

Linde Material Handling

*Linde*

LINDE MATERIAL HANDLING

# SUSTAINABILITY REPORT 2020







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At Linde Material Handling, we believe that sustainability has finally become an all-encompassing need. There is clearly no going back, only forward. For us, this means being a responsible and reliable partner and developing state-of-the-art technologies and solutions to support our customers in reaching their sustainability goals. In other words, we want future generations to have both the resources and the ability to meet their own needs.







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# Selected key figures

For all key figures and data see → [Annex](#).

| Key figures   | 2020                       | 2019                       | Change 2020/2019 |
|---|----------------------------|----------------------------|------------------|
| <b>Company profile</b>  |                            |                            |                  |
| Revenue   | €3,145.4 million           | €3,518.2 million           | -10.6%           |
| Net income  | €129.8 million             | €169.2 million             | -22.3%           |
| <b>Products and solutions</b>   |                            |                            |                  |
| Number of orders for electric industrial trucks (Linde MH in EMEA)                            | 75,117                     | 80,656                     | -6.9%            |
| Number of used industrial trucks sold   | 31,648                     | 31,782                     | -0.4%            |
| Level of ISO 9001 certification (plants as well as sales and service locations)               | 84%                        | 94%                        |                  |
| <b>Environment</b>  |                            |                            |                  |
| Level of ISO 14001 certification <sup>1</sup> (plants as well as sales and service locations) | 75%                        | 81%                        |                  |
| Total energy consumption  | 867,582 GJ                 | 1,019,564 GJ               | -14.9%           |
| Greenhouse gas emissions (Scope 1,2,3) <sup>2</sup>   | 66,544 t CO <sub>2</sub> e | 92,041 t CO <sub>2</sub> e | -27.7%           |
| Total water consumption   | 105 million litres         | 136 million litres         | -22.8%           |
| Total waste produced  | 23,319 t                   | 26,560 t                   | -12.2%           |
| <b>Employees</b>  |                            |                            |                  |
| Employees <sup>3</sup>  | 10,582                     | 10,963                     | -3.5%            |
| Personnel expenses  | €648.3 million             | €704.5 million             | -8.0%            |
| Percentage of female employees  | 16.2%                      | 16.6%                      |                  |
| Number of apprentices   | 334                        | 376                        | -11.2%           |
| Level of ISO 45001 certification <sup>1</sup> (plants as well as sales and service locations) | 59%                        | 77%                        |                  |
| Illness Rate <sup>4</sup>   | 3.5%                       | 3.2%                       |                  |
| Lost Time Injury Frequency Rate <sup>5</sup>  | 10.9                       | 10.3                       |                  |

<sup>1</sup> Or equivalent standard

<sup>2</sup> Data is market-based; Scope 3 covering energy-related other indirect emissions (category 3)

<sup>3</sup> Number of employees (full-time equivalents) as at balance sheet date 31/12/

<sup>4</sup> Absence days due to illness or occupational accidents related to planned working days of active employees

<sup>5</sup> Occupational accidents with one or more working days lost per million hours worked

# Targets and performance indicators

More details on target status in the respective chapters of this report.

| Topics  | Aspects  | Targets and KPIs   | Target year   |                   |
|---|--|--|---|-------------------|
| <b>LINDE MH STRATEGY 2027</b>                         | Sustainable Business Development                                     | Customer requirements  | EcoVadis rating ≥ 75  | 2027              |
|   | Occupational health and safety                                       | Accident frequency   | Limit: 10.2<br>Reduction of <b>accident frequency</b> by 5% p.a. (based on limit; long-term: Vision Zero) | 2021<br>Per annum |
|   |  | Management systems   | 100% <b>certification rate ISO 45001</b> <sup>1</sup> by sites  | 2024              |
|   |  | Illness rate   | <b>Illness Rate</b> within limit of 3.3   | 2021              |
| Employer attractiveness                               | Decent work  | No <b>cases of non-compliance</b> with KION Group International Minimum Employment Standards   | ongoing   |                   |
|   | Employee satisfaction  | ◇  | ◇   |                   |
|   | Diversity  | <b>Proportion of women:</b> 16.7% on the Supervisory Board <sup>2</sup> / 33.33% on the Executive Board <sup>2</sup> / 10% of first-level executives <sup>2</sup> / 20% of second-level executives <sup>2</sup>                                    | 2021  |                   |
| Product climate change mitigation                     | Composition of product portfolio                                     | Development toward an <b>electric-focused portfolio</b> incl. battery and fuel cell-driven products: ◇   | ◇   |                   |
|   | CO <sub>2</sub> emissions of products and solutions during use phase | CO <sub>2</sub> neutrality of products and solutions during use phase (in <b>Scope 3 GHG emissions in tons of CO<sub>2</sub>e</b> caused by Linde MH's annually shipped products and solutions)  | ◇   |                   |
| Product efficiency                                    | Efficiency   | ◇  | ◇   |                   |
| Enhancing customers' safety                           | Accidents at customers   | ◇  | ◇   |                   |
|   | Material safety  | ◇  | ◇   |                   |
| Climate change mitigation                             | Total energy-related GHG emissions of own operations                 | 30% <b>absolute reduction of total energy-related GHG emissions of own operations in tons of CO<sub>2</sub>e</b> compared to 2017  | 2027  |                   |
|   | Management systems   | 100% <b>certification rate ISO 14001</b> <sup>1</sup> by sites   | 2024  |                   |
| Environmentally and socially responsible Supply chain | Transparency on sustainability of supply chain                       | <b>EcoVadis or equivalent</b> Corporate Social Responsibility performance rating available for: 25% top spend of strategic suppliers <sup>3</sup> / 100% of strategic and high-risk suppliers <sup>3</sup> / 100% of direct suppliers <sup>3</sup> | 2022<br>2023<br>2025  |                   |
|   | Minimum sustainability requirements for supply chain                 | <b>Definition and communication of minimum EcoVadis or equivalent score</b> for all suppliers <sup>3</sup><br>Minimum EcoVadis score requirement mandatory for all suppliers <sup>3</sup>  | 2023<br>2027  |                   |

<sup>1</sup> Or equivalent standards

<sup>2</sup> Refers to Linde MH GmbH

<sup>3</sup> Company group rating or site rating

◇ Currently defined on a Group level



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# ABOUT US

## Sustainability means taking responsibility

As one of the most established companies in our industry, we know the value of a sustainable, long-term approach. That's why we have long balanced environmental, social and economic aspects in what we do – and why we made sustainability a cornerstone of our strategy in 2019.

As part of the KION Group, we are building on the Group's values, guidelines and principles. Based on these, we have established a consistent sustainability management system with clear responsibilities, ambitious targets and a systematic, data-based approach. We also have effective compliance management in place, setting out binding rules for everyone.

Sustainability is the key factor behind what we do, and every staff member is asked to play their part – bringing ideas and innovations, knowledge and skills, and consistent action. We strive day in, day out to get closer to our goals. This is how we lay the foundation for a future worth living in, create maximum customer benefit and set the course for our company's continued success.



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# Linde Material Handling EMEA

(in this report: Linde MH) is a full-service provider committed to taking customers' complete material handling processes to the next level by providing services and products along the value chain. Our story goes back well over a hundred years – meaning our solutions reflect the highest level of engineering and unprecedented expertise.

For over 60 years now, we have been setting standards in solutions for industrial trucks, fleet management, driver assistance systems and services. Since 2006, we have been part of the KION Group.

We are market leader in the EMEA (Europe, Middle East and Africa) region and one of the world's largest manufacturers of forklift trucks and warehouse equipment. What's more, we have the biggest short-term rental fleet as well as an extensive range of high-quality used trucks.

We are where our customers are and have subsidiaries all over EMEA. Our products are manufactured in plants in Germany, France and the Czech Republic. Furthermore, our network spans more than 165 sales and service locations.

## Solutions for all intralogistics needs

We develop and produce high-performance, safe and ergonomic intralogistics solutions for our customers, based on electric and internal combustion forklift trucks, warehouse technology equipment, pallet trucks, fleet management software, automation solutions, driver assistance systems, as well as financing offers, truck-related services and operator training.

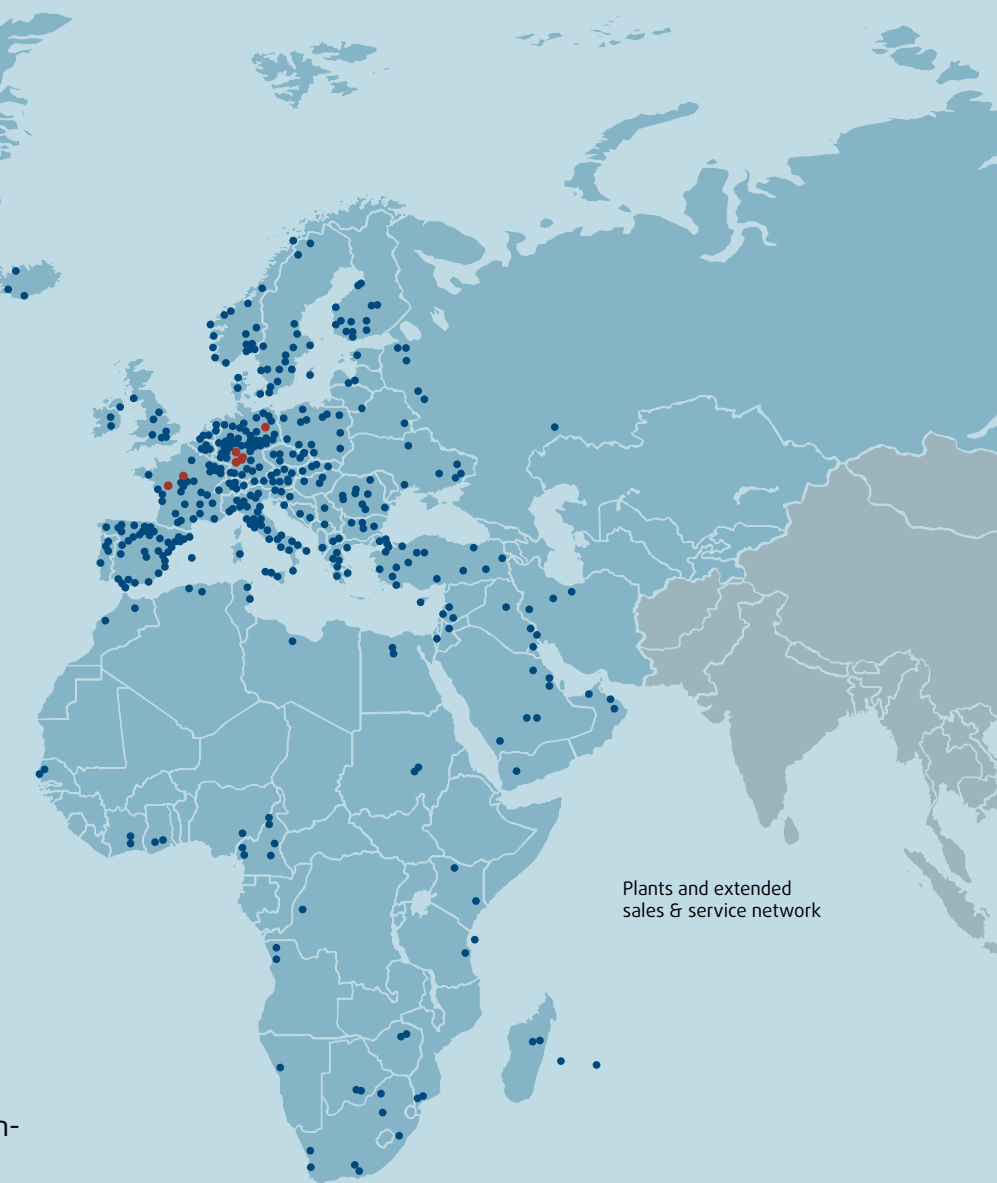
The result: a unique range of vehicles, comprising around 80 model series with up to 382 design variants and over 10,000 equipment options. Our solutions and consultancy portfolio around material handling processes always meets our customers' needs. Nothing less would do.

## Over 110 years of tradition

We trace our roots back to the beginning of the 20th century when Hugo Güldner and Georg von Krauss founded Güldner-Motoren-Gesellschaft in 1904. Three years later, the company moved to Aschaffenburg, where our headquarters are still located today. In 1929, Güldner-Motoren-Gesellschaft was taken over by Linde's Eismaschinen AG, co-founded also by Carl von Linde in 1879. The development of the first vehicle with a hydrostatic drive in 1955 and the first hydrostatic-drive forklift truck in 1959 laid the foundation for Linde's rise to become one of the world's largest manufacturers of forklifts and warehouse equipment. 1971 saw another milestone: the first electric forklift truck – a huge technical development. At the same time, the company started expanding its international presence. In 1984, for example, Linde MH added Fenwick (France) to its portfolio, making the company even more effective. In 2006, Linde MH joined the newly formed KION Group as a next step in shaping the future of intralogistics. Recent accomplishments include the first automated industrial trucks in 2015 and our Vision Zero holistic safety concept, which is highly effective in preventing accidents at work.



Hubtrac, 1959



Plants and extended sales & service network



**3,145**  
million euros

in revenue generated in 2020 (including revenue from affiliated companies outside Linde MH EMEA).



**10,699**  
people

worked for Linde MH in 2020, or 10,582 full-time equivalents (FTE).





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“Sustainability must be the guiding principle of our actions. We all have to play our part – every day, in every project and in everything we do.”

Andreas Krinninger, President KION Industrial Trucks & Services (ITS) EMEA  
(Member of the Executive Board of the KION GROUP AG)

## Sustainability at Linde MH

There are many global challenges impacting the environment, society and our company. To tackle the most severe, the UN has defined the 17 “Sustainable Development Goals” (SDG). We are aware of our responsibility to contribute to a sustainable development and hence the achievement of these goals. That is why we have integrated sustainability into our Linde MH strategy 2027. The responsible management of our business is a central theme for us and ensures that we consider our stakeholders’ expectations and deliver the solutions that best meet our customers’ needs. This focus is crucial for the future success of our customers and our own future viability. Our employees play a critical role in ensuring that our company achieves a leading position for responsible action within our industry. Sustainability is not only part of our corporate strategy but at the core of our company as we strive to promote sustainable development.

### Clear rules, clear relationships

As part of the KION Group, we develop the Group-wide rules and principles for sustainable corporate governance. We also have company-specific rules and tools in place to ensure that sustainability criteria are firmly anchored in our operating business. These include, for example, our Linde MH sustainability policy, guidelines for integrated management of quality, occupational health, safety and environment, and energy or life cycle assessments, which reliably calculate the environmental impact of our products.

→ An overview of the Group-wide principles and guidelines can be found in the KION Group Sustainability Report.

### Sustainability as part of our strategy

Since 2012, Linde MH has been working on a systematic and comprehensive sustainability approach. Today, the → KION Group sustainability strategy provides the framework for our actions. It defines specific focus topics, targets, KPIs and responsibilities for the whole Group – and therefore also for Linde MH. In this context, we are pursuing specific and further sustainability targets and have established an effective management system that covers a total of 14 sustainability action fields. Our sustainability targets can be found in the → target overview on page 3.

Figure 1. Strategic goals Linde MH 2027



With our sustainability approach, laid out in our Linde MH Sustainability Policy, we go one step further, making sustainability a guiding principle of our actions. We integrated this aspiration in our corporate strategy Linde MH 2027 for the first time in 2019. Extending up to 2027, the strategy focuses on four overarching strategic goals: Sustainability is one of them.

→ Linde MH Sustainability Policy



“By integrating sustainability into our corporate strategy, we are sending a clear message. Sustainability has become another yardstick

to measure our success, as well as for our company’s viability going forward.”

Hans-Georg Connor,  
Director Health, Safety & Environment Linde MH



0

With our Vision Zero holistic safety concept, we are aiming to systematically reduce the number and frequency of accidents at work to zero in the long term. → Concrete annual targets support this process.



75+

With a rating of 75 points or more until 2027, we aim to maintain at least an EcoVadis Gold status, proving our commitment to sustainability to our customers.





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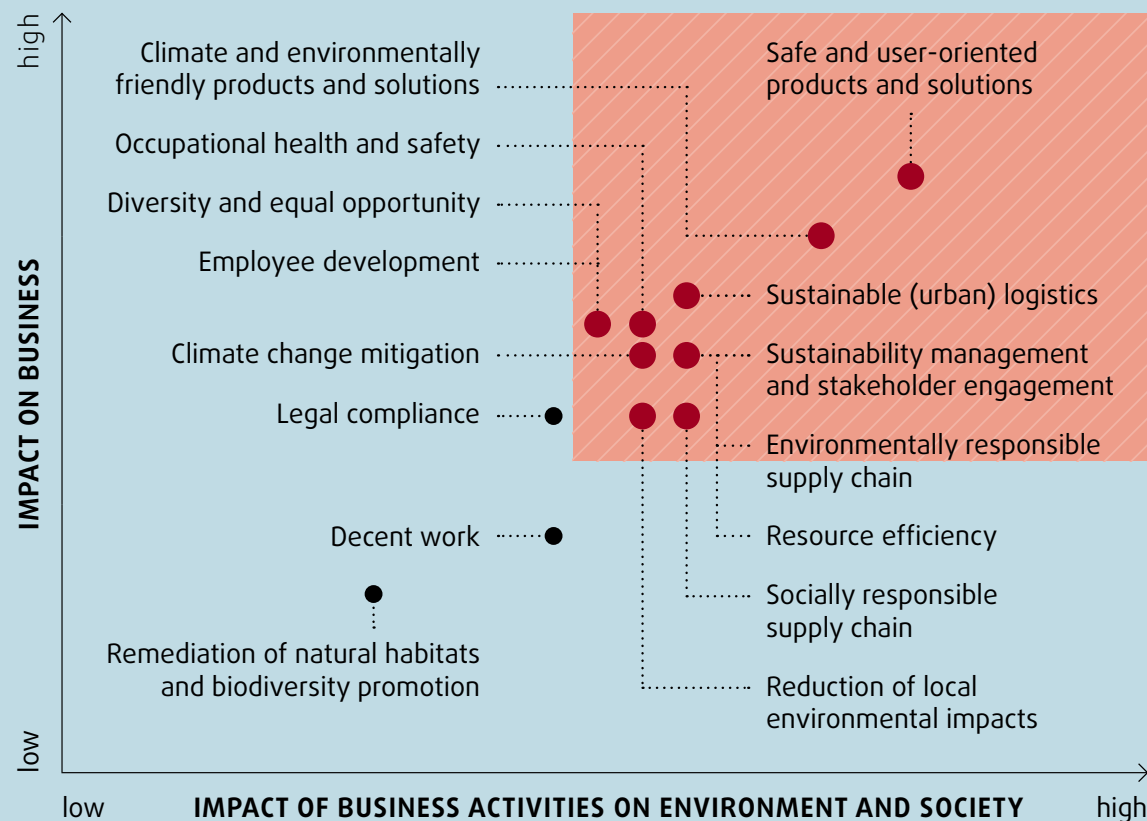
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# Starting points for our systematic actions

In 2018, Linde MH revised its original materiality assessment from 2015. Based on the United Nations' Sustainable Development Goals (SDGs), a total of 15 potentially relevant sustainability aspects were evaluated regarding opportunities and risks for corporate activities, as were the positive and negative impacts of the company's activities on the environment and society. Results from a stake-

holder survey among customers, employees and Group suppliers and investors were considered in this process. The sustainability topics identified as most relevant to Linde MH are shown in Figure 2. The safety and user-friendliness of our products and solutions together with their climate and environmental impact emerged as top priorities.

Figure 2. Linde MH materiality assessment 2018



# 14 action fields for strategy implementation

We pursue a systematic Group-wide approach comprising 14 action fields (see Figure 3.) for the operational implementation of our sustainability strategy. Derived from the strategy and material sustainability topics, our action field model is an effective management tool in which we set targets, define measures and track the development of our sustainability performance along our value chain. At the same time, it ensures we are in step with the KION Group's sustainability program. Responsibility for implementing these measures lies with the relevant managers, who are also responsible for integrating sustainability aspects into their processes.

Figure 3. Linde MH sustainability action fields





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# A Sustainability organization that works

We have established professional management with clearly defined roles, responsibilities and structures that allow us to successfully implement our sustainability strategy.

At the level of the KION Group, the Executive Board is responsible for making decisions which ensure that the company's commitment to sustainability translates into specific measures and for managing the sustainability strategy. On the Sustainability Steering Committee, the owners of the action fields and the sustainability coordinators of the operating units – including Linde MH – ensure the Group-wide consistency, ongoing development and implementation of the sustainability program.

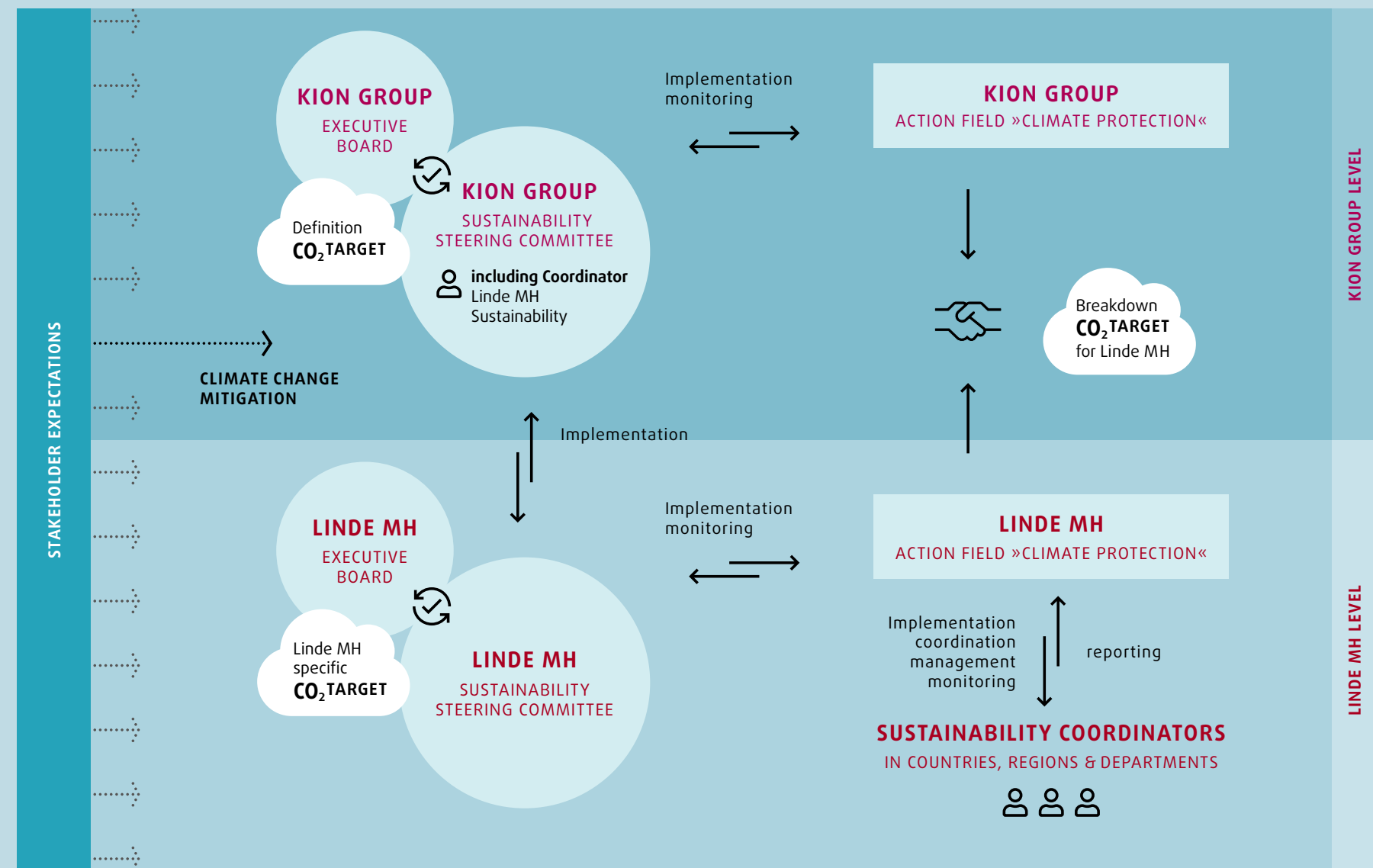
At Linde MH, all members of the Executive Board are responsible for sustainability. The Sustainability Steering Committee, led by Executive Vice President Finance, KION ITS EMEA Christian Harm, is the core element of our sustainability organization. Alongside Christoph Lautray, our Executive Vice President Sales & Service, KION ITS EMEA, members include the owners of the action fields and the regional sustainability coordinators.

Sustainability management is organized by Linde MH's sustainability coordinator, who coordinates sustainability activities and manages sustainability-related reporting and controlling and is a further driving force, developing and planning company-wide sustainability strategies and pilot projects.

The owners of the action fields at Linde MH are responsible for implementing and achieving the targets set out in the sustainability action fields as well as binding Group-wide measures detailed in the sustainability program. They manage individual projects and are supported by regional and topic-specific coordinators.

Due to organizational changes as detailed under [→ About the report](#), the described governance structure may be subject to changes from 2021 on.

Figure 4. Organizational structure using the example of climate change mitigation





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# Corporate Integrity

Linde MH stands for full compliance with laws, guidelines and voluntary codes. Our extensive compliance management system is based on the KION Group Code of Compliance (KGCC), which sets out guidelines for ethical, value-driven and lawful business activities. It also offers staff a binding framework on how to deal with coworkers, customers, business partners and the public. Available in 24 languages, it is updated as needed to ensure it always reflects the latest legal situation and the current conditions at the company.

## Acting in line with shared values

Integrity, collaboration, courage and excellence – as part of the KION Group, Linde MH shares these values, together with exemplary conduct toward coworkers, superiors, team members, customers, suppliers and applicants.

**Our shared values**

- **INTEGRITY**  
We do what is right.
- **COLLABORATION**  
We trust each other.
- **COURAGE**  
We change and innovate.
- **EXCELLENCE**  
We create outstanding customer value.

## Compliance

The KION Group’s Executive Board is responsible for a functioning, group-wide compliance management system, and its CFO is in charge of the compliance division. Compliance task performance has been delegated to the Group’s Chief Compliance Officer. Within Linde MH, the responsibility for compliance lies with the management and the managements of the local entities. Consequently, a compliance officer carries out the relevant tasks at Linde MH on a full-time basis and is supported by local compliance representatives in the subsidiaries. Compliance work focuses on prevention. In addition to clear guidelines, we offer comprehensive information and advice as well as extensive training. Staff receive ongoing, clear and comprehensive information on issues relating to compliance. Relevant clauses in contracts with dealers, consultants and suppliers also have a preventive effect.

**Consistent action against violation**

We systematically investigate all reported suspected incidents. Violations that have occurred are investigated with effective control measures – for example, regular or special audits. Any misconduct is punished with disciplinary measures. Where necessary, we adapt our compliance management system to prevent future violations.



**0**  
Number of confirmed cases of corruption and bribery.

Many of Linde MH’s digital solutions or apps, such as the fleet manager app or Linde connect, work with personal data.



“We are well aware of this responsibility and have taken appropriate measures to protect this data and ensure compliance with legal regulations. All employees in key positions have received specific training – because data protection relies on people.”

Anne Lachnit, Data Protection Coordinator Linde MH

## Data protection

Data protection and IT security are top priorities at Linde MH and regulated in a KION Group-wide data protection policy. Various Group company agreements are in place on issues such as IT security in the workplace or the management of IT systems, e-mail and the internet. We also offer models and templates for the day-to-day handling of personal data and sensitive business data.

Linde MH’s legal entities are responsible for carrying out the requirements locally. The Group Data Protection Officer reports directly to the KION Group CFO, Anke Groth. The legal entities each have data protection officers or coordinators who report to the respective management.

We use online training and regular intranet communications to familiarize our people with the basic principles of data protection, reporting requirements and the Group-wide compliance reporting system. Each incidence is also assessed for fundamental relevance so that we can continuously improve data protection.

**Comprehensive compliance training program**

We aim to provide regular training to all staff on key issues such as anti-corruption, conflicts of interest, competition law, anti-money laundering, data protection, IT security and human rights. All new employees are required to take part in KGCC e-learning. Since 2020, this has included specialized training on the KION Anti-Bribery and Anti-Corruption Policy. People without access to a PC at work receive classroom training, as do staff whose work includes particularly compliance-critical tasks, for example in sales.

In the year under review, 12,064 participants completed a total of more than 9,000 hours of online and classroom training on compliance, primarily on anti-corruption, conflicts of interest and compliance in management. Members of the works council were also trained on relevant data protection guidelines.

**Multiple reporting channels**

Actual or suspected incidents can be reported by phone, mail, email or fax. All employees and external stakeholders can also report possible compliance violations 24/7 via our whistleblowing hotline, anonymously where desired. Contact information for the reporting channels can be found in the compliance section of the → [KION Group corporate website](#).



A large group of Linde Material Handling employees, many wearing red and black uniforms, are posing for a group photo in front of a large fleet of red and black forklifts. The background shows a large industrial building with a corrugated metal facade and a large window. The employees are smiling and giving thumbs up.

# GOOD EMPLOYER

## It all starts with people.

At Linde Material Handling, more than 10,000 people worldwide are shaping the future of intralogistics. Contributing a broad range of expertise and skills, their commitment is the cornerstone of the company's future success. We intend to be a fair, attractive and responsible employer for each and every one of them – in short, we want to be "A Great Place to Work."

Clear values and transparent communication characterize our corporate culture. It is this culture that makes us strong and allows us to always offer our customers the very best in performance and quality. At Linde MH, diversity, equity and inclusion are never just empty words. We are convinced that our strength lies in a diverse workforce. We offer every staff member professional development opportunities and career prospects on a level that only a major international company can bring to the table. It goes without saying that safety and ergonomics at work also always meet the highest international standards.





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# A Great Place to Work

Those who want to make a difference join Linde MH. As an attractive employer, we offer an exciting work environment, excellent career opportunities in an international company and attractive compensation. Though we know that to motivate people to bring their 'A' game day in, day out, you have to offer interesting projects, long-term prospects, great team spirit and plenty of individual opportunities to grow. Diversity also plays a key role. We know we have to do more here – and we want to do better, particularly when it comes to balancing work and home life. Hence, we incorporated the aim to be a great place to work in our → [Linde MH strategy 2027](#) as one of the four overarching strategic goals.

Our HR strategy ensures we have enough expertly trained, highly motivated employees in all areas of the company at all times.



Our Recruitment Center, home also to our revised graduate marketing department, will play a leading role here. We have also strengthened our talent management unit to better identify and develop in-house talent. For instance, we have introduced a trainee program as well as mentoring programs for young high-potentials. Plus, we are planning to expand the Linde Training Center to offer our team even better training courses, particularly in automation and digitalization.

Another highlight in 2020 was the Group-wide introduction of a standardized HR IT system, which increases efficiency in HR and corporate management tasks and the quality of information to managers and employees.

# A framework of clear rules

Our global HR principles are anchored in regulations, including our Minimum Employment Standards and Diversity Principles. They also guide our HR activities, such as the design of training and development programs, career opportunities, employee surveys and share plan schemes. The KION Group Code of Compliance sets the framework for legally compliant and ethical employee behavior.

Like the entire KION Group, Linde MH has minimum employment standards in place. Based on the core labor standards of the International Labour Organization, these ensure freedom of association and

the right to collective bargaining. They are mandatory against forced or compulsory labor and child labor and prohibit discrimination in employment or occupation. They also represent the core human rights we are committed to respecting. The KION Group also stands for high occupational health and safety standards worldwide and is committed to a remuneration which is appropriate to national industry sector standards and by all means ensuring a subsistence level of income. As in previous years, no major incidents of non-compliance with minimum employment standards were reported in 2020.



**71** Organizational Health Index (OHI)

A powerful road map for achieving improvements, the Organizational Health Index measures and tracks the organizational elements that drive performance. One way to do this is comparing results with benchmark figures from other companies. The 2019 OHI findings were reviewed in 2020 by all units in all countries, leading to individual action plans for further improvements.



**10,699** people

were working on the future of intralogistics at Linde Material Handling in 2020. On average, they have been with us for about 12 years!



**16.3%** women in the company

We still have a long way to go to get this number up. But we have made consistent progress over the past few years.

→ Further Human Resources figures can be found in the Annex





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# Team Linde MH against the pandemic

2020 brought unprecedented challenges also for Linde MH. Looking back, we feel we dealt successfully with the pandemic. From new company agreements to additional hygiene and occupational health and safety (OHS) measures or more flexible working hours, e.g. adjusted shift schedules and working from home, we agreed on and implemented the necessary changes in no time at all. The goals: to both safeguard employees' health and minimize the impact of a pandemic-related drop in sales. This way, we managed to prevent any outsourcing or redundancies.

A key factor was our strong culture of co-determination with the works council. Internal consensus has long been a top priority for us. We engage with one another and coordinate our actions, and this important part of our corporate culture really paid off during the pandemic.

## Onboarding in difficult times

Onboarding new people quickly and smoothly is vital for any company – and definitely a strength of Linde MH. Even during the pandemic, we forged ahead with various national and international programs.



### Two examples

**UK:** Despite the pandemic, Basingstoke hosted their second big welcome event for new staff. They all met at the site for a day and were welcomed by Linde MH UK management, respecting all required hygiene measures.

**ITALY:** Considering the strategic importance of onboarding for employee success and engagement, Linde MH Italia started in 2020 to customize people's early days. The new digital onboarding process, 'Welcome to Linde Italia', gives them a comprehensive overview of the company's goals and values.

## Employees & management working together

National laws dictate how employees are included via co-determination and how works councils are formed at company and cross-company levels. The Linde MH management and works council meet regularly to discuss day-to-day matters. Representing the interests of the EU workforce on cross-country topics, the European Works Council meets with KION management at least three times a year and up to an additional three times as needed.



## Investing in the future and committed to our people

A good example of how well consensus decisions work at Linde MH is the Kahl site: A total investment of 50 million euros will be made and the location is about to become a true model facility and high-tech showcase. Equipped with state-of-the-art technologies from Dematic and Linde MH, the new spare parts distribution center

will go into operation in 2024. It is worth noting that, in cooperation with the works council, we managed to prevent redundancies and guarantee job security at the site until December 2025. So despite the pandemic, we have charted the course for a successful future of the site while offering people attractive career prospects.



**Christoph Hotopp**, Vice President Spare Parts Operations  
KION ITS EMEA

"Kahl will become a model site – and a showcase for all we have to offer."



**Özcan Pancarci**, Chair of the Works Council  
(Linde MH headquarters and Aschaffenburg plant)

"The Kahl decision opens up great potential to safeguard employment and also to shape the future."



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# Continuous learning guaranteed

Employee development is a top priority in the KION Group's HR strategy. Group companies co-operate closely on talent management as well as qualification and development programs. The Organization Capability Talent Review (OCTR), a powerful process based on a skills model and the KION Group's values and management guidelines, aims to place and promote people in line with their potential and skills. Measures are open to all employees.



Numerous courses on methods, foreign languages and specialist topics help our team of more than 10,000 people to adapt quickly and efficiently to new requirements. Among the most popular offerings right now are "Lateral leadership" and "Bringing agile methods to life."

We are also preparing the rollout of the new Workday learning functionalities for Linde MH. The online tool will give staff access to courses, videos and files as well as their own learning history, and a way to submit new topic suggestions

## Training – Facts & Figures (2020)

 **334 apprentices**  
in 14 occupations all over Europe

 **30 students**  
in 10 for-credit dual-course college programs at Linde MH Germany

 **40\* interns**  
at Linde MH Germany

\* Lower number than in former years due to pandemic regulations.

## Excellent chances to grow

Our development programs cover all employment groups and range from young talent to experienced managers.

**GROW@Linde** focuses on high-potentials who have not yet held a management role. In the program, they learn to build an international network and work with a 'learning buddy' from another country and business unit. Participants are selected with a view to ensuring a highly diverse group. A first online-only module started in February 2021.

**LEAD@Linde**, a program designed for experienced managers with complex tasks, is also intended to support the development of international networks. Participants are nominated by their superiors; the selection is validated via the annual OCTR process.

## Vocational training at its best

We offer young people a career with great prospects to advance. No company has educated more young people in the Aschaffenburg region, seat of the company's headquarters, than Linde MH in the past 75 years. We also offer extensive vocational training programs in Spain, the UK and France.

Besides vocational training, we also offer internships in Germany and abroad to help young people learn about intralogistics. We support students in their Bachelor's or Master's theses by matching them up with our logistics experts. Also available are training opportunities in ten different dual study courses, business or engineering, that combine academic classes with vocational training at the company, resulting in a Bachelor's degree.







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# Diversity is an asset

Diversity, equality and inclusion are an integral part of our HR work. We believe everyone deserves the same chance to realize their potential and grow professionally.

We respect the personal dignity of all individuals and value our people regardless of gender, ethnic or religious affiliation, age, culture or other characteristics. We have rules and guidance in place to make clear that discrimination, bullying and harassment have no place in our company. Misconduct is always sanctioned, as is any other breach of the KION Group Code of Compliance.

### Zero tolerance for discrimination

Anyone who experiences or observes discrimination, bullying or harassment is encouraged to contact the Germany Linde Compliance Committee. The independent body with six members from across the company receives and investigates reports and provides support and assistance to anyone affected. Its main aim is to create a 'speak-up culture' for all employees, leaving no room for discrimination.

Local Compliance Committees are also active at other Linde MH sites. Naturally, our team also has access to the KION Group's official reporting channels, such as the anonymous whistleblowing hotline.



"We want to empower all individuals to report incidents and stand up for one another."

Beata Scheer, Chair of the Linde Compliance Committee

### Accessibility in the workplace

We want everyone to be able to achieve their full potential at work and constantly strive to create an accessible workplace. We also have systems in place to ensure continued employment in the event of constraints and to facilitate workplace reintegration. Where possible, we also award contracts to organizations that operate sheltered workshops.

In France, Fenwick-Linde has been promoting the employment of disabled people for twelve years. We have now drawn up disability guidance with the aim of combating stereotypes and raising awareness among managers. For example, we ensure the recruitment process is accessible and consider how positions can be adapted to meet individual needs.



**61 different nationalities** are represented in our workforce.



**6.8% women in executive positions<sup>1</sup>** of which 0% in senior executive management<sup>1</sup> of which 10.3% in executive management<sup>1</sup>



**83/100 points** were achieved by Fenwick-Linde on the French government's professional equality index in 2020. The high score reflects our subsidiary's great commitment to attracting women to engineering and business positions, making sure they get the support they need. Alongside training, this includes financial assistance with childcare.



**12 years** is the average length of service at Linde MH.

→ Further Human Resources figures can be found in the Annex

## Gender equality

Linde Material Handling, just like the rest of the KION Group, aims to increase the proportion of women in the company, particularly in management. Our clear goals<sup>1</sup> include, for instance for 2021, a target proportion of women of 16.7% for the Supervisory Board and 33.3% for the Executive Board as well as 10% for first-level and 20% for second-level executives. We also consistently analyze equal pay here at Linde MH. For targets and target achievement at Group level, please see the Annual and Sustainability Reports.

Linde MH runs a number of programs, including 'Anna+Cie' for female managers. The year-long program involves several training modules in a diverse group with participants from different departments, industries and countries as well as mentoring by a manager from outside the company.

Throughout the Group, the KION Female Mentoring Program provides targeted support for women who are senior executives or on track to become one in the near future. In 2020, two Linde MH employees took part in this program.

As of 2019, the KION Group has also been part of a German equal opportunity network under the patronage of Chancellor Angela Merkel, which brings together leaders from business, academia, the media and the public sector.

<sup>1</sup> Refers to Linde MH GmbH



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# Creating a great place to collaborate

Multiteam systems, upskilling, knowledge sharing – today’s workspaces demand lots of flexibility and communication options. At the same time, workplaces must meet the highest international health, safety and ergonomics standards. That’s why we design workspaces in line with the latest guidance – because we know that great performance needs a great work environment.



 **78%**  
of Linde MH employees can share in the company’s success via the KEEP program.

### Modern and attractive workspaces

At Linde MH, we want our work environments to reflect the corporate identity. Our flexible, collaborative spaces create settings that support active communication and cross-unit collaboration. The implementation of the concept is mandatory for all new branches and structural adaptations in existing premises, e.g. currently in Germany and Slovakia. This also applies to our clean-desk policy, which allows us to implement top safety requirements, whilst also enabling maximum flexibility. The “KION Next Generation Workplace” IT setup gives all staff access to uniform software and hardware, and furnishings are largely standardized as well. This makes it easy to change places quickly and flexibly and where a move is necessary, the furniture can stay put.

## Work from anywhere

The ability to work efficiently and flexibly from anywhere promotes work-life balance. Since 2012, a teleworking agreement has been in place for German sites. It regulates working from home on agreed days as part of the contract. In light of the Covid-19 pandemic, the regulations have been made as flexible as possible so that everyone who can work remotely is encouraged to do so.

At Linde MH, remote working is organized differently due to country-specific requirements and regulations. Fenwick-Linde in France, for instance, has a collective agreement for teleworking as well as a flexi-time scheme which includes the option to take half a day off per month. On top of that, staff can also contact an external expert for psychological support. Those with disabilities get an extra day off and parents are granted parental leave when their child is ill. Similar agreements are in place in the UK and are set to be expanded going forward.

## Compensation and benefits

All our workforce is compensated fairly in line with market conditions and performance. Compensation is reviewed annually and adjusted as necessary to reflect individual performance and qualifications as well as potential changes in conditions.

Our compensation models vary, depending on national labor market conditions and legislation. Collective agreements govern wages and salaries in many countries and for large parts of our workforce. Minimum wage requirements are always observed. Of course, as many of our people are highly qualified, remuneration usually falls well above the minimum wage. Depending on local conditions, extra benefits may supplement compensation – including pension, insurance and healthcare plans. For example, as of 2013, our employees have had the option of sharing in the KION Group’s success through the KION Employee Equity Program, or KEEP for short. The program was temporarily suspended due to the pandemic, but it will be continued going forward.

## Healthcare at work

Prevention is our number one priority when it comes to our employees’ health.

### Three German examples:

At Linde MH HQ, we launched a varied 20-minute active exercise break in 2019, led by a physio-therapist. In the first 12 sessions, up to 120 people went through the selected exercises, which are easy to integrate into everyday working life. This program will restart after the pandemic.

→ [Learn more about occupational health and safety at Linde MH](#)

At a very successful Health Day at our Aschaffenburg plant, visitors were able to put their coordination to the test, learn about healthy eating and take part in a range of taster courses centered around exercise and prevention.

September 2019 saw us launch an ‘active break’ pilot project at our plant in Aschaffenburg. Workers were trained by sports scientists before guiding their colleagues through a sports program directly at the production line during dedicated break times. The exercises are designed to relieve joint strain and loosen up strained muscle groups. The initiative will restart after the pandemic.



A worker in a silver heat-reflective suit is operating machinery in a factory. Sparks are flying everywhere, creating a bright, orange-red glow. Another worker in a similar suit is visible in the background. The scene is industrial and high-contrast.

# HEALTH, SAFETY, ENVIRONMENT

## We take responsibility long-term!

One of our top priorities is to minimize our impact on people and the environment. That's why we have a comprehensive management system in place to cover all aspects of health, safety and environmental protection. What's more, we have dedicated multiple action fields in our sustainability program to making sure this is the case. As an employer, we see it as our responsibility to prevent accidents and occupational illnesses, and keep our people fit and well in the long term. As a manufacturing company, we are committed to affecting the environment as little as possible and to using available resources responsibly. That's why we focus on energy use and minimizing CO<sub>2</sub> emissions as well as local environmental impacts such as water use and responsible waste treatment.





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# One of our top priorities

Here at Linde MH, Health, Safety and Environment (HSE) are always a top priority and we are determined to be industry leaders. A Group-wide standard, the KION Group HSE Policy, provides the general guideline for Linde MH’s HSE activities. It is derived from the KION Group Code of Compliance and commits the company to:

- comply with all national laws and standards to which we are subject in the course of our global operations,
- make efficient use of energy and commodities,
- use materials, products and processes that are consistent with best environmental practice, reduce waste through better use of raw materials and recyclable materials, and
- take responsibility for employee health, creating a safe work environment and training staff accordingly.

Additional binding regulations for all Linde MH employees are set out in the Integrated Management Guidelines, which have been in place since 2018. These cover quality and HSE as well as energy. In addition, some legal entities have also developed specific policies to further clarify content and take local conditions into account.

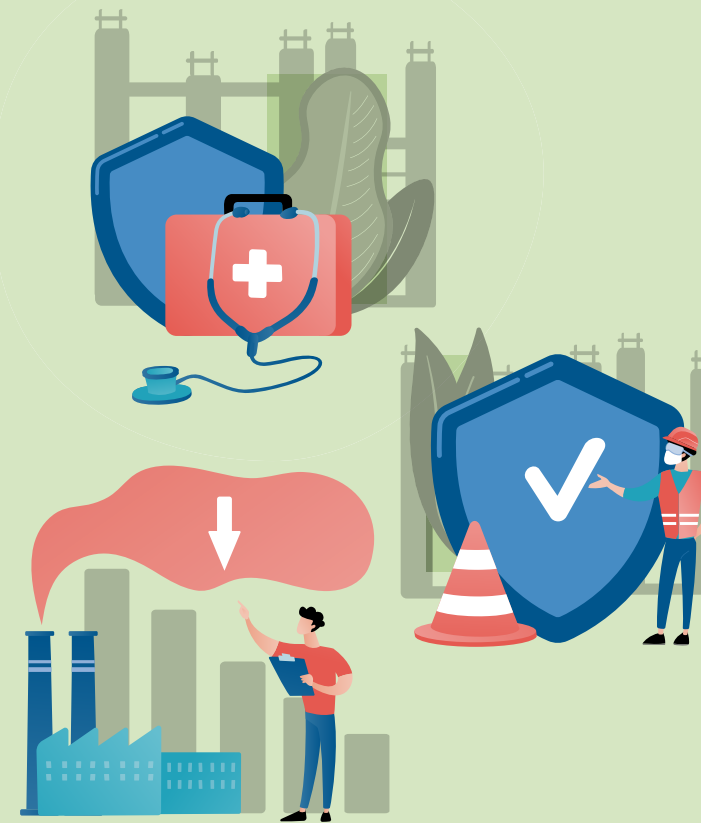
## Established minimum standards

A Group-wide minimum HSE standard has been in place since 2018. It can be viewed by all employees on the intranet. Additional HSE regulations have been specifically set out for the legal entities as well as the sales and service companies. These consider regional and local specifics within the framework of the Group-wide standards. Like these, specific rules and regulations are continuously adapted to new conditions.

At Linde MH, the Group-wide minimum standards provide the guidelines for the operational HSE implementation. Not only do these detailed regulations meet European Health and Safety requirements,


they often go above and beyond. This is because we always aim to ensure that our team can do their work safely and our environmental impact is kept to a minimum.

Based on these minimum standards, all Linde MH workplaces undergo comprehensive risk assessments, from production and offices to the conditions of our service technicians deployed to our customers’ premises. After all, we want our people to come to work healthy and go home healthy – without any occupational illnesses at the end of their working lives.



## Certification and audits


HSE certifications and frequent audits ensure that all relevant HSE data is available in the required quality at all times so that corrective action can be taken quickly if necessary. The assessment results also provide important points of reference for the strategic development of future activities. We have also set ourselves the goal of having all our sites → certified in accordance with ISO 45001 and ISO 14001 by 2024. More than two thirds of our employees are already covered.

 **10.9**  
was the Lost Time Injury Frequency Rate at Linde MH in 2020. In 2021, it should go no higher than 10.2 and thereafter decrease by at least 5% a year. In the long term, our vision is 0 accidents.

 **3.5%**  
was the Illness Rate at Linde MH in 2020.

 **72%**  
of employees are covered by ISO 45001 certifications.

 **87%**  
of employees are covered by ISO 14001 certifications.

 **66,544 t CO<sub>2</sub>e**  
of direct and energy-related indirect greenhouse gas emissions (Scope 1, 2 and 3 category 3; market-based) were caused at Linde MH.

→ Further HSE figures can be found in the Annex





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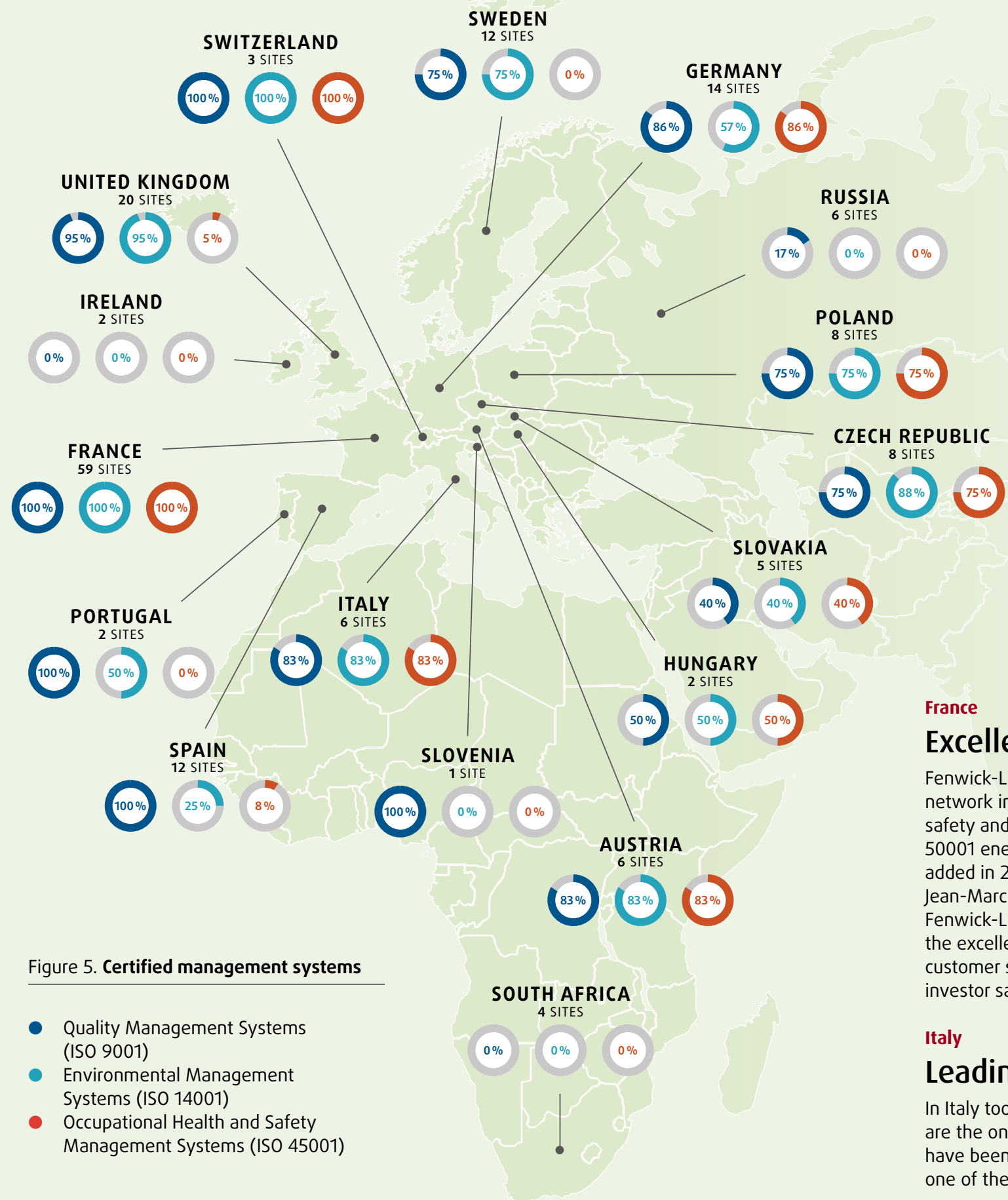


Figure 5. Certified management systems

- Quality Management Systems (ISO 9001)
- Environmental Management Systems (ISO 14001)
- Occupational Health and Safety Management Systems (ISO 45001)

# Best-practice HSE

To strategically minimize HSE risks while leveraging efficiency potential, Linde MH has HSE management systems in place across all relevant legal entities. This gives us the basis for targeted further development across the key fields of action, thanks to clear and comprehensible processes as well as consistent documentation of standards met. In these efforts, external certification is key. Our management systems are certified in accordance with internationally recognized environmental, quality and occupational health and safety standards, such as ISO 14001 (environment), ISO 45001 (occupational health and safety), ISO 9001 (quality) and for especially energy-intensive entities ISO 50001 (energy). For our certification targets see the → [target overview](#) at the beginning of this report.

**84%** of our sites are ISO 9001 certified<sup>1</sup>.

**75%** of our sites are ISO 14001 certified<sup>1</sup>.

**59%** of our sites are ISO 45001 certified<sup>1</sup>.

**54 sites** are ISO 50001 certified<sup>1</sup>. These sites cover 59% of our energy use.

<sup>1</sup> or equivalent

## France

### Excellence times four

Fenwick-Linde’s headquarters and distribution network in France have been certified for quality, safety and the environment since 2008, with ISO 50001 energy management system certification added in 2020.

Jean-Marc Avanzini, Senior Director Strategy Fenwick-Linde: “These certifications recognize the excellence of our system across four points: customer satisfaction, respect for the environment, investor satisfaction and team spirit.”

triple certification. Occupational health and safety is at the heart of our work, as evidenced by our OHSAS 18001 certification.

Giuseppe Giglio, EHS and Facility Manager, Linde MH Italia: “Our people often work directly with customers. Our clear rules on occupational health and safety ensure that the risk of accidents and injuries on site is as low as possible.”

## UK

### Safety in the matrix

“Based on a matrix, Linde MH sites in the UK have been certified to ISO 9001 and 14001 standards, as well as ISO 45001 since 2018. Recertification is planned for 2021.” Alan McEntaggert, Manager HSE, Linde MH UK

## Italy

### Leading the way in HSE

In Italy too, Linde MH is at the forefront of HSE: We are the only manufacturer of industrial trucks to have been Q.S.A.-certified since 2014, making us one of the very few companies in Italy to hold this



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# Occupational safety – our goal: Zero accidents

Linde Material Handling  
*Linde*

**1. I live safety**

**2. I demand safety**

**3. I train safety**

**4. I communicate safety**

**5. I am responsible for others and myself**

5 GOLDEN RULES

We want to reduce the number of occupational accidents to zero, a target anchored in our corporate strategy as a key sustainability goal. A KPI here is the Lost Time Injury Frequency Rate (LTIFR\*), which currently stands at 10.9 and is not expected to exceed the limit of 10.2 in 2021. Going forward, we aim to reduce this limit and hence the accident frequency by at least 5% a year. Since 2019, the Group-wide ‘Golden Rules of Occupational Safety’ have helped us achieve our aims. They provide managers with specific instructions on how to further improve occupational safety and are communicated widely throughout the company, with initial successes already reported.

\* Calculation is based on actual number of lost time injuries (work-related accident resulting in loss of one full working day or more) and total number of actual working hours in the reporting period relative to one million hours worked.



## Group-wide HSE risk assessment

In 2017, a first HSE site risk assessment was carried out, looking at respective focal points of activity on site, existing facilities and the management system in place. Based on these factors, the KION Group, including Linde MH, is classified as medium risk in terms of HSE across all industries.

This one-off assessment has since evolved into an ongoing tracking process. We aim to continuously update the risk assessment criteria and carry out high-impact assessments for new sites.



“For me personally, the issue of safety has been at the forefront of my mind for decades – whether it’s the customer’s safety or in-house. Fortunately, in the EMEA sales department, we were able to reduce our accident rate in the period from 2018 until end of 2020 by 23 percent – that’s fantastic!”

Christophe Lautray, Executive Vice President Sales & Service, KION Industrial Trucks & Services EMEA

 **0**  
Fatal work accidents

 **190**  
Lost Time Injuries (LTI)

 **10.9**  
Lost Time Injury Frequency Rate (LTIFR)

→ Further occupational health and safety figures can be found in the Annex





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# The power of motivation

Motivation is the driving force behind HSE. So, we use everything we've got to raise employee awareness of the importance of this issue. Our internal communications range from comprehensive HSE intranet services to the Group-wide KION HSE Championship to celebrate the best teams each year.

## Safety for Sales & Services

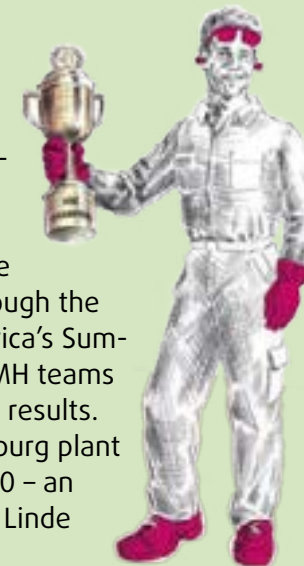


More than 7,400 of our service employees make sure that Linde trucks are always ready for use. Repair and maintenance are often carried out directly on our customers' premises. To ensure optimum occupational health and safety for our people away from our sites too, the Service Compendium and the Linde Service Guide tool summarize key aspects and guidelines for safe off-site work and provide specific advice for practical implementation at the customer. Besides creating safe working conditions, they also address the ergonomic design of workplaces and service vans.



## HSE Championship

Every year, the best HSE achievements are celebrated in the KION HSE Championship. Teams from the international plants have their performance assessed year-on-year. Linde MH teams regularly top the charts, especially in terms of safety. Although the ultimate trophy went to KION North America's Summerville site in 2020, a number of Linde MH teams were once again able to show impressive results. The production line PA6 at the Aschaffenburg plant celebrated 431 days without an LTI in 2020 – an outstanding result and the best across all Linde MH production lines.



Most importantly, the championship has led to numerous innovative and original safety improvements, which are shared throughout the Group. Examples range from color-coded safety areas to special emergency and communication columns and a driving safety training to make employees' commute to work even safer.

## Safety training

All Linde MH employees receive regular occupational health and safety training. All new people have to receive an initial safety training on their very first day at work, followed by additional safety training at least once a year. The exact type of training depends on the requirements involved. Given the restrictions imposed by the Covid-19 pandemic, in 2020 training focused on staying healthy during the pandemic, including training on hygiene issues as well as working from home safely. At many German sites, mandatory online courses were put in place for all people returning to offices after a long period of working from home to brief them on new Covid-19 measures. As part of the KION-wide training program for HSE experts and managers, a comprehensive HSE training package promoting greater proactivity was offered for the first time.



**5 hours**

of health & safety training were completed on average by each employee in 2020 to improve their understanding of HSE.



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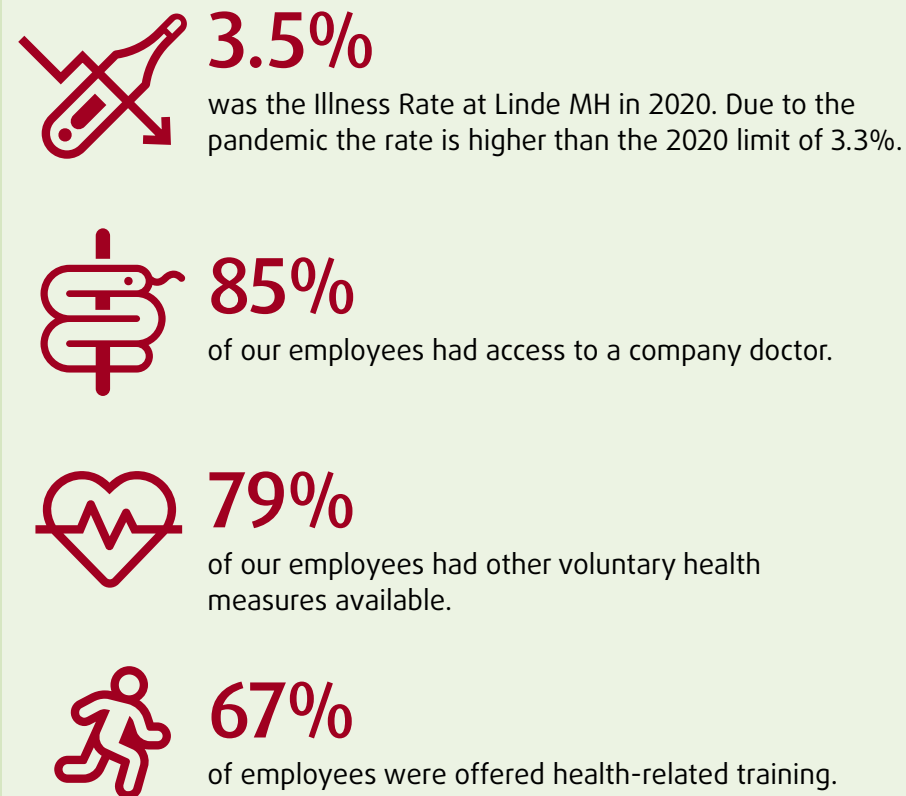
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# Good health is the foundation

Our employees' health always comes first at Linde MH. We have a broad range of measures to raise awareness of healthy lifestyles. Besides providing health-related information, we offer preventive medical checkups at many sites. For example, Aschaffenburg staff can get a health assessment by our company doctors every three years.

We regularly review the success of our measures. One health KPI is the Illness Rate\*, which amounted to 3.5% in 2020 and should not exceed 3% going forward. Corresponding programs were launched in 2019, but sadly due to the pandemic all further action had to be paused. To achieve our goal, we provide nutritional counseling, offer vegetarian meals in our cafeterias, hold lectures and run a 20-minute active → **exercise break**.

\* Calculation based on absence days due to illness and work-related accidents and planned working time of active employees, excluding long-term illness.



→ Further occupational health and safety figures can be found in the Annex

## Facing Covid-19

In 2020, our health protection activities were dominated by special protective measures against possible cases of Covid-19. We took consistent action to meet the challenges posed by the pandemic: from providing personal protective equipment (PPE) and implementing extensive health and safety training and behavioral rules, to complex infection management concepts that took into account the conditions at individual legal entities and sites. As a result of our efforts, we have kept workplace infections to a minimum.



**Example France:**

In response to the unprecedented health crisis and in strict compliance with official regulations, Fenwick-Linde took action very early on to protect the health of employees, customers and partners as effectively as possible.

“A business continuity plan was implemented at all sites, while processes and codes of conduct have been set out and are continually updated in line with general developments.”  
Jean-Marc Avanzini, Manager HSE Linde MH France

**Example Portugal:**

Linde MH Ibérica covered all bases: process guidelines for service technicians, work-from-home regulations, internal and external communications, mask and disinfectant procurement and regulations for on-site behavior at customers, as well as a gradual return to the new normal. Everything was recorded in a detailed 35-page action plan.

“This allowed us to handle the pandemic effectively and also reduced the psychological strain on our team, attested to by the fact that there has not been a single accident at Linde MH

Portugal since the start of the pandemic. This is incredible, given that the pandemic has massively increased stress and stress is a major driver of workplace accidents.”  
David Martinez, Manager HSE Linde MH Portugal



“The health and well-being of our people is our top priority – especially during the pandemic. Thanks to our consistent occupational health and safety management, we have had very few cases of Covid-19 transmission at our sites to date.”

Christian Harm, Executive Vice President Finance, KION ITS EMEA





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# Environmental management at Linde Material Handling

As part of our HSE management, we aim to minimize our environmental impact as far as possible. In particular, we want to use resources responsibly and consistently reduce our local environmental impact. Our indicator-based approach focuses on energy and greenhouse gas emissions as well as on water and waste.



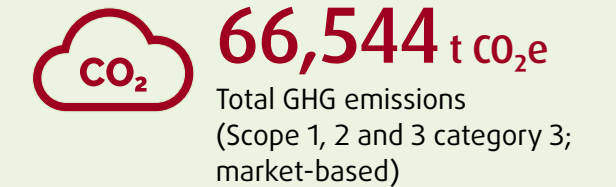
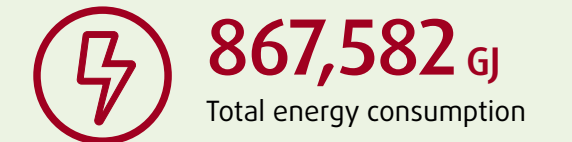
## Example: New brooms sweep clean

Every small decision counts: A special sweeper has recently been commissioned at the Weilbach site to effectively filter out the finest of dust at the foundry. Fitted with state-of-the-art filter technology, the new machine almost entirely gets rid of fine dust emissions – even particles smaller than 1 µm are removed, meaning even bacteria gets trapped in the filters. Plus, the super quiet machine only needs 40% of the old water volume and is energy-efficient.



## We are committed to environmental protection

Linde MH has, for example, been a member of the Bavarian Environmental Pact since 2006. Naturally, we also committed to the new environmental and climate pact developed based on the original and signed by representatives of the Bavarian state government and companies in October 2020. Together with over 800 partners, we want to drive climate protection, developing solutions for current environmental and sustainability issues and further advancing operational environmental and climate protection.



→ Further environmental figures can be found in the Annex





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# Climate change mitigation

Linde MH is committed to the targets set out in the Paris Climate Agreement to limit global warming to well below 2°C compared to the pre-industrial period. As part of the KION Group, we are pursuing a science-based climate target.

**30%** of our own energy-related greenhouse gas emissions (Scope 1, 2 and, to an extent, 3) by 2027. The corporate carbon footprint in 2017, based on energy use in production, sales and services, serves as a benchmark.

**79%** of Linde MH's total electricity consumption in 2020 came from renewable sources.

The majority of Linde MH's greenhouse gas emissions result from the use of energy, so this is the main lever for our climate protection activities. We aim to reduce overall energy use and drive carbon-neutral energy alternatives. In light of this, our actions are grounded in one key principle: Where we can no longer reduce CO<sub>2</sub> emissions any further, we strive to substitute them with lower-emission energy sources. Only where this is impossible do we consider compensatory measures to counteract our carbon emissions.

## Tangible action to protect the climate: Green power purchasing

Since 2020, all Linde MH plants in Germany have been purchasing electricity from renewable sources, as do Linde MH's subsidiaries in Sweden and Ireland. In a true win-win, thanks to a new electricity contract for German and Czech sites within the Group, it's not just the environment that benefits, as the switch to green energy has also resulted in significant cost savings. This great result also marks a transition to green electricity, another milestone in permanently reducing our carbon footprint.

## Reducing leaks to lower energy consumption

Leaks lead to higher energy consumption and costs, something we want to avoid for economic and environmental reasons. A mere one-millimeter leak costs around 500 euros a year in wasted energy. That's why we meticulously search for and eliminate leaks in the compressed air network, for example by replacing maintenance units, tools, shut-off valves and vents, or by replacing porous compressed air hoses. Our persistence pays off: In 2020, we replaced a large compressor with two smaller units at the Aschaffenburg plant, and annual energy consumption fell by 220,000kWh.



Dierk Stenger, Real Estate and Property, Linde MH Germany

## Cooling zone powder coating – saving energy with process optimizations

Thanks to precise process analysis, we achieved significant energy savings at the powder paint line at Linde MH's biggest plant in Aschaffenburg. A total of 20 fans and four cooling towers ensured paint shop mast cooling. Process analysis revealed that this was more than necessary to counteract the excessively high energy consumption. Cooling zone optimizations saw one cooling tower and four fans shut down, resulting in energy savings of around 25% for this process and leading to reduced electricity consumption of about 210,000kWh per year.

## Next generation of electric carpools



Since 2013, we have had four e-cars in our Aschaffenburg plant carpool. In 2020 we introduced the next generation, offering even better efficiency and range. The vehicles are still being trialed but have already shown impressively improved vehicle performance. Having these four vehicles will save around 950 liters of diesel fuel, which corresponds to around 3,100 kg CO<sub>2</sub>e.

## Technical standards for new Sales & Service branches

Technical standards for construction and building equipment have helped save energy at Linde MH's sales and service locations. These include, as for example implemented at our dealer Willenbrock in Burgwedel, energy efficient façades and alternative heating (e.g. air heat pump), LED lighting with daylight control, green roofs, insect-friendly settings and preparations to implement photovoltaic systems. A second project is our new Slovak headquarters, to be constructed to the same specifications in order to minimize energy consumption (power supply, heating, ventilation, cooling, etc.).

Existing branches are updated when building adaptations, facility renewals or new facilities are integrated. For example, a washing plant with water treatment was installed at our Barcelona site to reuse water, reducing water consumption to a minimum.





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# Using resources efficiently

As a manufacturer, the efficient use of resources is both a key environmental responsibility and a business necessity. That’s why resource efficiency is an action field in our sustainability program. We always keep an eye on our products’ → **entire life cycles** – from raw material extraction, truck development and manufacturing to → **usage** and → **remanufacturing in our refurbishment centers**.

Linde MH industrial trucks are a typical mechanical engineering product, consisting mostly of metal. To ensure they are → **easy to dismantle and recycle**, we tend to use only a few composite materials, which consist of several materials. A catalog of criteria determines which materials can be used and selection is based on component requirements.



## Battery recycling



Linde MH uses a well-established recycling loop for lead-acid batteries, in which eventually the manufacturers will undertake the recycling. In addition, the individual cells of the batteries can be repaired or recycled long before the overall battery is reclaimed.



Linde MH Lithium-Ion batteries go through a sustainable life cycle process, with the aim to take full advantage of the extraordinary lifespan of this technology:

**Step 1** 2nd use cycle: Thanks to Li-ion batteries’ long lifespans, batteries at a certain state of health (SoH) can be cleaned, refurbished and returned to a new or used truck. Depending on battery usage, this cycle can usually be repeated several times.

**Step 2** 2nd life concept: If the used battery doesn’t match the requirements for being returned to a forklift truck but is still too good

to be recycled, parts are repurposed for different applications (e.g. cell modules in stationary applications / steel trays refurbished and used for new batteries).

**Step 3** Recycling: Once a battery reaches its end of life, it is disassembled into its composite parts (tray, cables/buzz bars, electronics, cell modules) and recycled. In principle, everything can be recycled but the cells are still the most challenging part. As the number of batteries being returned is still quite low, recycling procedures and capacities are not yet fully industrialized. With increasing volumes and upcoming recycling methods, we hope recycled content will see a big rise in years to come.

## Substance substitution

Replacing critical or hazardous substances with less critical ones is an important part of conscious use of resources. This applies to both raw materials and operating materials needed for production which are not part of the end product. For instance, in recent years, hazardous methylene chloride, which was commonly used to clean paint spray guns, has been replaced with a less hazardous substance. A non-hazardous product has even been found for flushing paint lines.

## No need for solvents



Since 2019, the powder painting line at the Aschaffenburg plant has been at the cutting edge of technology, bringing economic and environmental benefits:

The process is fully automated and, thanks to the technologies in place, environmental pollution, water treatment and volatile organic compound (VOC) emissions have been completely eliminated. Solvent emissions alone have dropped by almost 25t a year.

## Recycled materials

Since 1975, the Weilbach site has cast parts essential to all forklift trucks. The team at the foundry produces counterweights that are then assembled in Aschaffenburg. Depending on the product line, a counterweight may weigh between 700 and 3300 kilograms. Ours are made of almost 100% melted scrap metal sourced from all over Europe.



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## It's all about a holistic view

Performance, efficiency, reliability, user-friendliness and versatility: That's what Linde MH solutions and services stand for, and that's what our customers trust in and are even passionate about. Sustainability and the considerate use of resources have also been long part of our brand commitment. Because true efficiency must consider the total operating costs – and the most economical resource is still the one that's never used.

This principle is why we support customers with our → **holistic solutions** in saving energy, reducing emissions and optimizing their environmental footprint. And as responsibility doesn't just start with us, we also include our suppliers in this sustainability approach.

At the same time, we provide best-in-class safety and ergonomics features to ensure that people and infrastructure in material handling processes are protected in the best possible way. Time and again, we set standards with continuous improvements and new developments. "Vision Zero" refers to our commitment to prevent accidents.







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 **85%**  
of new orders in 2020 were generated with electrically powered industrial trucks.

 **0**  
With our "Vision Zero" we aim to prevent accidents in intralogistics.

 **1 in 5**  
forklifts sold in 2020 was an item of used equipment.

 **20%**  
of Linde MH top-spend strategic suppliers have an EcoVadis sustainability rating score.

## Our clearly defined approach

We aim to offer our customers safe, efficient and thus viable solutions. Based on the KION sustainability strategy, two action fields at Linde MH specifically target product-related sustainability aspects:



### Energy- and resource-efficient products

We are committed to offering our customers climate- and environmentally friendly products and solutions that feature improved energy efficiency with high handling performance and also reduce the corresponding CO<sub>2</sub> emissions through lower fuel and energy consumption. The focus here is primarily on products' use phase, as we know from our life cycle assessments that it offers the greatest leverage for climate protection. Our key long-term goal is therefore to achieve CO<sub>2</sub> neutrality of products and solutions during use. Another aspect in this context is the increasing electrification of the product portfolio. Further targets and corresponding KPIs are in preparation.

### Product responsibility

We have long been setting standards with safe and user-friendly products at the very heart of our solutions. Our key consideration is the people who work with our trucks every day. We want to offer them maximum safety and ergonomics, now and in the future, and through "Vision Zero" reduce the risk of occupational accidents in logistics down to zero if possible. In addition, we ensure compliance with statutory regulations and standards and consider any requirements relating to service and (dis)assembly.

In 2020, we made progress in developing Group-wide strategic goals in both action fields and started to define corresponding KPIs (see also → [target overview](#)). As early as the product development stage, relevant targets and design specifications aim to ensure that sustainability aspects are considered to an even greater extent in the future.





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# Product development: Efficiency, sustainability and customer orientation are key

With uniform standards and global coordination of technical activities to shorten the development processes for more product variants, the KION Group's development approach across brands and regions is designed for efficiency. Development projects, initiated by product management in the operating units according to customer need, are coordinated and pooled by the Group-wide CTO organization.

## Our brand commitment

- **Performance** that moves your business
- **Efficiency** that grows with you
- **User-friendliness** from the very beginning
- **Versatility** for your individual success
- **Reliability** for the long haul

The innovative Product Evolution Process (iPEP) was updated in 2020 via the KPDO (KION Product Development Optimization) project. One goal was to incorporate sustainability aspects even more firmly in product development with corresponding targets and design specifications.

Following the adoption of the revised product sustainability strategy at the end of 2020, the relevant KION Group guidelines are now being revised, with the update scheduled for late 2021.

Key here is: Sustainability is and will be a key topic for every product manager. Product management has to ensure that our products fulfill the customer requirements as we aim for the safest, best-performing, most efficient and reliable products for our customers.

### With and for our customers

That's why we prefer to conduct product development and testing in close cooperation with our customers. Most customer ideas arise during our consulting processes, for example on the topics of safety and energy. In customer dialog, we learn about requirements that we can translate into new solutions.

We strengthen the direct customer involvement in the development process. Detailed market analyses and discussions with operators lead to the first prototypes, which we return to customers for testing, including in TruckClinics, where customers personally evaluate the products in a competitive comparison.

In-depth field tests at selected customers round off the customer-centric development before the sales launch. After the sale we remain in close contact via regular visits, our service helpdesk and our feedback management system.

### Fewer parts, lower costs

We consistently apply agile methods in product development. This means work results are available more quickly and we can achieve our goals faster. A high degree of modularity helps us optimize material usage and creates positive effects in logistics, production and service. An important element here

is intelligent platform concepts. For the new generation of our 12xx truck ranges, for example, we need 20% fewer parts than for its predecessor. This cuts logistics costs, increases efficiency, and in the medium term reduces parts requirements in the more than 8,500 service vans in Europe.

### New products: Higher efficiency and lower CO<sub>2</sub> emissions

Our products are designed for maximum handling performance and minimum consumption at the same time. All electric trucks we will develop in the future are Li-ion- and fuel cell-ready. With the 1252 series, we developed an electric truck able to replace an IC truck in almost every application. The results: a significant reduction in CO<sub>2</sub> emissions, 20% fewer parts than former IC trucks and 25% lower service costs for the customer (in 1,500h

application). The N20 SA and N20C SA order pickers increase efficiency in commissioning for our customers by up to 24% – in other words: up to 24% less consumption and up to 24% fewer staff, plus a significant contribution to CO<sub>2</sub> reduction.

## Testing is key

Before a new truck starts series production, Linde MH carries out extensive tests to tap any potential for improvements in quality and handling. These include an 800-hour endurance test in which experienced test drivers document even the smallest deviation. Learn more about the test in this video:

 [Testing at Aschaffenburg plant](#)







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# Sights set on zero accidents

With our safety solutions, we aim to provide the best possible protection not only for trucks but also for people, infrastructure and goods. This is the ambition laid out in "Vision Zero", our safety philosophy that aims to increase safety in intralogistics and prevent forklift and other accidents when handling goods. With this in mind, Linde MH is developing technical innovations in our industrial trucks, as well as intelligent assistance systems, comprehensive training programs and consulting services.

## Vision Zero

Our mission is clear: We constantly challenge the status quo in terms of safety. We inspire ourselves and others, to ease peoples' lives and working conditions and to find the best solutions in material handling.

**Our goal is to prevent accidents by:**

- Using **intelligent assistance systems** to prevent employees from committing operator errors.
- Using **warning systems** to alert operators and pedestrians to danger – to the exact decimeter, even through walls.
- Using unique forklift truck concepts offering **clear views**.
- Using **ergonomic operation or workplaces** enabling focused work over a longer time.
- Using **safety advisors** who identify potential dangers on site and advise on possible solutions.



"With Linde MH Safety Solutions, we have a holistic concept to improve safety in intralogistics. That's how we help our customers to increase the safety of their employees and equipment and sustainably improve their production performance."

Stefan Prokosch,  
Senior Vice President Brand Management Linde MH



**> 36,000**

accidents with industrial trucks, 10 of them fatal, were recorded in 2019 in Germany alone, despite the already high safety level. That's why safety is so important to us.

# Vision Zero in action

In 2016, we launched a true innovation: the newly developed "Roadster". It's the world's only electric forklift truck to offer an almost unrestricted view of the load and surroundings, thanks to its unique design without an A-pillar and with armored panoramic roof.

Driven by our ambition to always redefine what's feasible, we developed a special edition of the Roadster in 2020: The so-called "Perfect Truck" served as an example for industry standards and the best in visibility, safety and productivity currently available.

- **LED stripes** on the lift mast and rear increase visibility for improved safety and show the driving direction by changing the color from white to red and vice versa.
- **No A-pillar and an armored glass roof** allow for maximum all-round visibility.
- The **TruckSpot** visual warning system announces a reversing truck by projecting a large danger sign onto the ground behind the vehicle.
- The **zero-maintenance Li-ion** technology is extremely energy-efficient and emission-free.
- **CS20 tires** provide precise steering and cornering, high grip, low rolling noise and vibration. The low rolling resistance ensures high mileage at low energy consumption.
- The integrated **IZVG VIEW** fork positioner offers better visibility of load and surroundings.
- The **Linde Safety Pilot** assistance system helps the driver to avoid operating and driving mistakes.





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# The big picture: Three dimensions of safety

Our vehicles are literally built around people. In line with our “Vision Zero” philosophy, safety considerations come first in development and equipment. We pay particular attention to the truck’s safety features as well as the safety requirements in its environment. A third safety aspect concerns the specific application of our trucks at the customer’s site.

## The truck Safety as standard

Linde MH forklift and warehouse trucks already come with numerous standard features that increase active and passive safety and thus help prevent accidents. These include automatic parking brakes on E-counterbalance trucks, which prevent the truck from accidentally rolling on ramps or when loading. Linde Curve Assist automatically adjusts speed in bends and Linde Load Assist prevents tipping of the truck from a certain lift height.



## The environment Focus on active accident prevention



**Safety Guard:** An assistance system that increases the safety of all staff involved in internal traffic. Speed zones can be individually set by the customer via Connect:zi, a software solution for connect:desk based on the Safety Guard technology.



**Linde Safety Pilot:** A unique driver assistance system to prevent tipping accidents. Depending on the load weight, lift height and load distance, the display indicates the security of the operations and, where required, limits the mast hydraulic functions automatically.



**Motion Detection** is a new assistance system. It prevents a counterbalanced truck from reversing if movement is detected behind the vehicle.



**Distance Beeper/ Secure Distance Vest:** In the context of the Covid-19 pandemic, Linde MH developed a solution in 2020 to make it easier for

people to adhere to the recommended minimum distance at work. If others get too close, the Distance Beeper or Secure Distance Vest (based on the Safety Guard technology) issues various warning signals. In the event of an infection, the connect:cloud contact tracing software can be used to trace contact chains and make settings such as the minimum distance to be maintained.



**Blue Spot/Truck Spot:** As an early warning device for employees, the Blue Spot/Truck Spot projects a red triangle with a forklift symbol onto the floor, clearly indicating the forklift truck’s direction.



**Warning Lines:** LEDs project clearly visible lines onto the ground to the side of the vehicle. This gives pedestrians in particular an idea of the truck’s working area and what distance to maintain.

## The customer site Safety as a service

We offer our customers product instructions and operator training courses with a focus on safety as well as preventive action and the correct response in critical situations. On top, customers can receive advice on the safe design of their intralogistics’ processes: Linde Safety Scan is a holistic assessment of the internal traffic flow of industrial trucks of all brands and pedestrians. It offers objective and structured advice with specific recommendations by a Linde MH Safety Consultant.







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# Focus on energy- and resource-efficiency

To achieve maximum environmental protection for customers at the lowest possible total cost of ownership – this is one of our goals and the reason why we have defined energy- and resource-efficiency as one of our key action points. We focus on continuous improvements specifically on climate- and environmentally friendly products and solutions that provide the best possible energy efficiency with high handling performance and reduced CO<sub>2</sub> emissions through lower fuel and energy consumption.



For example, we continuously perfected the hydrostatic drive over many years and thus improved the efficiency and eco-friendliness of the IC Trucks as well. The innovative hydrostatic power transmission ensures significantly lower fuel consumption than a torque converter drive and also enables unique truck handling. Linde MH

currently offers an entire range of IC Trucks products with diesel and LPG engines with the latest EU 2016/1628 Stage V emission level. However, it is clear that the future belongs to electric (and more and more hydrogen) drives, which already dominate our product range today and are continuously developed further.



## The broadest range of energy solutions in the market

We want to be the best energy consultant for our customers, recommending the best possible solution for specific material flows. Linde MH thus offers a suitable energy concept for any application:

- **Lithium-ion batteries** as a highly efficient solution that is low in harmful substances
- **Fuel cells** as alternative future technology
- **Diesel** for tough outdoor applications
- **Lead-acid batteries** for light indoor use
- **LPG** for permanent use in wind and rain
- **CNG** for indoor and outdoor applications with CNG infrastructure

### E-trucks with Li-ion technology on the rise



In the review of the KION Group-wide product sustainability strategy, efforts will focus on the composition of the Group's product portfolio and on reducing CO<sub>2</sub> emissions over the product life cycle. Consequently, Linde MH is driving the electrification of its product portfolio – mainly with Li-ion. Work is also in progress on further efficiency improvements to set the course for reducing CO<sub>2</sub> emissions as early as the product creation process.

### Actively managing energy consumption



The introduction of connected:chargers as part of our energy management initiative enables our customers to actively manage their energy consumption via a peak power management during the charging process. Given the increasing share of renewable energies, this is an important contribution to supporting the networks of energy suppliers – and at the same time benefiting from lower energy costs.





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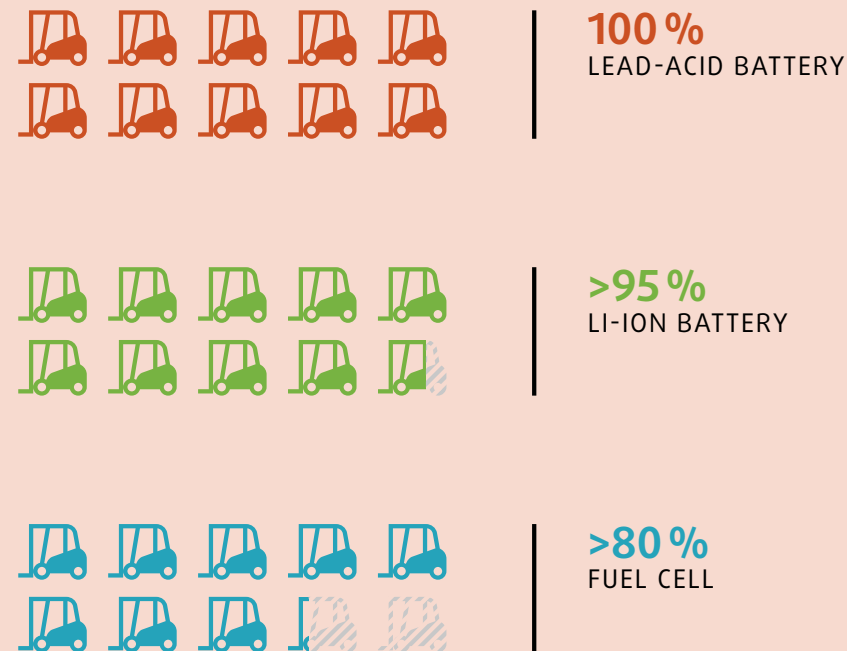
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# Focus on future technologies

Li-Ion battery or fuel cell – Linde MH considers possible future scenarios and driving research and development. This way, we are able to offer each customer a tailor-made solution. To this end, we have developed a specific software tool, the Energy Calculator, to compare all energy sources and find the best individual solution. And crucially, Li-ion batteries are not the only beneficial solution. Fuel cells may also have a good medium- and long-term chance of becoming the drive technology of the future. Our developers have been working on fuel cells since 1997; so Linde MH is basically a pioneer. We believe that both technologies will coexist in the future and complement each other perfectly.

Figure 6. What proportion of the electrified product portfolio can be equipped with a lead-acid battery, a Li-ion battery or a fuel cell?



## Benefits of Li-ion batteries



Energy-efficient Li-ion batteries, specially adapted to the trucks, are available from Linde MH across a large part of the fleet. They offer a number of advantages over conventional lead-acid batteries, such as shorter charging times, interim charging, a two to three times longer service life and a much higher energy content. Their efficiency is over 90%, allowing customers to cut energy consumption and associated greenhouse gas emissions by around 30% compared with a conventional battery-charger combination. Further benefits: No battery gases escape, Li-ion batteries are better resistant to extreme temperatures, and they are extremely easy to handle as there is less need to change batteries and almost no maintenance required.

## Benefits of fuel cells



A benefit of fuel cells is rapid refueling, enabling high availability in multi-shift operations. Here too, no battery change is necessary. Thanks to the regenerative generation of hydrogen via wind power, solar energy or carbon-neutral biogas, they reduce the carbon footprint. Depending on application, the technology is already cost-effective – and it is constantly being developed further.





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# Reducing the ecological footprint over the life cycle

For 7 years now, reliable data from life cycle assessments prepared for representative products along the product life cycle have been available to customers who seek to evaluate and optimize their own environmental performance. The method applied has been tested and certified by TÜV Rheinland. Recertification began in 2020 and will be completed in 2021. Life cycle assessments also provide the basis for strategically integrating environmental aspects into the development process of future products and improving them environmentally speaking. In this context, life cycle analysis ensures that optimizing individual system components will not affect the overall life cycle assessment.

→ Reference case Linde MH published by TÜV Rheinland (German)

## Up to 99% recyclable

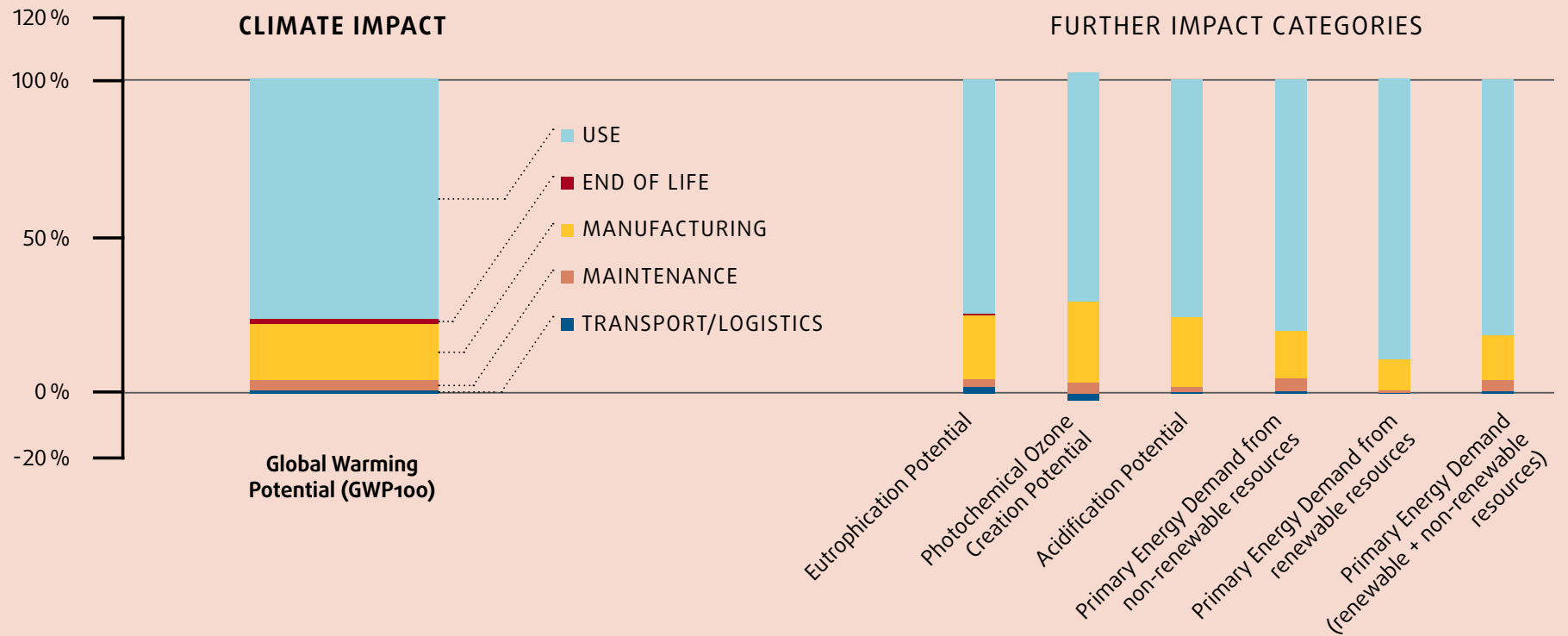
Linde MH trucks are a typical mechanical engineering product, consisting mostly of metal. To ensure they are easy to dismantle and recycle, we tend to use only a few composite materials, which consist of several materials. As a result, Linde trucks are almost completely recyclable.

## Testing performance and consumption

Early on, Linde MH collaborated with industrial, freight forwarding and retail companies to develop T.O.P. (Total Operating Performance), a series of performance tests for forklift trucks and warehouse technology certified by TÜV Nord. Based on defined work sequences that are run by Linde and competitor vehicles under the same conditions, the performance tests reflect specific applications of various trucks in order to compare productivity and consumption. After all, expenses for the purchase are one thing, but more relevant are the long-term operating costs. For example, our 1252 truck demonstrated the lowest consumption in ECO mode compared to respective competitors' trucks (kWh per 100 pallets).

## Use phase: a main driver of environmental impact

Figure 7. Exemplary life cycle impacts of a lithium-ion truck (in %)



## Breathing new life into pre-owned trucks

Linde MH's refurbishment facility for used trucks in Velké Bílovice (Czech Republic) is making an important contribution to sustainability. Opened in 2017, it is already being significantly expanded. As a result, up to 2,000 products a year are to be refurbished on 6,700 sqm of floor space.

The refurbishment process follows a standardized procedure. Each truck is put through its paces at several stations by specially trained experts. When trucks leave the facility, they meet all relevant safety requirements of European legislation regarding handling technology and are awarded the "Approved by Linde" seal of quality.

And the environment benefits as well: Firstly, the volume of raw materials required and the respective energy demand are significantly reduced. Secondly, disposal and recycling in the refurbishment facility meet the highest environmental and health standards.



"Thanks to the implementation of a Life Cycle Asset Management Strategy, the focus on the entire Asset Life Cycle will be enhanced and even more used trucks will be refurbished to allow for a new life."

Matthieu Mazzega,  
Senior Director Rental & Used Trucks KION ITS EMEA





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## “It's not just about our products”

Holger Böhme, Senior Vice President International Key Accounts & Global Contract Management, and Frank Heptner, Vice President Sales & Realisation Intralogistics Solutions, on sustainable (urban) logistics.



Holger Böhme



Frank Heptner

**The global flow of goods is increasing relentlessly, while at the same time more and more people are moving into urban areas. What responsibility does Linde MH assume for urban goods logistics, and how sustainable is it?**

**Holger Böhme:** When we talk about urban logistics, the players are our major customers: They, for example, supply supermarkets with fresh food or pharmacies with medical products. Urban logistics therefore encompasses the very last part of gigantic material flows, the so-called last mile to the end consumer. At Linde MH, we advise on the entire value chain and always offer our customers the best solution to help them achieve their own sustainability goals.

**Let's talk about the last mile: How exactly does Linde MH support its customers' sustainability goals in the process?**

**Frank Heptner:** To put it briefly, this would, for instance, include electrically powered, i.e. locally emission-free, trucks such as the MT12 electric pallet truck. It's very easy to maneuver, even when space is tight. This ensures fast handling processes and ergonomic working. The MT12 has just been purchased by a large supermarket chain in 4-digit quantities. But we do much more than that, because it's not just about our products.

**What else does Linde MH offer?**

**Frank Heptner:** As intralogistics specialists, we ensure that the goods are in the right place at the right time and in the right quantity. We focus on the material flows, which must function as a whole.

That's why the first thing we do at the customer's site is to understand and analyze the overall set-up. Then we delve deeper: How fast and with what range does the material need to pass through the process? Which energy systems are needed when and where? How useful are fully or partially automated solutions? This involves many detailed questions, such as whether a photovoltaic system can be installed on the hall roof or whether automated charging stations can be used. In all of this, the aim is always to sustainably reduce CO<sub>2</sub> emissions - and ideally to implement CO<sub>2</sub>-free logistics solutions for our customers.

**What is the outcome of the consulting process in terms of sustainability?**

**Holger Böhme:** The entire material flow is set up more efficiently and thus also more sustainably, because resources are used much smarter across many process steps. We would never achieve this effect if we limited ourselves only to the last mile. However, by optimizing all stations along the value chain, we also reduce the footprint of urban logistics - goods reach their destination with less use of human labor and energy resources.





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# Sustainability goes beyond us

Our sustainability efforts also extend to our suppliers. The → **KION Group-wide Principles of Supplier Conduct**, establish the key framework for this. They set out the clear expectation that all suppliers must respect human rights and comply with international social standards, including, in particular, the prohibition of child labor and forced labor in accordance with the requirements of the International Labour Organization (ILO) and the enforcement of statutory minimum health and safety standards. In addition, further specific guidelines and regulations such as the KION Group Code of Compliance and the General Terms and Conditions of Purchase, contain requirements for responsible procurement.

Since 2018, we have successively evaluated our strategic suppliers' sustainability performance with EcoVadis. This supplier management tool objectively and reliably assesses 21 criteria concerning Environment, Labor & Human Rights, Ethics and Sustainable Procurement, covering large parts of ISO 26000 and other international standards. In the case of shortcomings, corrective action is initiated and progress reviewed at the next EcoVadis assessment. The effectiveness of this approach is reflected in the fact that in 2020 a large share of reviewed suppliers were again able to improve on the previous rating. In 2020, the Group-wide global supplier base was also assessed and categorized from a sustainability perspective to identify high-risk suppliers.



## Strategic targets for a sustainable supply chain

To create the greatest possible transparency around the sustainability of our supply chain, an EcoVadis rating or a comparable assessment (company group rating or site rating) should be available for:

**25%**  
of top-spend strategic suppliers by 2022

**100%**  
of strategic and high-risk suppliers by 2023

**100%**  
of direct suppliers by 2025

By 2023, we also intend to define and communicate to our suppliers minimum requirements for sustainability in our supply chain based on an EcoVadis score or comparable rating, which will become mandatory for all suppliers in 2027.



→ [Learn more about EcoVadis Sustainability Ratings](#)

 **20%**  
of top-spend strategic suppliers have an EcoVadis sustainability rating score.

 **65%**  
of KION Group suppliers assessed by EcoVadis were able to improve their sustainability performance in 2020.





#### All for Leon

A fundraising campaign for the son of a Linde colleague with lung disease raised around €145,000 in 2018 - money that the family was able to put toward rebuilding their home. That helped Leon get well again and today he is a normal teenager. The fundraising campaign was not the first at Linde MH, and certainly not the last: colleagues simply stand together.

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## Offering a helping hand

As a corporate citizen, we want to play a part in the positive and sustainable development of our society, especially where our customers, employees and their families live and work. Our focus is on social and humanitarian issues, but we also aim to promote education, science and environmental protection. Our CSR approach is to take it back to the local level. After all, local teams are best suited to decide on individual local projects. Our employees love to get involved and provide active support, and of course we welcome their commitment.





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# Social engagement with clear rules

We follow the KION Group’s donation and sponsorship policy that regulates social engagement as well as responsibilities and decision-making processes. The guidelines cover both financial donations and charitable voluntary work, meaning decisions can be made quickly and pragmatically on the spot and help can be provided quickly in an emergency, for example in the event of a natural disaster.

In 2020, the guidelines were revised and streamlined Group-wide. The KION Group Code of Compliance also contains helpful information, providing legal certainty for local managers. All donations and sponsorship activities are checked and approved in advance by our Compliance unit. Only charitable projects are accepted and nothing is expected in return. Donations must always be transparent, follow set principles and comply with the KION Group’s values and rules as well as with relevant legislation.

## Sponsorship or donation?

In all of our social engagement, we draw a clear line between donations and sponsorship activities. Donations are voluntary monetary or in-kind contributions to a charitable organization, made without the expectation of anything in return. On the other hand, sponsorship is linked to receiving something in return, for example advertising or marketing opportunities. Consequently, sponsorship is not part of our sustainability commitment.

We do not donate to individuals or for-profit organizations, political parties or campaigns, or anything that could damage the reputation of our company. It is also vital that the recipients’ intended use aligns with our values or principles.

€ **87,100**  
was given in donations in 2020

**7** projects  
were supported (above €2,000) by Linde MH in 2020



France

## Restaurants Du Coeur – providing for those in need



Fenwick, the French subsidiary of Linde MH, has long been committed to helping those in need. It works with ‘Restaurants du Coeur’, an initiative that has distributed food and material donations to people affected by poverty since 1985. All Fenwick staff are given the option of taking part in Volunteer Day, where they approach customers outside supermarkets and en-

courage them to donate some of what they have just bought. Fenwick provides technical equipment to help distribute donations and hundreds of employees take part every year. In 2020, 12% of a total of 1,440 employees were signed up. Sadly, the planned event had to be cancelled to protect employee safety as a result of the Covid-19 pandemic. Instead, ‘Restos du Coeur’ branches were gifted with office furniture, and sales from the “13 à table” book paid for 6,200 free meals for people in need.





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## Germany Helping children, teenagers and seniors with the StaplerCup



Donations collected in 2020: €10,000



Total donations collected by StaplerCup hilft e.V. charity since the start of the Forklift Cup:

**€225,000**

For over 15 years, Linde Material Handling has organized the annual German Forklift Drivers' competition, StaplerCup. A non-profit association under the name StaplerCup hilft e.V. channels donations as well as proceeds from a raffle held by apprentices during the StaplerCup finals in Aschaffenburg. The proceeds go to institutions that support children, teenagers and senior citizens. The association is supported by a number of celebrities. To avoid endangering forklift truck drivers, employees and visitors, many regional championships could not take place in 2020 as a result of the Covid-19 pandemic. Unfortunately, this meant that the final was also cancelled.

## Spain and Portugal

### Corporate volunteering for the underprivileged



Young people from the CEPI Autistic School, Majadahonda (Madrid)

In 2007, Material Handling Ibérica launched its "Linde Solidaria" initiative with the aim of supporting people with disabilities in Spain. To ensure the effective use of funds, the initiative promotes long-term collaboration with selected institutions which are reviewed annually.

Linde Solidaria is supported by our offices in Madrid, Barcelona, Lisbon and Seville. The original idea was that instead of sending Christmas gifts to customers, Linde Ibérica would make donations to selected local charities. Now, several hundred employees and their families get involved in the "Fiestas Solidarias", which have become an annual tradition at our offices. They volunteer at the charities selected, collecting monetary and in-kind donations.

### 2020 saw Linde MH Ibérica make donations to four different institutions:

- Afadi, Sevilla (€2,000);
- Fundación Arc de Sant Martí (€4,000);
- Colegio Cepri (€4,000);
- CERCIMA - Cooperativa de Educação, Reabilitação, Capacitação e Inclusão (€2,000).



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# About the report

## Contents

This Sustainability Report covers the sustainability activities of Linde Material Handling EMEA (in this report “Linde MH”) during the year under review.

The main section of the report addresses strategies as well as measures, targets and key performance indicators used by Linde MH to manage and measure its sustainability activities. While key figures are presented in the main section of the report, more detailed and comprehensive data can be found in the Annex.

This report has been prepared in reference to the GRI Standards of the Global Reporting Initiative (GRI). Relevant GRI Standards and disclosures were selected based on the results of the latest materiality assessment that Linde MH had conducted in 2018. The → [GRI Content Index](#) provides an overview of all selected GRI Standards or the relevant parts of their contents.

## Reporting period and scope

The Linde MH Sustainability Report 2020 relates to the financial year 2020, covering the period January 1 to December 31, 2020. The contents of the report relate to all consolidated Linde MH companies in the region EMEA\* (operational structure), based in 16 countries and approx. 170 locations, including plants as well as sales and service companies. See Annex for → [subsidiaries covered](#) in this report.

\* EMEA = Europe, Middle East and Africa

## Collection of data and information



**39 reporting entities**  
The key performance indicators (KPIs) in this report were essentially produced based on data from 39 reporting entities. In doing so, data for 6 production and administration locations (referred to as ‘plants’) was gathered individually, while 33 disclosure points for sales and service companies in some cases comprise aggregated data from several locations. Varying degrees of data-gathering aggregation are indicated wherever relevant, where in exceptional cases the data does not cover all employees or subsidiaries in the → [scope of this report](#).

The figures in this Sustainability Report have been rounded up or down in accordance with standard commercial practice. This may result in differences between the sum of the individual amounts given in the tables and the overall totals stated, as well as between the figures stated in the tables and their analysis in the main text of the Sustainability Report. All percentage changes and KPIs were calculated based on the underlying data.



**1,000 indicators**  
The data collection which provides the main basis for the KPIs presented in this report is supported across the Group by WeSustain software. Data on around 1,000 sustainability indicators is currently gathered.

## Forward-looking statements

This Sustainability Report contains forward-looking statements that relate to the current plans, objectives, forecasts and estimates of the management of Linde MH. The management cannot guarantee that these forward-looking statements will prove to be correct. The future development of Linde MH EMEA and its subsidiaries, and the results that are actually achieved, are subject to a variety of risks and uncertainties, which could cause actual events or results to differ from those reflected in the forward-looking statements.

## Further information and resources

For further information on Linde MH’s sustainability approach, see the corporate website → [www.linde-mh.com](http://www.linde-mh.com). Linde MH EMEA is part of the KION Group and represented one of its five operating units in the fiscal year 2020. In the context of the further development of the KION Group’s organizational structure and governance, the operating unit Linde MH EMEA is part of the new operating unit, KION ITS EMEA, with effect from January 1, 2021. As a fully consolidated subsidiary of the KION Group, Linde MH is exempt from submitting a separate non-financial report as required by §§ 315b, 315c in conjunction with 289c to 289e HGB (German Commercial Code). The Group non-financial report is part of the → [KION Sustainability Report 2020](#). For more sustainability-related information on Group level, see the KION corporate website → [www.kiongroup.com](http://www.kiongroup.com), and the → [KION Group Annual Report 2020](#).





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# GRI Content Index

This material references Disclosures 102-1 - 102-8, 102-16, 102-45 - 102-51 and 102-53 - 102-56 from GRI 102: Organizational Profile 2016; Disclosure 205-2 from GRI 205: Anti-Corruption 2016; Disclosures 302-1 and 302-4 from GRI 302: Energy 2016; Disclosures 303-3 and 303-4 from GRI 303: Water and Effluents 2018; Disclosures 305-1, 305-2, 305-3 and 305-7 from GRI 305: Emissions 2016; Disclosure 306-2 from GRI 306: Waste 2016; Disclosure 308-1 from GRI 308: Supplier Environmental Assessment 2016; Disclosures 403-1, 403-2, 403-5, 403-6, 403-8 and 403-9 from GRI 403: Occupational Health and Safety 2018; Disclosure 405-1 from GRI 405: Diversity and Equal Opportunity 2016; Disclosure 406-1 from GRI 406: Non-discrimination 2016; Disclosure 414-1 from GRI 414: Supplier Social Assessment 2016; Disclosures 416-1 and 416-2 from GRI 416: Customer Health and Safety 2016; and Disclosures 103-1 and 103-2 from GRI 103: Management Approach 2016 for all topic-specific Standards listed above as well as for Freedom of Association and Collective Bargaining 2016, Child Labor 2016, Forced and Compulsory Labor 2016, and Customer Privacy 2016.

| Disclosures   | Comments   | References                                     |
|---|--|--|
| <b>GRI 102: GENERAL DISCLOSURES</b>                         |  |  |
| <b>Organizational Profile</b>                               |  |  |
| 102-1 Name of the organization                              |  | → Company (p. 6)                               |
| 102-2 Activities, brands, products, and services            | Linde MH is not aware of any cases where its brands, products and services are not permitted in certain markets. | → Company (p. 6)                               |
| 102-3 Location of headquarters                              |  | → Company (p. 6)                               |
| 102-4 Location of operations                                |  | → Company (p. 6)<br>→ Annex (p. 56-57)         |
| 102-5 Ownership and legal form                              |  | → Company (p. 6)<br>→ About the report (p. 40) |
| 102-6 Markets served  |  | → Company (p. 6)                               |
| 102-7 Scale of the organization                             |  | → Company (p. 6)                               |
| 102-8 Information on employees and other workers            |  | → Annex (p. 50-51)                             |
| <b>Ethics and Integrity</b>                                 |  |  |
| 102-16 Values, principles, standards, and norms of behavior |  | → Corporate integrity (p. 10)                  |





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| Reporting Practice |  |   |
|--------------------|--|---|
| 102-45             | Entities included in the consolidated financial statements | → Annex (p. 56-57)  |
| 102-46             | Defining report content and topic Boundaries               | → Sustainability program (p. 8)   |
| 102-47             | List of material topics                                    | → Sustainability program (p. 8)   |
| 102-48             | Restatements of information                                | Not applicable, as this is the first Linde MH sustainability report since 2014.   |
| 102-49             | Changes in reporting                                       | Not applicable, as this is the first Linde MH sustainability report since 2014.   |
| 102-50             | Reporting period   | → About the report (p. 40)  |
| 102-51             | Date of most recent report                                 | The last Linde MH sustainability report was published in 2014. Additionally, in 2018, Linde MH published a sustainability brochure.   |
| 102-53             | Contact point for questions regarding the report           | → Imprint, contact, credits (p. 48)   |
| 102-54             | Claims of reporting in accordance with the GRI Standards   | → About the report (p. 40)  |
| 102-55             | GRI content index  | → GRI Content Index (p. 40-47)  |
| 102-56             | External assurance   | The contents of this report have not been externally assured. However, major parts of the data were reviewed in the context of the KION Group Sustainability Report audit.<br>→ KION Group Sustainability Report 2020 |

GRI 200: ECONOMIC

Topic: Anti-corruption

|       |  |                               |
|-------|--|-------------------------------|
| 103-1 | Explanation of the material topic and its Boundary                       | → Corporate Integrity (p. 10) |
| 103-2 | The management approach and its components                               |                               |
| 205-2 | Communication and training about anti-corruption policies and procedures | → Corporate Integrity (p. 10) |





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**GRI 300: ENVIRONMENTAL**

**Topic: Energy**

|       |  |  |  |
|-------|--|--|--|
| 103-1 | Explanation of the material topic and its Boundary |  | → HSE – a top priority (p. 18)<br>→ Certified management systems (p. 19)<br>→ Environmental management (p.23)<br>→ Climate change mitigation (p. 24) |
| 103-2 | The management approach and its components         |  |  |
| 302-1 | Energy consumption within the organization         |  | → Annex (p. 53)  |
| 302-4 | Reduction of energy consumption                    |  | → Climate change mitigation (p. 24)  |

**Topic: Water and Effluents**

|       |  |  |   |
|-------|--|--|---|
| 103-1 | Explanation of the material topic and its Boundary |  | → HSE – a top priority (p. 18)<br>→ Certified management systems (p. 19)<br>→ Environmental management (p.23) |
| 103-2 | The management approach and its components         |  |   |
| 303-3 | Water withdrawal                                   |  | → Annex (p. 55)   |
| 303-4 | Water discharge                                    |  | → Annex (p. 55)   |

**Topic: Emissions**

|       |   |  |   |
|-------|---|--|---|
| 103-1 | Explanation of the material topic and its Boundary                              |  | → HSE – a top priority (p. 18)<br>→ Certified management systems (p. 19)<br>→ Environmental management (p.23)<br>→ Climate change mitigation (p.24) |
| 103-2 | The management approach and its components                                      |  |   |
| 305-1 | Direct (Scope 1) GHG emissions  |  | → Annex (p. 54)   |
| 305-2 | Energy indirect (Scope 2) GHG emissions   |  | → Annex (p. 54)   |
| 305-3 | Other indirect (Scope 3) GHG emissions  |  | → Annex (p. 54)   |
| 305-7 | Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions |  | → Annex (p. 54)   |





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Topic: Waste

|       |  |  |   |
|-------|--|--|---|
| 103-1 | Explanation of the material topic and its Boundary |  |   |
| 103-2 | The management approach and its components         |  | → HSE – a top priority (p. 18)<br>→ Certified management systems (p. 19)<br>→ Environmental management (p.23) |
| 306-2 | Waste by type and disposal method                  |  | → Annex (p.55)  |

Topic: Supplier Environmental Assessment

|       |   |  |                                  |
|-------|---|--|----------------------------------|
| 103-1 | Explanation of the material topic and its Boundary            |  |                                  |
| 103-2 | The management approach and its components                    |  | → Sustainable procurement (p.35) |
| 308-1 | New suppliers that were screened using environmental criteria | Linde MH applies EcoVadis as its supplier management tool to objectively and reliably evaluate the sustainability performance of its key suppliers. A separate disclosure of the new suppliers covered by this is currently under examination. | → Sustainable procurement (p.35) |





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**GRI 400: SOCIAL**

**Topic: Occupational Health and Safety**

|       |  |  |  |
|-------|--|--|--|
| 103-1 | Explanation of the material topic and its Boundary                     |  |  |
| 103-2 | The management approach and its components                             |  |  |
| 403-1 | Occupational health and safety management system                       | The basic information can be found in the referenced sections. Due to the complexity of the organization and the associated numerous local differences, as well as for ease of reading, Linde MH does not provide further details. | → HSE – a top priority (p. 18)<br>→ Certified management systems (p. 19)<br>→ Zero accidents philosophy (p.20) |
| 403-2 | Hazard identification, risk assessment, and incident investigation     |  |  |
| 403-5 | Worker training on occupational health and safety                      |  | → Trained for safety (p.21)<br>→ Annex (p. 52)   |
| 403-6 | Promotion of worker health   |  | → Health protection (p.22)<br>→ Annex (p. 52)  |
| 403-8 | Workers covered by an occupational health and safety management system |  | → Annex (p. 52)  |
| 403-9 | Work-related injuries  |  | → Annex (p. 52)  |

**Topic: Diversity and Equal Opportunity**

|       |  |  |   |
|-------|--|--|---|
| 103-1 | Explanation of the material topic and its Boundary |  |   |
| 103-2 | The management approach and its components         |  | → Diversity (p. 15)   |
| 405-1 | Diversity of governance bodies and employees       |  | → Diversity (p. 15)<br>→ Annex (p. 50-51)<br>→ Linde MH Corporate Website: Management |

**Topic: Non-discrimination**

|       |  |  |  |
|-------|--|--|--|
| 103-1 | Explanation of the material topic and its Boundary       |  | → A great place to work (p. 12)<br>→ Diversity (p. 15) |
| 103-2 | The management approach and its components               |  |  |
| 406-1 | Incidents of discrimination and corrective actions taken | In the reporting period, Linde MH was not notified of any discriminatory behavior. Should violations become known, these would be sanctioned according to the legal instruments available locally. | → A great place to work (p. 12)                        |





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**Topic: Freedom of Association and Collective Bargaining**

103-1 Explanation of the material topic and its Boundary

103-2 The management approach and its components

→ A great place to work (p. 12)  
→ Sustainable procurement (p. 35)

**Topic: Child Labor**

103-1 Explanation of the material topic and its Boundary

103-2 The management approach and its components

→ A great place to work (p. 12)  
→ Sustainable procurement (p. 35)

**Topic: Forced or Compulsory Labor**

103-1 Explanation of the material topic and its Boundary

103-2 The management approach and its components

→ A great place to work (p. 12)  
→ Sustainable procurement (p. 35)

**Topic: Supplier Social Assessment**

103-1 Explanation of the material topic and its Boundary

103-2 The management approach and its components

→ Sustainable procurement (p. 35)

414-1 New suppliers that were screened using social criteria

Linde MH applies EcoVadis as its supplier management tool to objectively and reliably evaluate the sustainability performance of its key suppliers. A separate disclosure of the new suppliers covered by this is currently under examination.

→ Sustainable procurement (p. 35)





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Comments

References

Topic: Customer Health and Safety

|       |   |   |  |
|-------|---|---|--|
| 103-1 | Explanation of the material topic and its Boundary  |   |  |
| 103-2 | The management approach and its components  |   |  |
| 416-1 | Assessment of the health and safety impacts of product and service categories                 | As part of the product development process, all Linde MH products are tested for their health and safety impacts in accordance with legal requirements.   | → Our approach (p.27)<br>→ Vision Zero (p.29)<br>→ Comprehensive safety concept (p.30) |
| 416-2 | Incidents of non-compliance concerning the health and safety impacts of products and services | In the reporting year, the company was not notified of any instances or significant fines owing to non-compliance with laws and regulations concerning the supply and use of products and services, or their impact on health and safety. | → Product development (p.28)   |

Topic: Customer Privacy

|       |  |  |                               |
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| 103-1 | Explanation of the material topic and its Boundary |  |                               |
| 103-2 | The management approach and its components         |  | → Corporate integrity (p. 10) |



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# Imprint

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### Picture credits

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## Human Resources figures

Table 01. Gender share, management level (refers to Linde MH GmbH)

|  | 2020   |        | 2019  |        |
|--|--------|--------|-------|--------|
|  | Male   | Female | Male  | Female |
| <b>Gender share per management level (Linde MH GmbH)</b> |        |        |       |        |
| Executive positions                                      | 93.2%  | 6.8%   | 90.0% | 10.0%  |
| Senior executive management <sup>1</sup>                 | 100.0% | 0.0%   | 95.0% | 5.0%   |
| Executive management <sup>2</sup>                        | 89.7%  | 10.3%  | 86.7% | 13.3%  |

<sup>1</sup> 1<sup>st</sup> management level below executive board

<sup>2</sup> 2<sup>nd</sup> management level below executive board

Based on headcount as at balance sheet date 31/12/.

Table 02. Age structure

|                                | 2020        | 2019        |
|--------------------------------|-------------|-------------|
| <b>Employees per age group</b> | <b>100%</b> | <b>100%</b> |
| <20 years                      | 1.6%        | 1.8%        |
| 20–29                          | 13.8%       | 15.4%       |
| 30–39                          | 26.7%       | 27.1%       |
| 40–49                          | 27.3%       | 26.2%       |
| 50–59                          | 25.0%       | 23.8%       |
| 60 years and over              | 5.6%        | 5.7%        |
| Age group not specified        | 0.1%        | 0.0%        |

Based on headcount as at balance sheet date 31/12/.

Table 03. Gender share

|                             | 2020  |        | 2019  |        |
|-----------------------------|-------|--------|-------|--------|
| <b>Employees per gender</b> | Male  | Female | Male  | Female |
| Total                       | 83.8% | 16.2%  | 83.4% | 16.6%  |

Based on headcount as at balance sheet date 31/12/.

Table 04. Contract type full-time / part-time

|              | 2020         |             | 2019         |             |
|--------------|--------------|-------------|--------------|-------------|
|              | Full-time    | Part-time   | Full-time    | Part-time   |
| <b>Total</b> | <b>96.1%</b> | <b>3.9%</b> | <b>95.9%</b> | <b>4.1%</b> |
| Male         | 98.7%        | 1.3%        | 98.5%        | 1.5%        |
| Female       | 82.8%        | 17.2%       | 83.0%        | 17.0%       |

Based on headcount as at balance sheet date 31/12/.





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Table 05. Contract type indefinite / fixed term, gender

|              | 2020         |             | 2019         |             |
|--------------|--------------|-------------|--------------|-------------|
|              | Indefinite   | Fixed-term  | Indefinite   | Fixed-term  |
| <b>Total</b> | <b>94.0%</b> | <b>6.0%</b> | <b>94.5%</b> | <b>5.5%</b> |
| Male         | 94.0%        | 6.0%        | 94.5%        | 5.5%        |
| Female       | 94.0%        | 6.0%        | 94.5%        | 5.5%        |

Based on headcount as at balance sheet date 31/12/.

Table 06. Contract type, indefinite / fixed-term, region

|                        | 2020         |             | 2019         |             |
|------------------------|--------------|-------------|--------------|-------------|
|                        | Indefinite   | Fixed-term  | Indefinite   | Fixed-term  |
| <b>Total</b>           | <b>97.2%</b> | <b>2.8%</b> | <b>95.0%</b> | <b>5.0%</b> |
| Western Europe         | 98.2%        | 1.8%        | 95.9%        | 4.1%        |
| Eastern Europe         | 90.6%        | 9.4%        | 88.8%        | 11.2%       |
| Middle East and Africa | 100.0%       | 0.0%        | 97.7%        | 2.3%        |

Based on full-time equivalents (FTE) as at balance sheet date 31/12/.

Table 07. Length of service

|  | 2020        | 2019        |
|--|-------------|-------------|
| <b>Employees per length of service</b> | <b>100%</b> | <b>100%</b> |
| <5 years                               | 38.2%       | 40.8%       |
| 5-9                                    | 17.7%       | 16.8%       |
| 10-19                                  | 22.8%       | 22.6%       |
| 20-29                                  | 12.0%       | 11.3%       |
| 30-39                                  | 7.3%        | 6.5%        |
| 40 years or more                       | 2.0%        | 2.0%        |
| Length of service not specified        | 0.1%        | 0.0%        |

Based on headcount as at balance sheet date 31/12/.



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## Occupational health and safety figures

Table 08. Management system certification status

| Percentage certified, based on locations (based on employees) | ISO 45001*       |            |
|---|------------------|------------|
|   | 2020             | 2019       |
| Plants & Administration                                       | 80% (97%)        | 100%       |
| Sales & Services  | 59% (62%)        | 76%        |
| <b>Total</b>  | <b>59% (72%)</b> | <b>77%</b> |

Coverage referring to employees available from 2020 due to refined reporting process.  
Higher increase in number of new locations to be certified relative to new certifications in 2020 led to a decrease in ISO 45001 certification rate.  
\* or equivalent standard

Table 09. Accident key figures

|  | 2020 | 2019 |
|--|------|------|
| Number of occupational fatalities                    | 0    | 0    |
| Number of Lost Time Injuries (LTI) <sup>1</sup>      | 190  | 190  |
| Lost Time Injury Frequency Rate (LTIFR) <sup>2</sup> | 10.9 | 10.3 |
| Number of reported commuting accidents               | 102  | 144  |
| Number of reported minor injuries <sup>3</sup>       | 396  | 486  |

<sup>1</sup> Work-related accident of active employees including apprentices resulting in the loss of one full working day or more.  
<sup>2</sup> Calculation is based on the actual number of lost time injuries (work-related accident resulting in the loss of one full working day or more) and the total number of actual working hours in the reporting period relative to one million hours worked.  
<sup>3</sup> Injuries as a result of a work-related accident resulting in a loss of working time less than 1 regular working day.

Table 10. Illness key figures

|                                     | 2020   | 2019   |
|-------------------------------------|--------|--------|
| Illness Rate <sup>1</sup>           | 3.5%   | 3.2%   |
| Number of absence days <sup>2</sup> | 91,359 | 85,050 |

<sup>1</sup> Calculation based on absence days due to illness and work-related accidents and planned working time of active employees, excluding long-term illness.  
<sup>2</sup> Absence days due to illness and work-related accidents, excluding long-term illness (>6 weeks).

Table 11. Occupational health and safety measures

| Number of reporting entities (% of employees) | 2020     | 2019     |
|---|----------|----------|
| Health and safety trainings conducted         | 40 (99%) | 39 (97%) |
| Access to company doctor                      | 30 (85%) | 30 (83%) |
| Offer of occupational health examinations     | 38 (97%) | 36 (95%) |
| Voluntary health measures available           | 22 (79%) | 23 (77%) |
| Offer of health training courses              | 22 (67%) | 22 (70%) |





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## Environmental figures

Table 12. Management system certification status

|   | ISO 14001*       |            |
|---|------------------|------------|
| Percentage certified, based on locations (based on employees) | 2020             | 2019       |
| Plants & Administration                                       | 80% (97%)        | 100%       |
| Sales & Services  | 75% (83%)        | 81%        |
| <b>Total</b>  | <b>75% (87%)</b> | <b>81%</b> |

Coverage referring to employees available from 2020 due to refined reporting process.  
Higher increase in number of new locations to be certified relative to new certifications in 2020 led to a decrease in certification rate.  
\* or equivalent standard

Table 13. Environmental trainings

| Number of reporting entities (% of employees) | 2020     | 2019     |
|---|----------|----------|
| Trainings in environmental topics conducted   | 35 (89%) | 32 (86%) |

Table 14. Energy use

| in GJ   | 2020           | 2019             | Change        |
|---|----------------|------------------|---------------|
| <b>Total energy consumption within the organization</b>                           | <b>867,582</b> | <b>1,019,564</b> | <b>-14.9%</b> |
| <b>Direct</b>   | <b>690,729</b> | <b>806,978</b>   | <b>-14.4%</b> |
| <b>By source</b>  |                |                  |               |
| Fuel consumption non-renewable sources  | 690,729        | 806,978          | -14.4%        |
| Diesel  | 309,158        | 356,086          | -13.2%        |
| Natural gas   | 213,798        | 242,492          | -11.8%        |
| Coking coal   | 123,324        | 154,259          | -20.1%        |
| Gasoline  | 23,511         | 29,559           | -20.5%        |
| Others (Oil for heating, CNG, LNG, LPG, coal, ethanol)                            | 20,938         | 24,582           | -14.8%        |
| Fuel consumption renewable sources (Geothermal, woodchips, biodiesel, bioethanol) | 0              | 0                | —             |
| <b>By purpose</b>   |                |                  |               |
| Fuel consumption non-transport  | 362,680        | 427,490          | -15.2%        |
| Fuel consumption transport  | 328,050        | 379,489          | -13.6%        |
| <b>Indirect energy consumption</b>  | <b>176,853</b> | <b>212,586</b>   | <b>-16.8%</b> |
| Electricity   | 168,686        | 204,210          | -17.4%        |
| Heating   | 8,166          | 8,376            | -2.5%         |
| <b>Self-generated energy not consumed</b>   | <b>0</b>       | <b>0</b>         | <b>—</b>      |
| <b>Energy sold</b>  | <b>0</b>       | <b>0</b>         | <b>—</b>      |
| Electricity   | 0              | 0                | —             |
| Heating   | 0              | 0                | —             |

The new plant in Kolbaskowo (KION Polska sp. z o.o.) will be included when ramp-up of production is completed.  
Percentage of grid electricity used in relation to total energy consumed: 19.4%.  
15.4% of total energy consumption is based on renewable sources (0 GJ of direct energy, 133,524 GJ of indirect energy). Renewable energy is calculated as the sum of fuels from renewable sources (e.g. geothermal, biofuels) and electricity from renewable sources (e.g. wind, solar) from market-based mixes or own installations.



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Table 15. GHG emissions

| in t CO <sub>2</sub> e  | 2020          | 2019          | Change        |
|---|---------------|---------------|---------------|
| <b>Total greenhouse gas emissions (Scope 1.2.3**)</b>                               | <b>84,041</b> | <b>99,522</b> | <b>-15.6%</b> |
| (Total GHG emissions, market-based)   | (66,544)      | (92,041)      | (-27.7%)      |
| <b>Direct (Scope 1)</b>   | <b>51,213</b> | <b>59,745</b> | <b>-14.3%</b> |
| Diesel  | 23,093        | 26,588        | -13.1%        |
| Coking coal   | 13,140        | 15,786        | -16.8%        |
| Natural gas   | 12,100        | 13,760        | -12.1%        |
| Gasoline/ petrol  | 1,578         | 2,083         | -24.2%        |
| Others*   | 1,301         | 1,528         | -14.8%        |
| <b>Indirect (Scope 2)</b>   | <b>21,364</b> | <b>26,154</b> | <b>-18.3%</b> |
| (Indirect Scope 2, market-based)  | (3,867)       | (18,673)      | (-79.3%)      |
| Electricity purchased, location-based   | 20,857        | 25,634        | -18.6%        |
| (Electricity purchased, market-based)   | (3,360)       | (18,153)      | (-81.5%)      |
| Heating purchased   | 507           | 520           | -2.5%         |
| <b>Other indirect GHG emissions from direct and indirect energy use (Scope 3)**</b> | <b>11,464</b> | <b>13,623</b> | <b>-15.8%</b> |
| Scope 3 emissions from direct energy use  | 9,335         | 11,020        | -15.3%        |
| Scope 3 emissions from energy purchased   | 2,129         | 2,603         | -18.2%        |

Location-based data/Explanation: Location-based greenhouse gas emissions are calculated by combining company energy use data and regional average emission factors (e.g. country electricity mix), whereas market-based calculations use emission factors according to the company's specific energy mix as sourced from suppliers (e.g. certified renewable electricity)./\*Oil for heating. Ethanol. LPG. Coal. Hydrogen. CNG. LNG/\*\*Scope 3: covering energy-related other indirect emissions (category 3)/Calculated biogenic emissions (not included in Scope 1.2.3): 5,557 t CO<sub>2</sub>e (2019: 6,745 t CO<sub>2</sub>e) from indirect energy and 0 t CO<sub>2</sub>e (2019: 0 t CO<sub>2</sub>e) from direct energy./2020: Additional significant decrease in market-based GHG emissions due to further sourcing of electricity from renewable sources./The new plant in Kolbaskowo (KION Polska sp. z o.o.) will be included when ramp-up of production is completed.

Table 16. Other significant air emissions

| in kg                            | 2020   | 2019   | Change |
|----------------------------------|--------|--------|--------|
| Carbon Monoxide (CO)             | 5,352  | 13,359 | -59.9% |
| Volatile Organic Compounds (VOC) | 38,448 | 42,225 | -8.9%  |
| Particulate Matter (PM)          | 1,528  | 1,361  | +12.3% |
| Nitrogen Oxides (NOx)            | 19,227 | 18,177 | +5.8%  |
| Others (SOx, phosphates etc.)    | 33,033 | 38,622 | -14.5% |

Table 17. Local energy and emission reduction measures

| Number of reporting entities                                      | 2020 | 2019 |
|---|------|------|
| Specific local energy- or emissions-reduction targets             | 29   | 28   |
| Specific local energy- or emissions-related process optimizations | 11   | 9    |
| Usage of technologies to reduce greenhouse gas emissions          | 9    | 7    |





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Table 18. Water withdrawal

| in million litres  | 2020         | 2019         | Change        |
|--|--------------|--------------|---------------|
| <b>Water withdrawal</b>  | <b>105.3</b> | <b>136.3</b> | <b>-22.8%</b> |
| Municipal water supply   | 97.3         | 126.4        | -23.0%        |
| Ground water   | 7.4          | 9.4          | -21.3%        |
| Other sources (surface, rain, sea, third-party produced water) | 0.5          | 0.5          | +0.0%         |

The new entity KION Polska sp. z.o.o. will be fully covered when reporting is available or ramp-up of production is completed.

Table 19. Waste

| in t                         | 2020          |              |               | 2019          |              |               | Change        |
|------------------------------|---------------|--------------|---------------|---------------|--------------|---------------|---------------|
|                              | Non-hazardous | Hazardous    | Total         | Non-hazardous | Hazardous    | Total         | Total         |
| <b>Total amount of waste</b> | <b>17,179</b> | <b>6,140</b> | <b>23,319</b> | <b>20,330</b> | <b>6,230</b> | <b>26,560</b> | <b>-12.2%</b> |
| <b>Waste recovered</b>       | <b>14,404</b> | <b>4,698</b> | <b>19,103</b> | <b>17,983</b> | <b>4,706</b> | <b>22,689</b> | <b>-15.8%</b> |
| Recycled                     | 13,193        | 4,049        | 17,241        | 16,866        | 3,885        | 20,751        | -16.9%        |
| Prepared for reuse           | 767           | 430          | 1,198         | 912           | 484          | 1,396         | -14.2%        |
| Other recovery method        | 445           | 219          | 664           | 206           | 337          | 543           | +22.3%        |
| <b>Waste disposed</b>        | <b>2,775</b>  | <b>1,442</b> | <b>4,216</b>  | <b>2,347</b>  | <b>1,524</b> | <b>3,871</b>  | <b>+8.9%</b>  |
| Incineration                 | 636           | 639          | 1,275         | 456           | 613          | 1,070         | +19.2%        |
| Landfill                     | 1,748         | 315          | 2,064         | 1,300         | 171          | 1,471         | +40.3%        |
| Other disposal method        | 390           | 488          | 878           | 590           | 740          | 1,330         | -34.0%        |

2020: Changes in waste classification led to movements between waste categories. The new entity KION Polska sp. z.o.o. will be fully covered when reporting is available or ramp-up of production is completed.

Table 20. Waste water

| in million litres                     | 2020        | 2019         | Change        |
|---------------------------------------|-------------|--------------|---------------|
| <b>Water discharge</b>                | <b>94.8</b> | <b>121.6</b> | <b>-22.0%</b> |
| Sewage                                | 94.5        | 121.1        | -21.9%        |
| Surface water bodies                  | 0.0         | 0.1          | -100.0%       |
| Other destinations (or not specified) | 0.3         | 0.4          | -23.3%        |

The new entity KION Polska sp. z.o.o. will be fully covered when reporting is available or ramp-up of production is completed.



## Report scope: subsidiaries

Table 21. Subsidiaries covered by the Linde MH Sustainability Report 2020

| Name  | Registered office | Country | Name                                    | Registered office        | Country        |
|---|-------------------|---------|---|--------------------------|----------------|
| Eisenwerk Weilbach GmbH   | Frankfurt am Main | Germany | Manuchar SAS                            | Gond-Pontouvre           | France         |
| Linde Material Handling GmbH  | Aschaffenburg     | Germany | SM Rental SAS                           | Roissy-Charles-de-Gaulle | France         |
| Linde Material Handling Rental Services GmbH  | Aschaffenburg     | Germany | KION FINANCIAL SERVICES Ltd.            | Basingstoke              | United Kingdom |
| Linde Material Handling Rhein-Ruhr GmbH & Co. KG<br>(formerly: Schrader Industriefahrzeuge GmbH & Co. KG) | Essen             | Germany | Linde Creighton Ltd.                    | Basingstoke              | United Kingdom |
| LMH Immobilien GmbH & Co. KG  | Aschaffenburg     | Germany | Linde Holdings Ltd.                     | Basingstoke              | United Kingdom |
| LMH Immobilien Holding GmbH & Co. KG  | Aschaffenburg     | Germany | Linde Material Handling (UK) Ltd.       | Basingstoke              | United Kingdom |
| LMH Immobilien Holding Verwaltungs-GmbH   | Aschaffenburg     | Germany | Linde Material Handling East Ltd.       | Basingstoke              | United Kingdom |
| LMH Immobilien Verwaltungs-GmbH   | Aschaffenburg     | Germany | Linde Material Handling Scotland Ltd.   | Basingstoke              | United Kingdom |
| Willenbrock Fördertechnik GmbH & Co. KG   | Bremen            | Germany | Linde Material Handling South East Ltd. | Basingstoke              | United Kingdom |
| Willenbrock Fördertechnik GmbH & Co. KG   | Hannover          | Germany | Linde MH UK Ltd.                        | Basingstoke              | United Kingdom |
| Willenbrock Fördertechnik Holding GmbH  | Bremen            | Germany | Linde Severnside Ltd.                   | Basingstoke              | United Kingdom |
| BARTHELEMY MANUTENTION SAS  | Vitrolles         | France  | Linde Sterling Ltd.                     | Basingstoke              | United Kingdom |
| Bastide Manutention SAS   | Bruguières        | France  | Superlift UK Ltd.                       | Basingstoke              | United Kingdom |
| Bretagne Manutention SAS  | Pacé              | France  | Linde Material Handling (Ireland) Ltd.  | Ballymount (Dublin)      | Ireland        |
| FENWICK FINANCIAL SERVICES SAS  | Élancourt         | France  | Emhilia Material Handling S.p.A.        | Modena                   | Italy          |
| FENWICK-LINDE SAS   | Élancourt         | France  | KION Rental Services S.p.A.             | Milan                    | Italy          |
| LOIRE OCEAN MANUTENTION SAS   | Saint-Herblain    | France  | Linde Material Handling Italia S.p.A.   | Buguggiate               | Italy          |
|   |                   |         | Linde Material Handling Austria GmbH    | Linz                     | Austria        |

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Table 21. Subsidiaries covered by the Linde MH Sustainability Report 2020 (→ continued from previous page)

| Name  | Registered office | Country            | Name   | Registered office | Country        |
|---|-------------------|--------------------|--|-------------------|----------------|
| KION Polska Sp. z o.o.                        | Kolbaskowo        | Poland             | Linde Material Handling Slovenská republika s.r.o.   | Trenčín           | Slovakia       |
| Linde Material Handling Polska Sp. z o.o.     | Warsaw            | Poland             | Linde Viličar d.o.o.                                 | Celje             | Slovenia       |
| OOO "Linde Material Handling Rus"             | Moscow            | Russian Federation | Linde Material Handling (Pty) Ltd.                   | Linbro Park       | South Africa   |
| Linde Material Handling AB                    | Örebro            | Sweden             | KION Rental Services S.A.U.                          | Barcelona         | Spain          |
| Linde Material Handling Financial Services AB | Örebro            | Sweden             | Linde Material Handling Ibérica, S.A.U.              | Pallejá           | Spain          |
| Nordtruck AB                                  | Örnsköldsvik      | Sweden             | Linde Material Handling Česká republika s.r.o.       | Prague            | Czech Republic |
| Linde Material Handling Schweiz AG            | Dietlikon         | Switzerland        | Linde Material Handling Parts Distribution CZ s.r.o. | Český Krumlov     | Czech Republic |
|   |                   |                    | Linde Magyarország Anyagmozgatási Kft.               | Dunaharaszti      | Hungary        |