 2014, we defined the areas of action for sustainability at KNIPEX, initially from an internal company perspective. In doing so, we referred to our mission statement and the resulting voluntary commitment.

### Our fields of action



Environment



Society



Employees



Economy

### Our interest groups

We maintain a continuous dialogue with our stakeholders on current and potential future issues. In addition to our customers, end consumers and employees, our most important stakeholders include our neighbours - both private and corporate, associations, children and young people as the next generation, educational and research institutions, suppliers and service providers.

In order to fulfil the growing interest of our stakeholders in the transparency of our sustainability performance, we have ourselves **assessed** annually by **EcoVadis**. EcoVadis is the world's largest independent provider of comprehensive sustainability ratings for companies. The comprehensive rating covers the areas of environment, labour and human rights, sustainable procurement and ethics, and also takes into account factors such as industry, size and location.

EcoVadis demands a lot in terms of substance, systematics, verification and documentation. We are therefore delighted that our **sustainability performance** was recognised **with the highest award level, platinum, in 2023**. This puts us in the top 1 percent of all companies assessed at the time.



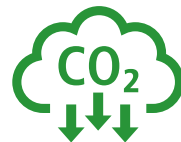
## Environment

As a company, we live from conditions and resources for whose quality and preservation we share responsibility. **Our goals are to halve our greenhouse gas emissions by 2030 compared to 2020, achieve climate neutrality by 2045 at the latest, continuously and systematically reduce our specific energy consumption and production-related waste, minimise the use of resources in production and increase ecological stability.**

### Climate protection management at KNIPEX

With our climate protection management, we are committed to climate-friendly behaviour. **We want to make a measurable contribution to climate protection.**

The absolute, effective and sustainable reduction of greenhouse gases is a priority in achieving our climate targets. To reduce fossil energy consumption, we rely on technological and/or organisational solutions and the use of renewable energies. We take responsibility for Scope 3 greenhouse gas emissions by identifying and utilising our opportunities to exert influence.

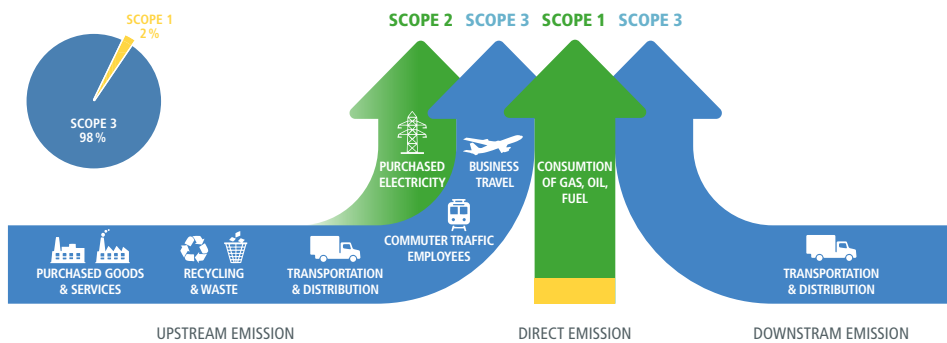


Climate neutrality by 2045 at the latest.

Reduce greenhouse gas emissions by at least 50% by 2030 compared to in 2020.

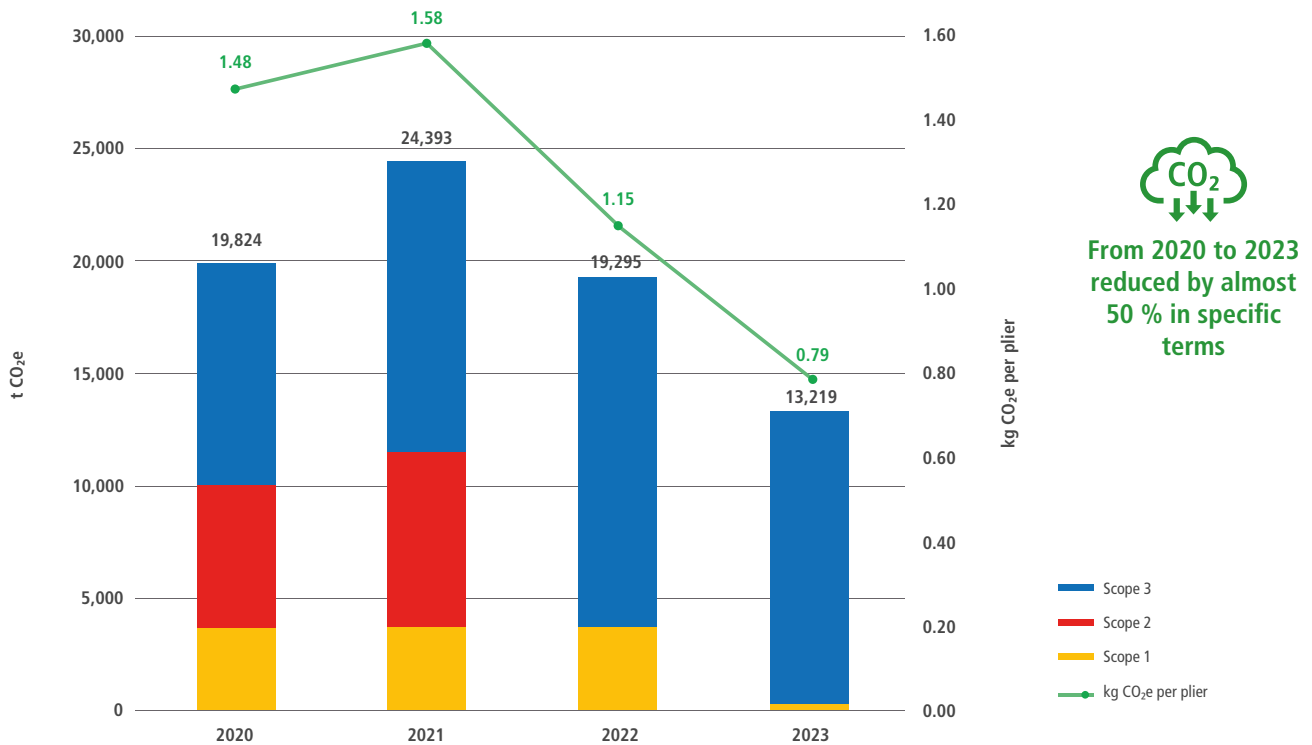
### Greenhouse gas balance

In 2023, we emitted 13,219 (2022: 19,295) tonnes of CO<sub>2</sub>e across all scopes.



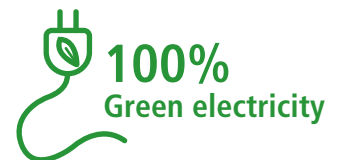
We have identified relevant emission sources and assessed the associated opportunities and risks. We have calculated our greenhouse gas emissions for Scopes 1, 2 and 3 in accordance with the internationally recognised **Greenhouse Gas Protocol**.





KNIPEX absolute & relative GHG emissions across all scopes

Since 2020, we have **already reduced** our **emissions by a quarter**, partly by switching completely to **green electricity and biogas**. The balance sheet shows that the steel we purchase is the main source of greenhouse gas emissions. This knowledge helps us to identify measures for significant reductions. We are already almost **climate-neutral** in Scope 1 and fully **climate-neutral** in Scope 2. Since 2016, we have been regularly investing significantly in a climate protection project (see the Climate Protection Management section). Through this, we compensate for 1,804 tons of CO<sub>2</sub>. **Within three years, we have reduced our GHG emissions by one-third in absolute terms and by almost half in specific terms.**



### Energy use & greenhouse gas reduction

For over 15 years, we have been striving to continuously reduce energy consumption in our pliers production; to this end, we identify new potential savings every year and define specific measures. **Optimisations in plant engineering** and process selection as well as modernisation measures help us to live up to our environmental responsibility.



Since 2014, KNIPEX has organised itself via an **energy management system** in accordance with DIN ISO 50001. A broad-based organisation of **energy sponsors**

systematically pursues the reduction of the specific energy used - gas, electricity, oil and fuels. In 2023, we used 39.93 (2022: 40.98) gigawatt hours of energy throughout the company. This corresponds to 286 (2022: 3,718) tonnes of CO<sub>2</sub>e in Scope 1 and 0 (2022: 0) tonnes of CO<sub>2</sub>e in Scope 2. In 2023, the specific energy consumption, i.e. the energy required per individual pliers was reduced by 1 per cent to 2.40 kWh/pliers. The aim of the energy sponsors is to reduce specific energy consumption by five per cent to 2.30 kWh/pliers in 2024.

### Scope 1

1.9 per cent of our greenhouse gas emissions are classified as Scope 1. Since 2023, we have been using **100 per cent biogas** in our production, which means that the fuels used in some of our company car fleet and the heating oil required in purchased buildings still cause emissions.



It remains our goal to continuously reduce specific gas consumption through efficiency measures.

We have also made major **investments in energy savings in 2023** for the further expansion of **heat recovery** and for the expansion and **modernisation of the heat treatment system**.



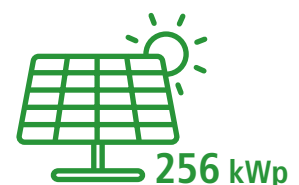
Following preliminary tests, we have converted all furnaces in Hardening Plant II to the latest generation of efficient, **hydrogen-capable burners** and expect a 10 per cent gas saving at this large-scale plant. In addition to increased energy efficiency, we have also created the conditions for the use of hydrogen. Changes to process parameters during annealing and hardening have also reduced our gas consumption in 2023. Investments in intelligently controlled LED lighting, **smart plant control** and the continuous expansion of our building management system are having a noticeable impact on electricity consumption.

The sharp rise in electricity demand at our 13 **electric charging stations** demonstrates the continuous expansion of e-mobility in both our company car fleet and our employees' private vehicles. All of our **charging stations are powered by self-generated solar energy**.



### Scope 2

Since January 2022, we at KNIPEX have only been using green electricity, making our **Scope 2 emissions climate-neutral**. Further savings in the electricity we use and the continued expansion of self-generated solar power remain our goals. In 2023, we commissioned **two new photovoltaic systems**





and increased our system capacity by over 60 per cent to 256 kWp. With the aim of promoting renewable energies, we are supporting a **research project** for the generation of **wind energy** from gusty winds. We are financing the construction of the first pilot plant, which was installed on the roof of a production hall in autumn 2023.

### Scope 3

At 14,737 (2022: 15,577) tonnes of CO<sub>2</sub>e, Scope 3 accounts for 98.1 per cent of our greenhouse gas emissions. The lion's share comes from the upstream emissions for the purchased steel and its transport to us.

We have been in close **dialogue with our steel suppliers** since 2022 and were already able to source some of the steel we use as **green steel in 2023**. This is steel that is produced using secondary material and with reduced energy consumption. As ensuring the high quality and consistently precise mass production of our pliers is our top priority, time-consuming tests are sometimes necessary for each individual steel grade. In 2024, we will switch further steel grades to **lower-emission steels**.



We want to achieve a further reduction by **increasing material efficiency**. We formed a corresponding working group in autumn 2022 and have already achieved initial successes in 2023. A higher pliers output per quantity of steel used should not only reduce Scope 3 emissions from the steel; we also expect a reduction in energy consumption in our production.

We are reducing the emissions caused by our employees' commuting by implementing various measures to increase sustainable mobility. As the company grows, the radius in which our employees live increases. The majority of them work in production and do not have the option of working from home. We promote the use of e-mobility via our e-charging stations powered by selfgenerated solar electricity, where our employees can charge their **private vehicles free of charge**.

In April 2023, we introduced **bicycle leasing** via salary conversion. Accompanied by information campaigns, action days and the option to rent e-bikes for a longer period of time, more than 10 percent of our employees took advantage of the offer. In 2023, **198 bikes** were **leased** and we created almost **100 new bike parking spaces**.



 **198**  
Leased bikes

We minimise the downstream emissions caused by transporting our pliers to our customers by opting for climate-neutral or **climate-friendly shipping wherever**



**possible.** This is reflected in the low proportion of downstream emissions in our balance sheet.

We have set ourselves the goal of reducing our Scope 3 emissions to below 10,000 tonnes of CO<sub>2</sub>e by 2030 at the latest, despite planned double-digit sales growth.

### Climate protection projects

Since 2016, we have been involved in reforestation in the Libyan Desert with a local partner we have known for many years, the Egyptian development initiative [SEKEM](#).



In addition to reforestation, we are achieving positive social effects such as the **creation of good jobs**. So far, almost **50,000 trees** have been **planted** there, compensating 1,804 tonnes of CO<sub>2</sub> per year.

We are in regular dialogue with our partner in this regard, ensuring replacement planting in the event of climate-related damage to new plantings and to continue our extensive commitment.



### Recycling management: the cycle of resources

Our aim is to use resources sparingly and systematically reduce our production-related waste. Since 2014, we have been using an environmental management system in accordance with DIN ISO 14001. Resources that are not used in the first place do not have to be disposed of. We reduce consumption and raise awareness through targeted measures.

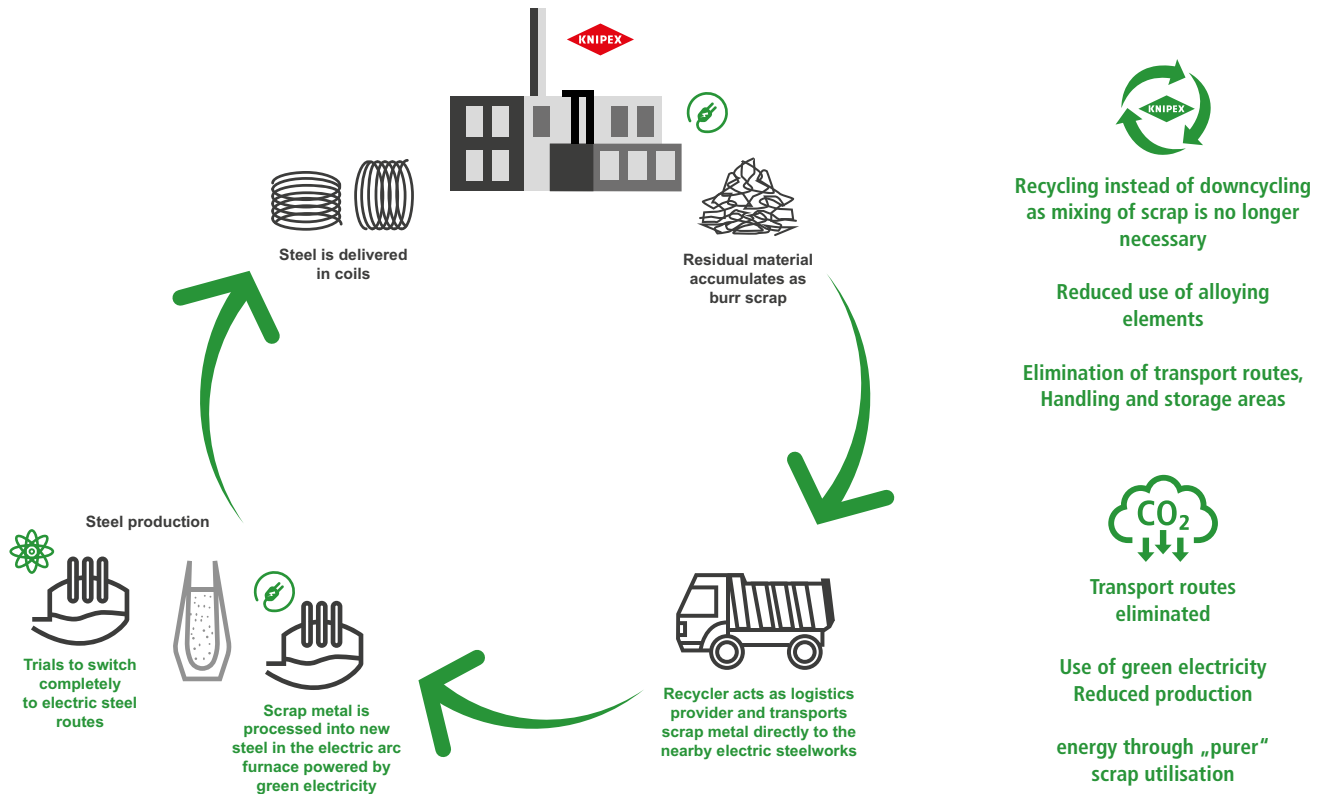


Together with our waste disposal companies, we review and evaluate our material cycles to identify reduction potential and increase the degree of recycling.

Together with our steel supplier and our scrap disposal company, we have **converted** the previously linear **steel and scrap route into a cycle**. The burr scrap generated during pliers production is now transported directly to the steelworks by the disposal company and melted down there to produce new pliers steel. In addition to eliminating transport routes, this method increases the degree to which the scrap is recycled and also reduces the need for alloying elements.



Sustainable action usually pays off several times over. We need cutting tools made from high-alloy tool steel for the production of pliers. Previously, when these tools were worn out, they were reused via the carbide scrap. With the aim of achieving a higher degree of recycling, we are systematically examining options for **closed-loop solutions**. In 2023, we concluded a **retooling agreement** with a tool supplier. We return the „used“ tools to the manufacturer and receive them back in reconditioned form. We have some of our HSS drills resharpened - for other drills, we conduct experiments to extend their operational lifespan through a reconditioning process.



Closed loop between Knipex, steel supplier & scrap disposal company

The residual waste generated by us, including steel, construction debris, paper and cardboard, as well as wood, is **100 percent recycled** by the respective manufacturers. The plastic waste produced during the production of our pliers handles and protective jaws are fed back into the injection molding process as regranelate.



Due to our growth, we are continuously expanding our production capacities and have purchased a disused factory in the immediate neighbourhood for this purpose. When dismantling the dilapidated buildings, we **“saved”** both inventory and equipment as well as **building materials**. Former production facilities will keep the history of production alive for posterity in a museum. We had 90 thousand bricks recycled and will use them in future construction projects.

In January 2023, we replaced the disposable take-out food containers, which had been increasingly used since the onset of the COVID-19 pandemic, in our canteen with a **reusable solution**. We developed our own tableware for this and had it manufactured for us by a local company.





We offer our employees the opportunity to dispose of items that are no longer needed and thus put to further use. This is used intensively for old cardboard boxes and wood, but also for unsaleable B-products and discarded equipment that would otherwise have to be disposed of.

We also raise our employees' awareness of the other side of the recycling concept through **collection campaigns** for mobile phones, glasses and toys that are no longer used. We donate the items collected centrally for social or charitable purposes.



Over **98 per cent** of our customers within the EU receive their **invoices digitally**. Outside the EU, we are unfortunately not yet able to move away from the paper version due to the required customs documents. We receive 94 per cent of all invoices from our suppliers and service providers digitally. Here, too, we are continuing to increase the level of digitalisation in order to conserve paper resources.



Due to their own weight, our pliers place high demands on the sales and shipping packaging. On their way to our overseas customers, the pliers must also be protected from dust and moisture. Over 83 per cent of our pliers are already sold in **boxes made from 100 per cent recycled material**. We are holding intensive discussions with our suppliers to increase this figure. We also rely on resource-saving materials for our shipping materials. We have switched our delivery note envelopes from film to paper and replaced PVC adhesive tape with polypropylene adhesive tape.



With the aim of also being active outside our direct sphere of influence to tackle environmental pollution, KNIPEX has been committed to reducing pollution in regions where waste has a massive impact on people's lives by supporting a start-up since 2020.

To remove plastic waste from marine tributaries, the company Plastic Fischer is focusing on technical feasibility with the simplest local conditions and is thus building an **infrastructure to reduce waste** in the oceans. In 2023, [Plastic Fischer](#) fished 29 tonnes of plastic out of the tributaries of the Ganges for KNIPEX. At the same time, this created **jobs** with a regular income for **56 people**. In total, our commitment has already removed over 71 tonnes of plastic from the environment - the equivalent of more than 7 million plastic bags that no longer pollute the environment or destroy marine biodiversity. We are continuing this commitment in 2024.



**7 million**  
Plastic bags  
removed from  
the  
environment

## Water management

Water is the most important resource on our planet and the basis of life for



People, animals, plants and ecosystems. The aim of our operational water management is to optimise water resources with the help of technical and structural measures and processes as efficiently as possible and to avoid water contamination.



Modern technologies, water-saving system components, the closed cooling water system and water-saving shower heads reduce water consumption. Smart system technology for monitoring and controlling our water flows helps us to do this.

The wastewater from the **company's own wastewater treatment plant** is monitored several times a day internally and regularly throughout the year by external laboratories to ensure compliance with the limit values. We store extinguishing water in a **natural duck pond**. We have installed biological filtration to ensure that the requirements of the fire brigade are met while at the same time protecting the flora and fauna in and around the pond.



The **green roofs** of our new production halls built in 2018 and 2022 also serve as water reservoirs and buffers during heavy rainfall events. Where possible, we have unsealed sealed surfaces using suitable measures such as gravelled turf.



### Local emissions & pollution

KNIPEX is a **company in the countryside** with residential areas in the immediate neighbourhood. The protection of people and nature in the vicinity of our plant is just as important to us as the protection of the people who are in the plant. We take care to minimise the impact of our activities on the local environment. Emissions of noise, dust, any local pollution and vibrations are regularly monitored by our **environmental management system** and external certified test laboratories and are below the legal limits.

### Biodiversity



Ten years ago, with the support of the Heinz Sielmann Foundation, we developed a comprehensive concept to increase the diversity of habitats and the **biodiversity** of animals and plants on our company premises. Since then, we have implemented at least five measures every year to increase ecological stability. In the meantime, newly created **habitats** such as meadow orchards, gravelled lawns, bird protection hedges, green facades and green roofs provide a protective habitat for our native flora and fauna. Our grounds are home to **8 bee colonies** and several **duck families**.



Our orchard is grazed by a herd of sheep. In 2023, our company grounds were **recognised by NABU** for their **biodiversity** and awarded the title „Butterfly-friendly garden“. In 2023, we planted over 100 climbing flowering plants as a food source for insects, planted monthly strawberries in our **break garden** as a dessert snack for our employees and planted various shrubs and perennials as a food source and retreat for birds, small mammals and insects.



In a **holiday activity for children** of our employees, we provided information about the needs and protection options of hedgehogs and taught them how to protect themselves. Together with the children, we built hedgehog houses. Another activity provided information about the importance of pollinating insects and enabled the children to take responsibility for improving the insects' feeding conditions by building seed balls. 44 new bat boxes have been installed on our grounds to provide these endangered animals with more places to hide.



### Raising awareness of sustainability



The declared aim is to ensure that the concept, the ecological goals and the corresponding sustainability measures are widely implemented within the company.

During the monthly biodiversity walks, visits to our **flock of sheep** or joint apple harvests in our **orchard**, lively discussions take place on many facets of biodiversity and nature conservation. Our snack garden with various berry bushes and fruit trees, monthly strawberries in the well-frequented break garden and over a tonne of freshly harvested apples from a local fruit grower every month allow our employees to taste the sweet fruits of nature directly.



Holiday activities for our employees' children sensitise and inspire the next generation to treat our immediate environment with care and responsibility. Employees used the 2nd **KNIPLEX Sustainability Day** in September to find out about strategies, goals and measures for social and ecological sustainability.

### Working together to think outside the box

We are committed to continuous improvement and further development. Despite the recognised relevance and acceptance of sustainability in the company, it is often difficult to move from the abstract to concrete action. Some fields of action only become apparent on the second or even fifth attempt. We specifically seek **dialogue with associations, companies, organisations** and politicians. Since 2018, we have maintained an open and constructive dialogue with companies and organisations in the Bergisch city-triangle in the [ZNhoch3 Sustainability Future Circle](#), which we co-founded. We are experiencing high synergy potential here and are also consciously





implementing directly effective measures as a community.

### Networks for a global circular economy

[Circular Valley](#) founded in Wuppertal, is an initiative with the aim of establishing the expanded Rhine-Ruhr metropolitan region as a global centre for the circular economy. If we are working on closing the loops to conserve and use of our globally available resources, it makes sense to do so with representatives  around the globe. Circular Valley offers an inspiring platform for networking young and **innovative companies from all over the world** with science and business - a good breeding ground for new and promising business ideas. We at KNIPEX are delighted to accompany this exciting development in our immediate neighbourhood and to support it as a sponsor.

#### Our goals in the environment field of action

- Reduction of our greenhouse gas emissions, climate neutrality by 2045
- Resource-saving production
- Increasing ecological stability

## Employees

We pursue social sustainability in the two areas of action „Employees“ and „Society“. We create and maintain good and secure jobs for our employees. **Our goals are the continuous training and further education of our employees, a good work-life balance and the maintenance or improvement of health in the workplace.**

We were the first company in Germany to receive the TÜV “Ausgezeichneter Arbeitgeber & Ausbildungsbetrieb” (Excellent Employer & Training Company) accreditation. The last Recertification took place in 2023.

### Continuous further development



The skills, knowledge, commitment and ideas of our employees are the foundation of KNIPEX’s success. That is why we invest in this basis throughout the entire time they are with the company. We support our employees through **lifelong learning**, through personal and professional development programmes and also encourage them to think **outside the box** with new formats. We adapt our offerings to the individual needs, personal capabilities, and evolving habits of our employees through new and easily accessible learning opportunities, digital learning platforms, video and e-learning, and much more.

Our **HR development** is needs- and learning target-orientated. The needs are worked out jointly by employees, managers and HR development and **individually tailored** programmes are created on this basis. The results are reflected on and evaluated in the medium and long term.

### Training and further education

With **four full-time instructors** and a comprehensively equipped training workshop, we provide good, well-founded training in eleven different training professions. Our training programme **regularly receives awards**. In 2023, 68 (2022: 72) young people were in training at KNIPEX. 23 Trainees successfully completed their training in 2023 (2022: 20) and were all taken over.



As part of a so-called entry-level qualification programme, **KNIPEX supports young people with difficult circumstances** in gaining access to an apprenticeship. Young people receive insights and participation in the first year of apprenticeship over a longer period of time. This is followed by an analysis of whether there is a training capability and whether we can offer a training place.



During their training at KNIPEX, all trainees have the opportunity to get involved in **special projects**. The **junior company** is the KNIPEX fan shop, which is managed and organised entirely by the trainees. The idea here is to give the trainees a comprehensive insight into the corporate world at an early stage.

Another project for the young people is the creation of their own **social media channel**. By involving the trainees, KNIPEX can address young people in an authentic way.

KNIPEX is taking part in a co-operation project between several companies in Wuppertal, in which each participating company is designing and constructing an overseas container as a company escape room. The target group is primarily young people in school and university education, but also other people who are to be introduced to certain professions and to KNIPEX as an interesting employer in a playful way.

In 2023, our trainees significantly developed the **KNIPEX escape container** by designing, developing puzzle ideas, building and customising it.



Getting pupils interested in technical professions is the aim of the annual career explorations in the form of one-day internships.

In almost all areas of the company, we offer **internships for school and university students**, employment for **working students** and supervision for Bachelor's and Master's theses. As of 31 December 2023, KNIPEX employed 48 (2022: 41) students from 14 different colleges/universities and from 21 different degree programmes.

In 2023, seven employees began their **further training** as **machine and plant operators** or warehouse specialists. This qualification ensures, at a very early stage, to prepare unskilled employees for the changes brought about by technological modernization. Since 2013, 73 employees have already undergone further training at KNIPEX.



**73**  
Qualifications

### Professional and personal development

We foster an open culture regarding feedback. In this way, we aim to reflect on the effectiveness of our actions and initiate necessary improvement steps. Departments can use a corresponding tool to obtain feedback from all employees regarding collaboration and potential areas for improvement. The **feedback tool** can also be used anonymously. On the basis of company agreements, all employees and managers have a development meeting at least once a year in which professional and





personal goals are discussed and an open exchange about performance, challenges, ideas and well-being is explicitly desired.

We offer individual and group formats for the systematic development of existing and potential leaders. KNIPEX's own customised **management learning journey** is mandatory for all our leaders and helps them to develop optimally in their role.

We adapt the recruitment of employees to constantly changing market conditions and demographic developments in line with our commitment to continuous improvement. We conduct **stakeholder dialogue** via various channels. In 2023, our recruiting department, our trainers and our trainees addressed young people and potential new employees at over 50 events organised by educational establishments, associations and institutions.



### Career and family

As a family business, the compatibility of work and family is important to us. With our in-house **childcare centre KNIPSKISTE**, we promote the smooth organisation of childcare. The childcare centre with a large, natural outdoor area is open all year round except for the days between Christmas and New Year. The 44 children currently aged between six months and school age, including four inclusive children, are looked after by nine preschool teachers and additional inclusion assistants.



**Flexible working time models** and mobile working make it easier to combine family and career. In 2023, 10.3 per cent (2022: 5.1 per cent) of our employees worked part-time. KNIPEX enables mobile working wherever it makes sense and can be implemented.

### Maintaining and promoting health

Protecting the health of our employees and everyone present at the plant is very important to us.

In addition to further training for our managers and employees with the aim of continuously improving our safety culture, we introduced occupational safety management software for systematic risk assessment for all activities and workplaces in 2019.



We promote the **physical and mental health** of our employees with numerous measures and programmes - both in preventive healthcare and with high-quality healthcare.

Our canteen serves healthy, **freshly prepared meals** every day, with a muesli and salad bar and vegetarian options. **Drinking water fountains** are located at central points in the company to encourage healthier drinking habits. The **break garden with 80 seats** between large potted plants and under shady trees, as well as the **snack garden** by the duck pond, offer employees the opportunity to use their break to relax in nature. In addition to the fruit on offer in our snack garden and the strawberry plants in our break garden, we provide our employees with **freshly harvested apples** from local fruit growers during the apple season - from August to March, people at KNIPEX eat a tonne of apples every month, which equates to more than a pound of apples per employee per month.



**Monthly  
1,000 kg  
Apples**

As a **pioneer in its sector**, KNIPEX has entered into a **multi-year cooperation** with the University of Wuppertal for more and **individually tailored health promotion programmes**. Comprehensive analyses of physical and psychological influences form the basis for the best possible individual behavioural and preventive measures for all production workplaces. From the results of the measurements, we derive possible steps and measures to improve health.



In our modern **in-house examination rooms**, all employees can take advantage of company medical measures without long journeys and waiting times. KNIPEX sponsored physiotherapy, mobile massages and free flu and COVID-19 vaccinations for our employees also take place here.

We have now resumed our **sports and exercise programmes** such as our weekly running group, participation in the suspension railway run and city cycling to the same extent as before coronavirus and are also expanding these programmes. For example, we are planning running courses with performance diagnostics and individual training plans as well as back fitness courses tailored to personal needs.

Since April 2023, our employees have had the opportunity to lease a bike that can also be used privately. By the end of the year, over 10 per cent of our employees had already taken advantage of this. Many **also use the bike for their daily commute to work**.



**198  
Leased bikes**

Mental health services, such as free **care counselling** (online care guide and personal counselling via the care hotline), free **psychosocial counselling** (fast, uncomplicated and confidential counselling) and **debt counselling** are available to all employees.

### Transparency and participation

We offer many opportunities to obtain and exchange information on company

and inter-company topics. There are moderated and unmoderated formats, such as our lunch meeting or academies on interdisciplinary topics. We actively involve the workforce in entrepreneurial processes and provide comprehensive information about upcoming operational changes at an early stage.

Our quarterly KNIPEXpress, a newspaper by and for employees, provides detailed reports on topics such as strategy, measures, successes and developments at KNIPEX. We use the **myKNIPEX smartphone app to send** information about day-to-day events and cooperation at KNIPEX directly to employees' mobile phones, often several times a day. We also use the app in the onboarding process.



At KNIPEX, we reward **suggestions for improvement** that come from the specialist and production departments. With our **annual mission statement award**, we strengthen collaborative action in line with our mission statement. Every year, we reward particularly successful ideas and implemented measures with attractive bonuses and present the ideas throughout the company.

Regular **surveys of our employees** support the direct and constructive dialogue between employees, specialist departments and managers through to the Executive Board.

## Human rights & labour standards

### Diversity

It does not fit into our value system to think in terms of different „groups“. We recognise people and their personalities and create a working environment in which everyone feels welcome and can make the best possible contribution. At KNIPEX, we consciously recognise diversity in our workforce.



Tool manufacturing is traditionally male-dominated. We endeavour to increase and promote the proportion of women, for example by contacting educational institutions and the early contact of girls and women with technical issues. 29.3 per cent of our employees are women.



**53 Nations**

We employ people from 53 nations.

### Equal opportunities



Our practised and value-orientated corporate culture ensures equal opportunities and **fair cooperation**. A risk assessment carried out for this purpose does not reveal any pronounced risk of inequality of opportunity, discrimination or harassment in or by our company or our employees. KNIPEX expressly excludes child labour, forced labour or slavery.





Knowing full well that we are based in Germany and that the position that our company is in cannot be taken for granted on a global scale, we are strongly committed to human rights and equal opportunities, both in our extended neighbourhood in Wuppertal and the Bergisches Land region, as well as in an increasing number of international projects. More details on this can be found in the Society section.

#### **Our goals in the area of employees**

- Continuous training and development of our employees
- Good work-life balance
- Maintaining or improving health in the workplace

## Society

We consider ourselves to be deeply rooted in our region and the people who live here. **Our goals are to promote equal opportunities and to actively contribute to the common good.** This leads us to initiate and support a wide variety of projects and initiatives focusing on education, culture and social issues. We provided financial support to 300 organisations and associations in the region in 2023.

### Social commitment



Equal opportunities are of great importance to us. The opportunities a person has in life should not depend on the family home. Children and young people should have the opportunity to experiment, discover new things, shape their environment, turn ideas into reality. We support many associations and organisations that focus on children and young people in Wuppertal and beyond and that work for education, culture, social advancement and more equal opportunities in general. We present the key points from 2023 here:

#### Disaster relief - Earthquake in Turkey

In February 2023, an earthquake struck south-east Turkey, killing and injuring many people. Rapid humanitarian aid reached the people through donations to large organisations such as „Aktion Deutschland Hilft“. We have also supported smaller charity concerts in the city and fundraising runs at regional schools. With the Wupperhände e.V. association, blocks of flats were built in the earthquake areas to offer people temporary solutions until their own homes have been rebuilt. KNIPEX financed a block of flats with 20 living quarters for 100 people.



#### Food for the needy and children's aid



Anyone who has no more money left for food at the end of the month can get food at the [Wuppertaler Tafel](#) food bank. Children find a valuable port of call at the Kinder-tafel. We are happy to support this. The same goes for the [Mampferando](#) initiative, which was founded by two siblings. Along with a small team of volunteers, they bring hot food to the homeless every weekend by delivery bike. At the same time, they exchange information with people, give tips and always have a kind word.

#### Start-up support for emotionally distressed children

[CHANCE 8](#) supports emotionally and socially stressed children. Mindfulness groups in a family-like setting with predictable daily structures, a secure bond with familiar people and opportunities for social retreat relieve the children to such an extent that they can participate in educational processes again.





## Everyone helps shape their city



A living democracy needs broad participation. It is not „those at the top“ who shape our reality, but all of us. The [Bürgerbudget](#) initiative aims to demonstrate this. Everyone in Wuppertal can submit ideas on how to make their city more attractive, more liveable, and how to strengthen the community. We provide money so these ideas can be implemented. This makes Wuppertal (even) more attractive and people realise that they do have influence.

## Employees get involved

We are convinced that social life benefits from an active volunteering culture. KNIPEXengagiert supports and encourages our staff to show active commitment to social causes. This can include coordination of a charitable project, a fundraising campaign for a good cause, or involvement in voluntary activity.



Everyone at KNIPEX can donate the small change from their payslips through the Rest-Cent Campaign. The many small amounts add up to a significant sum that is donated once a year to charitable organisations in Wuppertal. In 2023, the monies collected in this way, amounting to EUR 16,000, went to [Ärztliche Kinder-  
schutzambulanz Bergisch Land e.V.](#), an organisation that takes care of children and young people who have experienced physical, psychological or sexual violence.

16.000   
Remaining cent  
donation

KNIPEX employees can act individually or as departments to cover the costs of food and basic needs for the school children of our international partner [Our children and our future](#) in Kitamba/Uganda for one year via a sponsorship programme. 23 sponsorships were taken over by staff in 2023. KNIPEX promotes this by matching each sponsorship with an additional one, so that 46 children were supported.



46 Sponsorships

150 KNIPEXians were sponsors of the Wunschstern foundation, making the wishes of children and young people from charitable organisations come true at Christmas.

Twice a year, we organise a blood donation campaign at KNIPEX together with the German Red Cross. The demand has been increasing for years, while the number of donors has been falling. At the blood donation campaigns, 110 KNIPEX employees, including 27 first-time donors, donated a total of 55 litres of blood.

## Commitment to education



Close contact between educational institutions and business community can provide young people options for professional opportunities and also show us as companies the expectations and needs of future generations. We support educational institutions in Wuppertal and neighbouring Bergisch towns through

links, partnerships and projects.

### Junior Uni

The impact of the [Junior Uni](#), a children's and youth university with a very wide range of courses, extends far beyond Wuppertal. Small groups of children and young people from four to 20 years of age can engage here with a wide variety of topics in a very stimulating way. KNIPEX accompanies the privately financed Junior Uni from the very beginning by participating in committees committees, through financial support and by participating in courses.



We regularly offer workshops at KNIPEX as part of the [Bergischen Schul-Technikums Zentrum BeST](#) zdi) initiative. In this way, we want to make girls aware of STEM professions and give pupils a practical reference to the many career opportunities

The educational network [KURS 21 e.V.](#) offers an extracurricular platform in the Bergisches Land region that combines theoretical knowledge with practical application. With projects such as the climate breakfast, the network goes into schools, addresses the issue of sustainable nutrition and explains the connection between resource scarcity and food production.



### Many schools organise exciting projects that we are happy to support

At Carl-Fuhlrott Gymnasium in Wuppertal, the [school astronomy laboratory](#) not only offers its own pupils the chance to experience astronomy, but also gives children at regional primary schools the opportunity to visit the planetarium and get excited about scientific topics. The Leimbach secondary school in Wuppertal is launching the [TrassenTandem](#) project and offering many young people guided career guidance through a mentoring programme. In 2020, we donated an additional bench drill to the craft room at [Friedrich-Bayer-Realschule](#) and supported [Hermann-von-Helmholtz-Realschule](#) in implementing a dance project to strengthen social skills. Peterstraße



Primary School uses the concept of [learning without violence](#) to promote the social skills of the 300 children at the school and thus prevent violence and bullying. In the [Klasse2000](#) programme children learn how to deal with stress and what they can do to stay healthy. We make this meaningful experience possible for four classes of our primary school in Cronenberg.

In 2023, we supported 15 [Deutschlandstipendium](#) scholarship holders from the Bergische Universität Wuppertal and three students at the Cologne University of Music and Dance who do voluntary work alongside their studies. This honours commitment to voluntary work with simultaneous academic achievement.



**18** scholarship holders

## International commitment

Education enables sustainable development. We have deliberately expanded our social commitment internationally as a company that is active worldwide. Working together with partners who are personally known to us, we aim to improve living and educational conditions, primarily in Africa. Our long-established links with experienced associations and foundations ensures that we have local contacts as well as a personal connection with the projects.



We continued to support the [Q-RATIO](#) association in setting up an educational structure with a children's centre in Lolera, a Maasai village in Tanzania. In addition to education, over 250 children receive a warm lunch and social interaction here every day - in the afternoons, the premises are used for adult education.



Food + education  
for **250** children

The „one change one future“ association campaigns for the right to education in Ghana and builds schools on its own initiative. The first [three classrooms](#) were built in 2023. Other projects we support in Ghana and Laos enable [access to fresh water](#) and [combat malnutrition](#) in children.



## Cultural commitment

A stimulating artistic and cultural landscape provides a valuable foundation for future generations. It makes a city worth living in, stimulates the imagination whilst offering opportunities for discussion and reflection on a wide range of topics. KNIPLEX supports numerous artistic and cultural projects as well as making concerts, theatre performances or exhibitions possible. Long-term cooperation gives cultural associations planning security and thus ensures their survival. As the main sponsor of the [Bergischen Kulturfonds](#) we supported 16 projects from all areas of the independent cultural scene in the reporting year.

Singing and artistic activities strengthen people in their expressive and creative abilities. We want to make these experiences available for children who receive little cultural stimulation at home. One way we do this is through the [Culture in the Morning](#) project, which we support significantly. 19 musicians or visual artists regularly visit twelve primary schools to make music or paint with the children. They build a relationship with them and encourage them to express themselves via art. 1,600 children took part in 2023.





As the main sponsor of [SingPause](#) Wuppertal, we enable over 2,700 primary school children to receive regular singing training from trained singers and music teachers every year. This gives the children greater access to their voices, trains their hearing and allows them to proudly present their skills in concerts. In 2023, 13 primary schools in Wuppertal took part in the programme.



**2700**  
Singing children

#### **Our goals in the area of society**

- Promotion of cultural offerings & equal opportunities
- Active contribution to the common good
- Improving international educational opportunities

## € Economy

We combine the sustainability aspect of economy with a stable, long-term business model and the continuous expansion and maintenance of our foundations for success. **Our goals are to maintain our financial solidity, build and maintain trusting business relationships and ensure responsible purchasing.**

### Sound financial management

KNIPEX relies on a proven business model and a high level of self-financing to maintain its economic independence, investment strength and security for the future. We are guided by values and the principle of economically, socially and ecologically sustainable development. We maintain good, **long-term relationships** with our customers and suppliers, and in our dealings with each other we act in line with the **principles of the respectable businessman**. Continuous improvement of products and processes is also important to us.



We ensure the development of new sales markets in the long term by **expanding our international distribution network**. We sell our tools in over 100 countries worldwide.



Customers from over  
**100** countries

### Investing for a good future

We are convinced of the following: One basis for successful business is **good corporate value**. Alongside qualified and committed employees, modern production facilities are crucial for the **precision and quality of our products**. Investments in our production facilities are regularly higher than depreciation. In 2023, we invested in all production areas and commissioned a total of 25 new machines and systems with acquisition costs of over € 6.3 million (2022: € 4.7 million, 33 machines and systems). In all of our investments, we always ensure that sustainability aspects such as the efficient use of energy, the origin of the resources used and manufacturing conditions are taken into account to a sufficiently high degree. We invest in renewable and future energies, for example by **expanding our photovoltaic systems**, financing a research facility for the utilisation of wind energy or the **conversion of our hardening shop for hydrogen use**. The continuous conversion to smart lighting systems, plant and building technology or the regular investments to maintain a loss-free compressed air network are just as worthy of mention here as higher **individual investments in future technologies** or the use of hydrogen our two **new forging hammers**.



  
**6.3 million €**  
Investments  
in M&A

The continuous expansion of our manufacturing facilities over the years entails significant expenditures for the acquisition and utilization of **expansion areas**. In the reporting year, we created around 130 additional car parking spaces and, in



preparation for the construction of further production and office buildings, demolished three existing buildings we had purchased and prepared the corresponding construction sites. We invested in the health of our employees with **ergonomic workstations**, new **break areas**, modern premises, a lung function/cardio and eye test device for company medical examinations and health programmes and the purchase of our own e-bikes. We also invested in **infrastructure measures** such as equipping our **in-house daycare centre** and **expanding our e-charging stations**.

Extensive investments in new facilities and buildings are also planned for the coming years in order to further strengthen KNIPEX's future viability.

### High quality is our standard

The KNIPEX quality promise means that our products have a long service life, which contributes directly to the goal of conserving resources. Product quality is already focused on during the development of new products. Our comprehensive complaints management strategy ensures that if a complaint does arise, the causes are systematically analysed and eliminated. For us, product quality also includes product safety and the ergonomic handling of our tools.



### Innovations

KNIPEX relies on a high level of innovation to meet the needs of our customers in the best possible way and to maintain KNIPEX's leading market position. Our aim is to apply for **several new industrial property rights every year**. In 2023, for example, a tool backpack was developed for the electrical and plumbing trades. In the area of production, we are increasingly focusing on automation to relieve our employees, on laser technologies and use 3D printing in maintenance. Having been awarded the BSFZ seal for in-house research and development, we have the opportunity to have our research projects funded. Our innovative products are often the target of property right infringements. We defend registered property rights efficiently and successfully worldwide.



### Digitalisation

Automation and digitalisation have become significantly more important within all areas of the company. The application of cloud technologies and use of artificial intelligence are intended to simplify workflows and processes and make them more efficient, such as automated order entry with learning algorithms.



We use **AI-supported software** at various points in the company. Relevant IT projects are tracked by a dedicated committee, the IT Council. In addition to the internal IT department and external service providers, we are also working on these

topics with LMIS AG, which has been part of the KNIPEX Group since 2017. For example, KNIPEX relies on the LMIS product Dynamian to carry out complex machine conversions without time-consuming instructions.

## Ethics and compliance



In the past, we relied on value-based action in accordance with our mission statement. In line with the changing requirements of our stakeholders, we are constantly establishing additional precautions, processes and measures to prevent and clarify compliance violations.



To identify the issues relevant to us, we have had a compliance risk analysis carried out and identified corresponding issues in the areas of anti-corruption, anti-competitive practices and responsible information management. Building on this, we have issued an internal guideline on ethics, human rights and working conditions.

KNIPEX has established a **whistleblower procedure** to process reports of misconduct in accordance with our „Policy on Ethics, Human Rights and Working Conditions“ as well as to protect the anonymity of the whistleblower.



E-learning modules on the topics of ethics, compliance, corruption, data protection and data security are mandatory for all employees with PC workstations.

## Data protection and data security

Cyber attacks affect both small and large companies, sometimes with devastating consequences. Information security and data protection are high priority matters at KNIPEX. This is not only about protecting internal company data, but also particularly about protecting staff, customer and supplier data. This is implemented via appropriate hardware and software for both existing and newly added systems or services, such as cloud services or the networking of our hardware in all areas.

## Sustainable procurement

Legal compliance, fairness and respect for human rights and human dignity are important to us not only in our own company, but also in our supply chain. We do not tolerate child labour, inhumane working conditions and infringements of environmental aspects. We see it as our responsibility not only to enforce this in our direct area of responsibility, but also to encourage and ensure it within the supply chain and to follow up on any indications of violations.





Our goal is to obtain written recognition of our Code of Conduct or an equivalent supplier code of conduct from all of our top 200 suppliers by 2025. We have also set ourselves the goal of training 100 per cent of our purchasers in sustainable procurement.

### Business relationships with suppliers



Our requirements and demands regarding social and environmental standards are an integral part of our contracts with suppliers. In addition to the social and environmental standards, the binding „General Terms and Conditions of Purchase“ also include our Code of Conduct as a binding component. We expect our suppliers to recognise the **KNIPEX Code of Conduct** in writing. We are in a partnership-based and personal dialogue with our suppliers. We maintain a dialogue with our suppliers to ensure the continuity of the standards expected of us and to continuously develop them further.



### Local sourcing & climate-friendly transport

We endeavour to be close to suppliers and service providers. Short distances facilitate dialogue in a spirit of partnership, reduce transport-related emissions and spending within the region **strengthens the local economy.**

In 2023, 87 per cent of our suppliers were based in Germany and 2 per cent overseas, based on the procurement budget. 53 per cent of our suppliers come from our federal state, North Rhine-Westphalia, and 28 per cent from the Bergisch city-triangle.

We guarantee our customers **punctual and complete delivery.** Where possible, we choose climate-friendly shipping solutions. We also advise our suppliers, where feasible, to use **climate-neutral shipping options** such as carbon-neutral parcel services, to choose logistically efficient planned routes and to avoid unnecessary empty runs. We expect and support the use of reusable container systems.



100% Procurement

87% Germany

53% North Rhine-Westphalia

28% Bergisch city-triangle



## Inclusion

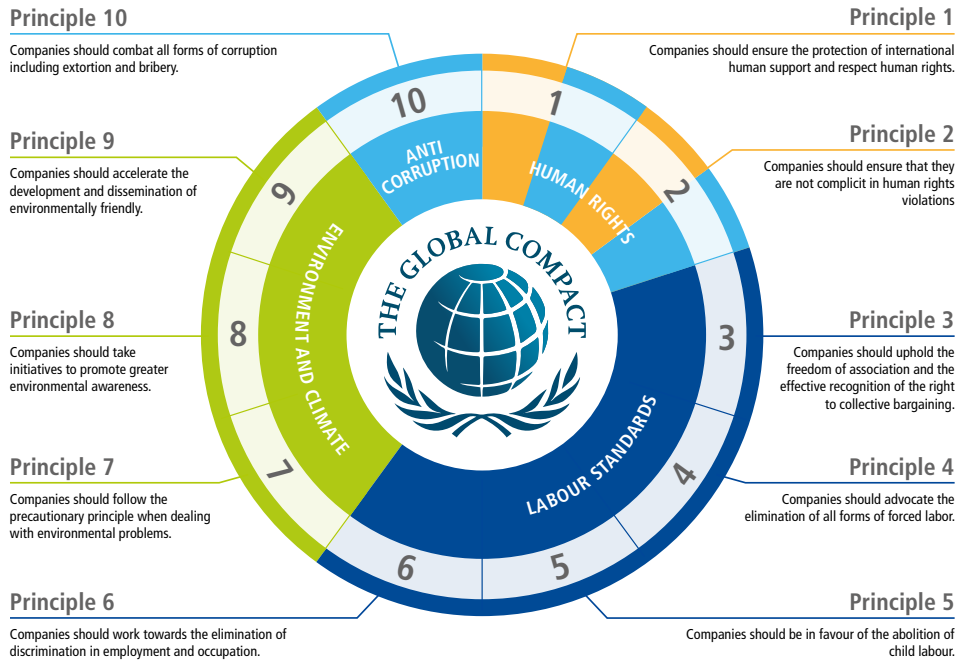
We also want to make it easier for disadvantaged groups to participate in working life. One instrument that has proven itself over many years is our cooperation with local **sheltered workshops**. A co-operation takes place in the compilation of our product ranges and green maintenance. 38 people with disabilities are employed full-time at KNIPEX. In this way, we achieve a social and economic strengthening of our local region. We also recommend and expect similar commitment from our suppliers in accordance with the provisions of our Supplier Guidelines.



### Our goals in the economy field of action

- Maintaining our financial solidity and independence
- Long-term business relationships based on trust
- Ecologically and socially responsible purchasing

We are committed to the ten principles of the UN Global Compact



We want to make an active contribution to achieving the 17 Sustainable Development Goals (SDGs).

