

# NON-FINANCIAL DECLARATION ACCORDING TO THE CSR GUIDELINE IMPLEMENTATION ACT

As a globally leading provider of intralogistics solutions, 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 with the needs of society and the environment. At Jungheinrich this enables us to create sustainable value together and meet our stakeholders' expectations.

## Initiative "50 Sustainability & Climate Leaders"

Jungheinrich has joined the 50 Sustainability & Climate Leaders initiative, a group of global leaders in sustainability and climate action. The 50 international companies from different industries participating in the campaign have set themselves the goal of taking a leading role in the fight against climate change and thus contributing to the achievement of the 17 United Nations Sustainable Development Goals (UNSDGs).

## 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 continuously improve our performance by analysing the evaluation results. For the second time in a row, we achieved Gold status and were able to further improve in all areas. EcoVadis particularly recognised Jungheinrich's commitment to environmental protection. 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

### 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](http://www.jungheinrich.com/en/responsibility)

### 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.

As part of a global society, we are aware of our responsibility and contribute to sustainable development.

For us, acting sustainably means:

- » Sustainability as an integral part of all corporate processes and management systems
- » Supporting customers in their sustainability goals
- » Corporate sustainability – achieving growth with three-dimensional value creation (economic, environmental and social)
- » Developing sustainability – enhancing products, solutions and business models
- » Transformation to a sustainable corporate culture

Climate change has become much more severe in recent years and decades, and with it the impact on people and the environment. With employees and locations in more than 40 countries, we are aware of the special challenge we face here. Because of our own aspirations and our understanding of values, we have integrated climate protection into our new Strategy 2025+ **page 45 ff.** and set our own climate targets. In the future we will be working harder to determine what implications climate change has for our company, which risks are associated with them and how we address those risks.

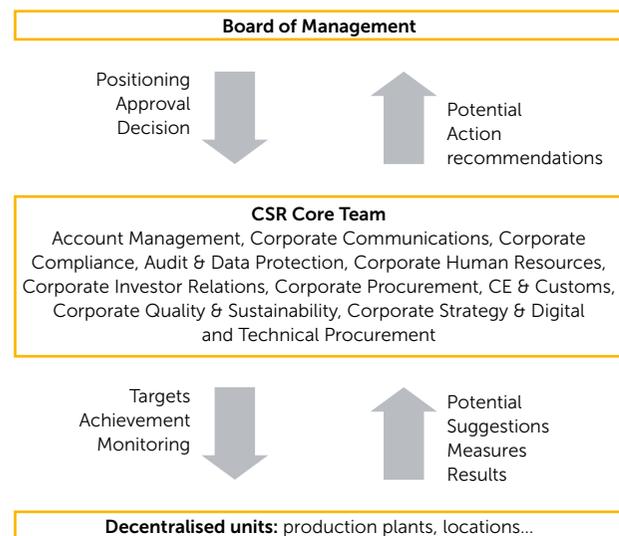
**102-1; 102-48; 102-49; 102-50; 102-51; 102-52** In this chapter "Non-financial declaration according to the CSR Guideline Implementation Act", Jungheinrich describes economic, environmental and social aspects within the company and their impact in financial year 2020 (1 January to 31 December). It covers all employees of the Jungheinrich Group (as of 31 December 2020). 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 2020 financial year.

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.

**How CSR is managed at Jungheinrich**

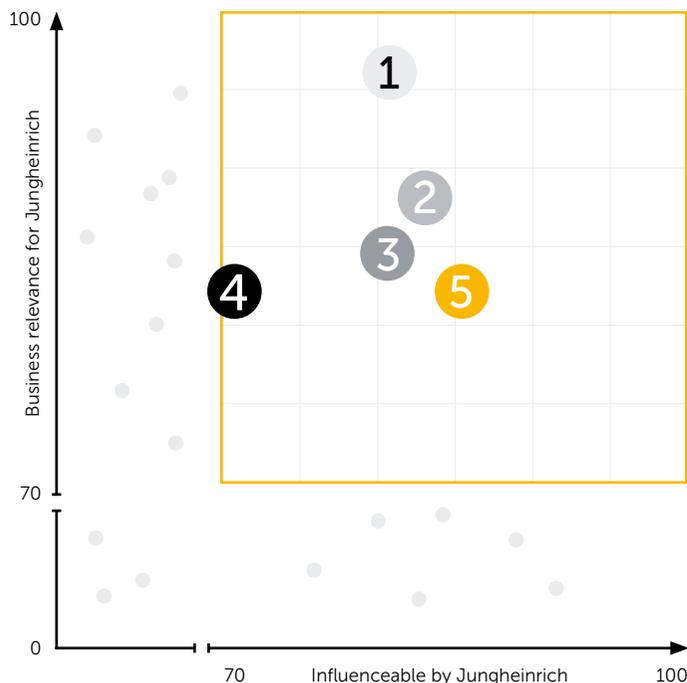
102-18; 102-20



In 2016, we created the “CSR Core Team” to manage the various CSR-related issues within the Jungheinrich organisation. The interdisciplinary team, comprising members from Account Management, Corporate Communications, Corporate Compliance, Audit & Data Protection, Corporate Human

**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 compliance<sup>1</sup>  
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

Resources, Corporate Investor Relations, Corporate Procurement, CE & Customs, Corporate Quality & Sustainability, Corporate Strategy & Digital und Technical Procurement divisions, 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 leadership

of the Corporate Quality & Sustainability division. Different departments contribute to a holistic understanding of sustainability and provide specialist 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.

<sup>1</sup> Material compliance: compliance with substance prohibitions.

### Materiality analysis

**102-46** We updated our materiality analysis in the 2018 financial year. Various sources of information<sup>1</sup> 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 and the extent to which they can be influenced. 17 out of the 33 topics were rated as being particularly relevant for the company 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 [page 14](#).

### Our sustainability strategy

Jungheinrich unveiled its corporate Strategy 2025+ in November 2020. As one of the four cross-functional strategies<sup>2</sup>, the sustainability strategy will significantly determine the company's direction in the future and forms the foundation for cooperation at Jungheinrich and its impact. The relevance of the sustainability concept is also emphasised by the central Group goal of "Creating sustainable value". The contents of the sustainability strategy were developed together with an interdisciplinary team. This has four focal points, which in turn are subdivided into various initiatives and measures:

<sup>1</sup> 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, occupational safety, development, innovation and IT security.  
<sup>2</sup> Strategy 2025+ is made up of four cross-functional strategies (brand, portfolio, digital and sustainability strategy) and eight function strategies. Further information on Strategy 2025+ can be found in the combined management report [page 45 ff.](#)

» **Climate neutrality:** We aim to gradually become carbon neutral in Scopes<sup>3</sup> 1 and 2 and in all Scope 3 categories relevant to Jungheinrich. We have chosen the "control approach" to define the scope. This means that we are wholly responsible for climate neutrality for the operations and sites we control. In order to achieve this ambitious goal, we will first focus on data transparency and a uniform database.

Important steps for Jungheinrich towards carbon neutrality are the purchase of green electricity<sup>4</sup>, the use of electric vehicles, more efficient manufacturing technologies and a modern building infrastructure. Jungheinrich will offset the remaining unavoidable CO<sub>2</sub>e emissions<sup>5</sup> with selected projects. Here, the quality of the offsetting service is of primary importance to us. Therefore, we will only offset our emissions with projects that are certified to the highest standards.

A significant part of our emissions is generated in Scope 3. In addition to business travel and our employees' commutes, the production (including the supply chain), use and disposal of our products and solutions in particular make up the largest source of emissions. Jungheinrich will also take responsibility here and contribute to sustainable change by looking at these indirect emissions and contributing to their reduction.

<sup>3</sup> Emissions are divided into three different scopes: direct (Scope 1), indirect (Scope 2) and further indirect (Scope 3) emissions. An overview of all three scopes can be found on [page 28](#).  
<sup>4</sup> Electricity of renewable energies should be sourced wherever the market and government allow.  
<sup>5</sup> CO<sub>2</sub>e = CO<sub>2</sub> equivalent: A unit of measure that shows the greenhouse effect of various gases as equivalent to CO<sub>2</sub>.

» **Systematic sustainability management:** In order to implement the developed plans, ideas and visions of Jungheinrich's sustainability strategy, comprehensive management with regulated processes and clearly defined responsibilities is required. With a stringent sustainability management system, we will control our goals, key figures and measures across the Group. The Corporate Sustainability & Environment department will assume the central management function and link the specialist expertise of various employees at Jungheinrich with the individual measures and initiatives. This interdisciplinary approach will enable Jungheinrich to integrate sustainability into all decision-making processes and take a holistic perspective to shape each area of the business accordingly.

» **Transparency and responsibility in the supply chain:** In our globalised world, there are different labour standards, and together with our partners we focus on their improvement. For Jungheinrich, responsibility for products does not start at the factory, but far ahead of the production start. As part of our Strategy 2025+, we are intensifying our activities to make the supply chain for our products more sustainable. The focus here is on strengthening our processes as well as minimising possible risks and on supporting the achievement of our goals, such as reducing CO<sub>2</sub>e emissions in the production or transport of purchased parts. Our goal is to work with our business partners to advance the sustainability of our products and set important standards in relation to the supply chain.

» **Sustainability in the Jungheinrich brand:** The sustainability mindset has always characterised the Jungheinrich brand, as we have been producing electric trucks for over 60 years. In 2020, 98 per cent of our trucks (based on unit numbers in incoming orders) were battery-powered and a rapidly growing proportion of these are equipped with modern lithium-ion technology. Together with our suppliers, customers and investors, we want to create added value for our environment and society and show that you can continue to rely on us in the future. We are the right partner for best advice on sustainable products, to herewith support our customers in reaching their goals. In doing so, we are driven by our goals and visions. By 2025, we want to achieve a lithium-ion equipment ratio of more than 70 per cent of our trucks sold (likewise based on unit numbers in incoming orders). In doing so, Jungheinrich wants to make a decisive contribution to more sustainability in intralogistics. Creating consistently sustainable products is a challenge that we are happy to take on. For this undertaking, it is all the more important that we actively involve all employees and, in line with our mission "Born electric. Moving the future. Creating sustainable value." allow them to participate in shaping the future of the company. Because only together will we succeed in ensuring that climate-neutral intralogistics solutions are not just the future, but the present.

**In dialogue with our stakeholders**

102-42; 102-43; 102-44 We believe the close exchange with various stakeholders is an important part of our understanding of sustainability and our business model. Our customers show us directly what the markets expect from us, how we can support them with their sustainability targets, and what their demands are. Topics like corruption, occupational safety, the environment, 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 are able 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.

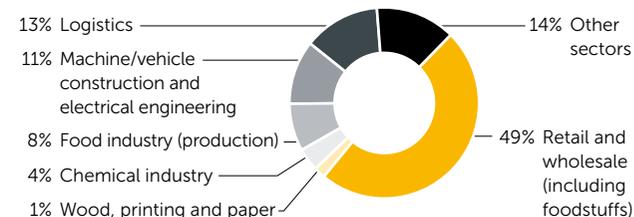
102-40 Stakeholders are weighted according to the relevance of their business operations to Jungheinrich. This includes those who have direct contact with our products, those affected by processes at our locations or those who have any other connection to our company. The most important stakeholder groups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

**Business model and customers**

102-2 The integrated business model encompasses the development, production and sale of new material handling equipment and the planning and realisation of automatic systems, the short-term rental of new and used material handling equipment, the reconditioning and sale of used forklifts and after-sales services. Jungheinrich also supplies stacker cranes and load handling equipment. In addition, the customer receives their entire factory and office equipment from a single source. The material handling equipment consists almost exclusively of battery-powered trucks. In addition to electric engines and drive controls, Jungheinrich also manufactures matching lithium-ion batteries and battery chargers. Almost all of our trucks are available with a lithium-ion battery. Digital products, such as the Jungheinrich warehouse management system (WMS) and the fleet management system, based on the latest generation of the Jungheinrich IoT platform in the cloud, complement our portfolio. Combined with a comprehensive range of financial services, Jungheinrich is pursuing the goal of creating value sustainably with its Strategy 2025+.

**Customers by sector<sup>1</sup>**

102-6



<sup>1</sup> Incoming orders in units.

## 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.

### Dealing with the Covid-19 pandemic and key measures

2020 was significantly marked by the global outbreak of the Covid-19 pandemic and its impact on almost all areas of life. For Jungheinrich, too, the pandemic was the biggest business challenge in the company's history, and has had an impact on the company's day-to-day business since mid-January 2020.

At the same time, it has become clear that with our products, solutions and services, such as our after-sales services, we are making a significant contribution to ensuring primary care for the population during this extraordinary time and can therefore be seen as system critical. For example, our forklift trucks are used to operate the distribution warehouses of the food retail and pharmacy trade, as well as in the distribution of vaccines. They ensure the smooth flow of goods in the distribution centres as well as in the local markets.

Protecting the health of our employees and ensuring the ability to deliver to our customers are Jungheinrich's top priorities during this extraordinary time. Jungheinrich has therefore adopted and implemented extensive measures to protect employees from infection:

#### » Establishment of crisis teams

We have set up crisis teams across the Group very early in 2020, in which the situation was analysed on a daily basis, further action was discussed and necessary measures were decided. The crisis teams are staffed with members of the central administrative divisions and departments (such as Corporate Human Resources, Corporate Procurement, CE & Customs, Facility Management, Sales, Technical Procurement and Technics) and the occupational safety specialist, among others. When selecting the members of the crisis team, care was taken to ensure that the relevant employees were selected and trained as well as possible. The crisis teams also actively and continuously inform employees and initiate adjustments and additions to the measures taken in the event of changes in the relevant requirements.

#### » Introduction and expansion of existing occupational safety and hygiene concepts

In the course of the Covid-19 pandemic, all existing hygiene and occupational safety concepts were expanded in order to meet the pandemic-specific requirements of the law and the supervisory authorities. The implementation of these concepts is reviewed regularly. In addition, all employees are regularly and comprehensively informed about all updates of these concepts and resulting codes

of conduct, and their compliance is required. Communication takes place in such a way that all employees are reached in the best possible way, in particular through personal contact by managers, publications on the intranet, passing on information by e-mail and by posting physical notices. In addition, external staff and employees of external companies, such as suppliers, are being informed about the regulations we have in place to deal with the pandemic.

#### » Risk analysis of workplaces

Workplaces throughout the Group were inspected and risk assessments were carried out, if necessary with the participation of the occupational safety specialist, the works council and the company doctor. Subsequently, among other things, a maximum occupancy was defined and prescribed. Where necessary, all workplaces were adapted to the applicable distance and hygiene regulations.

#### » Measures for activities with increased risk of infection

An examination was carried out of which activities or areas are or could be at increased risk of infection within the framework of the risk assessments described above. Activities and areas with an increased risk of infection were identified and marked. In relation to these activities, additional measures were taken to ensure the health of the employees concerned, such as the provision of disinfectants and medical masks.

## Social commitment

Jungheinrich supports initiatives and projects that are in line with our company's philosophy and core competencies. 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 support local initiatives.

Jungheinrich has had a long-running partnership with German medical aid organisation action medeor e.V. [www.jungheinrich.com/en/responsibility/social-responsibility/action-medeor](http://www.jungheinrich.com/en/responsibility/social-responsibility/action-medeor) since 2012. As the "world's emergency pharmacy", the organisation 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 multiple drug storage facilities in Tanzania and Malawi and expanded its storage facilities at the action medeor headquarters in Tönisvorst/Germany.

In addition, Jungheinrich employees collect donations as part of the company's 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 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, active support for 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.

In the 2020 financial year, we specifically supported coronavirus-related projects with our donation activities:

- » In Tanzania and the Democratic Republic of Congo, we contributed to, among other things, the procurement of protective materials and medical equipment for the treatment of Covid-19 patients through our "Donate your Pennies" campaign.
- » We supported Die Arche in Hamburg-Jenfeld in various ways during this very challenging time, with many sporty Jungheinrich employees taking part in the "hella hamburg half marathon" – digitally for the first time because of the coronavirus – and making a donation to a good cause.
- » We were able to support Hamburger Tafel e.V. with a special truck donation. The coronavirus pandemic meant that Jungheinrich AG's shareholders' meeting could not take place as a face-to-face event this year. This also meant that the traditional meal for the shareholders following the Annual General Meeting was cancelled. Jungheinrich has now donated the money saved for this to the Hamburger Tafel in the form of an EJC 220 electric pallet stacker.

In addition, we have supported the acute need for protective materials regionally in the spring of 2020 and, among other things, donated 2,000 FFP2- and FFP3-masks to the Marienkrankenhaus hospital in Hamburg and the rescue service in the federal state of Schleswig-Holstein. At individual Jungheinrich locations abroad, such as in China, Italy and Hungary, the company in turn helped with the logistical challenges of distributing goods locally by deploying trucks. The Hamburg Football Association was pleased to receive special support. In time for the resumption of match fixtures in late summer 2020, Jungheinrich donated around 5,000 footballs, which were distributed to various amateur teams.

## 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 whistleblowing system ("Jungheinrich Open Line") where open questions and breaches of rules can be addressed personally or anonymously,
- » 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 rules 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. This includes 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. In the reporting year, a completely revised version was published for our employees on the intranet and for external third parties on the internet.

[www.jungheinrich.com/en/compliance](http://www.jungheinrich.com/en/compliance)

### Informational events on compliance

**205-2** In order to promote correct and appropriate conduct, the Corporate Compliance, Audit & Data Protection division organises on-site training events for our employees. In 2020, there were 13 compliance briefings (2019: 19). 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 principle, all employees are regularly trained in various ways. We aim to continuously expand the training approach and also track training success. The course content includes competition law, data protection, anti-corruption, information security and our Code of Conduct. After our e-learning modules were rolled out across the Group, new e-learning modules are in preparation for 2021.

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 issues.

### 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 (2019: 0).

**205 -1** In order to prevent corruption, all Jungheinrich locations are monitored for risk signals by the Corporate Compliance, Audit & Data Protection division. A standard part of the process is checking documents and financial transactions. Due to the coronavirus, the audits originally planned for 2020 could only be carried out partially or in an adjusted form. In order to protect our employees, the audit plan was changed accordingly and focused on audits that could be carried out either purely online or in a hybrid fashion. In the 2020 reporting year, 12 audits were conducted (2019: 24).

### 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](http://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

Our goal is to bring successful products to market alongside our suppliers. The best prerequisite for this is a long-term cooperation based on partnership. A 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. The supporting pillars here are the Supplier Code we developed and the Supplier Manual. These documents set out all the requirements that Jungheinrich places on its contractors in terms of sustainability and the way they work together.

In 2020, we anchored our "Sustainable Supply Chain Management" concept for more responsibility in the supply chain even more firmly in our processes, in our organisation and with our key suppliers. Both existing and new suppliers have been risk-classified with regard to environmental, economic and social criteria since 2019. Depending on the supplier risk category, measures are defined that can range from acceptance of the "Supplier Code" referred to above to the performance of self-assessments and internal or external audits.

Among other things, this classification takes into account the type of goods supplied or services rendered, as well as the revenue generated with the supplier concerned. The basis for this is our commodity group analysis, in which we have subjected our more than 250 commodity groups to a CSR risk classification according to previously defined criteria. This enables us to focus on the most important suppliers.

In order to implement the concept in the supply chain, supplier qualification and procurement processes were adapted. The key suppliers now undergo a CSR self-assessment, which we carry out with the support of the CSR platform from Integrity Next. In the current reporting year, over 500 suppliers participated in the CSR self-assessment. These suppliers represent more than 50 per cent of our global purchasing volume. The contents of the CSR Self-Assessment are:

- » anti-corruption and anti-bribery
- » occupational safety
- » energy management
- » conflicts of interest
- » human and labour rights
- » environmental protection and
- » responsibility in the supply chain.

The results are analysed and evaluated by company internal sustainability experts. Based on this, further measures may be agreed upon with the departments responsible.

As an example of a supplier profile, you can take a look at the Jungheinrich profile on Integrity Next. [www.integritynext.com](http://www.integritynext.com)

Our goal is to significantly increase transparency in the supply chain in the foreseeable future and to focus more on sustainable procurement. "Sustainable Supply Chain Management" is therefore an integral part of the sustainability strategy developed as part of Jungheinrich's Strategy 2025+.

## PRODUCT DEVELOPMENT, QUALITY AND SAFETY

At Jungheinrich, product responsibility means supplying high-quality, safe products and services. We therefore set the highest safety standards. Ongoing process optimisation and the introduction of new technologies 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 to consider and fulfil 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, Degernpunkt, Landsberg, Dresden, Gyöngyös (Hungary) and Qingpu (China) all work with an ISO 9001-qualified quality management system to ensure that we are ideally positioned from a quality standpoint.

All of our production plants systematically check parts that are purchased during an incoming goods inspection. If there are any abnormalities, the inspection cycle is automatically intensified. We observe suppliers' performance 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 further reduced. We have adopted a preventative approach to achieve this.

The Central Operations, Corporate Quality & Sustainability and Technical Procurement divisions 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 as part of our plant-specific welding management systems.

In the area of production, we also rely on innovative possibilities to standardise processes and procedures. For example, the inspection of relevant truck and equipment features is carried out via a digital application that provides employees with the necessary information on mobile devices. This means that checklists are paperless and can be provided and processed individually. If problems or deviations are detected, these can also be recorded on mobile devices and directly addressed to the appropriate internal or external departments for troubleshooting.

## 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 functionalities, 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 of the truck 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 allows for 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 3691<sup>1</sup>. Adhering to all laws and standards relevant to safety issues (such as the machinery directive, EMC Directive<sup>2</sup> and complying with internal ergonomic and safety requirements) are obligatory at Jungheinrich at all stages – starting with product development.

Among others, Jungheinrich is a member of the following trade associations: 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).

<sup>1</sup> Material handling equipment safety.

<sup>2</sup> Directive 2014/30/EU regarding electromagnetic compatibility.

## WE HAVE AN EYE ON OUR TRUCKS EVERYWHERE

The direct sales organisations with their own after-sales services in 40 countries worldwide represent an important aspect of the Jungheinrich business model. The dense service network ensures both permanent market observation and direct on-site support for our customers – the basis for our maximum reaction speed in the event of product malfunctions.

We closely evaluate the service reports of our after-sales service technicians with system support and determine optimisation measures to improve safety and reduce downtimes for our products. Jungheinrich has established responsibilities for problem reporting, mistake analysis and solution finding in a binding process that is valid across the Group. We use the transparency and evaluation of the data to the best of our ability to recognise mistakes in time and use corrective measures to prevent them in series and in trucks already in service depending on the case. Our proven processes also take effect in the event of accidents involving a Jungheinrich product. The systematic evaluation of incident reports shows that the majority of accidents are caused by incorrect handling of the product, for example when taking on loads or by problems in the storage facilities' organisation. This knowledge allows us to offer the appropriate customer support, such as driver training. Intelligent assistance and safety systems and automated solutions also play an increasingly important role when it comes to increasing customer work safety. Which safety solutions exactly we offer can be read in the subsequent section "360° protection".

A whole number of solutions help make our products safer. The following describes 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 stereo cameras on the rear of 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 the safety and ergonomics for the driver.

**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 racks. We have our own in-house rack 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 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 4.004<sup>1</sup>, exhaust emission checks or gas checks.

**5 Protecting data**

In times of increasing digitalisation and interconnectivity, our digital solutions, such as ISM Online, are also increasingly drawing buying interest. 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 security 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 further, we have developed our own battery management system, which monitors the function of each cell and will power down the lithium-ion battery 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 is reduced to the record time of 80 minutes<sup>2</sup> and they do not need to be changed. More information on lithium-ion technology at Jungheinrich is shown on our website.

[www.jungheinrich.com/en/stories](http://www.jungheinrich.com/en/stories)

1 TÜV inspection and certification for forklift trucks.  
2 Between 6 and 7.5 times faster than lead acid batteries.

## EMPLOYEES

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 basis of our pursuit of a satisfied and motivated team.

### Jungheinrich as an employer

**102-8** Global yet local: Even as a Group with more than 18,000 employees in Germany and abroad and despite its 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 to 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<sup>1-4</sup> and low employee turnover demonstrate loyalty and attachment to Jungheinrich. The global staff turnover figure comes to 3.7 per cent<sup>2,5-8</sup> (2019: 6.2 per cent). In absolute terms, this equates to 672 employees leaving the company<sup>2,5-8</sup> (2019: 1,117). The sharp decline in departures initiated by employees is related to the Covid-19 pandemic, because it has led to an unsecure labour market situation.

### 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 98.7 per cent<sup>4,6</sup> of employees have permanent contracts with Jungheinrich (2019: 98.2 per cent).

### International trainee programme

In 2020, for the sixth consecutive year, our international trainee programme, "Jungheinrich International Graduate Programme" (JIG) for training junior managers, received the "Career-enhancing, fair trainee programme" quality certificate from ABSOLVENTA, a jobs forum for students, school-leavers and young professionals. In the reporting year 2020, due to the Covid-19 pandemic, it was only possible to recruit one trainee class with participants from China and Germany.

### Employees by region and gender

**102-8**

	<b>FTE 2020<sup>4,6</sup></b>	Headcount female <sup>1-4</sup>
Germany	7,577	1,456
France	1,213	264
Italy	1,071	268
United Kingdom	762	124
Poland	565	134
Russia	524	120
Rest of Europe	4,057	802
China	809	189
Other countries	1,525	300
<b>Total</b>	<b>18,103</b>	<b>3,657</b>

1 Number of employees excluding temporary employees, temporary agency workers, apprentices and trainees.

2 Abroad excluding MIAS USA, JFS United Kingdom, JFS Spain and JFS Italy as the companies have fewer than 10 employees.

3 2020: excluding JT Energy Systems, as it was only included in Personnel data collection in August 2020.

4 Status: 1 December of the respective reporting year.

5 Fluctuation refers to voluntary departures.

6 Employees including temporary employees, excluding apprentices, temporary agency workers and trainees.

7 Excluding ISI Automation and JT Energy Systems.

8 Calculation differs from previous year (headcount instead of FTE).

## 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 career development of employees. The Corporate HR Development department supports our employees in their development efforts. We are particularly appreciative of our employees' willingness to constantly learn and develop themselves further. The Jungheinrich Training Center was established at its Norderstedt site specifically for the training and further education needs of Sales employees. A team of trainers, advisers and experts in digital learning and training management ensure employees receive lasting success in learning.

In 2020, a total of only 3,128 participants (2019: 5,366) were trained in our Training Centre, since traditional classroom training had to be temporarily suspended due to the pandemic. Many elements of the training courses have already

been digitalised, and the expansion of digital content is being driven forward strategically. However, there is no move away from traditional presence training, as certain training measures require the physical presence of trainers, participants and trucks.

### Committed to health

403-2 2020 presented us with very special challenges with regard to the health of our employees. Independently of the measures we had to take in the reporting year due to the Covid-19 pandemic, we care deeply about the health of our employees. 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<sup>1-5</sup> across the Group and is thus at the previous year's level. 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 469 accidents<sup>3,7-9</sup> in the workplace throughout the Group in the year under review, 64 fewer than in 2019.<sup>6</sup> This equates to 14.6 (2019: 16.8) accidents per one million hours worked. Accidents in the workplace resulted in an average of 17.21 lost days (2019: 18.8).

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,
- » Continuation of our "Yes I Care" workshops for managers to raise awareness of employee health issues.

We also 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.

The majority of the initiatives mentioned above – as well as our well-attended health awareness days – could not take place in the usual way in the year under review.

1 Employees including temporary employees, excluding apprentices, temporary agency workers and trainees.

2 Employees excluding parental leave, partial retirement (passive phase), disabled employees.

3 Abroad excluding MIAS USA, JFS United Kingdom, JFS Spain and JFS Italy as the companies have fewer than 10 employees.

4 Excluding Jungheinrich Lift Truck Corporation, MIAS CN.

5 Excluding ISI Automation, JT Energy Systems.

6 2019: Excluding ISI Automation, as added during the year.

7 Employees excluding temporary employees, temporary agency workers, apprentices and trainees.

8 2020: excluding JT Energy Systems, as it was only included in Personnel data collection in August 2020.

9 Accidents in the workplace with at least one lost day.

## Exceptional times call for exceptional measures

In 2020, the global Covid-19 pandemic presented most people with unprecedented challenges and profound changes in their personal as well as their working lives.

For Jungheinrich as an employer, protecting the health of our employees – in addition to the safeguarding of our delivery capability – was our top priority in this exceptional year. Under the direction of the central crisis team, various preventive measures were taken to protect the workforce from infection:

Among other things, mobile working was implemented throughout the Group wherever possible, and the corresponding IT infrastructure was made available in a very short time. For work areas that could not be shifted to mobile working (such as production), comprehensive concepts were implemented at the sites to provide the best possible protection against infection and to maintain production. These included the establishment of shift models with shift equalisation, the division of teams, initiation of extensive disinfection measures and installation of Plexiglas screens at workplaces where no spatial distancing was possible.

After-sales services faced completely new challenges: In order to keep the risk as low as possible for our customers as well as for the technicians themselves, technicians were equipped with comprehensive hygiene sets (including disinfectant, face coverings and FFP2 masks). The federal government's occupational health and safety requirements were immediately translated into instructions for service visits (for example, disinfection of forklifts prior to service, hand disinfection following service, and tool disinfection).

The Jungheinrich Training Center and the Corporate HR Development department were also unable to continue their training and further education using their proven, often analogue formats. Digital concepts were therefore quickly developed, and existing online offers extended, to continue securing the continued high training level and knowledge transfer of all Jungheinrich employees.

As a result of the numerous protective measures that were implemented, the number of infections among Jungheinrich employees worldwide was kept at a low level.

Jungheinrich employees in factories, at home and at customer sites have worked tirelessly to ensure that the company has come through the coronavirus crisis well so far. For this extraordinary effort, Jungheinrich paid out a coronavirus bonus to all employees worldwide at the end of the 2020 financial year. With this bonus, the company has recognised the commitment of its employees during this challenging time. Also during the course of the year, Jungheinrich expressed appreciation for, and recognised, all our employees worldwide – the "Yellow Heroes" – with a campaign that included the greeting card initiative "Jungheinrich says THANK YOU".

The changes that the 2020 Covid-19 pandemic has initiated in the world of work will have a long-term impact. We have therefore set up an international programme called "Future of Work@Jungheinrich", which transcends hierarchical and functional boundaries. This programme analyses factors critical to the success of our collaboration from a holistic point of view. These include our IT infrastructure, workplace design and working-time models, and their impact on our collaboration and leadership. Our goal is to create suitable solutions for Jungheinrich for a future working world that will be increasingly characterised by virtual, mobile or "hybrid collaboration models". This will enable us to position ourselves even more attractively as an employer in the future.

## 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, our employees come from 66 different nations<sup>1-3</sup> 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 41.4 years.<sup>1-4</sup>

**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. Furthermore, in line with the Strategy

2025+, we have set the goal to increase the share of international managers in the Group's personnel as part of the increased internationalisation. In 2020, 86.0 per cent of our managers abroad came from the country they were working in (2019: 85.6). The expertise and special intercultural skills of these employees provide a valuable and indispensable contribution to Jungheinrich's global success.

**202-1; 405-1; 405-2** The ratio of women in the Jungheinrich Group remained stable at 20.1 per cent<sup>1-5</sup> worldwide (2019: 20.1 per cent). In Germany, the ratio of women slightly increased compared to the previous year's level at 19.2 per cent<sup>1-3,5</sup> (2019: 18.9 per cent), outstripping the last comparison figure available for the mechanical engineering sector in Germany of 16.9 per cent.<sup>6</sup>

Sabine Neuß joined the company as a member of the Board of Management responsible for Technics on 1 January 2020. Accordingly, the share of women on the Board of Management was 25.0 per cent, and on the Supervisory Board it was 33.3 per cent. The share of women in management positions in the reporting year was 16.8 per cent. We have therefore exceeded the targets we set ourselves at the first management level (target: 5.0 per cent) and the second management level (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

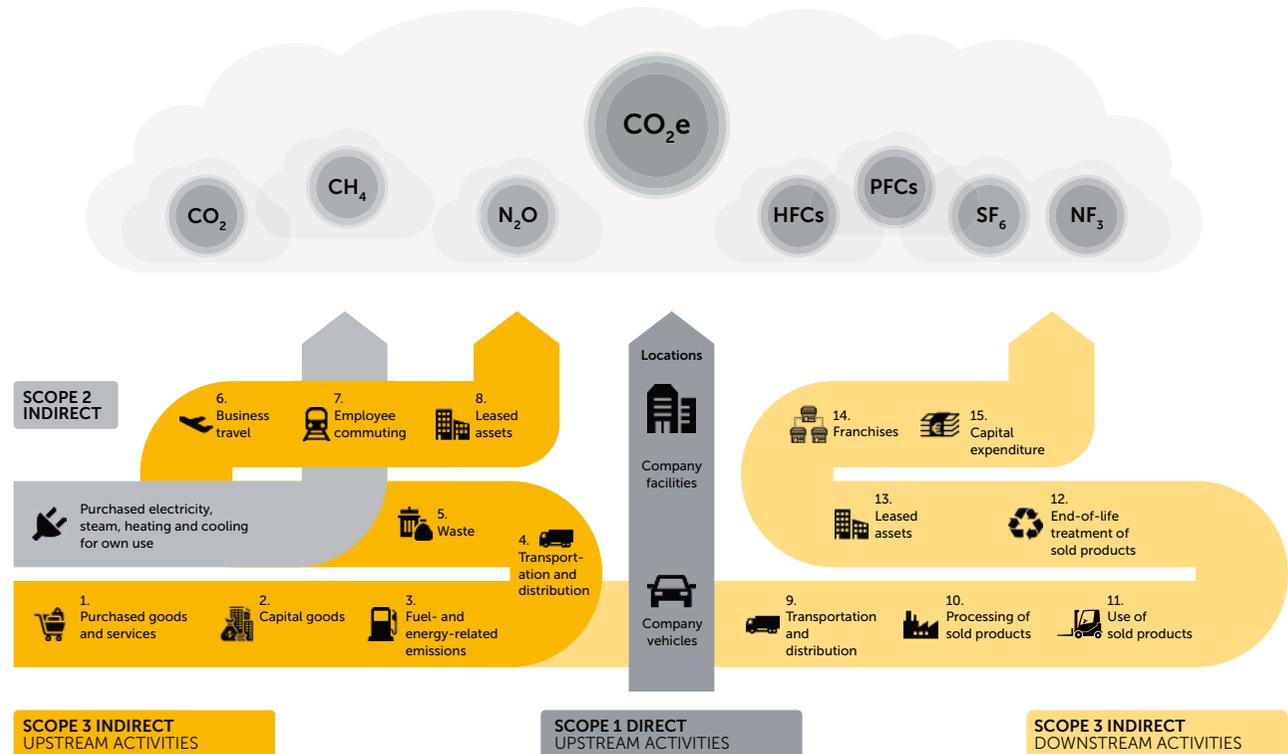
Jungheinrich is committed to upholding human rights worldwide and supports nationally and internationally applicable guidelines. We demand responsible, ethical and legally compliant behaviour from our employees, customers and business partners worldwide at all times. We do not tolerate compulsory, child or punitive labour, slavery or human trafficking. Violations and misconduct lead to serious consequences. If national regulations have stricter conditions, we adhere to those. In 2021, we published the "Code of Human Rights and Occupational Health and Safety". **Code on human rights and labour protection** This document summarises our standards with regard to working conditions. In addition to the implementation of national and international guidelines, for example the United Nations Universal Declaration of Human Rights, it also includes guidelines on safety in the workplace or the handling of personal data. The focus of all principles is on responsible, ethically impeccable, legally compliant and sustainable behaviour. Ultimately, Jungheinrich's goal is to create value sustainably and uphold ethical principles.

1 Number of employees excluding temporary employees, temporary agency workers, apprentices and trainees.  
 2 2020: Excluding JT Energy Systems, as it was only included in Personnel data collection in August 2020.  
 3 Status: 1 December of the respective reporting year.  
 4 Abroad excluding MIAS USA, JFS United Kingdom, JFS Spain and JFS Italy, as the companies have fewer than 10 employees.  
 5 2019: Excluding ISI GmbH, as added during the year.  
 6 According to the German Federal Employment Agency and the German Federal Statistical Office (as of 31 December 2019 – latest available value).

**ENERGY, ENVIRONMENT AND CLIMATE PROTECTION**

Ranked among the world's leading intralogistics solutions provider, we have a great responsibility in terms of the environmental impact of our products and business activities. We therefore decided in 2020 to become a climate-neutral company. This ambitious goal underlines the relevance of environmental and climate protection at Jungheinrich and is a central component of the new sustainability strategy that has been developed as part of the corporate Strategy 2025+. In order to be able to implement this challenge holistically, we will divide Jungheinrich's CO<sub>2</sub>e emissions into different scopes and neutralise them step by step. We will do this in accordance with the Greenhouse Gas Protocol. The diagram to the right illustrates the individual steps. This internationally recognised method for determining greenhouse gas emissions will help us to identify the emissions that we cause directly and indirectly, as well as all other indirect emissions that are associated with us. The goal is to achieve climate neutrality in all units over which we have control (control approach). Our decision is accompanied by a series of measures that we are implementing directly in our company, as well as in the manufacture of our products, along our supply chain and downstream activities. An important milestone towards climate neutrality is the transition to electricity that comes entirely from renewable energy sources. All German units start the transition in 2021.

According to the standards of the Greenhouse Gas Protocol: Schematic representation of CO<sub>2</sub>e emissions



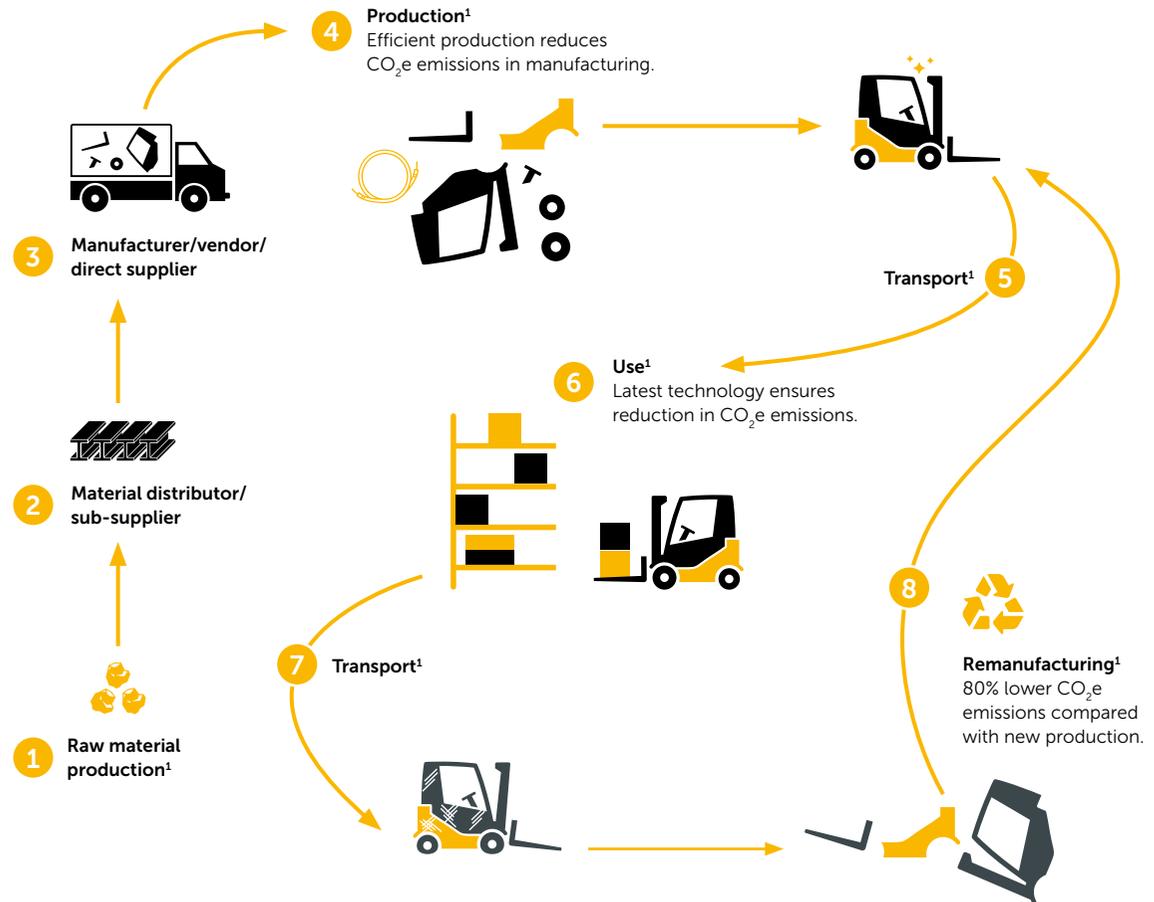
## Environmental impact of our products – target achieved

302-5 Jungheinrich has always been a pioneer in the field of electrified intralogistics. In 1953, we brought our first electric forklift truck, "Ameise 55", onto the market. More than 1,000,000 Jungheinrich electric trucks are in use around the world today. Nearly all the forklifts we sell are battery powered. We have used our many years of experience and our unique expertise in the industry to constantly improve the product life cycle assessment of our trucks.

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 trucks and our production process. The total certified assessment already showed a 24 per cent CO<sub>2</sub>e reduction between 2000 and 2010. We managed to achieve this impressive reduction by reaching a variety of technology milestones and could thereby also improve our customers' carbon footprint and efficiency. Milestones we introduced during this time period included high-frequency charging technology and fourth-generation alternating power technology. In addition, we used lithium-ion technology to develop completely new truck concepts, which increase efficiency in the warehouse due to their compact design.

## Jungheinrich value chain and stages of the product life cycle assessment

102-9

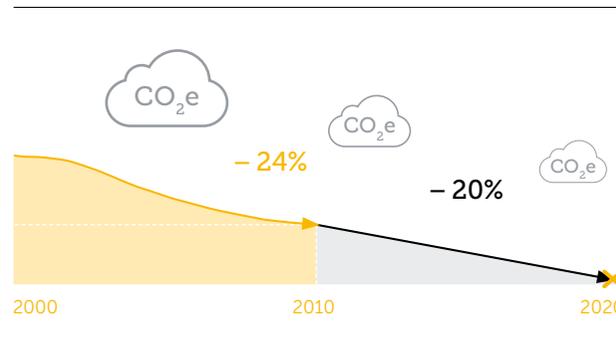


1 Part of the product life cycle assessment.

With a reduction of around 20 per cent, we have achieved our long-term goal for the life cycle assessment of our products. Since 2010, we have worked to further reduce the total direct and indirect greenhouse gas emissions of our products. The achievement of this goal is confirmation of our years of work and our competence in the area of energy efficiency.

In the last ten years, we have achieved reductions of up to 41.9 per cent in CO<sub>2</sub>e. 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, which in turn allows our customers to reduce their energy costs and the associated CO<sub>2</sub>e emissions.

**Reducing our CO<sub>2</sub>e emissions<sup>1</sup>**



This development reflects the CO<sub>2</sub>e emissions of an average Jungheinrich truck.

<sup>1</sup> Figures are rounded and based on conservative data.

**Used forklifts – a sustainable business field**

**301-2; 302-5** In addition to manufacturing more efficient products, we are gradually expanding the range of used equipment offered by our JUNGSTARS. Thanks to the high quality of our products, we can directly reuse a large part of the materials used and thus actively drive all three pillars of sustainability. 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.

**Refurbished used equipment**

in units



Frames, engines, motors, hydraulic components, lifting frames, protective driver roofs and drive and steering shafts are some of the parts that are refurbished. This reconditioning results in reductions of around 80 per cent in CO<sub>2</sub>e 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.

Despite their growing popularity, the decrease in refurbished used forklifts has also declined due to the coronavirus crisis.

**Ecological design – considered from the very start**

Sustainability plays an important role at Jungheinrich throughout the entire product life cycle; it is taken into account using 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.<sup>1</sup> Another important component, particularly for Jungheinrich, is the battery, because our product portfolio zu fast 100 Prozent 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 this 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 JT Energy Systems together with Triathlon Holding GmbH. In 2025, we want to achieve a lithium-ion equipment ratio for our trucks of over 70 per cent. We are also continually developing our business model – for example, with the right short-term rental options and guaranteed battery returns. In addition to the batteries' use in Jungheinrich trucks, we see

great growth potential in Powertrain Solutions. Here, we also make our batteries and expertise in the field of energy systems available to other manufacturers, including those in the construction and agricultural machinery industry, thus driving electric mobility forward across sectors.

Even though lithium-ion batteries have a very long service life, options for recycling them play a major role. Lithium-ion batteries partly contain rare-earth elements, and lithium itself is a key raw material of our time. In the future, Jungheinrich will further advance reprocessing as well as the possible uses for a "second life" for lithium-ion batteries. Here, too, we want to show that it is possible to use our resources responsibly. In addition to these possibilities, we can envisage the use of end-of-life power units as stationary energy storage systems as well.

<sup>1</sup> Grey cast iron is an iron-carbon alloy.

## Environmental impact of our locations

As a manufacturing company, Jungheinrich relies on various energy sources. The main types of energy used by our production sites are natural gas, heating oil, diesel, electricity and district heating. In order to make the best possible use of energy, we continuously work to optimise and modernise our buildings, machines, plants and processes in terms of energy. In recent years, for example, we have been able to significantly reduce the consumption of lamps and electricity by gradually converting to LED lighting. In order to achieve our goal of climate neutrality, we will also use climate-neutral technologies in the future. Due to the comprehensive range of services we offer, our sales activities also cause emissions. We therefore offer fuel-saving training to our service technicians and constantly work to optimise the weight and payload of our after-sales services vehicles. A number of suitable locations also use electric vehicles, which lowers direct emissions further.

The Covid-19 pandemic also had an impact on our environmental performance in the past year. Almost all environmental indicators are down due to the coronavirus and are below the previous year's figures. This is a result of the lower production quantity figures, the large number of employees

working from home and the changed conditions in our sales units. The increase in ethanol consumption is due to the fact that our trucks in Brazil are fuelled with petrol as well as with ethanol. In 2020, significantly more refuelling was done with ethanol.

### Energy consumption<sup>1,2</sup>

302-1

	2020	2019	2018
Natural gas in kWh	44,536,444	48,344,885	49,863,415
Heating oil in kWh	1,724,908	1,826,020	1,915,435
Diesel in l	9,765,251	11,784,792	11,244,075
Petrol in l	226,717	422,898	353,184
Ethanol in l	52,571	40,619	28,986
Electricity in kWh	54,151,080	58,434,304	61,675,917
District heating in kWh	9,596,340	11,250,715	12,807,834

### Greenhouse gas emissions<sup>1,2</sup>

305-1; 305-2

in t CO <sub>2</sub>	2020	2019	2018
Direct (Scope 1) GHG emissions <sup>3</sup>	34,553	41,469	40,605
Energy indirect (Scope 2) GHG emissions <sup>3</sup>	18,094	19,906	27,233

1 The figures shown apply to the production plants in Norderstedt, Lüneburg, Moosburg, Degernpoint, 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 (2018 and 2019 excluding Hněvotín), France, Germany (2019 excluding Frankfurt), Italy, the Netherlands, Poland, Russia, Spain, Switzerland, and the United Kingdom; only locations with more than 50 employees.

## Turning waste into a resource

Both hazardous and non-hazardous waste can be valuable resources 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. It is our ambition to keep the amount of waste that is disposed of/sent to landfills versus waste that is recycled at a permanently low level and to continually reduce it.

### Total amount of waste<sup>1,2,4</sup>

306-2

in tonnes	2020	2019	2018
Total hazardous waste	4,256	4,265	4,345
Recycling of materials	3,249	3,219	3,265
Thermal recovery	308	345	314
Disposal (landfill)	699	701	766
Total non-hazardous waste	10,277	11,853	12,147
Recycling of materials	8,050	8,937	9,045
Thermal recovery	1,105	1,528	1,508
Disposal (landfill)	1,122	1,388	1,594

2 The figures are partially estimated and have been adjusted to reflect the better data available and subsequent corrections of previous years.

3 Emission factor sources: IEA, DEFRA and local energy suppliers.

4 2018 and 2019 excluding the UK.

## GRI-INDEX

102-54; 102-55

The chapter "Non-financial declaration according to the CSR Guideline Implementation Act" was prepared in accordance with the GRI Standards.

### General Standard disclosures

GRI indicator	Indicator name	Page	Topic from materiality analysis
<b>Organisational profile</b>			
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202-2	Regionally-hired management	27	Good employer
<b>Anti-corruption</b>			
205-1	Operations assessed for risks related to corruption	19	Compliance & corruption
205-2	Communication and training about anti-corruption policies and procedures	19	Compliance & corruption
205-3	Confirmed incidents of corruption and actions taken	19	Compliance & corruption

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<b>Energy</b>			
302-1	Energy consumption within the organisation	32	Energy (consumption & renewable energies)
302-5	Reductions in energy requirements of products and services	29 f.	Environmentally friendly products / Customer satisfaction, competitive standing, R&D
<b>Emissions</b>			
305-1	Direct (Scope 1) GHG emissions	32	Energy (consumption & renewable energies)
305-2	Energy indirect (Scope 2) GHG emissions	32	Energy (consumption & renewable energies)
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306-2	Waste by type and disposal method	32	Waste & recycling

**Specific Standard disclosures – social**

GRI indicator	Indicator name	Page	Topic from materiality analysis
<b>Supplier environmental assessment</b>			
308-1	New suppliers that were screened using environmental criteria	20	Transparency in the supply chain
<b>Employment</b>			
401-1	New employee hires and employee turnover	24	Good employer
<b>Occupational health and safety</b>			
403-2	Hazard identification, risk assessment and incident investigation	25	Occupational health and safety
<b>Training and education</b>			
404-2	Programme for improving employees' skills	25	Training and development
<b>Diversity and equal opportunities</b>			
405-1	Diversity of governance bodies and employees	27	Good employer
405-2	Ratio of basic salary and remuneration of women to men	27	Good employer

GRI indicator	Indicator name	Page	Topic from materiality analysis
<b>Child labour</b>			
408-1	Operations and suppliers at significant risk for incidents of child labour	20	Transparency in the supply chain
<b>Forced or compulsory labour</b>			
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	20	Transparency in the supply chain
<b>Supplier social assessment</b>			
414-1	New suppliers that were screened using social criteria	20	Transparency in the supply chain
<b>Customer health and safety</b>			
416-1	Assessment of the health and safety impacts of product and service categories	22	Product quality & enhancement/ Customer health & safety
<b>Socioeconomic compliance</b>			
419-1	Non-compliance with laws and regulations in the social and economic area	19	Acting within the law
<b>Supply chain</b>			
own indicator		20	Material compliance