SUSTAINABILITY REPORT 2026

In accordance with the standards of the Global Reporting Initiative (GRI)



Complete transition to low-emission electric steel completed

Multiple Award Winner

PLATINUM Top 1% ecovadis Sustainability Rating OCT 2025

SIEGER Deutscher Nachhaltigkeitspreis 2025

WUPPERTALER WIRTSCHAFTSPREIS 2024

Summary

Sustainability has been a central part of KNIPEX's corporate culture for many decades. As an independent, fourth-generation family-owned business, we combine economic success with a sense of responsibility toward the environment, our employees, and society. Our goal is to operate successfully over the long term while making a positive contribution to sustainable development.

In 2025, we continued to consistently implement our sustainability strategy and made significant progress across all four areas of focus – environment, employees, society, and economy. Our actions are guided by our mission statement, clear objectives, and transparent reporting in accordance with the standards of the Global Reporting Initiative (GRI).

In the area of the environment, we reduced our reported greenhouse gas emissions in Scopes 1, 2, and 3 by more than 50 percent within five years. We thus achieved our reduction target – originally set for 2030 – as early as 2025. A key factor in this achievement was the transition of our steel procurement to lower-emission production routes, the complete sourcing of electricity from renewable energy sources, and the use of green natural gas, taking into account the relevant certificates provided by our energy supplier. At the same time, we continue to work on reducing energy consumption in our production. In 2025, we reduced the specific energy consumption per pair of pliers produced to 2.38 kWh. In addition, we are implementing measures to promote a circular economy, reduce waste, and enhance ecological stability at our site.

In the area of employee development, we continuously invest in training, health, and good working conditions. In 2025, KNIPEX employed 1,717 people from 58 countries in Wuppertal. A total of around 1,600 people participated in continuing education programmes. At the same time, we promote work-life balance, for example through our in-house daycare centre KNIPSKISTE, flexible work schedules, and remote work options. A comprehensive workplace health management programme supports our employees in staying healthy and productive over the long term.

Social engagement is an important part of responsible business practices for KNIPEX. In 2025, we supported 175 organisations and associations, particularly in the areas of education, culture, and social inclusion. Our commitment ranges from local projects in Wuppertal to international educational initiatives, for example in Africa. Many of our employees also volunteer or support projects through fundraising campaigns.

A stable business model forms the economic foundation of our commitment. KNIPEX produces more than 60,000 tools daily and distributes its products in over 100 countries. At the same time, we continuously invest in modern production facilities, innovation, and digitalisation. In 2025, 14 new machines and systems were put into operation, representing an investment of over 5.9 million euros. Responsible procurement and long-term partnerships with suppliers are central components of our business operations.

We view sustainability as an ongoing development process. In the coming years, we will continue to refine our climate goals, increase the resource efficiency of our production, and expand our social engagement. Our long-term goal remains to achieve value creation that is as greenhouse gas-neutral and responsible as possible by 2045 at the latest.

This report provides an overview of our progress in 2025, as well as the goals and measures we are using to further advance our sustainability strategy.

Environment

50 % reduction in reported greenhouse gas emissions from 2020 to 2025 (Scope 1–3)

2.38 kWh of energy used per pair of pliers

97 % recycling rate for recyclable materials

66,000 trees planted as part of the reforestation project

Society

175 organisations supported

17,000 € in donations from the "Residual Cents" campaign

44 schoolchildren supported in Uganda

3,000 elementary schoolchildren participating in the "SingPause" program

Employees

1,717 employees

1,600 participants in continuing education programmes

29.9 % women in the workforce

58 nationalities

Economy

60,000 tools produced per day

5.9 Mio € in investments in machinery and equipment by 2025

87 % of suppliers based in Germany

14 new machines and pieces of equipment by 2025

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We Take Responsibility

Responsibility is an integral part of KNIPEX's more than 140-year history. As a company, we are part of society and embedded in the natural environment. We want our actions to have a positive impact on both. After all, companies can only secure a bright long-term future if they treat people and nature responsibly.
That is why we are continuously working to further develop our sustainability performance in the areas of the environment, employees, society, and the economy – even in areas where high standards have already been achieved.

In this sustainability report, we outline what we have accomplished in 2025 and the goals we have set for the coming years. The report is based on the guidelines of the globally recognised Global Reporting Initiative (GRI) and utilises its new modular standards.

The KNIPEX Group comprises the parent company, several independent companies and an international sales network consisting of sales staff and commercial agents. This report describes the sustainability activities of KNIPEX-Werk C. Gustav Putsch KG in Wuppertal for the period from 1 January to 31 December 2025. For the sake of readability, we have omitted the full legal name from this report. When we refer to KNIPEX, we mean KNIPEX-Werk C. Gustav Putsch KG.

We are committed to the ten principles of the UN Global Compact and aim to make an active contribution to achieving the 17 Sustainable Development Goals (SDGs).

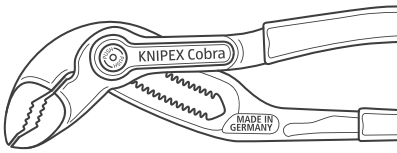


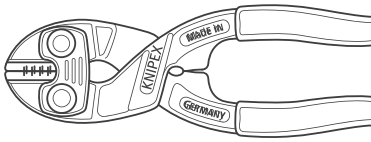


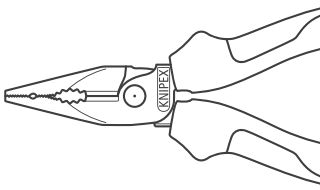
To conserve resources, we are publishing this report exclusively in digital form on the KNIPEX website. It is available in German, English, and French.

"Sustainable and responsible business practices are in line with our core values as a family-owned company. Sustainability is firmly anchored in our mission statement, and we pursue clear goals that we are systematically working to achieve. Our commitment to Germany as a production location forms an important foundation for putting our ethical and environmental values into practice."

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 a financially independent, fourth-generation family-owned business that remains based in Wuppertal, where it was founded. Today, KNIPEX employs over 1,700 people in Wuppertal.

Our core business is the development and manufacture of pliers in approximately 800 variants, enabling professional users to work effectively, easily, and safely. Using state-of-the-art technology and with a vertical integration rate of nearly 100 percent, KNIPEX produces more than 60,000 products daily, reaching customers in over 100 countries.

We feel a deep connection to our environment and our fellow human beings. From this, we derive our commitment to resource-efficient production, a values-driven corporate culture, and the promotion of the common good in our region.

What Sustainability Means to KNIPEX

Responsibility has always been a central part of our corporate culture. After the turn of the millennium, we began systematically integrating sustainability into our business operations.

With the establishment of an interdisciplinary energy task force in 2009, we took an important step toward structured sustainability management. In 2014, we defined the key areas of focus for our sustainability strategy. This was based on our mission statement and the commitment derived from it.

From our mission statement:

> We strive for long-term economic success, but not at any cost. We are guided by our values and the goal of economically, socially, and environmentally sustainable development. In this way, we fulfill our shared responsibility toward society and the environment.

Our Commitment

- We take responsibility for our employees, the environment, and society beyond what is required by law.
- We act and conduct our business sustainably and embed this approach in our strategy, organisation, and processes.
- We define and pursue clear goals in our sustainability areas.
- We strive to be a pioneer in sustainability within our industry.

Our Areas of Focus

To improve comparability and provide clearer guidance, we have based our approach on the classic three-pillar model of sustainability. Since social responsibility has traditionally played a particularly important role at KNIPEX, we have divided this pillar into two areas. Our sustainability strategy encompasses the following areas of focus: environment, employees, society, and economy.

Our Stakeholders – Provide Us with Excellent Feedback

Through ongoing dialogue with our stakeholders, we discuss current and future sustainability issues. Our most important stakeholders include customers, end consumers, employees, neighbours, associations, educational and research institutions, as well as suppliers and service providers.

We have continued to expand our stakeholder dialogue in recent years through a variety of formats. Our employee app, myKNIPEX, promotes direct communication within the company.

A sustainability roundtable for Wuppertal-based companies, co-founded by KNIPEX, has since evolved into the regional network ZNhoch3 for the Bergisch City Triangle. In addition, we seek collaboration with educational and research institutions at all levels of the company to incorporate new perspectives and ideas into our work.

External Assessment of Our Sustainability Performance
To meet our stakeholders' growing interest in transparency, we have our sustainability performance assessed annually by EcoVadis. EcoVadis is one of the world's largest providers of independent sustainability ratings for companies. The rating covers the areas of environment, labour and human rights, sustainable procurement, and ethics, while taking industry-specific conditions into account.

In 2025, our sustainability performance was rated "Platinum" – the highest award level – for the third consecutive year. This means KNIPEX continues to rank among the top 1% of all evaluated companies worldwide.

In addition to this international recognition, KNIPEX has also received multiple awards from independent juries at the regional and national levels.

For example, KNIPEX was named the 2025 "Company of the Year" by the German Sustainability Award Foundation for the second time. The jury particularly commended the concrete implementation of effective measures in the environmental and social spheres. For our contributions to climate protection, we were also nominated as one of the three finalists for the special award in the "Climate Transformation" category.

Furthermore, KNIPEX was awarded the 2024 Wuppertal Business Prize as 'Company of the Year' and recognised by the State Ministry as a 'Company Promoting Social Engagement in North Rhine-Westphalia'. These awards recognised our overall contributions to the common good, innovation and sustainability.

Materiality Analysis

In 2025, we updated our materiality analysis in collaboration with key stakeholders and senior management, in accordance with the guidelines of the Global Reporting Initiative (GRI).

The central question was which sustainability issues are particularly relevant to our business operations and our stakeholders. The results of the analysis confirm the existing priorities of our sustainability strategy.



Environment
301 Materials
302 Energy
303 Water and Wastewater
304 Biodiversity
305 Emissions
306 Waste

Employees
202 Market Presence
401 Employment
402 Employee-Employer Relations
403 Occupational Safety and Health
404 Training and Continuing Education
405 Diversity and Equal Opportunity
406 Non-Discrimination
407 Freedom of Association and Collective Bargaining
408 Child Labour
409 Forced or Compulsory Labour
410 Safety Practices
Ma Work-Life Balance

Society
413 Local Communities
Ga Educational Opportunities
Gb Equal Opportunity
Gc KNIPEX[engagiert]

Economy
201 Economic Performance
203 Indirect Economic Impacts
204 Procurement Practices
205 Anti-Corruption
206 Anti-competitive behaviour
207 Taxes
308 Environmental Assessment of Suppliers
411 Rights of Indigenous Peoples
414 Social Assessment of Suppliers
415 Political Influence
416 Customer Health and Safety
417 Marketing & Labelling
418 Protection of Customer Data

The top-right quadrant of the matrix contains the material issues with the highest relevance. The size of the dots reflects their importance to our stakeholders.

Some topics from the GRI topic list – such as child labour – are naturally part of our business practices due to legal requirements and our own set of values. They were therefore not identified as separate material topics.

This does not mean that these topics are less important to us – rather, at KNIPEX, they are a natural part of responsible business practices.

Environment

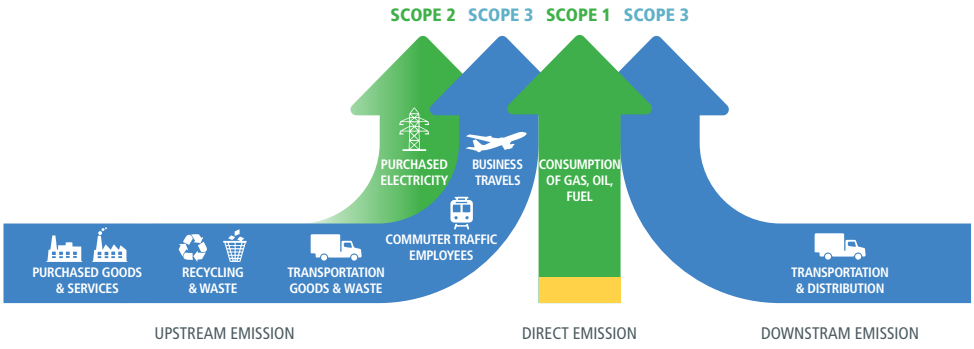
As a company, we rely on natural resources and bear responsibility for their conservation. Our goals include achieving greenhouse gas neutrality by 2045 at the latest, continuously reducing our specific energy consumption and production-related waste, adopting resource-efficient production methods, and enhancing ecological stability. Through regular communication and training, we raise our employees' awareness of the importance of acting responsibly and sustainably in the area of environmental protection.

Climate Protection Management at KNIPEX

Through our climate protection management system, we are committed to climate-conscious action and aim to make a measurable contribution to climate protection. We systematically track the greenhouse gas emissions generated by our business operations, define reduction targets, and develop corresponding measures. In doing so, we initially focus on areas with the greatest potential for emissions reductions.

Climate Strategy

We have identified our relevant emission sources and assessed the associated opportunities and risks. We account for Scope 1, 2, and 3 greenhouse gas emissions in accordance with the requirements of the ISO 14064 standard.

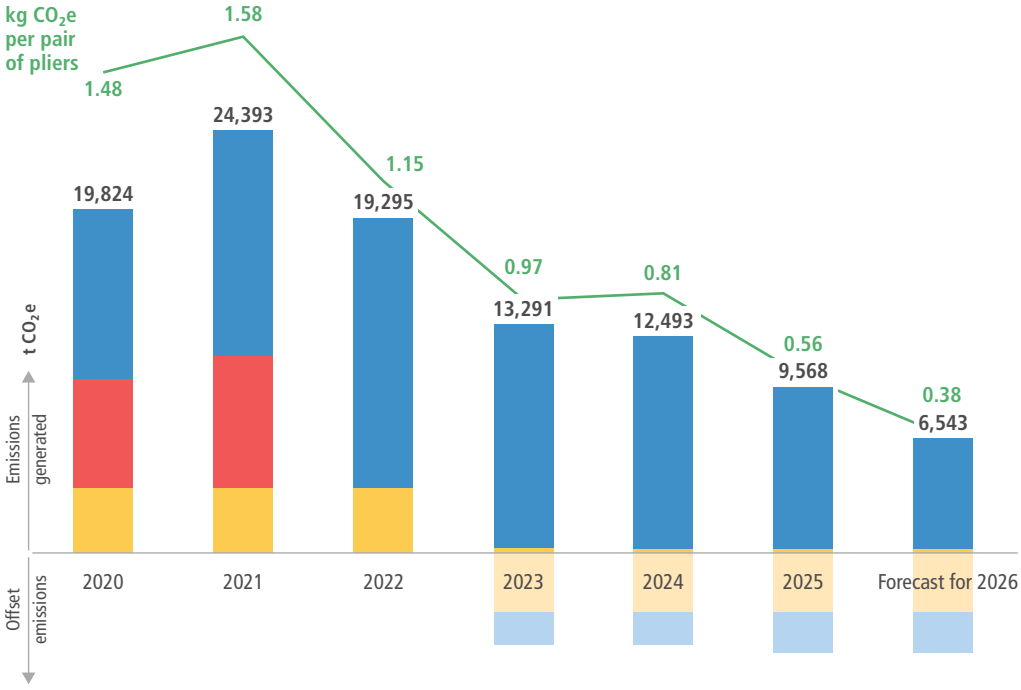


Based on this, we have developed a framework for action that structures our climate protection activities. We report regularly and transparently on our targets, measures, and progress. The management team for our energy, environmental, and climate protection management system is integrated into all areas of executive management.

In pursuing our climate goals, the long-term reduction of greenhouse gas emissions is a priority. To reduce our reliance on fossil fuels, we rely on technical and organisational measures as well as the expansion of renewable energy. We also take responsibility for emissions along the value chain (Scope 3) by systematically leveraging our areas of influence. We view offsetting measures only as a supplementary approach for remaining emissions.

Within five years, we were able to reduce our reported greenhouse gas emissions across Scopes 1, 2, and 3 by more than 50 percent. This means we have already achieved our original 2030 target by 2025.

Reported emissions from 2020 to 2025, in absolute terms reduced by over 50%; per pair of pliers reduced by over 60%.



*1 Gas, taking into account the energy supplier's associated carbon offsets.

*3 A portion of the remaining emissions is offset through a reforestation project. Theestimated CO_2 sequestration of the planted trees is based on calculations and data provided by the project operator.

Reported greenhouse gas emissions – in absolute terms and per pair of pliers

Scope 1 – Direct Emissions

We were able to reduce direct emissions from our own or controlled sources in production, in particular by switching our gas supply to certified biogas, electrifying our company vehicle fleet, and implementing efficiency measures such as modern burner technology.

Scope 2 – Indirect Emissions from Energy Procurement

We offset our Scope 2 emissions by completely switching our electricity procurement to renewable energy from hydropower.

Scope 3 – Emissions along the value chain

A key lever was switching our entire production of plier steel to steel produced via the electric arc furnace process, which results in significantly lower specific emissions. In addition, we are working on further measures such as shipping solutions that reduce greenhouse gas emissions and promoting sustainable employee mobility. Since 2016, we have been participating in a reforestation project in the Sahara Desert in Egypt. We use the carbon credits generated there to offset greenhouse gas emissions in our emissions accounting.

Of particular relevance to us is the trend in emissions per pair of pliers produced. We were able to reduce these by more than 60 percent between 2020 and 2025.

Since 2025, we have also been reporting the Product Carbon Footprint (PCF) for some of our pliers. The calculation is based on our Corporate Carbon Footprint (CCF) assessment and follows the cradle-to-gate approach. This allows us to account for emissions from raw material extraction through to the point the product leaves our factory gates. This analysis enables us to identify key emission sources and develop targeted measures for reduction – for example, in material usage, product design, or production processes.

Energy Consumption and Greenhouse Gas Reduction



For over 15 years, we have been working to continuously reduce energy consumption in our pliers production. We regularly identify potential savings and implement technical and organisational measures.

Since 2014, KNIPEX has operated an energy management system in accordance with DIN EN ISO 50001. A cross-departmental network of energy ambassadors systematically analyses and optimises energy consumption for gas, electricity, oil, and fuels.



In 2025, total energy consumption was 41.2 GWh (2024: 38.9 GWh). This resulted in 262 t CO_2e in Scope 1 (2024: 289 t) and 4 t CO_2e in Scope 2 (2024: 6 t). The specific energy consumption per pair of pliers produced was 2.38 kWh (2024: 2.57 kWh).



Through investments in new equipment – such as a modern annealing furnace and temperature-control software for the hardening shop – we were able to further reduce energy consumption. At the same time, increasing automation is causing electricity demand for some individual processes to rise. Our goal is to reduce this to 2.30 kWh per pair of pliers by 2026.

Electricity Efficiency and Renewable Energy

Since 2022, we have been sourcing 100% of the electricity for our sites from renewable energy sources. At the same time, we are continuing to expand our in-house electricity generation through photovoltaics.

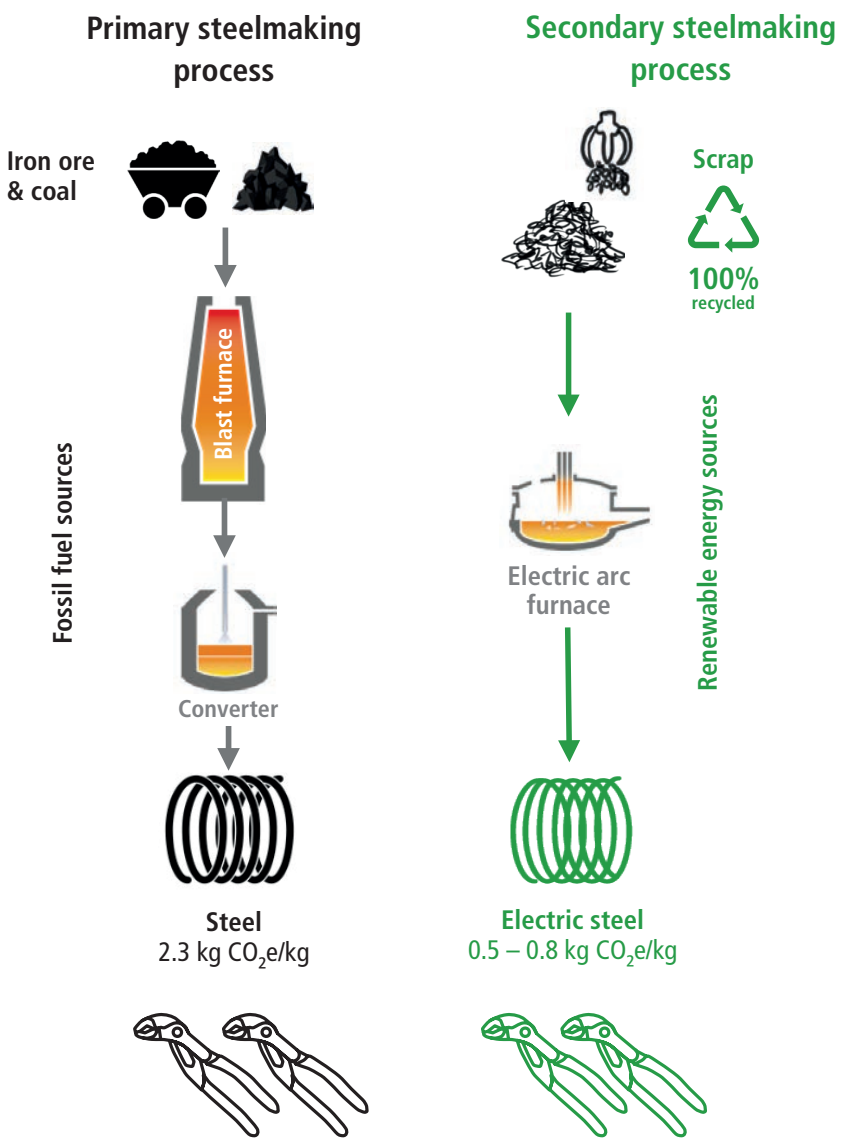
Smart LED lighting, optimised plant controls, and building automation systems also contribute to increased efficiency. The expansion of our charging infrastructure for electric mobility reflects the increasing electrification of our vehicle fleet. The charging stations are powered by solar electricity generated on-site.

Thanks to systems installed through 2024, we were able to increase our solar power output by 28 percent in 2025. In addition, five more systems with a total capacity of 260 kWp were installed in 2025; they are expected to begin generating electricity in mid-2026.

Scope 3 – Indirect Emissions

At 9,302 metric tonnes of CO_2e (2024: 12,076 metric tons), Scope 3 accounts for approximately 97.2 percent of our reported emissions. The largest share arises from the production and transportation of our steel.

Following extensive technical reviews, we have decided to transition our entire steel procurement to lower-emission production routes. This transition was completed in 2025 and will result in a reduction of reported Scope 3 emissions of approximately 24 percent compared to 2024.



Steel Production: Iron Ore Route and Scrap-Based Route

We are also exploring ways to reduce emissions from other raw materials. For example, starting in 2026, we plan to use nitrogen from renewable energy sources.

To reduce mobility-related emissions, we promote e-mobility and bicycle leasing. Since the bicycle leasing programme was introduced in 2023, more than 15 percent of our employees have taken advantage of the offer. In 2025, 276 bicycles were leased.

Further Development of Our Climate Goals

Having already achieved our goal originally set for 2030 by 2025, we are further developing our climate goals. In doing so, we are guided by science-based climate scenarios that are compatible with the 1.5-degree target of the Paris Agreement. Our guiding principle remains to prioritise the avoidance and reduction of emissions. We use offsets exclusively as a supplementary measure for unavoidable residual emissions or where economically viable or technical solutions are not yet available.

Our goal is to reduce absolute Scope 1 emissions by at least 90 percent by 2030 compared to 2020. The remaining emissions are to be reduced to less than 50 metric tonnes of CO_2e per year by 2035 at the latest.

For Scope 2, the focus is on further reducing electricity consumption and expanding our own renewable energy capacity. The goal is to achieve a specific energy consumption of less than 2.2 kWh per pair of pliers by 2030.

For Scope 3, we aim to reduce emissions by at least 30 percent by 2030 compared to 2025.

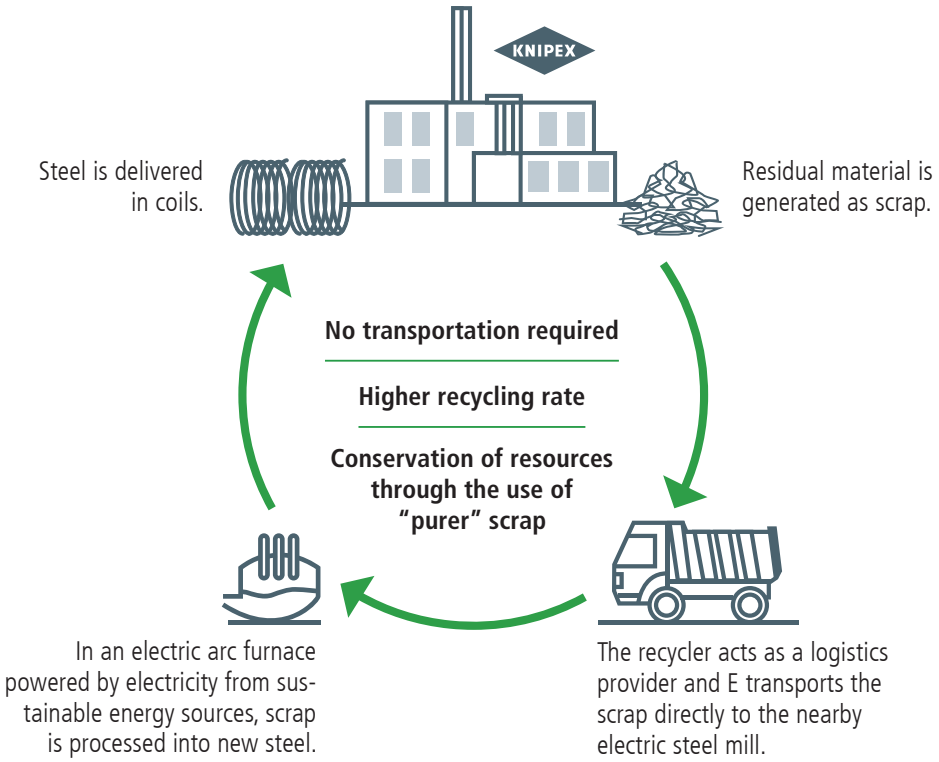
For more than ten years, we have been investing systematically and extensively in both energy-saving and efficiency measures as well as in measures to reduce our greenhouse gas emissions – with good results. Given the level achieved today, further significant reductions are becoming increasingly challenging, as the remaining potential is limited under the current technical and economic conditions. Against this backdrop, complementary approaches – such as technological solutions for carbon capture or offsetting remaining emissions – may gain importance in the future for further reducing remaining emissions.

Climate Protection Projects

Since 2016, we have been collaborating with the Egyptian initiative SEKEM on reforestation projects in the Libyan Desert. In addition to environmental benefits, these projects also create jobs with fair working conditions. In 2025, an additional 16,000 trees were planted. To date, KNIPEX has planted a total of 66,000 trees, which sequester approximately 2,410 metric tonnes of CO_2 annually.

Materials Management – Resource Cycle

Our goal is to use resources responsibly and systematically reduce waste. By 2030, we aim to reduce our specific waste generation by at least 15 percent compared to 2020. Since 2014, we have been operating an environmental management system in accordance with DIN ISO 14001. Together with waste management companies, we analyse our material cycles to increase recycling rates.



Low-emission electric steel in the recycling loop

One example is the closed-loop steel scrap cycle: scrap with burrs from plier production is returned directly to the steel mill, where it is reprocessed into plier steel.

We are also increasingly relying on circular solutions for tools. Worn-out tools are reconditioned and reused, for example through re-tooling programmes or by regrinding drill bits.

Residual materials such as steel, construction debris, paper, and wood are 100 percent recycled. We return plastic scraps from production to the injection moulding process as regranulate. Our separate collection rate of 97.5 percent was confirmed again in 2025. Another key focus is reducing packaging materials. Already, 83 percent of our pliers are shipped in packaging made from 100 percent recycled material.

Water Management

Water is a vital resource for people and the environment. The goal of our operational water management is to use water as efficiently as possible and to prevent contamination. By 2028, we aim to reduce our water consumption for cleaning, degreasing, and rinsing by 5 percent.

In 2025, water consumption stood at 38,646 m³ (2024: 37,379 m³). Wastewater from our in-house wastewater treatment plant is regularly monitored both internally and externally. Thanks to a new ion exchanger, we have further reduced the levels of pollutants released into the water, which were already very low and well below the permissible limit.

Local Emissions and Pollution

Our plant is located in the immediate vicinity of residential areas. Therefore, protecting people and nature in the surrounding area is a top priority for us. Emissions such as noise, dust, and vibrations are regularly monitored and remain below legal limits.

By optimising our extraction systems, we were able to significantly reduce dust emissions. In 2025, they totaled 247 kg (2024: 420 kg), placing them within the lower ten percent of the permissible limits set by TA-Luft. Hazardous substances are stored exclusively in certified WHG storage facilities and inspected regularly. In 2025, there were no environmentally relevant incidents.

Biodiversity

Together with the Heinz Sielmann Foundation, we have developed a plan to promote biodiversity on our company grounds. The goal is to implement at least five measures annually to increase ecological stability. Today, orchard meadows, green facades and roofs, bird-protection hedges, and gravel lawns provide habitats for numerous animal and plant species. In recognition of this commitment, our site was designated a "Butterfly-Friendly Garden" by NABU.

In 2025, we planted 18 so-called "future trees" on our grounds, as well as 38 fruit trees in a new orchard meadow. In addition, we planted 16 more trees at a neighbouring school together with students.

Raising Awareness of Sustainability

A key goal is to broadly embed sustainability within the company. Through our employee newsletter, KNIPEXpress, and our myKNIPEX app, we regularly provide information about environmental goals and initiatives. Biodiversity walks, apple-picking events, and visits to our KNIBee colonies promote dialogue about nature conservation and biodiversity.

Our apprentices are also involved from an early stage. In their first year of training, all apprentices take part in a four-part sustainability training programme. In 2025, three apprentices also participated in the Chamber of Industry and Commerce's (IHK) Energy Scout Programme and finished in first place in their chamber district.

Working Together to Think Outside the Box

To ensure our continuous development, we seek dialogue with companies, associations, and organisations.

Since 2018, we have been actively involved in the "Zukunftskreis Nachhaltigkeit HOCH3" network in the Bergisch City Triangle. In addition, we participate in initiatives such as "Experience Sustainability," which brings sustainability topics to life for young people. We are also involved in Circular Valley as a sponsor and partner. The goal of this initiative is to develop the Rhine-Ruhr region into a global hub for the circular economy.

Our Goals in the Area of Environmental Action

- Reducing our greenhouse gas emissions and achieving greenhouse gas neutrality by 2045
- Resource-efficient production
- Increasing ecological stability

Key Figure	2021	2022	2023	2024	2025	UNGC Principle	SDG
Greenhouse Gas Footprint							
GHG Emissions [metric tonnes CO_2e]	24,393	19,295	13,219	12,489	9,935		
Scope 1 [metric tonnes CO_2e]	3,731	3,718	286	289	262		
Scope 2 [metric tonnes CO_2e]	7,774	0*	0*	6*	4*		
Scope 3 [metric tonnes CO_2e]	12,887	15,577	14,737	14,004	11,712		
Offset [metric tonnes CO_2e]	0	0	1,804	1,804	2,410		
Specific GHG Emissions Scope 1–3 [kg CO_2e/pliers]	1.58	1.15	0.79	0.81	0.56		
Energy Consumption & Greenhouse Gas Reduction							
Total Energy Consumed [GWh]	39.5	41.0	39.9	38.9	41.2		
Electricity [GWh]	20.3	21.4	21.4	21.0	22.7		
Natural Gas [GWh]	19.2	19.0	18.4	17.8	18.1		
Oil [GWh]	0.5	0.6	0.1	0.1	0.2		
Self-generated PV electricity [MWh]	99	107	111	144	183.9		
Installed PV capacity [kWpeak]	156	156	256	256	286		
Share of renewable energy [%]	0.0	52.5	96.6	96.7	99.0		
Specific energy consumption [kWh/pair of pliers]	2.60	2.42	2.40	2.57	2.38		
Number of charging stations	2	6	13	13	13		
Leased e-bikes	0	0	198	243	276		
Recycling management							
Share of secondary raw materials in material usage per pair of pliers [%]	28	31	30	41	67		
Share of recycled steel scrap from production [%]	91	97	99	100	100		
Specific waste [kg/1,000 pliers]	93.5	103.3	94.2	94.8	80.8		
So-called hazardous waste [t]	875	932	1,135	1,008	935		
Non-hazardous waste [t]	554	743	422	423	434		
Share of recycled waste [%]	97.2	97.2	97.5	97.3	97.5		

* Gas takes into account associated certificates from the energy supplier; offsetting is accounted for in the balance sheet

Key Figure	2021	2022	2023	2024	2025	UNGC Principle	SDG
End of Product Life / Lifespan Extension							
Products sent in for repair	-	-	11,959	9,023	4,081		
Number of recalled products	0	0	0	0	0		
Number of replacement parts sold	113,913	125,123	182,227	183,518	198,218		
Percentage of products for which replacement parts are available [%]	-	-	23.7	23.8	24.2		
Water management							
Water consumption [m³]	30,890	41,004	41,118	37,379	38,646		
Pollutants released into water [kg]	125.3	33.9	39.1	27.9	12.3		
Local emissions							
Dust emissions [kg]	589	630	416	420	247		

For years, we have been increasing our production volumes, which naturally leads to an increase in the resources we use. The absolute savings are therefore disproportionately higher than our company's growth.

Employees

We pursue social sustainability in the two areas of 'Employees' and 'Society'. We create and maintain jobs that are as secure as possible for our employees. Our objectives are continuous training and professional development, a good work-life balance, and the maintenance and promotion of health in the workplace.

As a family-owned company, KNIPEX has always placed a high value on the individual diversity of its employees. KNIPEX was the first company in Germany to be awarded the "Excellent Employer" and "Training Company" certifications by TÜV. The most recent surveillance audit took place in 2025.

Continuous Development



The knowledge, experience, and ideas of our employees form a central foundation for KNIPEX's corporate success. That is why we invest in their development throughout their entire tenure with the company. We promote lifelong learning as well as personal and professional development, and create programmes that open up new perspectives. Through digital learning platforms, video content, and e-learning courses, we provide learning opportunities that are flexibly accessible and tailored to individual needs and changing learning habits.

Our employee development is needs- and learning-goal-oriented. Development needs are identified jointly by employees, managers, and the HR development team. Based on this, we create individually tailored programmes, the results of which are reviewed and evaluated in the medium and long term. During the reporting year, we laid the groundwork for the introduction of a new learning platform to further increase efficiency and transparency.

We are continuously expanding the range of workshops, training sessions, and seminars offered at our B-LAB, which opened in 2021. This space offers employees the opportunity to work on topics in various formats and outside the normal workday – both in a goal-oriented manner and with an open-ended approach. The use of new methods is expressly encouraged. In 2025, additional internal team workshops using diagnostic tools were conducted.

Training and Continuing Education

With four full-time instructors and a fully equipped training workshop, we provide comprehensive training in 13 apprenticeship programmes. Our training programme regularly receives awards. In 2025, 75 young people were in training at KNIPEX (2024: 74). Twenty-five trainees successfully completed their training (2024: 12), 19 of whom were hired.

As part of an entry-level qualification programme, KNIPEX supports young people facing challenges in gaining access to vocational training. Over an extended period, participants gain insights into the first year of vocational training. Afterward, we jointly assess whether they are suitable for an apprenticeship and whether an apprenticeship position can be offered. Another project involves apprentices designing their own social media channel. This allows KNIPEX to connect with young people in an authentic way while simultaneously strengthening their skills in communication, teamwork, and media use.

Our training team supports partner schools through on-site workshop days as well as at KNIPEX and participates in career orientation events. We plan to establish additional school partnerships by 2026. Our trainees also regularly assist with project tasks, at trade shows, and during school visits.

To further enhance the quality of our apprenticeship programme, a total of 14 training supervisors from the production environment passed the trainer qualification exam in 2025 (2024: 12). Additional certifications are planned for 2026. In addition, a training management system was introduced, health promotion training sessions were conducted, and the support concept for apprentices was further developed.

The goal of the annual career exploration events – which take the form of one-day internships – is to inspire students to pursue technical careers. In 2025, 47 young people from the region participated (2024: 60). In nearly all areas of the company, we offer school work-experience, university work-experience, part-time student positions, and opportunities for bachelor's and master's theses. As of December 31, 2025, 45 students from 18 colleges and universities across 24 degree programmes were employed at KNIPEX (2024: 44).

In 2025, 17 employees began advanced training to become machine and plant operators or warehouse specialists. Additional employees will begin in the winter of 2026. Since 2013, a total of 98 employees have participated in this programme. In the summer of 2025, this programme was expanded to include training as a metal technology specialist, in which five employees are currently participating.

In 2025, a total of 1,600 people participated in continuing education programmes (2024: 1,250). These included approximately 1,100 formal training sessions (2024: 200) and about 500 e-learning modules (2024: 0). The average training time per participant was 0.69 workdays (2024: 0.64). All employees with computer workstations complete mandatory e-learning courses on IT and data security, data protection, occupational safety, internet use, web tools, mobile devices, as well as the General Equal Treatment Act and compliance. These training courses are regularly updated and repeated.

Professional and Personal Development

We promote an open feedback culture to reflect on the effectiveness of our measures and drive improvements. Departments can use a feedback tool to gather feedback on collaboration. In addition, employees and managers conduct annual development discussions in which goals, performance, challenges, ideas, and well-being are addressed. Based on interviews and a 2024 survey, improvements to employee development discussions were implemented in 2025. These include training courses such as "Conducting Successful Employee Development Discussions" in our learning management system "Lernwelt." These will be further developed in 2026, particularly for use in production.

We offer individual and group-based training formats for current and future managers. The mandatory KNIPEX leadership training programmes support role development and build on selection assessments for high-potential managers as well as the Leadership Check-In for new managers. In 2025, five high-potential leaders and five new managers participated in the corresponding training programmes (2024: 4 / 17).

Work and Family



As a family-owned business, we are particularly committed to helping our employees balance work and family life. Through our in-house daycare centre, KNIPSKISTE, we support our employees in organizing childcare. The daycare centre features a large outdoor area designed to be close to nature and is open year-round – with the exception of the days between Christmas and New Year's. In 2025, 48 children between the ages of six months and school age were cared for there (2024: 44), including four children with special needs. Care is provided by nine early childhood educators as well as additional inclusion assistants.

Flexible work schedules and remote work further support the work-life balance. In 2025, 5.9 percent of our employees worked part-time (2024: 4.7 percent).



Women and men have equal opportunities to take up to three years of parental leave per child. In 2025, 29 women and 29 men took parental leave, including four managers (2024: 18 people in total). All employees who were on parental leave in 2025 subsequently returned to the company.

We enable remote work wherever it makes sense from an organisational standpoint and is feasible.

In addition, we offer a collective bargaining-based partial retirement programme to support a smooth transition from working life to retirement. As of the end of 2025, 41 employees were participating in the partial retirement programme (2024: 40), of whom 9 were in the work phase and 32 in the leave phase.

Maintaining and Promoting Health

Protecting the health of our employees and everyone present at the plant is a top priority for us. Our security personnel receive regular training – at least once a year.



To systematically improve workplace safety, we use management software to conduct risk assessments of all activities and workstations. Based on these assessments, we develop appropriate measures to minimise risks. All employees receive regular training on any remaining risks and, where necessary, additional training.

Unsafe situations and injuries are automatically reported to our safety specialists through the system. For reportable incidents – and often for specific non-reportable incidents as well – a systematic analysis is conducted, followed by the development of corrective measures.

Our employees are actively involved in workplace inspections, redesigns, and incident analyses. In addition, there are several committees for regular discussions on occupational safety and health:

- weekly site inspections with supervisors, safety officers, and safety specialists
- weekly discussions between safety specialists and the works council's occupational safety and health committee
- monthly working group meetings with managers from production and logistics
- quarterly occupational safety and health committee meetings in accordance with the ASiG



Our Workplace Health Management (WHM) programme takes a holistic approach to promoting the health and productivity of our employees. In 2025, we introduced escalation levels for sick leave in production and further developed processes for absenteeism reviews. The goal is to provide consistent and respectful support to affected employees. In addition, we analysed the relationships between the work environment, well-being, and absenteeism across several departments. A total of 226 employees participated in the study. The measures derived from this analysis will be implemented by the end of 2026.

Another focus was on workplace ergonomics. By 2025, 95 percent of all workstations had been digitally mapped and evaluated. Using specialised software, we identify opportunities for optimisation at the technical, organisational, and individual levels.

To promote health literacy among our employees, 256 people participated in continuing education courses on productivity and health, resilience, and ergonomics. A 16-week back training programme for employees with herniated discs was particularly successful. Under professional guidance, the 32 participants achieved significant improvements in their well-being and a reduction in sick leave.

Through a partnership with the local hospital, we provide employees and their immediate family members with priority access to specialist care in the fields of orthopaedics, cardiology, oncology, neurology, and psychology.



In our on-site examination rooms, we also offer occupational health examinations, therapeutic services, and infection control measures. In 2025, 98 employees took advantage of the offer of a free flu shot.

To promote an active lifestyle, we support various exercise programmes, including partnerships with a regional fitness provider, a running group and participation in the Schwebebahnlauf. Since 2023, employees have been able to lease bicycles or e-bikes via a salary sacrifice scheme. By the end of 2025, over 15 per cent of the workforce had already taken up this offer. More than 100 newly created cycle parking spaces support the use of bicycles in everyday working life.

In addition, our employees have access to mental health support services, including care counselling, psychosocial counselling, and debt counselling.

Transparency and Participation

We offer a wide range of opportunities to learn about and discuss company-wide and cross-company topics. These include moderated and open-format sessions such as lunchtime meetings, workshops, and dialogue events.

To improve internal communication, the "Digital Management Briefing" format was also introduced in 2025. It helps ensure that all managers receive consistent and timely information.

Our quarterly publication, KNIPEXpress, reports on strategies, developments, and projects within the company. Through the myKNIPEX smartphone app, we regularly keep our employees informed about current topics related to their daily work. By the end of 2025, 1,529 employees were registered in the app, representing over 86 percent of the workforce. In 2025, 652 posts were published (2024: 296).

Every year, we recognise particularly successful ideas from our specialist and production departments with awards. With the Mission Statement Award, we honour initiatives that embody our corporate values in a particularly compelling way.

Regular employee surveys foster communication between employees, managers, and senior management. The anonymous results are analysed by an external firm and serve as the basis for specific improvement measures.

Human Rights and Labour Standards

Diversity

At KNIPEX, we focus on people and their individual personalities. Our goal is to create a work environment where all employees feel welcome and can contribute their skills.

Tool manufacturing has traditionally been a male-dominated field. For this reason, we actively promote women's access to technical professions, for example through partnerships with educational institutions. Fifteen female students participated in Girls' Day 2025 (2024: 18). In 2025, women made up 29.9 percent of our workforce (2024: 29.1 percent). Women held 11.0 percent of management positions (2024: 10.6 percent).

People from 58 countries work at KNIPEX (2024: 53). 5.3 percent of our managers have an international background (2024: 4.6 percent). We support employees whose native language is different from German by helping them take language courses.

As of December 31, 2025, KNIPEX employed 1,717 people (2024: 1,690). The average age was 43, and the average length of service was 11.21 years.

Equal Opportunity

Our corporate culture is based on fairness, respect, and equal treatment. An internal risk assessment revealed no indications of risks related to discrimination, harassment, or inequality of opportunity. We strictly prohibit child labour, forced labour, and modern forms of slavery. To date, we are not aware of any confirmed cases of discrimination or human rights violations within the company. At the same time, we continuously monitor potential risks and adjust our measures as needed.

Employee Rights



The development and production of our pliers continue to take place at our Wuppertal facility. Through the Basic Law as well as international and European agreements, Germany has committed itself to upholding human rights. At KNIPEX, the Works Council and the Human Resources Department, in particular, ensure compliance with labour law regulations set forth in statutes, collective bargaining agreements, and company agreements.

Gender equality and the inclusion of employees with severe disabilities are firmly embedded in our organisational structure. 3 percent of our employees have a recognised severe disability (previous year: 3 percent).

In 2025, 95.3 percent of our workforce was covered by collective bargaining agreements (previous year: 91.7 percent). 4.7 percent of our employees are executives and are not covered by collective bargaining agreements.

Our employees' interests are represented by a 17-member works council. Four members are fully exempt from their regular duties. The most important channels of communication include regular meetings between management, human resources leadership, and the works council, annual town hall meetings, and other informational events. Approximately 700 employees attended the town hall meetings in 2025.

Goals in the Area of Employee Engagement

- Ongoing training and professional development for our employees
- A good work-life balance
- Maintaining and promoting health in the workplace

Key Figure	2021	2022	2023	2024	2025	UNGC Principle	SDG
Employees							
Employees as of December 31	1,625	1,756	1,799	1,690	1,717		
New Hires	187	269	198	119	97		
Training and Continuing Education							
Apprentices	73	72	68	74	75		
Number of Apprenticeship Programmes	11	11	11	11	13		
Successful Completion of Apprenticeship	19	20	23	12	25		
Interns	34	78	76	60	62		
Working students	38	41	48	44	45		
Participants in continuing education programmes	772	847	887	1,250	1,600		
Continuing education programmes	150	283	297	200	250		
Participants in e-learning courses	-	-	-	-	500		
Workdays of participants in a continuing education programme	0.25	0.51	0.76	0.98	0.97		
Continuing education for emerging leaders	n/a	n/a	16	4	5		
Continuing education for executives	n/a	n/a	20	17	5		
Work-Life Balance							
Part-time employees [%]	7.8	8.1	9.6	4.8	5.9		
Full-time employees [%]	92.2	91.9	90.4	95.2	94		
Managers	116	140	149	150	151		
of whom female	11	11	13	13	17		
of whom male	105	129	136	137	134		
Employees on parental leave	50	50	64	18	58		
of whom managers	8	4	7	3	4		
Employees returning from parental leave	n/a	n/a	100	100	100		
Employees in partial retirement	30	31	37	40	41		
of whom in the work phase	n/a	n/a	18	21	9		
of whom in the leave phase	n/a	n/a	19	19	32		
Daycare children	n/a	n/a	42	44	48		
of whom require support	n/a	n/a	4	4	4		
Childcare providers	n/a	n/a	8	9	9		
Additional inclusion assistants	n/a	n/a	3	3	3		

Key Figure	2021	2022	2023	2024	2025	UNGC Principle	SDG
Diversity and Inclusion							
Percentage of women in the workforce [%]	30.2	30.0	29.3	29.1	29.9		
Percentage of women in leadership positions [%]	8.9	9.8	10.8	10.6	11.0		
Number of nationalities	45	51	53	53	58		
Percentage of employees with severe disabilities [%]	3.3	3.6	3.9	3.1	3.0		
Percentage of employees covered by collective bargaining agreements [%]	94.7	94.5	95.2	91.7	95.3		
Average age of employees [years]	41.4	41.2	41.2	42.0	43.0		
Average length of service [years]	10.2	9.5	9.4	9.9	11.2		

Society

We feel a strong connection to our region and the people who live here. Our goals are to promote equal opportunity and make an active contribution to the common good. To this end, we launch and support numerous projects and initiatives focused on education, culture, and social issues. In 2025, we provided financial support to 175 organisations and associations.

Social Engagement



Equal opportunity is a core concern for us. A person's opportunities in life should not depend on their family background. Children and young people should have the opportunity to try new things, discover new experiences, and bring their ideas to life. That is why we support numerous clubs and organisations in Wuppertal and beyond that are committed to education, culture, and social inclusion.

Eastern Wuppertal is a diverse urban area that also faces unique social challenges. That is why we specifically support projects for children and youth in the neighbourhoods of Wichlinghausen, Oberbarmen, and Heckinghausen.

Homework Assistance and Recreational Activities at the KinderStube Wichlinghausen

SKJ e.V. (Sozialtherapeutische Kinder- und Jugendarbeit e.V.) operates the KinderStube Wichlinghausen and offers social-therapeutic counselling and support for children and their families. The programme is aimed at children ages 6 to 12 and includes homework help, a healthy lunch, and sports and creative after-school activities in the afternoon. In 2025, 21 children participated daily. In addition, parents receive support with educational questions or family challenges.

Support Right on the Street – Street Worker in Oberbarmen

Since the summer of 2025, a street worker has been active in eastern Wuppertal, specifically reaching out to youth in difficult life situations. After the first contact with the street worker, the youth are invited to the CVJM Oberbarmen facilities, where they receive ongoing support. This combines outreach social work with continuous support at a youth centre.

Children and Youth Experience Democracy in Heckinghausen

"Die Krawatte" is an educational workshop in the Heckinghausen neighbourhood where people from diverse backgrounds come together. In an environment with limited recreational and educational opportunities, co-determination and democratic participation play a vital role in fostering community life in the neighbourhood.

In 2025, the "Democracy Multipliers" project was launched there. Thirty young people, both with and without immigrant backgrounds, are being trained as democracy ambassadors. They learn to lead groups of children, mediate conflicts, and teach participatory decision-making in a playful way. Together with elementary school children, they develop creative projects centred on the theme "My Voice Counts." This was accompanied by a photo exhibition titled "What Does Democracy Mean to Me?"

We also support projects for children and youth in other neighbourhoods of Wuppertal.

The Wuppertal Child Protection Association, together with the "Kleine Elefanten-Minis" group, organises a programme for parents with young children. The goal is to foster a stable parent-child bond through shared activities and educational guidance, and to provide information about available support services.

At the Cronenberg Youth Centre, a musical summer project titled "Our Song on Spotify" was carried out. Together with two musicians, the children developed their own song – from the initial lyrics idea and musical arrangement to the recording and release.

The CHANCE_8 project supports emotionally and socially vulnerable children at the "Alte Feuerwache" youth welfare facility. Through mindfulness groups featuring structured daily routines, stable caregivers, and safe spaces for retreat, the children are empowered to reengage in educational activities.

We also support older adults as part of our social outreach efforts.

Small Acts of Help, Big Impact – Neighbourhood Assistance for Seniors

Many older adults live in Elberfeld's Südstadt neighbourhood who wish to remain independent but occasionally need support in their daily lives. The Evangelical Church congregation has established a neighbourhood network for this purpose. A central office receives requests and refers them to trained volunteers.

Patronage for Participation and Inclusion

For the past three years, KNIPEX has been collaborating with the Troxler Workshops and participating in the "Shift Change" event, during which people with and without disabilities swap jobs. More than 20 KNIPEX employees worked in the laundry,

bakery, garden centre, or roastery at the Troxler locations and gained insights into the work of a workshop for people who require assistance. In 2025, KNIPEX took on the patronage of the initiative.

Simplifying Scholarships

As part of the "vereinfachen" project, six-month public-benefit scholarships are awarded twice a year. In 2025, four initiatives received funding:

- the "Initiativen Wuppertal" platform,
- the family app "talmap,"
- the "SoulSpace" youth centre for mental health, and
- an art school serving as a creative space for children and teens.

Employees Get Involved



Community life thrives on volunteerism. Through the "KNIPEX[engagiert]" initiative, we support employees who are socially engaged.

Through the "Rest Cent" campaign, employees can donate the cents from their payslips. In 2025, this raised 17,000 euros. The total was donated to three initiatives that organise lunch programmes for children.



Through a sponsorship programme, employees support schoolchildren at our partner organisation, Our Children and Our Future, in Kitamba (Uganda). In 2025, 22 sponsorships were established. KNIPEX matches each sponsorship, enabling support for 44 children. In addition, 175 employees fulfilled Christmas wishes as "Wunschstern" sponsors for children and young people from social institutions.

Commitment to Education



Exchanges between educational institutions and the business community help young people with career orientation and assist companies in better understanding the expectations of future generations. Through partnerships and projects, we support educational institutions in Wuppertal and the Bergisches Land region.



Junior Uni Wuppertal is a children's and youth university for young people aged four to 20. KNIPEX has supported the institution since its founding through financial contributions, committee work, and participation in courses.

As part of the Bergisches Schul-Technikum Zentrum BeST (zdi), we regularly offer workshops at KNIPEX. The goal is to inspire girls in particular to pursue STEM careers. The educational network KURS 21 e.V. combines theoretical knowledge with practical application. Together with Junior Uni, 2025 entrepreneurship courses were held. The CHECK! Student Research Centre offers courses for children and teens interested in technical and scientific topics. In 2025, KNIPEX sponsored eight workshops.

Trassen-Tandem – Mentoring for Career Guidance

In the "Trassen-Tandem" project, volunteer mentors guide year 9 and year 10 pupils through the career exploration process. The project currently serves 54 students, who are supported by 32 mentors.

Science and the Common Good

Through the Deutschlandstipendium, we supported 17 students in 2025 – 15 at the University of Wuppertal and two at the Cologne University of Music and Dance.

In addition, we sponsor the University of Wuppertal's Third Mission Volunteer Award, which honours initiatives that strengthen collaboration between science, business, and society.

International Engagement

Education is a key prerequisite for sustainable development. As a globally active company, we are therefore committed to improving educational conditions worldwide, particularly in Africa.

In Kinshasa, we support the association Freundeskreis Espace Masolo, which has established a youth centre for former street children. In Ghana, we are promoting educational infrastructure in partnership with "one change one future." Following the construction of wells and a school building, plumbing facilities for the school were completed in 2025. In Lolera, Tanzania, the Q-RATIO association supports an educational centre for more than 250 children. In 2025, KNIPEX contributed to the construction of a nonprofit holiday centre to ensure its long-term financing. In Kitamba (Uganda), we support educational projects in partnership with Our Children and Our Future. In 2025, we funded classrooms for a vocational training centre.

Cultural Engagement

A vibrant arts and culture scene contributes significantly to a city's quality of life. KNIPEX supports numerous cultural projects.

As the main sponsor of the Bergischer Kulturfonds, we support the independent emerging arts scene. The "Urbaner Kunstraum Wuppertal" project is creating a public street art museum. By 2025, 49 large-format murals had been completed. In 2025, the "KinderKunstHaus" project launched at the LOCH Cultural Centre, providing children and families with low-threshold access to art. Through the "Kultur am Vormittag" project, artists regularly work with approximately 1,600 primary school students at twelve schools. As the main sponsor of SingPause Wuppertal, we also provide regular music education to approximately 3,000 elementary school students at 13 schools.

Our Goals in the Area of Society

- Promoting cultural opportunities and equal access to opportunities
- Actively contributing to the common good
- Improving international educational opportunities

Key Figure	2021	2022	2023	2024	2025	UNGC Principle	SDG
Social Engagement							
Donated Pennies [Euro]	16,910	16,135	16,881	18,024	16,927		
Wish Star Sponsorships	100	100	150	175	175		
School Sponsorships in Kitamba	34	40	46	50	44		
Commitment to Education							
Supported Educational Institutions	67	94	102	98	71		
Germany Scholarship Recipients	12	15	18	17	17		
Children Supported Through Extracurricular Projects*	4,920	4,970	5,010	4,850	9,221		
International Engagement							
Supported Projects	14	31	11	11	8		
Cultural Engagement							
Supported Cultural Projects** in Wuppertal	30	38	46	53	48		
Social Engagement							
Associations and Organisations Receiving Financial Support	100***	175	300	250	175		

* (SingPause, KuVo, Bergische SchulTechnikum, Junior Uni, Circus Cassely, Kurs 21, ...)

** cultural education

*** Few social activities due to the pandemic

Economy

We associate the economic aspect of sustainability with a stable, long-term business model and the continuous development of the foundations of our success. Our goals are to maintain our financial strength, build and nurture trusting business relationships, and practice responsible procurement.

Sound Business Practices and Reliable Relationships

KNIPEX relies on a sound business model and a high degree of self-financing to ensure economic independence, investment capacity, and future viability. We strive for long-term economic success, consistently guided by our values and the principle of economically, socially, and environmentally sustainable development.

We maintain long-term, trust-based business relationships with our customers and suppliers. Our actions are guided by the principles of ethical business conduct. Another key focus is on the continuous improvement of products and processes.



Through the steady expansion of our international sales network, we are tapping into new markets. Our tools are now sold in over 100 countries. At the same time, we remain closely connected to our region. In addition to contributing to the regional economy through wage and tax payments, we support regional development by collaborating with local suppliers and business partners, as well as through donations and our involvement with associations and initiatives.

We are closely monitoring the economic developments of recent years – such as volatile price levels, supply chain constraints in some areas, geopolitical tensions, and protectionist measures. To reduce risks, we are focusing on closer cooperation with suppliers, additional supply chain redundancies, and measures to manage customs burdens.

To foster dialogue with our stakeholders, KNIPEX is actively involved in various initiatives and associations, including Circular Valley, the German Tool Industry Association (FWI), the Chamber of Industry and Commerce (IHK) and the family business network 'Maschinenraum'. Furthermore, we are regularly represented at trade fairs and events.

Investments for a Bright Future

A strong corporate foundation forms the basis for long-term business success. In addition to qualified employees, modern production facilities are crucial for the precision and quality of our products. Our investments in production facilities regularly exceed depreciation expenses. In 2025, we invested across all manufacturing areas and commissioned a total of 14 machines and systems with an acquisition cost of over 5.9 million euros.



The portion of our investments that went directly toward sustainability measures was 7.7 percent in 2025 (2024: 9.3 percent). These measures included, among other things, a new hardening furnace, investments in hybrid and electric vehicles, improvements to air quality in production halls, and investments in modern technologies such as laser cutting, automated guided vehicles, and automation solutions.

To improve ergonomics at production workstations, additional handling aids such as lifting equipment and mobile crane systems were introduced. In the office area, we invested in height-adjustable desks, amongst other things. Plumbing facilities, break rooms and staff lounges are also being continuously expanded and modernised. We are also planning extensive investments in plant and buildings in the coming years to further strengthen KNIPEX's future viability.

High quality is our standard

The long service life of our products is a central component of our quality promise and contributes directly to the conservation of resources. Quality is a top priority right from the product development stage. Our complaint management system ensures that complaints are systematically analysed and their root causes are permanently resolved. An additional complaint channel has been established for this purpose.



For us, product quality also includes product safety and ergonomic handling. Our Product Compliance Manager and an internal committee monitor compliance with legal requirements and ensure that levels of harmful substances always remain well below the legal limits.

Through continuous improvements in production and product design, we have been able to almost completely replace lead-containing components and plasticisers. In addition, we do not use so-called "forever chemicals" in our products. All product components must meet the requirements of the REACH Regulation and be as recyclable as possible.

Innovations

A high level of innovation is a key success factor for KNIPEX. Our goal is to regularly file for new intellectual property rights and bring innovative products to market.

In 2025, several new products were introduced, including the Cobra® ES, a water pump pliers designed for particularly tight spaces. For the photovoltaic sector, the ErgoStrip® PV stripping tool and the MultiCrimp® PV crimping pliers were developed. Existing products are also continuously being further developed, such as the 74 200 high leverage diagonal cutter.

In production, we are increasingly relying on automation, laser technologies, and 3D printing, for example in maintenance. We were once again awarded the BSFZ seal of approval for our in-house research and development. In 2025, we received six additional grant approvals.

Our innovative products are frequently the target of intellectual property infringements. We consistently defend our intellectual property rights, particularly on international online platforms.

Digitalisation

Automation and digitalisation are becoming increasingly important across all areas of the company. Our in-house IT department strategically drives digital developments forward.



The use of cloud technologies and artificial intelligence is intended to make processes more efficient, for example, in automated order entry using machine learning algorithms.

In 2025, software for the digital management of sustainability, supply chain, and compliance requirements was introduced in the purchasing department. This enables automated analysis of risks in the supply chain and better tracking of sustainability requirements.

In addition, KNIPEX began the phased rollout of the SAP S/4HANA ERP system, starting with its international subsidiaries. Internal AI applications, such as chatbots for employees, are continuously being further developed.

Digital projects are coordinated and prioritised by the IT Council. In addition to its internal IT department, KNIPEX works closely with external partners as well as LMIS AG, which is part of the corporate group.

Ethics and Compliance

Our actions are based on a values-driven corporate culture. To meet the growing demands of our stakeholders, we are continuously expanding our compliance structures and processes.

We are committed to complying with applicable laws and do not tolerate any form of child labour, forced labour, corruption, bribery, theft, or fraud. Likewise, we do not engage in money laundering or terrorist financing. The protection of intellectual property as well as corporate and personal data is a matter of course for us.

Suspected violations can be reported via an anonymous whistleblower system. Reports are carefully reviewed and thoroughly investigated. In 2025, no new compliance-related suspected violations were reported (2024: 1).

Employees receive regular training on topics such as business ethics, corruption prevention, and competition law. In 2025, 555 employees successfully completed the relevant e-learning courses.

Data Protection and Data Security

The protection of corporate and personal data is a top priority for us. We ensure a high level of security through technical and organisational measures as well as regular training.

Through tests, simulations, and external audits, we identify potential vulnerabilities and develop appropriate countermeasures. Guidelines – such as those on password security – help our employees use digital systems securely.

We have established an emergency management system for IT security incidents. Reports can also be submitted through our whistleblower system.

In 2025, no confirmed information or data protection incidents were identified. Our data protection and information management system continues to comply with the requirements of the GDPR and DIN ISO 27701. In addition, an external cybersecurity assessment was conducted in 2025.

Sustainable Procurement

We also place great emphasis on compliance with the law, fairness, and respect for human rights throughout our supply chain. We do not tolerate child labour, inhumane working conditions, or environmental violations.

Our goal is to obtain written acknowledgement of our Code of Conduct – or an equivalent code – from all 200 of our most important suppliers by the end of 2026. In addition, 100 percent of our buyers are to receive training in sustainable procurement.

Business Relationships with Suppliers

Our requirements regarding social and environmental standards are an integral part of our General Terms and Conditions of Purchase and our Supplier Guidelines. We adhere to the ILO's Core Labour Standards and expect our suppliers to comply with them as well.

As part of our regular supplier evaluations and on-site audits, we verify compliance with these requirements. In 2025, nine on-site audits were conducted.

Approximately 30 percent of our top suppliers have their own code of conduct or have adopted our code. 34 percent of our top suppliers were evaluated in 2025.

Local Sourcing and Responsible Transportation

We give preference to regional suppliers and service providers whenever possible, as shorter distances facilitate communication and reduce transportation-related emissions. In addition, collaborating with regional partners strengthens the local economy.

In 2025, 87 per cent of our suppliers were based in Germany. 50 per cent of our suppliers are based in North Rhine-Westphalia, and 28 per cent in the Bergisch City Triangle.

Whenever possible, we use climate-friendly shipping solutions and promote the use of reusable shipping containers. We expect the same from our suppliers.

Inclusion

We also want to make it easier for people with disabilities to enter the workforce. For many years, we have been working with local workshops for people with disabilities, including on putting together product lines and in landscaping.

Currently, 37 people with disabilities work full-time for KNIPEX. In this way, we contribute to the social and economic strengthening of our region. We also encourage our suppliers to implement similar initiatives.

Our Goals in the Area of Economics

- Maintaining our financial stability and independence
- Long-term, trust-based business relationships
- Environmentally and socially responsible procurement

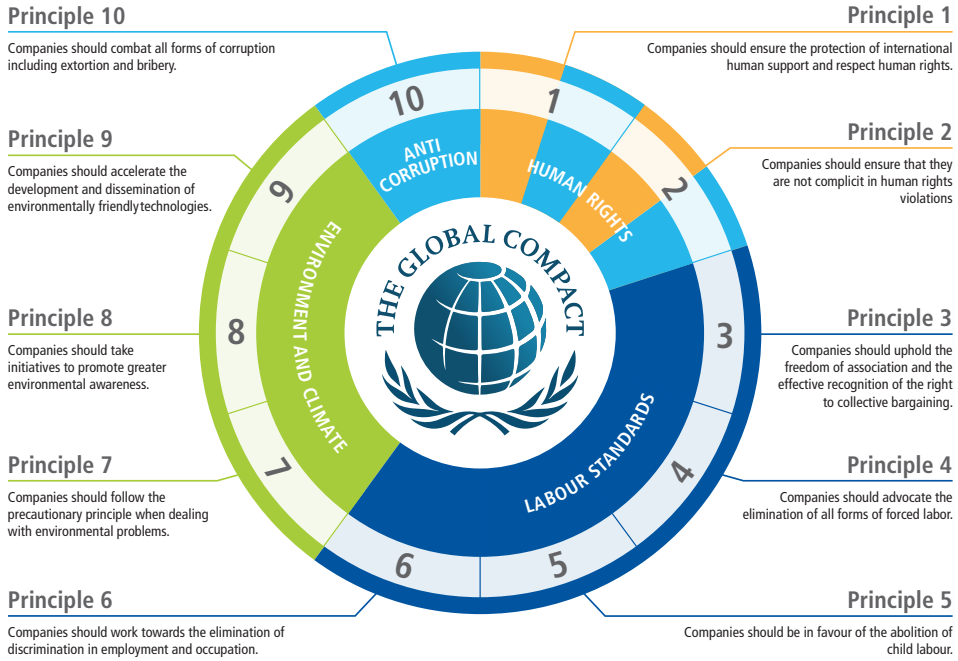
Key Figure	2021	2022	2023	2024	2025	UNGC Principle	SDG
Profitability							
Investments in Machinery and Equipment [€ million]	8.0	4.7	6.3	25.4	5.9		
of which investments in sustainability [%]	5.9	13.2	10.9	9.3	7.7		
Number of research projects with funding approval	0	0	3	6	6		
Ethics, Compliance, and Data Protection							
Number of employees who have completed all e-learning modules on business ethics and corruption	n/a	532	462	481	555		
Percentage of employees with a computer workstation who have completed all e-learning modules on business ethics and corruption [%]	n/a	63.8	67.2	68.0	70.3		
Number of reports via the whistleblower procedure	0	0	6	1	0		
Of which, confirmed compliance reports	n/a	n/a	3	0	0		
Percentage of facilities with a certified data protection system [%]	100	100	100	100	100		
Number of employees who have completed all e-learning courses on IT security	n/a	168	501	434	260		
Average proportion of successfully completed modules per employee [%]	n/a	50.7	81.4	77.2	83.3		
Number of confirmed information security incidents	1	0	0	0	0		
Percentage of all facilities with a data protection management system compliant with ISO 27700 or equivalent [%]	100	100	100	100	100		
Percentage of all facilities that have undergone an external cybersecurity assessment [%]	100	0	100	0	100		
Percentage of all facilities that have undergone an external compliance risk analysis [%]	0	100	0	100	0		

Key Figure	2021	2022	2023	2024	2025	UNGC Principle	SDG
Sustainable Procurement*							
Percentage of employees in procurement trained in sustainability [%]	0	57	50	50	55		
Percentage of contracts that include sustainability clauses [%]	100	100	100	100	100		
Percentage of suppliers with a confirmed Code of Conduct** [%]	0	24	30	30	30		
Percentage of CSR-assessed suppliers [%]	48	52	64	35	35		
On-site audits at suppliers	n/a	6	10	10	9		
Percentage of targeted on-site audits at suppliers completed [%]	0	60	100	100	90		
Suppliers based overseas [%]	2	2	2	3	2		
Suppliers based in Germany [%]	89	89	87	88	87		
Suppliers based in North Rhine-Westphalia [%]	54	59	53	48	50		
Suppliers based in the Wuppertal-Solingen-Remscheid urban triangle [%]	32	38	28	20	28		

* By "suppliers," we mean our current and actually relevant suppliers (Top 200)

** Suppliers must acknowledge our Code of Conduct in writing or submit their own code that meets our standards, along with a corresponding acknowledgement

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)



GRI Index for KNIPEX-Werk C. Gustav Putsch KG

GRI topic standards for the 2025 Sustainability Report and the basis for the future GRI Index.
We report on the light grey – less material – topics in the Sustainability Report.
For the less material topics, we are not bound by the specified metrics.

GRI	Standard	Note / Source	Page reference in NHK Report
GRI 2	**GRI 2: General Information**		
	The Organisation and Its Reporting Practices		
2-1	Organisational Profile	KNIPEX – The Pliers Brand	7
2-2	Entities Included	We Take Responsibility	6
2-3	Reporting Period, Frequency & Contact Point	We Take Responsibility, Nachhaltigkeit@KNIPEX.de	6
2-4	Corrections / Restatements	No corrections were made during the reporting period	
2-5	External Audit	ISM Dortmund, Certificates	
	Operations and Employees		
2-6	Activities, Value Chain, and Other Business Relationships	www.knipex.de Economy	38-45
2-7	Employees	Employees	22-31
	Corporate Governance		
2-9	Governance Structure and Composition	KNIPEX – The pliers brand	7
2-10	Nomination and Selection of the Highest Supervisory Body	Not applicable, as the company is 100% family-owned	
2-11	Chair of the Highest Supervisory Body	Foreword by the Managing Partner	7
2-12	Role of the Highest Supervisory Body in Overseeing the Management of Impacts	What Sustainability Means to KNIPEX Climate Strategy	7 f 11
2-13	Delegation of Responsibility for Managing Impacts	What Sustainability Means to KNIPEX Climate Strategy	7 f
2-14	Role of the Highest Supervisory Body in Sustainability Reporting	What Sustainability Means to KNIPEX Climate Strategy	7
2-16	Communication of Critical Concerns	Whistleblower Procedures	41
2-18	Assessment of the Performance of the Highest Supervisory Body	Not applicable as the company is 100% family-owned	
2-19	Compensation Policy	Employees – Collective Bargaining Agreement	29
2-20	Procedures for Determining Compensation	Employees – Collective Bargaining Agreement	29
2-22	Statement on the Application of the Sustainable Development Strategy	We Take Responsibility Our Commitment	6 8
2-23	Statement of Commitment to Principles and Practices	We Take Responsibility Our Commitment	6 8
2-24	Incorporation of Political Commitment	Materiality analysis	9-10

GRI	Standard	Note / Source	Page reference in NHK Report
2-25	Procedures for Mitigating Adverse Impacts	Management Systems 9001, 14001, 50001, Excellent Employer	13, 17, 22
2-26	Procedures for Seeking Advice and Reporting Concerns	Whistleblower System	41
2-27	Compliance with Laws and Regulations	Compliance	41
2-28	Membership in Associations and Stakeholder Groups	Our Stakeholders and Relationships	8, 38
2-29	Approach to Stakeholder Engagement	Our Stakeholders	8
2-30	Collective Bargaining Agreements	Employees	29
GRI 3	**Material Issues for 2023**		
3-1	Process for Identifying Material Issues	Materiality Analysis	9, 10
3-2	List of Material Issues	Materiality Analysis	10
3-3	Management of Material Issues	Materiality Analysis	10
GRI 200	**Economy**		
201	**Economic Performance**		
103	Management Approach	Sound Business Practices	38 f
201-1	Directly Generated and Distributed Economic Value	Not disclosed for confidentiality reasons	
201-2	Financial Impacts of Climate Change on the Organisation and Other Climate-Related Risks and Opportunities	Not disclosed for confidentiality reasons	
201-3	Liabilities for defined-benefit pension plans and other retirement plans	Not disclosed for confidentiality reasons	
201-4	Financial support from the government	Not disclosed for confidentiality reasons	
204	**Procurement Practices**		
103	Management Approach	Sustainable procurement/business relationships with suppliers/inclusion	42 f
204-1	Percentage of spending on local suppliers	Local sourcing & climate-friendly transportation	42
205	**Anti-Corruption**		
103	Management Approach	Ethics and Compliance	41 f
205-1	Operating sites that have been assessed for corruption risks	Ethics and Compliance	41 f
205-2	Communication and training on anti-corruption policies and procedures	Ethics and Compliance	41 f, 53
205-3	Confirmed incidents of corruption and actions taken	Ethics and Compliance	44
206	**Anti-competitive behaviour**		
103	Management Approach	Ethics and Compliance	41
206-1	Legal proceedings due to anti-competitive behaviour or the formation of cartels and monopolies	Ethics and Compliance	41

GRI	Standard	Note / Source	Page reference in NHK Report
GRI 300	**Environment**		
302	**Energy 2016**		
103	Management Approach	ISO 50.001, Energy Management System	11 f
302-1	Energy consumption within the organisation	Energy Use & Greenhouse Gas Reduction	13 f, 20
302-3	Energy Intensity	Energy Use & Greenhouse Gas Reduction	13 f, 20
302-4	Reduction in Energy Consumption	Energy Use & Greenhouse Gas Reduction	13 f, 20
302-5	Reduction in Energy Requirements for Products and Services	Our products require only manual labour, so this is not relevant	
305	**Emissions 2016**		
103	Management Approach	Climate Strategy	11 f
305-1	Direct GHG Emissions (Scope 1)	Energy Use & Greenhouse Gas Reduction	12 f, 20
305-2	Indirect Energy-Related GHG Emissions (Scope 2)	Energy Use & Greenhouse Gas Reduction	12 f, 20
305-3	Other indirect GHG emissions (Scope 3)	Energy Use & Greenhouse Gas Reduction	13 f, 20
305-4	GHG emission intensity	Greenhouse gas balance	12, 20
305-5	Reduction of GHG emissions	Energy use & greenhouse gas reduction, climate protection projects	12, 20
305-6	Emissions of ozone-depleting substances (ODS)	Not applicable	
305-7	NOX, SOX, and other significant air emissions	not relevant	
306	**Wastewater and Waste 2016**		
306-3	Significant release of harmful substances	Water management	18, 21
306	**Waste 2020**		
103	Management Approach	ISO 14001	17 f
	Waste generated and significant waste-related impacts	Recyclable materials management: Resource cycle	17 f, 21
	Management of significant waste-related impacts	Recyclable materials management: Resource cycle	17 f, 21
	Waste generated	Recyclable materials management: Resource cycle	21
401	**Employment 2016**		
103	Management Approach	Employees	22
401-1	New hires and employee turnover	Human Rights & Labour Standards – Diversity	28, 30
401-2	Company benefits offered only to full-time employees, but not to temporary workers or part-time employees	Employee rights	29
401-3	Parental leave	Work-life balance	25, 30

GRI	Standard	Note / Source	Page reference in NHK Report
402	**Employee-employer relations 2016**		
103	Management Approach		22, 27 f
402-1	Minimum notice period for operational changes	Transparency and participation Employee rights	27 29
403	**Occupational Safety and Health 2018**		
103	Management Approach	Maintaining and promoting health	26 f
403-1	Occupational Safety and Health Management System	Maintaining and promoting health	26 f
403-2	Hazard identification, risk assessment, and incident investigation	Maintaining and promoting health	26 f
403-3	Occupational health services	Maintaining and promoting health	26 f
403-4	Employee participation, consultation, and communication regarding occupational safety and health	Maintaining and promoting health	26 f
403-5	Employee training on occupational safety and health	Maintaining and promoting health	26 f
403-6	Promotion of employee health	Maintaining and promoting health	26 f
403-7	Prevention and mitigation of impacts on occupational safety and health directly related to business relationships	Maintaining and promoting health	26 f
403-8	Employees covered by an occupational safety and health management system	Maintaining and promoting health	26 f
403-9	Work-related injuries	Maintaining and promoting health	26 f
403-10	Work-related injuries	Maintaining and promoting health	26 f
404	**Training and continuing education 2016**		
103	Management Approach	Employees	22, 23 f
404-1	Average number of hours of training and continuing education per year per employee		30
404-2	Programmes to improve employee skills and provide transition assistance	Continuous development	23 f
404-3	Percentage of employees who receive regular performance and career development reviews	Professional and personal development	24
413	**Local communities 2016**		
103	Management Approach	Society	32
413-1	Operating sites involving local communities, impact assessments, and support programmes	Society	32 f
413-2	Business activities with significant or potential negative impacts on local communities	Not applicable	
416	**Customer Health and Safety 2016**		
103	Management Approach	High quality is our standard	39 f
416-1	Assessment of the impacts of various product and service categories on health and safety	High quality is our standard	39 f
416-2	Violations related to the health and safety impacts of products and services	High quality is our standard	39 f

UN GLOBAL COMPACT

2025 PARTICIPANT

Our company is committed to upholding the Ten Principles of the **United Nations Global Compact**. Please refer to our **Communication on Progress.**

SUSTAINABLE DEVELOPMENT GOALS

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

KNIPEX-Werk
C. Gustav Putsch KG
Oberkamper Straße 13
42349 Wuppertal
Germany
Tel.: +49 202 - 47 94 - 0
info@knipex.com
www.knipex.com