

CSR at Jungheinrich

As a globally leading company in intralogistics, we are responsible for our activities in Germany, Europe and the rest of the world from an economic, environmental and social viewpoint. Our conduct is based on our understanding of CSR: the successful combination of profitable growth as well as social and environmental issues. This enables us to create lasting value together and meet our stakeholders' expectations.

EcoVadis gold status

For several years, Jungheinrich has been participating in the independent sustainability rating from EcoVadis. Once a year the Company is evaluated in the categories environment, labour and human rights, ethics, and sustainable procurement. This helps us measure our sustainability performance and make it transparent, and improve our performance by analysing the evaluation results. In the past we have received silver status. In 2019 we received gold status for the first time. Our efforts in the field of sustainable procurement particularly helped us achieve this excellent result. Receiving gold status is both a confirmation and motivation: It represents recognition for our work and drives us to keep setting ambitious targets in the future.

CSR at Jungheinrich

Meeting demands

102-11 A central part of CSR in our company involves avoiding negative effects for people and the environment. We have, therefore, firmly established a precautionary approach in our Group guidelines and processes for quality, environment and energy, work safety and compliance issues. It is our aim not just to fulfil statutory requirements but to exceed them wherever possible.

We also take into consideration the demands of our internal and external stakeholders. This involves: evaluating risks and opportunities and the effectiveness of processes (purchasing, development, production, sales, personnel, etc.), making necessary resources available and constantly improving performance.

Quality, environment, energy and work safety

On the same page: We depend on our employees' cooperation in quality, environment, energy and work safety issues. They are, therefore, kept well informed and involved. This applies equally to all company divisions, activities and processes.

Improvements need targets. We set Group-wide targets as well as site and area targets. In order to achieve our targets, we implement appropriate measures and regularly monitor their effectiveness.

Further information and details on sustainability can be found in our website's Responsibility section. www.jungheinrich.com/en/responsibility

We want to improve every day – to achieve this we rely on our employees to act responsibly.

CSR at Jungheinrich

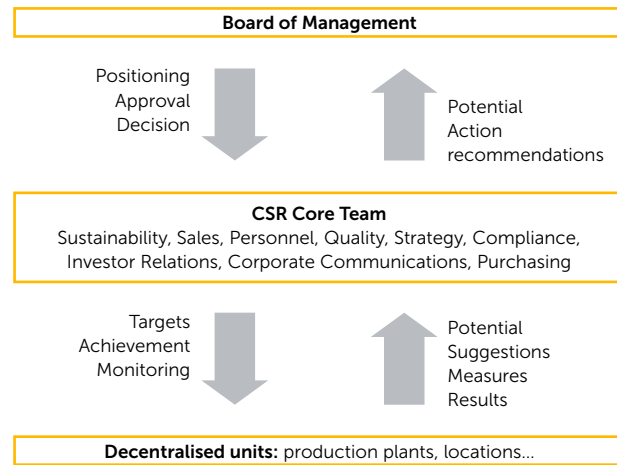
- » is based on our integrity and business ethics as a family-run company.
- » is based on long-term cooperation with our partners in the value chain.
- » is evident through the creation of stable and valuable jobs in order to make a positive contribution to society.
- » means showing responsibility towards our employees through mutual respect and team spirit.
- » focusses on environmental sustainability and energy efficiency.
- » requires constant evaluation of our CSR performance.

102-1; 102-48; 102-49; 102-50; 102-51; 102-52 In the chapter "CSR at Jungheinrich", Jungheinrich describes the economic, environmental and social aspects of its company activity and their impact for the 2019 financial year (1 January to 31 December). It covers all employees of the Jungheinrich Group (as of 31 December 2019). Deviations are indicated in the document.

The chapter is also the combined separate non-financial declaration for the Jungheinrich Group and Jungheinrich AG for the 2019 financial year.

How CSR is managed at Jungheinrich

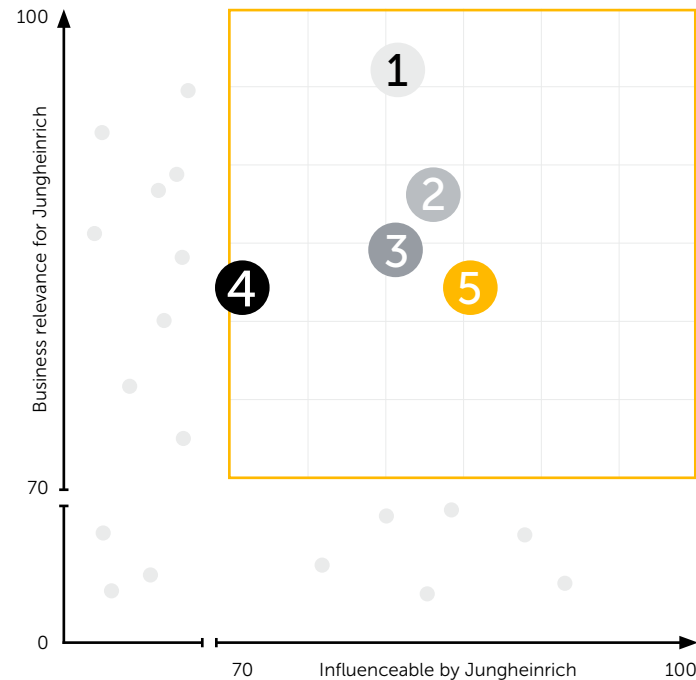
102-18; 102-20



In 2016, we created the “CSR Core Team” to manage CSR-related issues within the Jungheinrich organisation. The interdisciplinary team, comprised of members from CSR, sales, personnel, quality, strategy, compliance, investor relations, corporate communications and purchasing, recommends courses of action and suggests targets. This organisational structure enables us to successfully integrate CSR in our company. The core team occupies a key role as an intermediary between the business units and the Board of Management. Decisions for the Board of Management are prepared and discussed under the CSR department’s leadership. The purpose of including members from various departments is to ensure a holistic understanding of sustainability and receive varied input. Beyond this, more input comes from the production plants, sales units and other locations. After all, they are the ones who will carry out suggestions approved by the Board of Management.

Materiality matrix

102-47



Material topics for Jungheinrich

- 1 Economic responsibility**
Acting within the law
Compliance & corruption
Responsible management
Norms & standards
- 2 Environmentally friendly & safe products**
Materials (resource-saving products)
Environmentally friendly products
Customer health & safety
Customer satisfaction, competitive standing, R&D
Product quality & enhancement
- 3 Transparency & responsibility in the supply chain**
Material compliance²
Transparency in the supply chain
- 4 Environment & energy**
Energy (consumption & renewable energies)
Waste & recycling
- 5 Secure & good jobs**
Occupational health & safety
Training and development
Good employer

Materiality analysis

102-46 We updated our materiality analysis in the 2018 financial year. Various sources of information¹ were used to determine which topics are material for Jungheinrich in terms of sustainability. The topics identified as part of this process were evaluated by our key stakeholders and internal experts with regard to their business relevance or the extent to which they can be influenced. 17 out of the 33 topics were rated as being particularly relevant and each achieved more than

70 points (out of 100) in our materiality analysis. They were then grouped into five focus areas. The outcome is shown in the materiality matrix.

1 We used the following external sources: customer enquiries, EcoVadis, German Commercial Code (Handelsgesetzbuch), ILO core labour standards, ISO 14001, ISO 50001, ISO 45001, competitors, MSCI, UN Principles for Responsible Investments. We used the following internal sources: experts in matters relating to the environment and occupational safety, development and innovation, IT security.
2 Material compliance: compliance with substance prohibitions

In dialogue with our stakeholders

102-42; 102-43; 102-44 In-depth communication with various stakeholders represents a vital element of our understanding of CSR and our business model. Our customers show us directly what the markets expect from us and what their demands are. Topics like corruption, occupational safety, the environment and energy and transparency in the supply chain are becoming increasingly relevant. We actively encourage this communication. We also maintain contact with other stakeholders via direct discussions, online platforms, surveys and events. To this end, we aim to increase satisfaction in stakeholder groups and create long-term relationships. To achieve this goal, we exchange information with a range of public and private institutions and other companies.

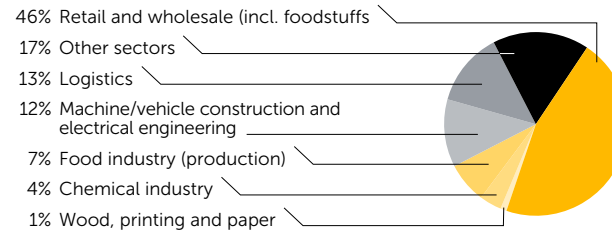
102-40 Stakeholders are weighted according to the relevance of their business operations to Jungheinrich. This includes those who have direct contact with our products, those affected by processes at our locations or those who have any other connection to our company. The most important stakeholder groups for Jungheinrich are therefore customers, suppliers, employees, investors, competitors and associations.

Business model and customers

102-2 Our integrated business model encompasses the development, production and sale of new trucks and automatic systems, mail order businesses, the short-term rental of new and used material handling equipment, the reconditioning and sale of used forklifts and the maintenance, repair and spare parts operations. Digital products complement our portfolio. Combined with comprehensive financial services offers, Jungheinrich aims to serve customers from a single source for the duration of a product's life cycle.

Customers by sector

102-6



RESPONSIBILITY AND VALUES

We not only feel obliged to take responsibility for social issues – it is a part of our corporate philosophy. We therefore support charity initiatives and promote the education of young people. With our commitment, we make an important contribution to society. We also believe that good corporate governance involves not merely fulfilling legal requirements and internal regulations but exceeding them. Our compliance management system and well-trained employees are crucial to achieving this.

Social commitment

We support initiatives and projects that match our corporate philosophy and our core skills. We have a long-term commitment to education, young talent in science and charity projects. All activities – both national and international – are coordinated at the Group headquarters in Hamburg. Individual Jungheinrich locations also select local initiatives to support. We have a long-running partnership with the German medical

aid organisation action medeor e.V. www.jungheinrich.com/responsibility/action-medeor As the “world’s emergency pharmacy”, action medeor has been committed to sustainably improving the health of people living in the world’s poorest regions since 1964. In addition to donating money and supplies, we also provide our expertise in intralogistics. With Jungheinrich’s support, the organisation has established drug storage facilities in Tanzania and Malawi and expanded its storage facilities at the action medeor headquarters in Tönisvorst/Germany.

Jungheinrich employees also collect donations through the internal “Donate your Pennies” campaign. With this voluntary programme, employees can donate the small change behind the decimal point from their monthly pay. This money is then donated to charity projects chosen every year. The total amount raised by the end of the year is doubled by the Board of Management and donated, including the tax benefit, to action medeor. Outside of Germany, Jungheinrich companies in Austria, Italy, Portugal and Spain now also participate in this campaign.

In addition, our employees also volunteer for other charitable causes by contributing their expertise or participating in fundraising events. This includes cash donations for special occasions, Christmas fundraising events for social institutions like Die Arche – Christliches Kinder- und Jugendwerk (a Christian charity for children and youths) in Hamburg and a variety of donations in kind, such as donations of trucks for the voluntary fire brigade at various locations.

Following the rules and regulations

102-16 Jungheinrich's business model is based on the responsible and ethically proper conduct of all people who work for the company. Only then can our customers, suppliers, employees, shareholders and all other stakeholders perceive and respect us as a reliable partner. We have introduced organisational structures and processes that we continually adapt. We ensure compliance with laws and regulations through:

- » a compliance management system with clear responsibilities both at the Group headquarters and in the operating units (production plants, sales units),
- » a Code of Conduct as an integral part of our corporate compliance guidelines that is binding for all employees, including Jungheinrich's Board of Management and the Supervisory Board,
- » a hotline allowing employees to ask questions and report compliance breaches anonymously and as part of a straightforward process by telephone or email,
- » Group-wide compliance training for all employees that takes place at on-site events or through our internal LMS (Learning Management System) platform "CAMPUS".

419-1 In recent years, no significant official investigations have been launched against Jungheinrich or its managers/executive bodies that have resulted in fines.

Consistent Code of Conduct

205-2 Jungheinrich's guidelines, binding regulations and standards are made centrally available to employees including guidelines on dealing with issues relevant to compliance. These guidelines outline the procedure for dealing with suspected or actual violations of legal requirements or internal

regulations. These guidelines include the Code of Conduct, which is applicable throughout the company and requires all employees to observe legal regulations and standards. The Code of Conduct also outlines the flawless conduct we expect of all employees when it comes to competition law. The main topics covered in the Code of Conduct are anti-corruption, competition law and data protection. Our Code of Conduct was thoroughly revised in the year under review. The revised Code of Conduct will be published for employees and external third parties in 2020.

Informational events on compliance

205-2 In order to promote correct and appropriate conduct, the central compliance department organises on-site training events for our employees. In 2019, we held 19 compliance briefings, including in China, Russia and the USA (2018: 30). In addition to on-site events, Jungheinrich has also made various compliance e-learning modules available since 2016. These modules are available to the entire Group. In the coming years, we aim to gradually train all of our employees, continually offer courses and expand our training offer. The course content includes competition law, data protection, anti-corruption, information security and our Code of Conduct.


We provide information and seek to raise awareness among our employees about compliance principles in various risk areas. The information regarding anti-corruption and competition law is also specific to individual target groups. The production plants and sales locations also organise more in-depth informational events with topics relevant to the location. We also expect our business partners to adhere to our compliance regulations and we have provided training for them via "CAMPUS" since 2019. In addition, we regularly notify our Supervisory Board of compliance-relevant information.

Assessment via Corporate Audit

205-3 As a rule, all potential cases of suspected statutory and/or internal regulation breaches are initially reviewed by the Chief Compliance Officer and the head of the central Compliance department. Further steps are taken if necessary, such as receipt audits, personal interviews and disciplinary measures. No corruption cases were reported in the year under review (2018: 0).

205 -1 In order to prevent corruption, all Jungheinrich locations are monitored for risk signals through revolving corporate audits. A standard part of the process is checking documents and financial transactions. A total of 24 audits were performed in 2019 (2018: 23).

Clearly defined reporting channels – in person or anonymously

We are committed to providing firmly defined, clearly communicated Group-wide reporting channels for all issues concerning compliance topics and suspected violations. A hotline has been set up to supplement the established reporting channels, i.e. reporting to a direct supervisor, local personnel manager or compliance officer and/or the central compliance team. The hotline number has been communicated to the entire Group and the number has also been made available on our website for external notifications since 2019.  www.whistle-blow.org This additional reporting channel provides employees and external third parties with another means to report potential compliance topics to a service provider and anonymously receive information regarding the correct conduct.

High data protection standards

Complying with privacy rights and protecting company secrets are crucial to Jungheinrich. We have guidelines in place to ensure that protection standards are maintained and legal regulations (EU law) observed when handling private data. In addition, responsibilities are regulated to ensure our standards are met.

We also place the same high expectations on our suppliers and sales partners when it comes to compliance and data protection. Aside from ethically correct conduct, we also expect suppliers and sales partners to adhere to standards that are comparable to the standards we have defined for ourselves. This includes guaranteeing the basic principles of free and fair competition, ensuring data is protected, and preventing corruption. That is why we have integrated these points in our general supplier agreements and require explicit confirmation that the relevant laws and provisions will be observed.

Transparency and responsibility in the supply chain

308-1; 408-1; 409-1; 414-1 We aim to bring successful products onto the market together with our suppliers – the best foundation for this is long-term, cooperative partnerships. The careful selection of suppliers is the basis for guaranteeing our outstanding product quality. Before a manufacturer becomes a Jungheinrich supplier, it has to meet approval criteria that are consistent throughout the entire Group. An essential

aspect of this is the supplier manual that we have developed. This document sets out all of the sustainability-related requirements that Jungheinrich imposes on its contractors.

In 2019 we implemented a concept for more responsibility in the supply chain that we compiled in the previous year. Since the reporting year, new and existing suppliers have been evaluated and assigned to risk categories with regard to ecological, economic and social criteria, as well as material compliance. Among other things, this process will take into account the type of goods supplied or services rendered, as well as the revenue generated with the supplier concerned.

In addition, a "Supplier Code" reflects what Jungheinrich expects from its suppliers. Depending on the supplier risk category, measures have been defined that can range from acceptance of the "Supplier Code" referred to above to the performance of self-assessments and internal or external audits.

In order to implement the concept, supplier qualification and procurement processes were adapted. Strategic suppliers must now qualify through an external CSR software program. The results are analysed and evaluated by internal CSR experts. Based on this, further measures may be agreed upon with the departments responsible.

Our goal is to increase transparency with regard to our suppliers in the foreseeable future and to focus more on sustainable procurement.

PRODUCT DEVELOPMENT, QUALITY AND SAFETY

At Jungheinrich, product responsibility means supplying high-quality, safe products and services. That is why the highest safety standards are a top priority. Ongoing process optimisation and the introduction of new technology are commonplace in our working day. We aim to protect our customers to the best of our ability from any possible harm they may come to when using our products. We also aim to provide the latest technology to the benefit of our customers.

Holistic quality management

Jungheinrich has adopted a systematic approach to quality management. Our development projects, for example, have to reach set milestones at which certain quality criteria are checked.

A crucial element of developing safe products is the consideration and fulfilment of external and internal stakeholder demands. This can be achieved by taking a comprehensive view of all relevant areas from the product's development to use phases.

Our production plants in Norderstedt, Lüneburg, Moosburg, Degerndorf, Landsberg, Gyöngyös (Hungary) and Qingpu (China) all work with an ISO 9001-qualified quality management system to ensure that we are ideally positioned in this regard.

All of our production plants systematically check parts that are purchased during an incoming goods inspection. The scope and cycle of these checks always focus on safety and functionality. The suppliers' performance can be observed based on performance indicators such as timeliness and quantities rejected which are regularly verified. Our long-term target is to help our suppliers develop to the point that the scope of checks on incoming goods can be reduced. We have adopted a preventative approach to achieve this.

Purchasing, quality and logistics work closely to achieve Jungheinrich's key strategic goals. A centralised quality organisation standardises processes and defines the consistent quality levels expected of suppliers.

Set standards for in-house production

Jungheinrich is synonymous with quality – that is why we have the highest standards in all production areas. We have clearly defined quality standards, particularly when it comes to producing and assembling parts or components that are designed to ensure security and/or functionality. One of our most important manufacturing processes is welding. It is crucial to our products' load-bearing structure, such as the truck frame or lifting frame. We take full responsibility for this. The inspection of welding joints is a fixed step of the manufacturing process at every Jungheinrich production plant and at defined intervals in the laboratory (destructive testing).

We regularly check that our welding quality standards – such as welding joint inspections – meet the ISO 3834-2 standard.

Comprehensive control mechanisms

416-1 The passing of control points after every important manufacturing step is standard procedure in the production plants. In prefabrication, there are a number of control points where random geometry checks are performed along with the normal inspections that the employees carry out. Along with safety-relevant issues, such as braking, steering, lifting and driving, product quality is also checked thoroughly during and at the end of assembly. Random checks are performed here, too, where issues such as structural stability are examined and, in addition, regular, comprehensive audits take place, which are performed by quality assurance in cooperation with the development, after-sales services and production departments. Components relevant to safety and functions, such as lifting frames, are thoroughly tested at workstations specifically designed for this purpose.

Systematically recording, evaluating and analysing errors in all production areas caused by the company or third parties enables continual improvement, which is tracked by performance indicators.

Proactive approach to standardisation processes: a strategic task

102-13 Jungheinrich considers being proactive in standardisation processes an important strategic task. Standards provide legal clarity, for example, by defining central safety requirements for material handling equipment. This enables us to minimise risks of error and prevent accidents. Applying standards also facilitates export and ensures level playing fields between suppliers. Common standardisation processes also enable standards to be checked for practical application and product optimisation to be achieved in research associations.

Standardisation processes are an important basis for increasing our products' safety and reliability even further. The standardisation processes are therefore a vital element of CSR at Jungheinrich. Adhering to standards ensures our products' user-friendliness and also covers aspects of work safety. For instance, we were involved in the further development of ISO 3691¹. Adhering to all laws and standards relevant to safety issues (such as the machinery directive, EMC Directive² and compliance with internal ergonomic and safety requirements) are obligatory at Jungheinrich at all stages – starting with product development.

The many trade associations of which Jungheinrich is a member include the Verband Deutscher Maschinen- und Anlagenbau (VDMA – Mechanical Engineering Industry Association), the Verein Deutscher Ingenieure (VDI – Association of German Engineers), the International Organization of Standardization (ISO) and the Deutsches Institut für Normung (DIN – German Institute for Standardisation).

¹ Material handling equipment safety

² Directive 2014/30/EU regarding electromagnetic compatibility



360° PROTECTION

A whole number of solutions help make our products safer. Find out below how our 360-degree protection concept protects people, goods, warehouse equipment, machinery and data.

1 Protecting people

Our end-to-end safety concept protects people in the warehouse from collisions with trucks or other accidents. We offer a number of truck options that make our products safer to handle.

The smart system for recognising people uses several cameras on the truck to detect the distance between the truck and individuals or objects in the warehouse. Drivers are warned both acoustically and visually if there are people in the danger zone behind the truck. The "zoneCONTROL" option enables location-dependent speed restriction for trucks. By way of an example, the truck brakes in danger zones such as ramps or footpath crossings. "addedVIEW" is a panorama view provided by digital cameras which gives the truck operator a better overview, including a bird's eye view, thus improving safety and ergonomics.

2 Protecting goods

Every day, our trucks are used to move high-value goods. Various assistance systems help transport them safely and save both time and costs. In addition to a load indicator in the truck display that provides information on the current load weight, we offer various lift, fork and speed assistance systems to equip trucks with customised features. The optional curveCONTROL automatically reduces the truck speed when cornering, depending on the load and the steering angle.

3 Protecting warehouses and warehouse equipment

Our preventative services help our customers avoid risks resulting from damaged warehouse equipment, such as shelves. We have our own in-house shelf inspectors who have been approved by the corresponding industry association and have the specific expertise needed to perform professional inspections according to the European Norm EN 15635. These inspections can also be carried out during ongoing operations.

4 Protecting machinery

We aim to ensure that Jungheinrich trucks are always safe and ready for use. This is another area in which we support our customers with a large variety of specifications. An installed Jungheinrich shock sensor can determine how the truck reacts to shocks and accidents and prevents further damage by analysing the collected data.

The heavy loads handled by our forklift trucks on a daily basis call for particularly sensitive maintenance and services. In addition to general maintenance, we also provide services that are critical from a safety perspective. These include tests such as FEM 4.004¹, exhaust emission checks or gas checks.

¹ Periodic inspection of industrial trucks

5 Protecting data

In times of increasing digitalisation and connectivity, our digital solutions such as ISM Online are also gaining popularity. The system collects, monitors and analyses fleet data. In order to protect our customers from hacking attacks, it is a top priority for us to ensure that our digital solutions meet the very highest security requirements. We have our software and web applications certified by independent experts in order to achieve this.

6 More safety with lithium-ion batteries

Compared to lead acid batteries, lithium-ion batteries offer significant advantages for our customers: Once installed, the batteries are ecologically non-toxic, harmless to handle and, unlike lead acid batteries, do not release gas. They are also extremely resistant to external influences, such as heat and strong vibrations. In order to increase safety for our customers even more, we have developed our own battery management system, which monitors the function of each cell and will power down in the event of danger.

In addition to the various environmental and safety advantages, our lithium-ion batteries stand out, first and foremost, by virtue of their performance, fast charging times and the fact that they do not need to be maintained. Their charging time has been reduced to a record 80 minutes², and they do not need to be changed. You can find out more about lithium-ion-technology as a focus topic in this annual report on [pages 7 to 12](#) and on our website. www.jungheinrich.com/stories

² 6–7.5 times faster than lead acid batteries

GOOD EMPLOYER

Our employees are the backbone of the Jungheinrich Group. We believe that good employers encourage their employees to identify with the company and its targets. A family-friendly work environment, active promotion of health, and positions with personal responsibility and good prospects form the foundation of our endeavours to raise employee satisfaction and motivation.

Jungheinrich as an employer

102-8 Global yet local: Even as a Group with more than 18,000 employees in Germany and abroad and exponential growth over the last few years, Jungheinrich has managed to retain the character and advantages of a family-run company. This is especially reflected in the way we treat our employees. Our corporate values of courage, innovation, trust, passion and entrepreneurship are based on reciprocity.

Our unique attitude towards leadership, based on the deepest trust in our employees, has always characterised Jungheinrich. Our company founder, Dr Friedrich Jungheinrich, summarised this attitude with only three words: "Go for it!". With this catchphrase he encouraged his employees to try out their suggestions and ideas, and be active members of the company. We have translated and future-proofed this message in our current management guide, the "Jungheinrich Way of Leadership".

401-1 Each employee contributes to our overall success with their dedication. Outstanding products and highly skilled employees make Jungheinrich a secure and attractive employer over the long run. Our average period of employment of around ten years^{1,2} and low employee turnover show that we are a good employer. The turnover rate remains at 6.2 per cent^{1,3,4} (2018: 6.2 per cent). In absolute terms, this equates to 1,117 employees leaving the company^{1,3,4} (2018: 1,043).

Gaining and retaining skilled employees

102-8 Society's changing attitudes in favour of sustainability, along with the demographic changes, mean that we face new challenges when it comes to gaining the most talented candidates for our company. We aim to fulfil employees' expectations regarding personal development and work-life balance to the best of our ability. Flexible working-time models, company pensions and training offers are the incentives we use to increase employee loyalty and win new employees. We aim for long-term relationships, as demonstrated by the fact that 98.2 per cent of employees have permanent contracts with Jungheinrich (2018: 97.4 per cent).

International trainee programme

Our international trainee programme, "Jungheinrich International Graduate Program" (JIG) for training junior managers, again received the "Career-enhancing, fair trainee programme" quality certificate from ABSOLVENTA in 2019, a jobs forum for students, school-leavers and young professionals. In 2019 our trainees came from China, France, Germany, Greece and Spain.

1 Excluding ISI GmbH and companies <10 FTE

2 Excluding temporary staff and trainees and apprentices

3 Excluding trainees and apprentices

4 Mutually agreed terminations only

5 Based on headcount

Employees by region and gender

102-8

	FTE 2019	of whom female ^{1,2,5}
Germany	7,635	1,391
France	1,230	263
Italy	1,073	270
United Kingdom	793	124
Poland	614	142
Russia	532	119
Other Europe	4,078	810
China	849	197
Other countries	1,578	324
Total	18,382	3,640

What we offer our employees

Broad spectrum of career development opportunities

404-2 With our extensive training offers that are often not only job specific, we aim to actively encourage all employees to develop themselves further. Annual feedback reviews with managers are another step in ensuring the diligent development of employees. The personnel development department supports our employees in their development efforts. We are particularly appreciative of our employees' willingness to constantly learn and develop themselves further. Consequently, Jungheinrich has its own training centre at its Norderstedt site where it can ensure that its employees receive the necessary training. A team of trainers, advisers and experts in digital learning and training management ensure employees receive lasting success in learning. In 2019 a total of 5,366 participants (2018: 5,719) attended training courses through the training centre.

Committed to health

403-2 Our employees' health is important to us. Our primary goal is to help employees maintain their health and improve it in certain areas. Our employees' health ratio stands at 95.6 per cent across the Group.^{1,2} In order to achieve this, we continuously work on optimising our working conditions at all levels. We use campaigns and initiatives to encourage our employees to follow healthy lifestyles and to promote personal responsibility. There were 533 accidents in the workplace throughout the Group in the year under review.^{1,3,4} This equates to 16.8 accidents^{1,3,4} per one million hours worked. Accidents in the workplace resulted in an average of 18.8 lost days.^{1,3,4}

We aim to help our employees make it through the working day fit and healthy, with diverse measures and initiatives. These measures and initiatives include:

- » Site-based ergonomically furnished workspaces,
- » Subsidised occupational health check-ups,
- » A varied company sports programme,
- » The continuation of our "Yes I Care" workshops for managers to raise awareness of employee health issues.

We aim to organise regular health awareness days with a specific focus. On these days, we provide employees with the opportunity to receive advice on health and nutrition; feedback

on their personal health status; and tips and ideas on how to improve health. Numerous offers such as circulation and mobility checks or vaccination advice complete our health awareness days.

Equal opportunities for all

405-1 For Jungheinrich, diversity in the workforce is fundamental to our success. It enables different perspectives, ideas and solutions to emerge within teams and as employees interact with each other. We do everything in our power to maintain and further promote an atmosphere of openness and tolerance. In Germany alone our employees come from 64 different nations^{1,3}, and have diverse cultural and religious backgrounds. Naturally our teams also include people with disabilities. We all work together every day to achieve our objectives. The average age of employees across the Group is 40.9 years.^{1,3}

202-2 It is important to us that the Jungheinrich values – the Jungheinrich Way of Leadership – are a part of the Group's international culture. To ensure this, we regularly send managers from Group headquarters to our companies abroad. Our long-term goal is to have local managers in our companies abroad who are familiar with the local conditions and the national culture. In 2019 85.6 per cent of our managers abroad came from the country they were working in (2018: 84.0). The influence of these managers is a welcome enhancement for us.

202-1; 405-1; 405-2 The ratio of women in the global workforce remained stable at 20.1 per cent^{1,3,5} (2018: 20.0 per cent). In Germany, too, the ratio of women was on a par with the previous year's level at 18.9 per cent^{1,3,5} (2018: 18.8 per cent), outstripping the last comparison figure available for the mechanical engineering sector in Germany of 16.8 per cent.⁶ The ratio of women on the Supervisory Board is 33.3 per cent. The share of women in management positions was 16.4 per cent. We have exceeded the targets we set ourselves at the first management level (actual: 13.0 per cent, target: 5.0 per cent) and the second management level (actual: 17.2 per cent, target: 15.0 per cent). Jungheinrich pays all employees a comparable salary in line with their positions. In addition, compliance with minimum wage requirements and fair remuneration in line with standard market conditions are absolutely essential for us.

Human rights

Jungheinrich respects and supports upholding internationally recognised human rights and does not tolerate compulsory or forced labour, child labour, slavery or human trafficking. We adhere to the local national regulations when it comes to a minimum age for employment. If there is no national legislation, we follow the internationally recognised United Nations standards. If national regulations have stricter conditions, we adhere to those.

1 Excluding ISI GmbH and companies <10 FTE

2 Excluding trainees and apprentices

3 Excluding temporary staff and trainees and apprentices

4 Accidents in the workplace with at least one lost day, excluding accidents on the way to/from the workplace

5 Based on headcount

6 According to the German Federal Employment Agency [Bundesagentur für Arbeit] and German Federal Statistical Office in 2018

ENERGY, ENVIRONMENT AND CLIMATE PROTECTION

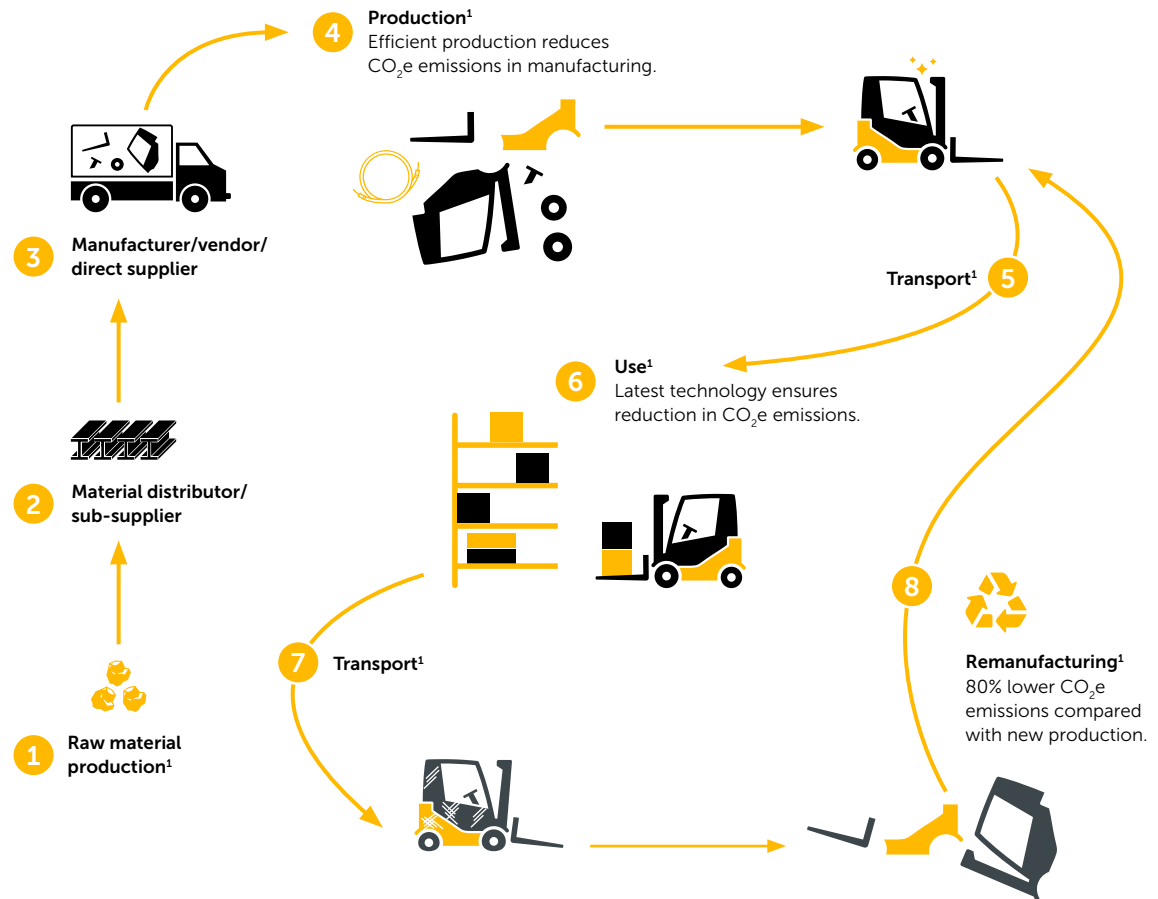
Ranked among the world's leading companies, we have a great responsibility in terms of the environmental impact of our products and business activities. We completely accept this responsibility and encourage environmentally friendly conduct on a number of levels. Our products and solutions guarantee a high level of customer benefit and the minimisation of environmental impacts through energy and resource efficiency.

Environmental impact of our products

302-5 In 2011 we became the first manufacturer of material handling equipment to receive DIN EN ISO 14040 product life cycle assessment certification from TÜV Nord, an international provider of security, inspection and certification services. This systematic product life cycle assessment includes the manufacturing, use and reconditioning stages. The use stage, which comprises 80 per cent of the total, makes up the largest part of the product life cycle assessment. Energy-efficient intralogistics products therefore make an important contribution to climate protection. We continually improve the energy efficiency of our products and the production process. The total certified assessment has already shown a 24 per cent reduction between 2000 and 2010. We managed to achieve this impressive reduction by reaching a variety of technology milestones. One of these milestones was the introduction of high-frequency charging technology and fourth-generation alternating power technology.

Our long-term goal is to reduce the total amount of our products' direct and indirect greenhouse gas emissions by another 20 per cent by 2020 compared to 2010 levels.

Stages of the product life cycle assessment 102-9



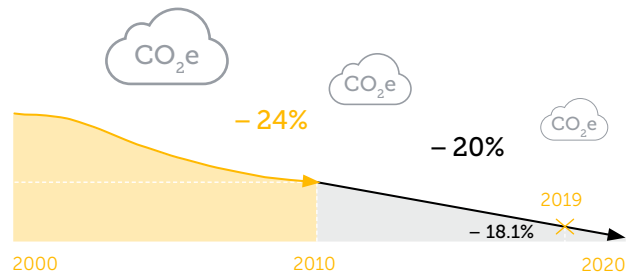
¹ Part of the product life cycle assessment

We have already reduced these emissions – by 18.1 per cent between 2010 and 2019 – and therefore we are fully on track to achieve our target.

In the last ten years, we have achieved reductions of up to 33.8 per cent in CO₂e emissions¹ in the manufacturing and use of material handling equipment in the various segments. This enables us to permanently offer new products that are more efficient than their predecessors. This in turn allows our customers to reduce their energy costs and the associated CO₂e emissions.

Reducing our CO₂e emissions

102-9



This development reflects the CO₂e emissions of an average Jungheinrich truck.

¹ CO₂ equivalent: a unit of measure that shows the greenhouse effect of various gases as equivalent to CO₂

Refurbished used equipment

in units



Used forklifts – a sustainable business field

301-2; 302-5 In addition to manufacturing more efficient products, we continue to gradually expand our range of used forklifts – JUNGSTARS – and actively push forward in all three sustainability fields: We create good jobs, securing them and our economic performance with a diverse range of business fields. In addition, the reconditioning of used trucks requires far fewer materials and much less energy.

Frames, engines, motors, hydraulic components, lifting frames, protective driver roofs and drive and steering shafts are a number of the parts that are refurbished. This reconditioning results in CO₂e reductions of around 80 per cent compared to new production. We also guarantee correct and environmentally friendly disposal of fuels and trucks that are at the end of their life cycles.

The decrease in refurbished used equipment in the 2019 financial year is a result of the general decline in incoming orders.

Ecological design – considered from the very start

Sustainability plays an important role at Jungheinrich throughout the entire product life cycle and is taken into account with ecological design criteria right from the new product design phase. We include all relevant areas when developing our material handling equipment. The environmental compatibility assessment during the product development phase allows us to exhaust the energy and resource efficiency potential for each product. Defined milestones ensure that the ecological design criteria are recorded, evaluated and implemented, including:

Ecological design criteria

102-9



Thought through: our ecological design criteria form the basis for our product life cycle assessments and refurbishment.

Our materials

301-1; 301-2 The main components of material handling equipment are steel and grey cast iron.¹ Another important component, particularly for Jungheinrich, is the battery, because our product portfolio largely consists of electric material handling equipment. The majority of batteries that we fit are currently still lead acid batteries. Lead is virtually completely recyclable and can be reused in new batteries, which is why we mostly use batteries with recycled lead.

Lithium-ion batteries

We see great potential in lithium-ion technology. This is why lithium-ion technology is one of the focal points of our current research and development work for electric power. In 2011, Jungheinrich became the first series supplier of trucks powered by lithium-ion batteries. In 2019, we established the company JT Energy Systems as a joint venture with Triathlon Holding GmbH. Together we are building Europe's largest production centre for batteries and charging systems in the intralogistics sector. We also continually develop our business model – with the right short-term rental options and guaranteed battery returns, for example. Due to their long lifespan, we believe that the reuse of lithium-ion batteries in material handling equipment offers considerable potential. The use of end-of-life power units as stationary energy storage systems is also another possibility.

1 Grey cast iron is an iron-carbon alloy.

2 The figures shown apply to the production plants in Norderstedt, Lüneburg, Moosburg, Degernpönte, Landsberg, Dresden and Qingpu (China), the spare parts centre in Kaltenkirchen, the Group headquarters in Hamburg, the IT office in Hamburg and the sales units in Australia, Austria, Belgium, Brazil, the Czech Republic, France, Germany (excluding Frankfurt), Italy, the Netherlands, Poland, Russia, Spain, Switzerland, and the UK, (only locations with more than 50 employees).

Environmental impact of our locations

As a manufacturing company, Jungheinrich relies on using various energy sources. The main types of energy used by our production sites are natural gas, heating oil, diesel, electricity and district heating. Due to the comprehensive range of services offered, our sales activities also cause emissions. For that reason, we offer our service technicians training in saving personal petrol in order to help them reduce their CO₂ emissions. A number of locations are increasingly using electric vehicles, which lowers direct emissions further. In the future we will determine which implications climate change has on our company and which risks are associated with it.

Energy consumption^{2, 3}

302-1

	2019	2018	2017
Natural gas in kWh	48,874,174	50,151,518	50,324,740
Heating oil in kWh	1,826,020	1,915,435	1,865,390
Diesel in t	11,784,792	11,244,075	10,505,202
Petrol in t	422,898	353,184	219,862
Ethanol in t	40,619	28,986	30,435
Electricity in kWh	58,695,975	61,911,535	59,682,783
District heating in kWh	11,311,994	12,884,450	12,160,451

Greenhouse gas emission^{2, 3}

305-1; 305-2

in t CO ₂	2019	2018	2017
Direct GHG emissions (scope 1) ⁴	41,580	40,664	38,376
Indirect GHG emissions (scope 2) ⁴	22,445	27,558	27,196

The decrease in Scope 2 emissions is due to the reduced use of district heating and electricity as a result of energy-saving measures and smaller production quantities.

Turning waste into a resource

Whether hazardous or not – both types of waste can be a valuable resource for recycling or even repurposing. The majority of waste from production plants, sales units and other locations is recycled and the material or heat reused. We aim to keep the amount of waste that is disposed of/sent to landfills versus waste that is recycled at a permanently low level, and aim to continually reduce it.

Total amount of waste^{2, 5}

306-2

in t	2019	2018	2017
Total hazardous waste	3,986	4,095	4,081
Recycling of materials	2,938	3,014	3,078
Thermal utilisation	346	315	326
Disposal (landfill)	701	766	671
Total non-hazardous waste	11,937	12,204	10,701
Recycling of materials	9,045	9,059	7,626
Thermal utilisation	1,548	1,520	1,970
Disposal (landfill)	1,391	1,625	1,105

3 The scope has been expanded with retroactive effect to include the sales units in Australia, Belgium, Brazil and the Czech Republic. The figures are partially estimated and have been corrected to reflect the better data available for the last few years.

4 Emission factor sources: IEA, DEFRA and local energy suppliers

5 Excluding the UK, 2017 excluding Australia

GRI INDEX

102-54; 102-55

The section "CSR at Jungheinrich" was prepared in accordance with the GRI Standards.

General Standard disclosures

GRI indicator	Indicator name	Page	Topic from materiality analysis
Organisation profile			
102-1	Name of the organisation	154	
102-2	Activities, brands, products, and services	24, 42 f.	
102-3	Location of headquarters	154	
102-4	Location of operations	42 f., 151	
102-5	Ownership and legal form	37, 75	
102-6	Markets served	24, 52	
102-7	Scale of the organisation	2	
102-8	Information on employees and other workers	29	Good employer
102-9	Supply chain	31	
102-10	Significant changes to the organisation and its supply chain	20 f.	
102-11	Precautionary Principle or approach	22	
102-13	Membership of associations	27	Norms and standards
Strategy			
102-14	Statement from senior decision-maker	5 f.	
Ethics and integrity			
102-16	Values, principles, standards and norms of behaviour	17 ff., 25	Responsible management
Governance			
102-18	Governance structure	23	Responsible management

GRI indicator	Indicator name	Page	Topic from materiality analysis
Governance			
102-20	Executive-level responsibility for economic, environmental, and social topics	23	
Stakeholder engagement			
102-40	List of stakeholder groups	24	
102-42	Identifying and selecting stakeholders	24	
102-43	Approach to stakeholder engagement	24	
102-44	Key topics and concerns raised	24	Customer satisfaction, competitive standing, R&D
Reporting practice			
102-45	Entities included in the consolidated financial statements	140 ff.	
102-46	Defining report content and topic boundaries	23	
102-47	List of material topics	23	
102-48	Restatements of information	22	
102-49	Changes in reporting	22	
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102-52	Reporting cycle	22	
102-53	Contact point for questions regarding the report	154	
102-54	Claims of reporting in accordance with the GRI Standards	34	
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Specific Standard disclosures – economic

GRI indicator	Indicator name	Page	Topic from materiality analysis
Market presence			
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	30	Good employer
202-2	Regionally-hired management	30	Good employer
Anti-corruption			
205-1	Operations assessed for risks related to corruption	25	Compliance & corruption
205-2	Communication and training about anti-corruption policies and procedures	25	Compliance & corruption
205-3	Confirmed incidents of corruption and actions taken	25	Compliance & corruption

Specific Standard disclosures – environmental

GRI indicator	Indicator name	Page	Topic from materiality analysis
Materials			
301-1	Materials used by weight or volume	33	Materials (resource-saving products)
301-2	Recycled input materials used	32 f.	Materials (resource-saving products)
Energy			
302-1	Energy consumption within the organisation	33	Energy (consumption & renewable energies)
302-5	Reductions in energy requirements of products and services	31 f.	Environmentally friendly products / Customer satisfaction, competitive standing, R&D
Emissions			
305-1	Direct (Scope 1) GHG emissions	33	Energy (consumption & renewable energies)
305-2	Energy indirect (Scope 2) GHG emissions	33	Energy (consumption & renewable energies)
Waste			
306-2	Waste by type and disposal method	33	Waste & recycling

Specific Standard disclosures – social

GRI indicator	Indicator name	Page	Topic from materiality analysis
Supplier environmental assessment			
308-1	New suppliers that were screened using environmental criteria	26	Transparency in the supply chain
Employment			
401-1	New employee hires and employee turnover	29	Good employer
Occupational health and safety			
403-2	Hazard identification, risk assessment and incident investigation	30	Occupational health and safety
Training and education			
404-2	Programme for improving employees' skills	29	Training and development
Diversity and equal opportunities			
405-1	Diversity of governance bodies and employees	30	Good employer
405-2	Ratio of basic salary and remuneration of women to men	30	Good employer

GRI indicator	Indicator name	Page	Topic from materiality analysis
Child labour			
408-1	Operations and suppliers at significant risk for incidents of child labour	26	Transparency in the supply chain
Forced or compulsory labour			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	26	Transparency in the supply chain
Supplier social assessment			
414-1	New suppliers that were screened using social criteria	26	Transparency in the supply chain
Customer health and safety			
416-1	Assessment of the health and safety impacts of product and service categories	27	Product quality & enhancement/ Customer health & safety
Socioeconomic compliance			
419-1	Non-compliance with laws and regulations in the social and economic area	25	Acting within the law
Supply chain			
own indicator		26	Material compliance